

News Release



FOR IMMEDIATE RELEASE

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A Power Tool Company Without Borders is Showing The World How to Build

Global manufacturer is teaching everyone how a global economy really 'Worx'

CHARLOTTE, NC – Positec Power Tool Group is a global manufacturing company that is making the world take notice. Founded by Chinese entrepreneur and CEO Don Gao in 1994, Positec is quickly on the way to becoming a global powerhouse in sales, marketing, research and development and logistics as well as a becoming a working model for a strong reliable manufacturing base. The global headquarters and manufacturing facilities, based in Suzhou, China, currently have operations in North America, Western Europe, and Australia and is in the process of building a new complex in Suzhou that will span more than one million square feet. The new campus will help to support Positec's dedication to research and product development. Power tool leaders from all over the globe make up the management team. These executive leaders are British, Dutch, Italian, American and Chinese, thus further embodying the company's global approach to doing business.

Positec manufactures and markets a complete range of consumer and professional power tools and accessories, lawn and garden equipment, and related products with worldwide distribution and sales. It is a leading supplier to the OEM and private brand power equipment market as well as offering its own brands, including WORX and Rockwell.

The WORX name encompasses a new line of professional power tools built around cutting-edge designs, break-through innovations and market-leading quality and performance. These tools are perfect for heavy-duty, commercial use and are based on the proprietary ERGOSUM design theory of making the power tool adapt to the comfort of the user instead of the user adapting to the design of the tool. The WORX line has recently been expanded to include the Revolver brand of tools, which features a patented handle design and cutting edge ergonomics.

The Rockwell line, a re-staging of the classic brand of power tools, is geared towards light commercial use and serious DIYers. Entry-level tradesmen will enjoy the affordable prices and unmatched quality of these tools. The line also includes a complete range of bench top and stationary tools for the workshop or the jobsite.

The jump from Chinese self start-up to world-class competitor was no simple feat, but Positec's drive and dedication has paid off. Says Tom Duncan, President Positec USA of the company's success: "Our state-of-the-art manufacturing operations, innovative designs, dedicated employees and world-class engineering capabilities have put Positec in a position to compete with global giants like Black & Decker and BOSCH." With a dedication to quality and comfort without sacrificing power, Positec tools will no doubt continue to delight customers as the company forges ahead in conquering the global market for power tools.

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About Positec

Established in 1994, Positec Power Tools Group, based in Suzhou, China, is one of the fastest growing companies serving the global power equipment market today. A diversified manufacturer and marketer of a complete range of consumer and professional power tools and accessories, lawn and garden equipment, and related products with worldwide sales offices in all major markets. Positec serves as a leading supplier to the OEM and private brand power equipment market as well as offering its own brands including WORX and Rockwell. More information is available on the company's website: <http://www.positecindustrial.com>.

Quick Facts

- Positec has been making power tools in the OEM market for more than 15 years.
- The Pacific Rim is not just a manufacturing hub anymore
- Young entrepreneurial companies are leading the way in the focus on branding
- Becoming a more focused company, much like western companies
- Chinese companies are looking for expertise beyond just sales
- Don Gao is the owner and President of Positec
- Company is headquartered in Suzho, China
- Employees - 3000 globally

Global Operations

Australia – Sales and Marketing
China – Manufacturing, Distribution and Executive Leadership
Italy – Design and Testing
Germany – Engineering
Switzerland – Testing
USA – Sales and Marketing, Product Development and Distribution
Mexico – Latin America Sales and Marketing

Western v/s Eastern Companies – Branding: Pride, Passion!

Positec USA

Positec USA is one of the fastest growing companies serving the global power equipment market today. Part of Positec Power Tool Group, worldwide, it is a diversified manufacturer and marketer of a complete range of consumer and professional power tools and accessories, lawn and garden equipment, and related products with worldwide distribution and sales. Positec serves as a leading supplier to the OEM and private brand power equipment market as well as offering its own brands including WORX and Rockwell. More information is available on the company's website: www.positecindustrial.com.



KEY STORY LINES AND MEDIA

1. Corporate Story

- a. **Positec - A Company Without Borders -** – Although based in China, Positec is not a typical Chinese tool company. Positec has sales and marketing teams based all over the world. Positec has a world-class R&D, Design and creative team in Vicenza Italy. Positec is in the process of building a new R&D complex in Suzhou to support its heavy investment in R&D and new products in addition to simply being a contract manufacturer. The senior management team is made up of British, Dutch, Italian, American, as well as senior Chinese managers.

- b. **Chinese tool company trying to become a brand player in the world marketplace** – Just like Haier in appliances and Lenovo in computers, Positec is a Chinese tool company at the forefront of a new trend in global business of Chinese companies stretching to take on the global giants like B&D, BOSCH and TTI. Positec would like to be the first mainland Chinese company to break from the mold of a “contract Chinese manufacturing company” to become a more complete global competitor with global sales, marketing, R&D, logistics in addition to its low-cost manufacturing base.
- c. **New LOGITEC Direct Import Program** – As more and more of the major retailers expand their direct import operations in China in order to drive costs from the supply chain, Positec would like to open the world of “direct importing” to a small and medium sizes retailers as well. Its new Logitec™ direct import program allows smaller regional retailers and distributors to bring product directly from China without the requirements for massive volumes, importing know-how or long lead-times.

2. **People Story**

- a. **Don Gao – New breed of Chinese CEO** – 39 year-old, self-made CEO of a \$260M global tool company. Started the company himself in 1994 and has built it into a world-class competitor with global aspirations. Taught himself English. Example of a growing class of Chinese entrepreneurs who have become global managers and innovative thinkers.
- b. **Positec - A Company Without Borders** - The senior sales and marketing management team at Positec is an example of a new structure for international companies where decision making and company management is done across borders and in a virtual world of e-mails and conference calls. A fast-paced business environment without borders, the old paradigm of senior managers sitting together in a central office with daily face-to-face meetings does not exist at Positec. Team: Don Gao – CEO (Suzhou China), Paolo Andriolo – SVP Strategic Marketing (Vicenza, Italy), Dieter Bruns – EVP Sales and Marketing (Suzhou, China), Country Presidents (USA, Europe, Australia). Also, most of the non-Chinese senior managers are ex-Big Power tools companies like Ryobi/TII, Bosch, Hilti and Black&Decker.

3. **Product Innovations-**

- a. **Worx Revolver Line** – A completely new line of portable power tools built around cutting edge ergonomics and patented design handle called Revolver. Based on the proprietary ERGOSUM design theory of making the power tool design fit the ergonomics and comfort of the user instead of the user adapting to the design of the tool. Program consists of Rotary Drill, Hammer Drill, Recip Saw, and Circular Saw.

4. **Brands** –

- a. **WORX** – A new line of professional portable power tools built around cutting edge designs, break-through innovations in combination with market-leading quality and performance. The new line of tools, manufactured in Postec's factory in Suzhou, will meet or exceed the benchmark performance and quality of current brands like Dewalt, Makita and Milwaukee.
- b. **Rockwell** – A re-staging of the once popular brand of power tools. Positec registered the Rockwell name and has put together a complete line of portable power tools for the light commercial user and the serious DIYer. Entry-level tradesman will enjoy the price points of these tools as well as their unmatched quality. Rockwell will also include a complete line of benchtop and stationary tools for the workshop or the jobsite.