

ABRO Convention

First ABRO Benchmarking Convention of Marketing for Central and South America held in Ecuador



Febrero, 2007



Mario Manta, ABRO Sales Manager, along with Xavier Villagómez, Celso Cepeda, Xavier Villagómez Jr., Christain Garzón and Andrés Jaramillo of Abrodesivos del Ecuador S.A. welcomed ABRO distributors Alejandro Rubio (Chile), Guillermo Makabe and Jorge Lara (Peru), Harry Barbosa and Gustavo Barbosa (Colombia), Guillermo Herrera (Panama), Leonor Sosa (Dominican Republic), Kenny Yuja and César Hernández (Honduras), Gilberto Vanegas (El Salvador), Eduardo Retana (Costa Rica), and Raúl Rosales (Guatemala) in the beautiful city of Quito, Ecuador.

On February 5th and 6th, distributors from Central and South America were able to meet in Quito, Ecuador for an innovative event called

The ABRO Benchmarking Convention of Marketing in Ecuador.






Major Agenda Items Included:

1. Seminar organized by Abrodesivos del Ecuador S.A. in which Celso Cepeda, manager of Marketing and Sales, demonstrated promotional sales activities and strategies used in Ecuador which have enabled them to well position the ABRO brand in Ecuador.
2. Counterfeit: The commercial office of the American Embassy in Ecuador was present to give helpful tips on how to make claims on intellectual property in different countries, and how American embassies can help in the problematic situations ABRO faces with counterfeit products.
3. Creative Group seminar hosted by a famous Ecuadorian entertainer in which the



Each ABRO distributor who successfully completed the ABRO Benchmarking Convention of Marketing for Central and South America received a certificate of achievement.

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ABRODESIVOS started with a production of 1400 rolls of masking tape per day.



With the new equipment, masking tape production is now up to 40000 rolls a day.

company executives showed off their talent and creativity in a fun way.

4. Guided tour through Abrodesivos' facilities.

Knowledge, challenges, experiences, and the manufacturing process of tape conversion were discussed and compared with ABRO distributors of other countries.

The hosts were Mario Manta of ABRO Industries Inc., along with Xavier Villagómez, Celso Cepeda, Xavier Villagómez Jr., Christain Garzón y Andrés Jaramillo of Abrodesivos del Ecuador S.A.

Discussion regarding production and commercialization of ABRO products sparked an interesting examination of different activities used in different countries.

This event was a great success. The fellowship, social activities and a visit to Quito were very enjoyable, but the excellent marketing ideas Abrodesivos shared with the attendees will give these ABRO distributors helpful tools to grow even larger.

The hosts received so much positive feedback from the attendees, that plans are being made to repeat this event next year at a new location.



ABRODESIVOS has excellent marketing ideas. Shown above is a new package design for ABRO foam tape.

Kuwait - Growing Success



Our business in Kuwait has continued to grow steadily and ABRO has become the dominant brand name in several different product categories. More than 90% of the Spray Paint sold in Kuwait is ABRO and other successful dominant ABRO products in Kuwait include Epoxy Steel, Silicone Sealant, and PVC Cement. Our sales in Kuwait exceed \$1 million which is significant considering the population in Kuwait is under 2.5 million people. All three of our distributors in Kuwait are very positive about 2007 and expect another record year.

SUCCESSFUL LAUNCH OF NEW ABRO HI-POWER BATTERY IN NIGERIA



James Mogbo, Coscharis Motors, with Tim Demarais, Vice President ABRO, in front of a proud ABRO distributor's store in Nigeria.

Earlier this year ABRO Industries successfully launched its new line of ABRO Dry Cell Batteries in Nigeria.

Many of our ABRO customers worldwide had requested ABRO to develop a quality line of batteries and our authorized ABRO distributor in Nigeria, Coscharis Motors, placed the first order for our ABRO Batteries. Coscharis received nine containers of ABRO Batteries and most of the stock has already been sold and distributed in the market.

