

emita

USA, Canada & Mexico

Ernest Kochmann
CEO and Chairman
Newson Gale Ltd



Leading the way in hazardous area static control

USA - Newson Gale Ltd

- Newson Gale Ltd - The Company
- US Market Fundamentals
- Business Planning for US Market
- Strategic Plan and Actual Result
- Revised Plan and Actual Result
- Progress to Date & Next Steps
- Lessons Learnt



Leading the way in hazardous area static control

Newson Gale Ltd

- Leaders in static control for Hazardous areas
- Established 1988
- Trading technical products for process industries
- 2000 - 13 staff
2008 - 20 staff



Our Business

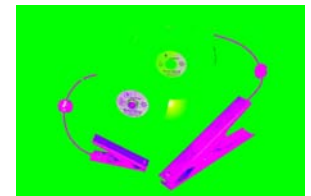
- Most extensive range of product solutions in a niche market.
- Target Customers - Companies handling or transferring flammable products.
- Customers - Petrochemical, Chemical, Pharmaceutical, Paints and Coatings, Food Processors and related contractors.
- High margin - low volume market.

Products

Earth-Rite®

Bond-Rite®

Cen-Stat™



Why USA

- Market Size - 10 - 15 times UK.
- Awareness of Industrial Safety.
- Influence on Global Market - Branding.
- Unique Product Offers.
- Some experience in US markets.
- English Speaking - One currency.
- Good travel connections to East Coast.

The 1999 Plan

Stage 1 - A and B - First Year

- A - Research Market - Competitors - products, performance and customer concentrations.
- B - Make product attractive for US Market.

USA Map



The 1999 Plan

- Stage 2 - C & D - Second Year.
- C - Locate and create Sales Agent network with UK sales resource.
- D - Firm Commitment to US Market.
- Stage 3 - Third Year.
- US support office - Extend Distribution - local assembly/manufacturing/distribution.

1999 Plan - Corporate Issues

- Structure - Subsidiary or Branch
- Patents and Trade marks
- Lawyers, Visas and Banking
- Employment Contracts
- Relocation Costs
- Trade Agreements
- Logistics

Actual 2001- 2004

- Delayed product development and Approvals.
- No success with regional reps.
- Disappointing US Sales.
- US Distribution on Non-Exclusive Basis.
- Slow market take-up - technical support from UK.
- Direct Sales to end Users.

Plan 2005- 2007

First & Second Year

- Relocate Director to US
- Outsource distribution
- Home or Small N.J. Office

Third Year

- Director Return planning
- Office and logistics on one site
- US Managed Operation

Sales Areas 2005



Actual

- Good reception with major companies.
- Major contract made with 94 site company.
- Growing S American opportunities.
- New market product opportunities.
- Further delay in Approvals on new product.
- Logistics implication from Approvals.
- Poor representation arrangement.
- Poor logistics arrangements.

2009

- Committed to own warehouse.
- Own management by year end.
- Revise web-site.
- Link with service provider for new service product.
- New product trials.

2009 Sales Area Map



Lessons Learnt

Long Term Commitment

Unique Proposition

I.P. Protection

Non-tariff Barriers

International Pricing

Logistics

Importance of Internet & SEO

Thank you



Leading the way in hazardous area static control