Smart Textiles 25/06/2015

"How to get a new product to market"



- 30seven® heated apparel was launched in 2009
- Headquarters located in Kortrijk, a city in the heart of Flanders in Belgium



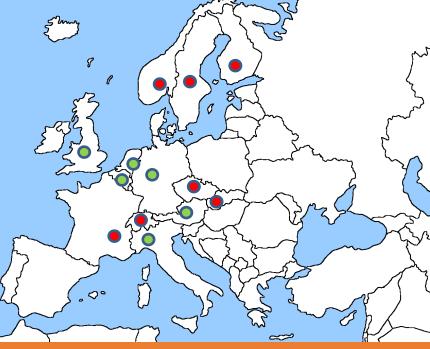




Worldwide representation of 30seven®

- Sales agency
- Distributor







- The company is engaged in developing, manufacturing, marketing and selling of 30seven® electric heated clothing.
- After many years of experience in the automotive car seat heating market, we developed the unique electric heating technology "NOVAHEAT®"







From idea to commercial product!

The story of 30seven®!



10 steps to bring a new product to the market!



Step 1: Idea conception and evaluation

- Is it <u>feasible</u> to make the product upon your abilities? Do we need <u>partners</u> to develop the product?
- Can we make it in a <u>profitable</u> way?
- Is there significant competition?
- Are people willing to pay some "extra" for your new product?



Step 1: Tips & tricks

- <u>Feasible</u>: make good prototypes and be not afraid to put the product into the market.
- <u>Profitable</u>: invest time in finding the right production partners, take a minimum gross margin of 45-50% in the beginning
- <u>Competition</u>: make a competitive analysis and take your direct competitor as best practice.
- Extra: compare your price with competitive products or with similar products on the market. Use the magic numbers in pricing your products: 49-99-149



Competitive comparison

Star rating ******	Novaheat	USA competitor	Austrian competitor	Chinese import
Safety	****	***	***	*
Efficiency	****	***	**	**
Durability	****	***	**	*
Heating duration	***	***	***	**
User friendliness	****	***	***	**
Comfort	***	***	***	*
Cost price	***	**	***	***



Step 2: Determine your target market

- Make an in depth market segmentation and select on or more target segments.
- Get involved with your target market. Go to events, exhibitions, read magazines, blogs, newspapers, talk with enduser groups.



Step 2: Tips & tricks

- Do a real micro segmentation of the market. The basic needs can be totally different within a market.
 - Ex. Winter Sports
 - Ski
 - Alpine Ski
 - Cross-country ski
 - Cycling
 - Road cycling
 - MTB
 - Down-hill
 - Home-work
- Talk with customer groups, let them be the first to test the product before you bring it to the market. Select a group of test persons with different age, culture, interest.

30 SEUEN

Step 3: Conduct market research within your target segment

- Try to understand how customers will compare your product with others
- Try to figure out what price they are willing to pay
- Make a good cost calculation of your product
- Make a first product/prototype that people can evaluate



Step 3: Tips & tricks

- Make customer surveys, a blog a brochure, presentation, so that people can evaluate something.
- Send the prototype to experts, journalist, who will write about your product. Gather testimonials



Boonen en Roelandts testen verwarmde handschoenen

Tom Boonenen Jürgen Roelandtszullen zondag in Gent-Wevelgem alvast niet moeten klagen over verkleumde handen. Gisterenmiddag, bil de start van de E3 Harelbeke, kregenze van verdeler ad interim Nico Mattan een paar elektrisch verwarmde handschoenen van de Bellegemse producent 30 Seven toegestopt, «Bedoeling is dat ze ze vandaag (gisteren, red.) of zaterdag even kunnen uittesten», legt Mattan uit. «De handschoenen zorgen via een lithium-batterij voor constante verwarming van de rug, vingers en vingertoppen van de handen. Met een soort thermostaat terhoogte van de pols kan je te allen tijde de temperatuur regelen. De batterij gaat tot acht uur mee.» Kostpriis: 199 euro. (IDK)



de Kemmel (155 meter) en ligt ook helemaal onbeschermd. Voor de Kemmel verwacht ik geen probleen. Tenzij het vijf graden zou vriezen, maar dat is niet wat ze voorspellen. De afdaling moet ook lukken. We dalen niet af langs de kasseien, de straat ligt onder de bomen,



us sneeuw kan daar niet valen, en de strooidiensten zijn
en plekke om ervoor te zorgen
at het niet glad wordt. Als het
cht heel erg zou worden, dan
unnen we ook de Kemmel
og links laten liggen en geoon op de grote haan blijvon.
laar dat scenario ligt nu niet
oor. Do Kemmel is tenslotte

Team Boonen heeft deal met weersite

Omega Pharma-QuickStep heeft een exclusief samenwerkingsakkoord afgesloten met weather4sports, een website gespecialiseerd in weersvoorspellingen voor sportmanifestaties. Weather4sports geeft zeer