The market response has been most encouraging as the Chairman of Coscharis Motors, Dr. Cosmas Maduka, states "the batteries have been received extremely well so far and we have not had one single complaint or one failure on the quality of the new ABRO Batteries". Dr. Maduka anticipates sales of ten containers per month in Nigeria and predicts a great future for this product. The Product Manager for ABRO Batteries at Coscharis, Mr. James Mogbo, did a great job in launching this product and introducing ABRO Batteries into the Nigerian market.

We are hoping our other ABRO distributors worldwide get equally "charged up" over our new ABRO Hi-Power Battery!

SENATOR BAYH INVITES ABRO TO PRESS CONFERENCE

South Bend, IN

Senator Evan Bayh joined Senator George Voinovich (R-OH) in introducing legislation to defend U.S. companies and workers by strengthening laws that protect American intellectual property, including product designs, brand names and copyrighted material, which are often stolen by foreign companies and used to make counterfeit products. The legislation, called the Intellectual Property Rights Enforcement Act, will improve IP theft enforcement and increase penalties by creating one organized force to combat IP theft and elevating the government's response to IP theft to the same level as money laundering and other black-market crimes.

Senator Bayh kicked off his campaign to support the proposed legislation with a press conference featuring ABRO Industries, Inc. Mr. Tim Demarais of ABRO highlighted some of ABRO's experiences in fighting counterfeiters. Included on this page is some of the coverage this press conference received.

Included below is a portion of Senator's Bayh's article which appeared in Blueprint Magazine, a publication of the Democratic Leadership Council.

A Brazen Piracy

Intellectual property theft by foreign companies is hurting the U.S. economy and undermining crucial support for global trade.

By Evan Bayh

A South Bend, Ind., company that makes industrial adhesives and lubricants, ABRO Industries Inc., lost more than \$10 million in business to a Chinese competitor in 2004. When the final tally is in for 2005, the company expects to see even greater losses.

The problem is not that ABRO doesn't work as hard as its competitor, or that it isn't as innovative. The problem is that the Chinese company, Hunan Magic Power Industrial Co., steals ABRO's ideas and sells knock-off products in virtually identical packaging with little threat of punishment. Repeated attempts to stop the Chinese company through trade complaints have proven fruitless.



Watch the news clip with Tim Demarais!

<http://abro.golden-tech.com/abrovid.php>

February 23, 2007

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TOP STORIES

February 23, 2007 6:59AM

Bill to limit counterfeits



U.S. Rep. Joe Donnelly, D-2nd, left, U.S. Senator Evan Bayh, D-Ind., center, and South Bend businessman Tim Demarais speak out against intellectual property theft Thursday. Demarais is vice president of international sales at ABRO Industries Inc., South Bend.

Law proposed by Bayh to protect product designs, copyrights.

JAMES WENSITS
Tribune Political Writer

SOUTH BEND -- It is unlikely that U.S. Sen. Evan Bayh's efforts to protect American companies whose products are being counterfeited in other countries have a greater fan than Timothy Demarais. Bayh, D-Ind., came to South Bend Thursday to discuss his recently introduced Intellectual Property Rights Enforcement Act in the U.S. Senate.

The measure is intended to create better enforcement and to increase penalties for those who violate laws protecting product designs, brand names and copyrighted material. As proposed, the legislation would elevate intellectual property theft to the same level as money laundering and other black market crimes, according to Bayh.

U.S. Rep. Joe Donnelly, D-2nd, appeared with Bayh and said he will work for passage of a House version of the bill once it is introduced in that chamber. Demarais, who is vice president for international sales and marketing for South Bend's ABRO Industries Inc., recounted the company's problems during an airport news conference on Thursday.

ABRO, 3580 Blackthorn Court, makes a variety of products and sells them in 150 countries around the globe. According to Demarais, a Chinese company, Hunan Magic Power Industrial Co., also sells "ABRO" products in look-alike packaging.

