I C Hot TM Marketing Potential:

PROPRIETARY PRODUCT PROTECTED IN USA AND 126 PCT COUNTRIES UNDER PENDING PATENTS

It is estimated that all around the world there are about 100 Million Buffet Food Containers called ' Chafers ' in service. The following are the major customers:

- 1. All Star and non-Star hotels having both Boarding & Lodging, like Hilton, Sheraton, Holiday Inn, Marriott, Double-Tree, Ramada Inn, Taj group of hotels, Radisson, Hampton, etc.
- 2. Restaurants (Just Food Services)
- **3.** Catering Companies who serve food to Marriage Parties, School & College Functions, Company events, etc.
- 4. Hospital Restaurants

In addition, many upper middle class and above homes in western countries will have few buffet containers to serve the dishes when they invite guests for parties.

It is interesting to know that recently one of the biggest Buffet Set-Up was in Kuşadası, Turkey; which broke a record with <u>1028 (One Thousand Twenty</u> <u>Eight) Buffet dishes</u> on the menu and was included in the Guinness Book of Records According to the report in foodinlife.com.

Majority of the Buffet-Set-Ups are in USA.

I C Hot TM, is the most convenient and highly economical Chafer which keeps the food cool without messy Ice Cubes and hot without any flames / Resistance Heaters.

The most attractive thing about I C Hot TM is that the 'pay back ' period of the purchase price US \$495.00 which is recovered in less than 91 days due to savings on Labor and consumables. In addition, it is most convenient to use without messiness of Ice Cubes or the fire hazards due to flames. The cost of the one unit in mass production is about US \$120.00. MSRP \$495.00

FIRST YEAR Marketing:

I C Hot TM was displayed in two Shows in Milan and Chicago. The response from Bulk Buyers was overwhelming. Out of hundreds of business cards only two dozen Companies were selected and listed. On the top of the list is the "Sky Mall" Catalog – The complimentary sales catalog kept in <u>every seat</u> of air lines. The kitchen & Restaurant Appliances shows will occur many times in a year at different cities like International Houseware show in Chicago, every March. By participating in these shows and contacting the companies whose phone number and address are in our list help us to sell a minimum of <u>100,000 units in the first year</u> after implementing marketing efforts. Second year this number may be increased to 500,000 units. Still it is only half a percent ($\frac{1}{2}$ %) of the total potential and the rest 99.5% is left out.

The lists of "Would be buyers " will be furnished along with the License

BREAK EVEN POINT

<u>Millions of Parties / Restaurants / Hotel and other</u> <u>Commercial Food Caterers Using Buffet System</u>

OPERATING EXPENSE

<u>One 9 Liter Chafer (Max Size):</u>

A. <u>Cooling for 4 (Four) Hours:</u>

10 Pounds of Ice = \$0.99

Manual Labor:

Loading Ice Cubes in a Bigger Container + Removing melted Ice Water + Refilling Ice Cubes = 10 + 12 + 10 = 32 Minutes = 0.53 Hour

Labor Cost = $0.53 \times 7.5 = 3.99 (Min Wage @ \$7.50 / Hr . Insurance, Perks, etc. NOT considered)

Total Cooling Cost / Chafer / 4 Hrs = \$0.99 + \$3.99 = \$4.98

For 3 Chafers= \$14.94

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B. <u>Heating for 4 Hours</u>:



Chafing Dish Burner Fuel

One Chafer Fuel Can cost \$1.25 on the average and burns for 2 hours (Google). So two Cans are needed per Chafer / 4 hr Buffet = Consumable Cost \$2.50 / Chafer / session

Manual Labor Tending the Flame (Replacing or refueling the Burner) = 3 + 10 minutes (actual refueling / replacement + Observation) = 13 Minutes = 0.216 Hour

Labor Cost = \$3.24 (@ Minimum Wage = \$7.50 / Hr paid to employee, Employer cost is considered at twice that amount due to insurances, factoring-in the sick days, unemployment compensation contribution, etc. CHANCE OF FIRE HAZARD and FIRE INSURANCE PREMIUMS ARE ALSO <u>NOT</u> FACTORED-IN)

Total Heating Cost / Chafer / 4 hours = \$2.50 + \$3.24 = \$5.74

For 5 Chafers = \$28.70

Total Operating Cost (Four Hours BUFFET SESSION):

For **3** Chafers Cooling (\$14.94)+ **5** Chafers Heating (\$28.70) In any Buffet Set-Up

Total =<u>\$43.64</u>

BREAK EVEN ANALYSIS:

If a single IC Hot TM was purchased at MSRP $\underline{\$495.00}$ Then 8 of them Cost \$3,960.00. Assuming only 1Session Buffet set up / Day (Generally there will be Lunch and Dinner Buffet).

