

Falken Industries Ltd - Clean Plus® Product Group, Enhances Product Introduction Strategy for the US Market Through High-Profile Television Appearances

PARIS, FRANCE (PRWEB) July 17, 2005 -- Falken Industries Ltd - Clean Plus® Product Group spokesman Rishard Lebbe, announced today that its Clean Plus® consumer auto care products were being exclusively featured in a high profile television show -"Xmasin July"Lebbe emphasized: "This is wholly in keeping with Falken's stated strategies for distributor support and implantations in the US and Canadian markets."

(PRWEB) July 17, 2005 -- The television event airs via approximately 500 television affiliates throughout the United States and the five minute presentation is expected to reach 40 million US television viewers. The television clip may be viewed on www.cleanplus.com 's home page. This major commitment to television in the US market precedes a formal launch of Clean Plus® products at the November 2005 AAPEX tradeshow in Las Vegas. Clean Plus® products were introduced to the US market at the AAPEX 2004 for marketing and statistical development and studies. This kind of investment in a market, only demonstrates Falken's renowned support for its distribution network.

Falken distributes its products through a Super Distribution network of exclusive platforms, and through Key Account Management. This year will see the initial launch of a world dealership system. These dealers, operating through a Clean Plus® patented system of "mobile stores" and supplied with products exclusively through established Super Distribution platforms will reinforce regional market penetration world wide. Falken's unique Super Distribution system is at the forefront of its leadership position in Europe and will be deployed in the United States. Super Distributors are awarded exclusive representation of Clean Plus® ranges by Market Segment and Activity Sectors and for defined Territories. These Strategic Alliances form an important part of Falken's recognized ability to provide high levels of dependable service for Key Accounts worldwide. In 2004 Falken delivered 98.2% letter-perfect responses in time and kind, and on all orders.

Helle MadsÃ,, Executive Vice President - Europe who is featured in the television presentation stated: "We are committed to a determined and consistent increased exposure of Clean Plus® branded products in the US markets, because this will lay the foundation to substantial sales and improved margins." Andrew Eakin, New Business Development Officer added: "Ms MadsÃ,'s opinion is buttressed by the recent strength of the dollar as against the euro, lowering cost for Clean Plus® products for American distributors by more than 20% and consequently the retail price for the US consumer." Helle MadsÃ, continued: "We estimate that the current conjuncture will result in strong operating earnings from US operations in 2006 and a 20-30% increase in overall sales. Moreover, the strengthening dollar will reduce if not eliminate Falken's Purchasing Power Subsidy expense for US dollar based markets (NAFTA etc) providing a substantial contribution to net operating earnings for 2006 and beyond. Falken's unique Super Distributor support system transfers most of the currency fluctuation risk from its distributors to Falken whose in-house prowess in hedging and matching strategies and financial management skills coupled to substantial multi-currency sales operations - make it best able to weather temperamental currency markets. Purchasing Power Subsidies also ensure through price stability, that Clean Plus® products are priced at retail, equally, purchasing power of the ultimate consumer wholly considered."

Rishard Lebbe stated: "Falken intends to heavily promote its Clean Plus® product group of consumer and



professional products, and is launching as of this Fall, a comprehensive new Clean Plus Auto Care "Pro" professional auto care product group targeting body shops, renovation and restoration centers as well as car dealerships. Online merchandizing is also being initiated and kicked off by a massive offer to Key Accounts of a professional tailor made branded cooler bag containing an attractive assortment of leading Clean Plus® Auto Care and HandyMan® DIY products, all aggressively priced and ready for delivery now and in time for the holiday season. Falken can routinely handle - on time - orders from a few cartons to hundreds of pallets."

Finally, Pascal Maillach, Vice President Product Engineering closed in stating: "Falken's Clean Plus® products (www.cleanplus.com) already enjoy a substantial price and/or quality advantage over all known competitors in the US. The anticipated and justified increase in the US dollar valuation only underscores Falken's excellent financial strategies, delivering for the US market, a 20% decrease in consumer retail cost, bringing Clean Plus® products as a result the unquestioned price and quality advantage in the US and Canada for both wipes and liquids, chemicals and accessories. Falken's European production facilities have been expanded, and its strong and leading presence in the European markets serves as a continued hedge against any currency fluctuation. In sum, whichever way it goes Falken sales and profits are normally favorably affected."

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 affiliate in St Pierre les ElBeuf, Falken also pursues the development of its non-competing private label business which contributes materially to economies of scale in raw materials costs.

Clean Plus® Auto Care is a recognized success by both clients and competitors due to its unique market positioning, high quality, and price advantage.

Distribution is ensured through Falken $\hat{A} \square$ s unique $\hat{A} \square$ Super Distribution $\hat{A} \square$ concept. Super Distribution Agreements provide successful distributors with a contractual exclusivity for a given geographic area and market segment.

Currently, the Clean Plus® and related product lines are sold throughout Europe in approximately 5,000 retail locations. The products are currently sold in France, Norway, Denmark, Finland, Sweden, The Netherlands, Austria, Germany, Switzerland, Luxembourg, Belgium, Cyprus, Italy, Spain, Portugal, Greece, Hungary, South Africa and Turkey. The CompanyÂ□s clients include: 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 in the cleaning and health sectors in France. The Company regularly sells products to government agencies and a large number of national and multinational firms.

All products are sold in 11 languages and are manufactured to service the whole of the European market. Consumer products are manufactured in different editions, i.e., NE Northern European; CE Central Europe; SE Southern Europe; and A The Americas.



The Clean Plus® line of products is divided into 2 segments, the consumer line and the professional line.

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.

CONTACT INFORMATION

Rishard Lebbe FALKEN INDUSTRIES LTD www.cleanplus.com +33145421916

###



Contact Information Rishard Lebbe FALKEN INDUSTRIES LTD. http://www.cleanplus.com +33145421916

Online Web 2.0 Version

You can read the online version of this press release here.