One epoxy product was marketed by Hunan in packaging so faithfully copied, the executive said, that it included a picture of Demarais' wife, Katy, who had served as a model. "In Washington, they have this war on terror," Demarais said Thursday. "In the business community, we look at this as a war on economic terrorism."

According to Demarais, those who are counterfeiting are also stealing patents, trademarks, ideas and designs from American companies. "It's costing profits, sales and also jobs." Demarais said he didn't realize ABRO had a problem until a few years ago when he got requests to buy products from the company's Chinese subsidiary. "I knew we didn't have a Chinese subsidiary," he said. Later, Demarais said a distributor was at a trade fair and saw a Hunan booth where a range of ABRO products was on display.

At a subsequent trade fair, Demarais said he confronted the general manager of the Chinese company, who produced paperwork showing that it had the rights to the trademark in China. "I was stunned," Demarais recalled. The Chinese company later changed the packaging, he said, deleting the face of Demarais' wife and replacing it with the face of a Chinese woman. Demarais said his company was "thrilled" to learn of Bayh's proposed legislation.

"Creating good jobs and growing businesses in a global economy is one of the greatest challenges facing our country today," Bayh said. All this is threatened, he said, by foreign countries that rip off American products and foreign governments that turn a blind eye to that kind of theft and flagrant cheating.

Bayh cited U.S. Chamber of Commerce estimates that intellectual property theft has led to the loss of 750,000 jobs in the U.S. economy and costs U.S. businesses \$250 billion a year.

Bayh also contended that counterfeit drugs make up about 10 percent of the U.S. market and threaten the health of U.S. citizens.



The packaging for the ABRO epoxy product on the left features a picture of an ABRO executive's wife. In a version which ABRO Vice President Tim Demarais said was counterfeited by a Chinese company, his wife's picture remained intact. After a complaint was made, an Asian face was substituted.

Cameroon Vigilance Pays Off !

by Tim Demarais

March 05, 2007

As we all are aware, the growing popularity of our ABRO products worldwide has led to a number of unscrupulous importers bringing in counterfeit ABRO products which certainly has a negative effect on our authorized ABRO distributors. ABRO Industries is doing all we can to fight this illegal activity through governmental, legal and if necessary police action. I am happy to report that on March 5, 2007, we successfully raided five shops in Douala, Cameroon that were selling counterfeit ABRO products. Our attorney, Barrister Roland Abeng, was brilliant in securing the necessary documentation required to carry out these raids and also worked closely with the Douala Police Force in making



Alpha Techno Co. LTD was one of five raided shops selling counterfeit ABRO products.

these raids successful. The main company selling counterfeit ABRO products in Cameroon was importing the products from Hunan Magic, the Chinese manufacturer that has been illegally selling ABRO products in global markets. We have several pending court cases against Hunan Magic in China and we are confident that we will be successful in stopping this company from selling our ABRO products in the near future. Thousands of counterfeit ABRO cartons were seized during these raids in Cameroon, and we are proceeding with civil action against these companies that are bringing in counterfeit ABRO products which will certainly discourage any similar activity by other importers.

A powerful message was sent throughout Cameroon as the market was buzzing

with the news of these raids. Our authorized ABRO distributor in Cameroon, Mr. Joshua Ozioma, was very helpful in coordinating these raids and has mentioned that his ABRO business has greatly increased since the raids were initiated. Mr. Ozioma and I met with the U.S. Embassy afterwards to discuss cooperation with Cameroonian Customs on cracking down on any future illegal counterfeit imports of ABRO products.



*Joshua Ozioma,
ABRO distributor
in Cameroon*

The message I would like to send out to all of our ABRO distributors worldwide is for your salesmen to conduct proper vigilance with respect to the possibility of counterfeit ABRO products in your respective market, work closely with the police and the legal system in your country and then act swiftly and decisively against those importers/wholesalers selling counterfeit ABRO products in your market. These unethical people are taking hard earned money out of your pocket and strong action must be taken against these criminals immediately for the good of the ABRO name as well as your sales organization.