Savings realized in operating 8 IC Hots TM for 1 "session " of 4 Hour Duration = \$43.64

<u># of Sessions for Break Even = 3,960 / 43.64 = 90.7</u> <u>91 Sessions OR 91 DAYS</u>

3 (three) Months + 1 Day

<u>Some of the Leads (Not all) @ Chicago's House Ware</u> (www.housewares.org) & Milano, Italy Expos Participated

The following is the list of Business executive who visited IC Hot booth at Chicago House Ware Expo. They are all BULK BUYERS. Every body wants to know when the IC Hot will be mass produced.

1. Paul Spencer of
England. Originalproducts.co.uk Ph:
44 - 1494 766566 e-mail:
jeray@originalproducts.co.uk

2. Michael Mandanis Front Gate Store who sell Kitchen Appliances owners of Sky Mall air lines Magazines (513) 603 1464 mmandanis@cinmar.com

3 Adam Dunn, Beacon Import -Export (61) 3 9350

1788 adam@beaconimport.com

Steve Dichter of Anderson 4 Daymon (425) 507 4616 steved@adww.com 5 Fernando Gomez Rocha (Mexico) (52) 33 3122 9477 fernando grc@gomezrocha.com 6 Ezio Romano of Italy (39) 348 2777777 ezio@remoconsulting.eu 7 Don Brandt of Hubert Products 1 - 8-- - 543 7374 dbrandt@hubert.com 8 Tenae Graybosch www.ilmulin o .com (312) 440 9118 tgraybosch@ilmulino.com 9 James Wells 1 - 888 - 960 2701 www.laurastarsystems.com laurastarS3@aol.com 10 Mike Cooper of Illinois (630) 548 9723 salesspecialist@aol.com 11 Paul Thomson of Nevada (702) 892 0470 Trade Show marketint International, Ltd (Chicago & Illinois) 12 Solomon Thimothy, Integrated Marketing 1 888 - ONE IMS1 www.oneims.com Solomon@oneims.com

The above 12 cards, I have noted as " Important " The logics, uniqueness, first time in the world and customer convenience points out that the **IC Hot** is truly 21st century product for ALL Buffets around the world. Seeing is believing!

<u>The following list is the result of screening hundreds</u> of business cards / serious enquiries in Milan, Italy <u>House Ware Show</u>.

1. <u>Owners;</u>

Chain Stores Group in Italy. HQ: Venice Province : Veneto Msrs: Giuseppe, V.S. Antonio, Vasanellows

No Phone Calls. They want to see the production Model and negotiate for numbers / Price.

2. Todor Kostadinev Zameeborets

Suppliers of appliances to Hotels, Restaurants and catering establishments. Bulgaria.

kostadinov@net-surf.net

359 96 306 987 Fax 300 987

3.Sameh Zahran Swiz and Swizella Alexandria, Egypt

swizd@zhahraugroup.com

03 383 3300 Fax : 3200

4.Ricci Luciano Distributors of Appliances South Italy 39 099 852 310 Fax: 099 852311

5. Pacillo Casa and Stores

Electrical Appliances Stores 6Nicola De Guida Small Domestic Appliances Dealers 39 030 772 0543 Fax: 0124

www.pacillocasastore.it

6. Otolini, since 1834 Show Room of Appliannces

39 0362 5011 29 otolini.cusine@fastwebnet.it

- Augusto De Feo, Distributors Errecinet Srl 39 02 8969 503302 890 589 48 a.defeo@errecinet.com
- Ing Comparito Energes LT 39 334 659 9095
- 9. Mupidi International Trading House, Mr.
 Vinay Mupidi <u>www.mupidicollections.com</u> 33 615 35 2854 FRANCE

10.Omaha House wares, <u>asignorelli@omahainnovations.com</u> Italy

39 035 732 848 Fax : 732 726

11.Pasquale Lanza

Hotels Owners <u>www.lanzahotellerie.it</u> 39 335 614 6470

12. Masseria Del Duca

World Trade Center, Genova, Italy 39 0102 5591 Fax : 0104 4900 78

WHOLE SALE CHAFERS....DEALERS