

# Preliminary Marketing Plan For A North American Aquatic Business Enterprise

Overview Of A Planned Two-Part Effort To Promote [REDACTED] Products First To Individuals, Competitive Teams And Organizations And Then To Franchisees As Part Of A North American [REDACTED] Franchise Network.

## GENERAL ASSUMPTIONS

1. [REDACTED] U.S. Aquatic effort will encompass the following segments:

AQUATIC EFFORT Markets  (Non-Retail Non-Boatyard)	Oceans	Lakes	Rivers	Trailerable	Non-Trailerable	Competition	Pleasure Use	Commercial & Government
	Sailboats	X	X	X	X	X	X	X
Powerboats	X	X	X	X	X	X	X	
Surf Boards	X					X	X	
Kite Boards	X	X	X			X	X	
Windsurfers	X	X	X			X	X	
Canoes / Kayaks	X	X	X	X	X	X	X	
Rowing	X	X	X	X	X	X	X	
Jet Skis	X	X	X	X		X	X	
Work Boats (All Types)	X	X	X	X	X			X

2. Aquatic niche coverage is assumed to be along the following guidelines:

U.S. AQUATIC MARKETS  Niche Coverage		[REDACTED]	Other	Early 2008	Late 2008
Retail	Boat Gear / Equipment		X		X
	Canoeing	X		X	
	Kayak	X		X	
	Rowing	X		X	
	Sailmakers	X		X	
	SCUBA	X		X	
	Surf	X		X	
Non-Retail	Boat Yard / Repair Facilities		X		X
	Cleaning & Maintenance Franchising	X			X
	Commercial Enterprises	X			X
	Competition Teams	X			
	Governmental Agencies	X			X
	Individuals	X			
	Private Contractors	X		X	

3. [REDACTED] to provide product expertise and direct sales efforts for North America. North American efforts are defined as primarily the [REDACTED] but may be followed by [REDACTED].
4. U.S. effort will be undertaken as a ramp-up program.
5. Potential conflicts with other [REDACTED] distribution or sales organizations will be resolved by [REDACTED].

## **PRODUCT**

### **Assumptions:**

1. The following [REDACTED] products and assumed availability periods fit what boaters will use or may request and is what franchisees will need to create a Total Provider franchise.

<b>U.S. AQUATIC MARKETS</b> <b>Anticipated Product Availability</b>		
Primary	Aquatic line	Q2 2008
Secondary	Aquatic Line + Care Line Specials	Q3 2008
Tertiary	Aquatic Line + Care Line Specials + Full Care Line	Q4 2008

2. Product sizes and pricing will be configured to fit designed usage parameters and user requirements.
3. [REDACTED] products will meet U.S. environmental standards.
4. [REDACTED] will advise on best shipping methods, importation requirements and lead times.

### **Needs:**

#### Supply

Product availability, order and re-order quantities, shipment timing, logistics and inventories require definition.

### **Comments:**

Program to be undertaken as a start from scratch effort and flexibility will be key. The preceding is felt to be appropriate but definitely subject to commentary and change as needed or dictated by the market.

## **BUSINESS RELATIONSHIP**

### **Assumptions:**

1. A mutually acceptable written agreement will be executed by [REDACTED] and [REDACTED].

### **Needs:**

#### Business Form

Determination of most appropriate relationship to utilize requires definition. [REDACTED] can serve as [REDACTED] or [REDACTED] / consultant or whatever form is deemed most effective.

### **Comments:**

Efficient and timely launch of the [REDACTED] U.S. Aquatic effort is recommended.

## **ADMINISTRATIVE**

### **Assumptions:**

1. [REDACTED] to operate in such a manner that all key business details will be available for [REDACTED] review.
2. Communications will be geared for as rapid a response as possible to and from all parties.
3. For the short term and as appropriate to [REDACTED] plans, [REDACTED] business [REDACTED] as an independent consultant and distributor can provide basic legitimacy and tax reporting coverage for U.S. activities if desired. It is expected that the business format will change as growth is encountered.
4. [REDACTED] will work from current office facility until business demands require additional space at which time parties will work out a mutually acceptable solution.

### **Needs:**

#### Liability Insurance

To protect all parties [REDACTED] check on the costs of liability insurance and provide details for consideration.

