



Clean Plus® Auto Care “Classic” – New Line Targeting Mid-Range Positioning : Leadership Established with first launch in The Benelux

Falken Industries Ltd - Clean Plus® Product Group today announced that it had reached a three year agreement with a major retail chain for the permanent listing of 14 products of its new Clean Plus® "Classic" line, in The Benelux.

PARIS, FRANCE ([PRWEB](#)) November 30, 2005 -- Falken Industries Ltd - Clean Plus® Product Group today announced that it had reached a three year agreement with a major retail chain for the permanent listing of 14 products of its new Clean Plus® "Classic" line, in The Benelux.

Clean Plus® Distribution in The Benelux (Belgium, The Netherlands, and Luxembourg) enjoys a solid 90% market penetration in the Hyper Market Segment so that other chains are expected to quickly follow.

The Clean Plus® “Classic” line which will start deliveries in February / March 2006, was selected by this major chain to replace 9 Auto Care products of a well known major US international brand, 2 products of the British Auto Care Division of a major American multi-national, and 3 products of a leading European brand and manufacturer. Rishard Lebbe, Ast Vice President and Communication officer stated : “The challenge was mid to upper lower end quality superiority and besting mid-range established pricing in the Hard Discount environment. Team Clean Plus® delivered. No one here is surprised.”

Helle A. Madsø, Executive Vice-President Europe explained: “Traditional upper end brands have become disproportionately expensive, and the drop in quality and / or quantities compelled upon others to meet Clean Plus® standard lower prices has alienated customers and retailers alike. As a result, the Clean Plus® line who’s well known upper end quality was tactically coupled to mid-range pricing, was propelled into upper end retail positioning leaving the void now filled by Clean Plus® “Classic.”

Andrew Eakin, New Business Development Officer added : “Upper end Competing brands are systematically offered at prices 40 to 100% higher than Clean Plus® “Premium” products which regularly best them in objective testing by the professional press. It was also a singular invitation to develop a second line to fill the resulting quality void in the mid-range. Thus today, Clean Plus® mid-range pricing sets the standard for high end auto-care products, and Clean Plus® lower end pricing sets the standard for the mid-range. Falken’s Clean Plus® Product Group have not increased prices since 2001 and has no intention of doing so in the foreseeable future”.

The Clean Plus® “Classic” line matches or bests the quality standards of well known international brands but at far more attractive prices. Clean Plus® “Classic” will only be marketed in Central and Southern Europe, and also to Export customers since exports are not supported by Super Distribution sales or marketing support.

The Strategic Alliance and three year permanent listing agreement will provide a solid base for marketing and merchandising events in The Benelux where Clean Plus® high quality and low prices are in constant and regular demand. It is expected that this Alliance will contribute in the first year (2006), sales in excess of \$ 300,000 Dollars from just the immediate February implantation in Belgium.

Helle Madsø, Executive Vice President – Europe added : “While management believes these projections to be conservative, The Benelux is a relatively small market. The Benelux is however a convenient launching pad for



our intended entry into the German market where we will face severe competition primarily as a result of a strong nationalistic sentiment for two locally produced brands. Nevertheless, our tenacious and continuing expansion of the Clean Plus® line will likely continue to result in a loss of market share for our competitors, many of which are larger better known companies. Clean Plus® believes that it can continue to maintain its product engineering and design edge and as a result ensure its consistent higher quality and lower prices even against larger companies – it has in fact consistently done so since its beginning.” Clean Plus® “Classic” includes 11 liquids and polishes & 3 Auto Care wipes.

John Carricaburu, Assistant Vice President - Operational Marketing added : “We feel that our extensive communication and marketing campaigns coupled to unique product support and implantation strategies were vital for the final decision to permanently list the Clean Plus® product range. Clean Plus® marketing and merchandizing support for its distribution network is legendary.”

About Falken Industries Ltd:

Falken Industries Ltd. is a leading American manufacturer of innovative wet wipe products with production facilities in France. Its core product group is the leading Clean Plus® brand of high performance products - www.cleanplus.com through which it ensures the development and commercialization of specialty cleaning and maintenance products for consumer and industrial applications.

Through its wholly owned subsidiary in France, Falken also pursues the development of its non-competing private label business which contributes materially to economies of scale in raw materials and research and development costs.

Clean Plus® Auto Care at all levels, consumer and professional, is a recognized success by both clients and competitors due to its unique market positioning, high quality, and price advantage. Clean Plus® also targets the important DIY (Do It Yourself) market segment through its well received and quickly expanding Handyman® line of products.

Distribution is ensured through Falken’s unique “Super Distribution” concept. Super Distribution Agreements provide large and successful distributors with a contractual exclusivity for a given geographic area and market segment. In the absence of Super Distribution, Falken will sell to Open or Export Distributors directly.

Currently, the Clean Plus® and related product lines are sold throughout Europe and in many areas of the world through Export. The Company recently completed its second product introduction in the United States and will commence appointing distributors there as of 2006. The Company is present in seven primary market segments, and its clients include, for example : the largest distribution networks in the automotive sector, major gasoline station chains, one of the most exclusive retail auto aftermarket chains in Europe with 260 stores in six European nations; and a distribution network covering most other market segments. The Company regularly sells products to government agencies and a large number of national and multinational firms.

The Clean Plus® line of products is divided into 2 segments, the consumer line and the professional line, each with product group and market segment categories.

Disclosure:

This press release includes statements that may constitute "forward-looking" statements, usually containing the words "believe", "estimate", "project", "expect" or similar expressions. These statements are made, to the extent relevant, pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.



Forward-looking statements inherently involve risks and uncertainties that could cause actual results to differ materially from the forward-looking statements. Factors that would cause or contribute to such differences include, but are not limited to, acceptance of the Company's current and future products and services in the marketplace, the ability of the Company to develop effective new products and receive regulatory approvals of such products, competitive factors, dependence upon third-party vendors, and other risks. By making these forward-looking statements, the Company undertakes no obligation to update these statements for revisions or changes after the date of this release.

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