Weather4sports goeft zeer gedetailleerde voorspellingen. Voor de E3 Prijs bijvoorbeeld per uur per locatie op het parcours. Temperatuur, neerslag, windrichting- en kracht. Zeer bruikbare informatie voor een wielerploeg. Vanaf nu exclusief voor OPQS. De website bestrijkt ook an-

het gisteravond bij de start van Macedonië-België 6 graden was en bij het laatste fluitsigneal 3 graden. Dezelfde site werkte tijdens de Olympische Spelen van Londen al samen met zeilster. Tom Boonen, ook zwaar afgetraind en im92. Vandaar ook het klapportanden van Marcel Sieberg zondag in Sanremo: im98. Dat betekent dus dat we zondag een compacte, vlezige blok op de hoogste trede in Wevelgem krijgen. We zijn benieuwd.

Roelandts test verwarmde handschoenen

Geen slecht idee met dit weerelektrisch verwarmde handschoenen. Nico Mattan liep ervan mer ond bij de start van de E3
Prijs - van een vriend" - en liet
ringd:
terstezemplaar overhandigen aan Jürgen Roelandts.
gen aan Jürgen Roelandts.

gen aan Jürgen Reelandts.
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twee likhium-ion herlaadbare
batterijen ehebben een aut
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nomie van twee tot zes uur,
nomie tyn de gevraagd
warmte. Er zijn drie standen
mogelijk. De herlaadtijd bedraagt

modelly. De herlaadtijl bedraagt
vier uur, De winkelprijs bedraagt
139 euro.
RoeIandis gebruikte de
handschoeren niet in de
ES Prijs, maar
tekt ze vandaag zeker op
training. (wow)



ar proegmants.

WIELRENNEN Telex

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Step 4: Make a prototype series

 Make prototypes which are look-alike of the final production series. Customers, investors, potential partner want to see/feel if your idea is working







Step 4: Tips & tricks

- The first real money has to be spend! Make sure you have foreseen a budget!
- Get involved with a good design team who can make your product nice, trendy but also cost-effective.



Step 5: IP protection

- Make an in depth patent search by a patent attorney
- Define your patent strategy
 - Patent filling
 - Trademark
 - Utility model
 - Copyright





Step 5: Tips & tricks

- Do first your own patent search on public databases :
 - Espacenet
 - European patent office
 - Local federal agencies
- A patent is very expensive. First years cost about 80Keuro.



Step 6: Choose your business model

- How will we sell the product ?
 - Start your own company ?
 - Outsource Entrepreneur?
 - Licensing ?



Step 6: Tips & tricks

- Choose the concept which fits best to your budget.
- You only do manufacturing in house if :
 - You can do it more cost efficient
 - You have the know-how
 - If it is crucial to keep the technology secrets in house.



Step 7: Create a business plan & Marketing plan

- Business plans are not only about money, resources, investments, employees but also communicates your goals, mission and vision
- Make up a marketing plan following the 4P's model of McCarthy





Step 7: Tips & tricks

- Make an realistic business plan. Built-in some extra reserves
- Hire a specialist to help you with the marketing plan.



Step 8: Create Marketing tools

- Create logo's , brochures , website
- Spend enough time to create the packaging.
 Packaging contributes a lot to the image of your idea and company



Step 8: Tips & tricks

- Make nice video's of your products and applications
- Use copyrighters for the content of the marketing tools
- Make a marketing agenda for communication through social media channels



Step 9: Manufacturing

 Choose your manufacturing partners for the production of raw materials, half products and finished products very carefully as delay in delivery, bad quality can damage your image.



Step 9: Tips & tricks

- Start small production series first in Europe.
- Make sure you have enough cash to finance the first production.
- Make up a quality control plan (QC)
- Do 100% quality control in the beginning



Step 10: Find sales agents/distributors and start selling

- Choose a distribution option that you can support with customer service, is open to new innovations and can be impacted by a small sales force
- If sales are not running as expected, be patient!



Step 10: Tips & tricks

- Make sure you have a very good contract with your agents/distributors.
- Only use distributors in countries where it is really necessary. Distributors are taking biggest part of the margin
- E-commerce is the cheapest way to sell your product into the market.



- More than <u>6,000 retailers</u> and online shops are selling 30seven[®] heated apparel in Europe, Canada, New Zealand and Australia
- Amongst our customers, we have big retail chains like <u>Intersport</u> and <u>Sport 2000</u>,
- 30seven® heated apparel is used during <u>all kind of activities</u>: Alpine ski, cross country ski, hunting, ice-fishing, cycling, motor biking, hiking, skating, golf, diving, surfing or simply when sitting outside with friends during a cold evening.
- 30seven® heated <u>industrial clothing</u> is used by companies active in logistics, construction and building, agriculture, food production, oil & gass, and by many police forces



Questions?

Visit our website

www.30seven.eu