India

ABRO distributors show great effort to support the counterfeit battle !

Our masking tape business in India has been a great success over the last few years. We have been successful in India because our distributors, Sunrise Industries and Crown Tapes, have worked together to control the counterfeit operations within India. As soon as the counterfeit companies were identified, we worked with our law firm in India to take legal action against these companies in both civil and criminal courts. Some cases have been settled with the counterfeiters and some individuals have ended up in jail. The market has learned through this process that ABRO stands behind the distributors and pursues legal action against any company that infringes on our ABRO registered trademark.

Furthermore, our distributors have collaborated to develop a very unique and difficult to duplicate packaging for masking tape. They have used hologram labels on each roll and advertise the fact that all original ABRO products are sold with the hologram. We have also decided to standardize the length of the masking tape in the market and put the actual length on each roll. This is something that the counterfeiters cannot do because generally they have rolls that are shorter than the claimed length.

Through these efforts, we have managed to make ABRO the number one masking tape brand in India. We expect to do over \$4 million of masking tape business in India this year as a result of our aggressive and tenacious approach to fighting the counterfeiters in this market.



ABRO tape cut and packaged by ABRO's distributor in India.



1. Overlapping circular lines make it very difficult for counterfeiters to copy packaging. The woman is pointing to a Hologram statement.



2. Each individual tape has its own ABRO hologram.



3. Information for customer to distinguish the original ABRO tape from counterfeits.



4. Each ABRO tape has imprinted core with detailed info on the cutting and packaging company.

NEW PRODUCTS + NEW PRODUCTS + NEW PRODUCTS

GREASES:

#3 HIGH TEMPERATURE SYNTHETIC LITHIUM GREASE

ABRO High Temperature Synthetic Lithium Grease is a No. 3 heavy-duty, multipurpose, wheel bearing grease for automotive and marine use. It has excellent water resistance with a typical dropping point of 550°F (288°C). Designed to withstand heavy loads this grease is ideal for all types of vehicles including cars, trucks, boat trailers, and other recreational vehicles. It offers maximum protection for wheel bearings, suspension systems, universal joints, steering linkages, and chassis.



La grasa sintética ABRO de alta temperatura, es una grasa multipropósito de complejo de litio formulada a base de aceites sintéticos. La grasa ABRO esta balanceada con excelentes características de adhesión y firmeza. Esta grasa está diseñada para “permanecer firme” bajo las más severas condiciones de operación a fin de resistir la acción del agua y desgaste por sobrecargas. La grasa sintética ABRO para alta temperatura, provee el doble de protección que ofrece una grasa convencional.

- NLGI 3
- Dropping Point 550°F (288°C)
- Penetrating Range 220-250
- Viscosity Index 145
- Color Dark Blue

PART NO. LG-990

16 OZ./454g 12/CASE

PART NO. LG-991

8 LBS 1 TUB

PART NO. LG-992

35 LBS 1 PAIL

APPEARANCE PRODUCTS:

AIR FRESHENER DISPLAY BOARD



You will love this this new, more efficiently designed display board.

(No change in Part Number)

- Uses less space in your store
- Holds same amount of Air Fresheners
- ABRO logo is imprinted on display board
- Display board promotes other ABRO products underneath attached Air Fresheners

PART NO. AF-835-AS

(60 Assorted Pieces/Board)

12 Boards/CASE



APPEARANCE PRODUCTS:

AUTO SILICONE

This newly developed siliconized automotive polish transforms the look of your car back to new. The ABRO Silicone shines, protects, and beautifies your car's dashboard, vinyl, plastic, and leather surfaces.



