Nuno Loureiro

From:

Nuno Loureiro

Sent:

Monday, November 04, 2002 6:09 PM

To:

'slpete1'

Cc:

Roberto Garcia

Subject: RE: 15 day report

Tracking: Recipient

Read Delivery

Roberto Garcia Delivered: 11/4/2002 6:09 PM Deleted: 11/11/2002 6:27 PM

'slpete1'

Hi Scott,

Following Eric's comments, can you please send us the proposed conditions for the warehousing and transportation outsourcing.

Thanks in advance Nuno

> ----Original Message----From: Eric Van Innis

Sent: lunes, 04 de noviembre de 2002 12:32

To: slpete1

Cc: Roberto Garcia; Nuno Loureiro Subject: RE: 15 day report

Dear Scott,

Thanks for your report,

- Marketing material, obviously, more than important tools to make us trustable.
- Tradeshows, are good communication channels from our experience.
- 3. Sales in October, only 50% of your revised targets and the question to be done is why? I think we should be able to see now concrete signals of an inversion of the trend, we established for 2003 a break even principal, to achieve that you have to invoice something as 660 000 USD and if you have 7 months of consuming it's means an average of 95 000 USD during these months or in other words October 2002 multiply by 10. So I hope to see in November and December other figures to make the multiplying factor realistic.
- 4. Packaging, issue to be analyzed by Madrid.
- 5. Outsourcing of warehousing and moving, if it brings savings and secures a good customer service we have to choose for it, we have a similar situation running well in Italy, product responsibilities, warehousing and moving insurances are issues to be analyzed, issue to be followed by Nuno and Roberto.
- 6. Field trial, I'm waiting for your report.

Regards,

Eric

----Original Message----

From: slpete1 [mailto:slpete1@email.msn.com] Sent: quinta-feira, 31 de Outubro de 2002 18:30

To: Eric Van Innis; Nloureiro@tradecorp.sapec.pt; Roberto Garcia

Subject: 15 day report

Gentlemen,

Please consider this my 15 day report.



- I have attached photo's of marketing materials we have begun to use recently.
 Binder; Our new label book with much of the advertising material that Marc has put together
 Gauge and Binder: Rain gauges for gifts and the exterior of the binder
 Booth: Our booth at a recent Tradeshow
- We will be at two Tradeshows in November: Fruit and Nut show on Nov 7th Wine grape show on Nov 15th
- 3. The CAPCA tradeshow this past month was perfect for us, the audience was exactly who we must market to.
- 4. Eric Olsen continues to make headway in the desert with many meetings set up for Nov. and December.
- 5. Our sales for the remainder of this year will be from a limited area and number of retailers. A key for us will be one particular customer in the San Diego area.
- 6. As you can see in the N+3 we only achieved half of the 20K I had determined would be seen in Oct.
- 7. Attached (File 0014) is a photo of packaging used for Sequestar in the U.S., I know that a multinational box has been worked on for quite some time and a lot of effort has been made towards it. This packaging is most likely familiar to you. I see a couple of advantages:

1. Cost of packaging (not taking into regard equipment for filling)

2. Compact packing: A pallet of our material in these bags, 600 kg would only stand approx. 1 meter high and therefore we could stack this and truly fill a container and save room in transport and storage.

3. A concern would be the crushing on the micro-granular that I assume would occur.

- 8. I believe (I will send a financial look) we will begin using a warehousing firm in California, closing the current warehouse and moving to an office. Considerable savings will be seen in labor and transport with this change.
- 9. We will have the first Field Trial complete report next week.

Scott