

STUBBYGLOVE ENTERPRISES

HOT HAND COLD GROG

ABN 84 176 707 810
PATENT # 2001100250
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FRASER, ACT. 2615

WWW.STUBBYGLOVE.COM

LIFESTYLE

Introducing the Stubbyglove! The great new innovation that will revolutionise social drinking throughout AUSTRALIA and the WORLD!

Stubbyglove Enterprises is a partnership created to manufacture and distribute the drinking aid: The Stubbyglove.

Invented to keep your hand warm and to prevent dropping your icy cold drink, the Stubbyglove was created and developed by the three genius' who form this partnership; Jim Kroezen, Leon Krummel and Glen Krummel.

Through an active and direct sales drive, Stubbyglove Enterprises have established a customer network of hotels and bottle-shops throughout Australia and plan to push into retail chains and offer as a promotional product to breweries/distilleries, sporting events/clubs etc.

This presence in the community, coupled with extensive product branding on every Stubbyglove, provides additional sales and product recognition through our interactive website; www.stubbyglove.com.

Co-ordination of our company's resources has proven a great asset to our operation. We have successfully protected our IP through our patent attorney, sourced an efficient and reliable overseas manufacturer and developed our website as a real asset in not just business trading, but as a medium for successful advertising and promotion of the Stubbyglove.

As a business trading for less than twelve months, Stubbyglove Enterprises has enjoyed phenomenal growth and forecasts even greater things with negotiations for export opportunities into Canada and UAE currently underway.

It is truly refreshing and exciting to be operating a business so perfectly aligned to our lifestyle.



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Glen Krummel - 0402 030 967

CUSTOMERS

Stubbyglove Enterprises consumer market primarily targets companies and events synonymous with social drinking.

Breweries offering the Stubbyglove as a promotional item, specifically branded to heighten their profile with this new and innovative product, benefit with increased sales by capitalising on the novelty appeal of the Stubbyglove to the general consumer.

Stubbyglove Enterprises offer our customer network of hotels and bottle-shops a selection of different colours and slogans and in ratios of left and right hand as desired. "Mixed bags" are purchased with a guarantee that all unsold stock will be bought back should they not be satisfied with the rate at which their Stubbyglove's sell.

While initially a large gamble we had taken, this sales method has proven enormously effective. In over 5 months retailing through outlets, some 5000 Stubbyglove's have been sold with not a single one returned. In nearly all cases these customers continue to place repeat order in excess of their original quantities.

As an additional value add tool for these customers, their hotel details are posted on the forthcoming "Outlets" page of the Stubbyglove website for extra exposure and custom from consumers in their area.

In order to measure our customer's satisfaction with our product, we have had to devise a new, unique and ingenious KPI method. It is Stubbyglove Enterprises standard practice to gauge satisfaction by the sheer width of our customer's smile and the excitement in their reaction to the greatest innovation in beer drinking technology since bubbles; The Stubbyglove!

A happy customer

G'day Stubbyglove Geniuses

My order arrived today, and might I say everyone is mightily impressed. I have already taken several pre-orders for the next lot as well. Here's a testimonial from one of my blokes:

Having collected mine I can say with unreserved positivity that human evolution and invention have reached their peak. There is nothing left to be achieved.

:)

Thanks again.

Cameron

PROBLEMS/SOLUTIONS

Our first hurdle to overcome was protecting our Intellectual Property. As with all new ideas, we were wary of others taking advantage of our design and manufacturing our own product to compete against us.

On reflection, this was one of the easier problems we overcame. We decided immediately that we needed to secure the services of a legal professional.

As simple as searching the yellow pages, we found Patent Attorney's Griffith Hack in Melbourne who took us on and went through the patent and trade marking processes on our behalf. All concerns we had about the cost of professional service were allayed when we received notification that our patent application had been successful. The detailed information and illustrations composed by our attorney was far more specific and relevant than we could have ever hoped to produce ourselves.

With that problem overcome, we found ourselves faced with a major dilemma. Where to have the Stubbyglove manufactured? Investigations into local industry proved economically unviable. Due to the labour intensiveness of composition, the Stubbyglove would have to be made offshore if it were to become a business reality. With no capital we stretched our finances to breaking point. With credit cards over their limits and all savings invested, we decided upon and made preparations for the long trip to Thailand.

Upon arrival in Bangkok, we decided we needed some assistance and contacted AUSTRADE in the Australian Embassy. With their help we identified a number of prospective manufacturers and scheduled meetings. Our first contact with a supplier didn't fare too well as their head office was located in Taiwan. They didn't show a great deal of interest and were not keen to help us with samples or ideas to commence production. This was our first reaction from a supplier and we were a little concerned about the response we might receive from our next meeting. Sitting in the lobby of our hotel, the General Manager and Production Manager of our next prospect put us at ease almost immediately. They showed great interest in taking the Stubbyglove on board and showcasing their talents in neoprene manufacturing. We took another gamble and left an original that we had made with them to compose Stubbyglove's of a saleable quality.