#### Communications

[REDACTED] will add SKYPE (or compatible VOIP) and proper cell phone capabilities to his communications tools. Suggestions and technical requirements regarding [REDACTED] telephony systems will be needed.

### **Comments:**

The needs of administering the [REDACTED] U.S. business effort are expected to change quickly. In order to begin simply and efficiently use of [REDACTED] current office arrangement is felt to be the most appropriate.

**MARKETING / PROMOTIONS / PRESENTATIONS**

**Assumptions:**

- [REDACTED] will be trained as quickly as possible with a goal of becoming Holmenkol’s technical, marketing and sales expert in the U.S.A. for Aquatic markets and potentially additional markets.
- Appropriate marketing samples and materials will be available from [REDACTED]. Items not currently available will be created as quickly as possible.
- Personal contact with key [REDACTED] individuals is a cornerstone of this effort.
- Event attendance and presentations are also vital to this effort.

**Needs:**

Training

Technical, application and usage training with emphasis on marketing / sales approaches is vital.

Anecdotal Information

Practical experiences and testimonials from satisfied users will enhance promotional efforts.

[REDACTED] Marketing, Promotional & Educational Materials

Either quantities of finished items for immediate use or layouts including standards for such items (paper or electronic) will be necessary if presentation materials are to be created in the U.S.

Website

U.S. Aquatic oriented website is a must. [REDACTED] can provide – example to follow shortly.

Initial Promotional Plan

See below for proposed Direct Sales promotional schedule.

Efficient Response Times

Rapid turnaround of technical, marketing, promotional or sales questions and / or marketing and promotional materials will be critical.

Sponsorships

An indication of desired level of involvement in sponsoring events or teams (if any).

Samples

An indication of desired level of interest in providing samples free of charge to key individuals or events.

Advertising

An indication of the level of advertising desired (free classifieds through banner and journal spreads).

**Comments:**

The following table provides initial thoughts on the marketing and promotions schedule for direct sales to individuals and teams. Such a plan is expected to create interest and sales as well as help set the stage for the franchising effort to follow. A more detailed plan will be provided once basic elements and budgets are agreed upon:

U.S. AQUATIC MARKETS												
Suggested Preliminary Direct Sales Marketing Plan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Training & Market Intelligence Gathering	█	█										
BLOG / Forum Participation			█	█	█	█	█	█	█	█	█	
Phone Contact w/ Key Players			█	█	█	█	█	█	█	█	█	
Press Releases			█	█	█	█	█	█	█	█	█	
Website Promotion			█	█	█	█	█	█	█	█	█	
Email Campaigns				█	█	█	█	█	█	█	█	
Attend Events					█	█	█	█	█	█	█	
Online Ads					█	█	█	█	█	█	█	
Postal Mailings					█	█	█	█	█	█	█	
Presentations					█	█	█	█	█	█	█	
Print Ads							█	█	█	█	█	

## **FINANCIAL**

### **Assumptions:**

1. Once a preliminary plan is agreed to [REDACTED] will provide start-up funding on a basis that allows efficient funds commitment for approved expenses and complete clarity of funds usage for [REDACTED].
2. [REDACTED] to be authorized to commit funds for approved activities or purchases at [REDACTED] discretion.
3. As a start-up venture budgeting will be somewhat cautious until proven marketing / sales techniques are defined.
4. [REDACTED] will be compensated ([REDACTED] or [REDACTED] fees) for managing the North American [REDACTED] Aquatic effort on a full time basis via twice monthly payments.
5. Reasonable travel and related expenses will be reimbursed by [REDACTED]. Reimbursement to be paid as quickly as possible.
6. When and as or if appropriate incentives may be negotiated for [REDACTED]. Such incentives may alter originally established compensation plans.

### **Needs:**

#### Financial Preferences

An indication of desired form of financial involvement and levels of commitment.

#### Financial Management

An indication of preferences regarding management of start-up funding.

#### Compensation

[REDACTED] / [REDACTED] agreement on compensation.

### **Comments:**

It is recognized that as a start-up effort expenses will need to be kept to a minimum and that time and success may dictate the need to renegotiate budgets and compensation plans. A primary early goal will be to recover start-up and promotional costs as quickly as possible. With experience [REDACTED] will be able to provide Forecasts, ROI information, Expense Recovery Analyses, Break-Even details, etc.