- Available in 15 Scents:
- LEMON • APPLE • PEACH
- VANILLA • MOUNTAIN AIR • ROSE
- ORANGE • TOBACCO • NEW CAR
- WATERFALL • TUTTI FRUTTI
- STRAWBERRY • PINE • OCEAN
- CLASSIC



NOW ALSO AVAILABLE IN PROFESSIONAL SIZE: 750mL (25.4 FL OZ)

Order by **Scent** or by **Assortment**:

AS-300 (specify one Scent per carton):

6 FL. OZ./220mL 30/CASE

AS-750 (specify one Scent per carton):

25.4 FL. OZ./750mL 12/CASE

AS-100-AS1 (Assortment 1):

TOBACCO, CLASSIC, LEMON, MOUNTAIN AIR, APPLE, PEACH

AS-100-AS2 (Assortment 2):

TOBACCO, APPLE, ORANGE, WATERFALL, ROSE, TUTTI FRUTTI

AS-100-AS3 (Assortment 3):

STRAWBERRY, CLASSIC, OCEAN, TOBACCO, PINE, VANILLA

AS-100-AS4 (Assortment 4):

NEW CAR, TOBACCO, OCEAN, WATERFALL, MOUNTAIN AIR, ORANGE

6 FL. OZ./220mL 30/CASE

Meet ABRO's Staff

Have you ever wondered who that friendly ABRO person is you are talking to? In each newsletter we would like to introduce one of our staff members to you.



Please meet **Sue Harper**

Sue works directly with Sasan (Sonny) Sohrab as his administrative assistant.

She is responsible for all proformas, orders and shipments made in Sonny's division.

Sue has been with ABRO seven years and comes from a banking background.

AAPEX LAS VEGAS 2007

Check out this website: www.aapexshow.com

Get a jump on the next AAPEX show in November 2007!

Select the floor plan Upper Level 3 and you will find us at booth No. 4071, which is the same location as last year.

TOP 30

ABRO BESTSELLERS

based on 2006 sales

In our last issue we displayed our Top 5 Bestsellers. We were asked to show the Top 30. Here they are.

PART NO.	DESCRIPTION
1. 2123	Masking Tape 59"
2. ES-507	Epoxy Steel
3. AB-150	ATF Type A
4. P49LW-GAL	Body Filler Lightweight
5. AB-500	Oil Treatment
6. 2123	Masking Tape 29"
7. P49	Royal Eagle Body Filler
8. 3450	FSK Tape 3"
9. CC-200	Carb & Choke Cleaner
10. SP-011	Spray Paint Gloss Black
11. MO-900	Motor Oil SAE 40 SA
12. 2123Y	Masking Tape 1"
13. 9 AB	Gasket Maker Grey
14. SS-1200-CLR	Silicone Sealant Clear
15. SP-016	Spray Paint Gloss White
16. 2290	Aluminum Tape 3"
17. IC-509	Fuel Injection Cleaner
18. SP-026	Spray Paint Aluminum
19. AB-80	Spray Lubricant
20. SS-2000-BLK	Silicone Sealant Black
21. AS-224	ABRO STEEL
22. P49	American White
23. 12-AB	Gasket Maker Black
24. 11-AB	Gasket Maker Red
25. SP-073	Spray Paint Fire Red
26. 10-AB	Gasket Maker Blue
27. 5519	Masking Tape 59"
28. SS-1200-BLK	Silicone Sealant Black
29. GS-10A	Gasket Shellac
30. LG-857	#2 Lithium Grease

Questions & Answers

Q.

I noticed ABRO's 5 bestsellers in your first newsletter of the year. I gave the information to our office staff and they found it so interesting that they would like to know if you have a list with your 30 bestsellers?

A.

Dear Mr. Tardif,
Other ABRO customers had a similar request, so we decided to list our ABRO TOP 30 BESTSELLERS in this issue.
Please refer to the box above to the right.

Thank you,
Christian Tardif
North American Supply Officer
Transit Warehouse Inc.

Your ABRO staff

Please e-mail questions to: Q&A@abro.com