The two weeks waiting for the first samples were a trying time. We had invested our money, time, and dedication to our product, and our success seemed to now be in the hands of strangers 9000kms away.

When the samples landed however, we were not disappointed. The quality and workmanship was outstanding, proving that our gamble was well worth the risks and we were ready to set the ball in motion for the very first production run.

Some six months and one more trip to Thailand later, we have successfully increased production capacity by 500% from our starting date and are striving to further increase this with a push into the export market.

MARKETING

Stubbyglove Enterprises first foray into the media was as much a stroke of luck as it was good planning. While composing a calendar of events to showcase our product, we stumbled across an advertisement for the 2002, Australian International Beer Awards & Festival. It was too good to be true. A festival dedicated to beer and its related products. We signed up as exhibitors on the spot and set about preparing everything for our first major event.

The set up at the Beer Awards took less time than we thought. We had little idea what kind of presence other exhibitors would have or how professional we would look in comparison. We settled on comfort. When we'd finished setting up, our stand was almost a mirror image of our lounge room at home. In fact, in order to curb costs we had used all of our own furniture as props. This became a success for us, with customers coming to our stand, chatting, relaxing in the couch and generally feeling comfortable.

This attention raised the eyebrow of a Network 10 television reporter and after our first day we had made it into the news with our "innovative product to keep a handle on your favourite drink"¹. As a result of that 5 seconds of exposure, our stand was flooded the next day. People came searching for the Stubbyglove and we received dozens of testimonials and added media interest.



Beer Awards, 2002

The greatest success of our exhibition at the Beer Awards came a week later. Respected TV sports commentator Steve Quartermain had seen the Stubbyglove on the news and contacted us for some samples. Steve was about to provide us with greater exposure than we could imagine. We sent him six Stubbyglove's for showcasing during his weekly appearance on Network Ten's "The Panel". Seen by over 1 million people Australia wide for an entire 10 minutes in prime-time television, public interest in the Stubbyglove skyrocketed. As a result, Stubbyglove Enterprises now enjoys a brand awareness that might otherwise have taken years and numerous dollars to achieve.

STUBBYGLOVE™ SHAKES the MOUNTAIN
Come and see how Stubbyglove take the mountains by storm at this year's Bathurst 1000 from October 10-12, 2002.

The Stubbyglove team will be joining the race with the greatest invention in beer drinking technology since 1846. The STUBBYGLOVE™ designed to enhance your drinking enjoyment in the back seat for 100% less of other drinking pleasure. Check your BUMP or BICEP Stubbyglove will also allow your allegiance to the cars that make the difference.

STUBBYGLOVE™ PLAYS ON THE PLAINS
Watch for the STUBBYGLOVE™ team during the rounds of this year's Deniliquin Ute Muster - PLAY ON THE PLAINS FESTIVAL.

As synonymous with Australia as the ute itself, the beer drinking experience will never be the same without the record breaking in excess of 14,000 people. Be one of the first to secure the limited allocation of beer in a container in Australia and to have your name on the list. Reserve an Australia Customer here. The STUBBYGLOVE™. Coming to the Ute Muster this year.

Catch us at the Deni Ute Muster
Deniliquin 4-5 October 2002.

Manufactured using the highest quality material the STUBBYGLOVE™ is a 100% Australian owned innovation.

Deniliquin Ute Muster

Similarly, we now look forward to headlining an article in Melbourne's "The Age" newspaper's weekly lifestyle lift out "Epicure". Coupled with our appearances at events like the Deniliquin Ute Muster and Bathurst 1000 motor race, we look forward to similar, if not greater successes.

Another successful marketing strategy has been our direct sales approach. By offering our customer network of hotels and bottle shops a period of exclusivity in their area, we have eased the initial difficulty of sale. Our customers appreciate that as we generate publicity and raise public interest, they can in turn benefit from an increase in patronage.

We have successfully devised a mixed marketing campaign of direct sales and cross media exposure, with the success of one playing a pivotal role in the continued success of the other.

Most of all however, the best resource we have in marketing is our belief and enthusiasm in our own product. Only through this and dedication could we have achieved the level of success we have enjoyed in such a short period of time.

1. Sandra Sully, Network Ten news, Friday 31st May 2002

AMBASSADORS

Stubbyglove Enterprises has developed and grown as a Micro Business through determination, persistence and belief in our own product. With little assistance for start-up companies in Australia, we have persevered independently to build a client base and product recognition that will give us a platform to expand our services and product range. With plans to export the Stubbyglove and to capitalise on its trademarked brand, Stubbyglove Enterprises have achieved huge success with limited resources in a remarkably short period of time.



Leon Krummel – Jim Kroezen – Glen Krummel
Stubbyglove Enterprises

Stubbyglove Enterprises shows that taking a gamble on an idea or product you believe in can prove an exciting and rewarding business opportunity.

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