

ISLAND GIRL PRODUCTS Inc. DOSSIER

By

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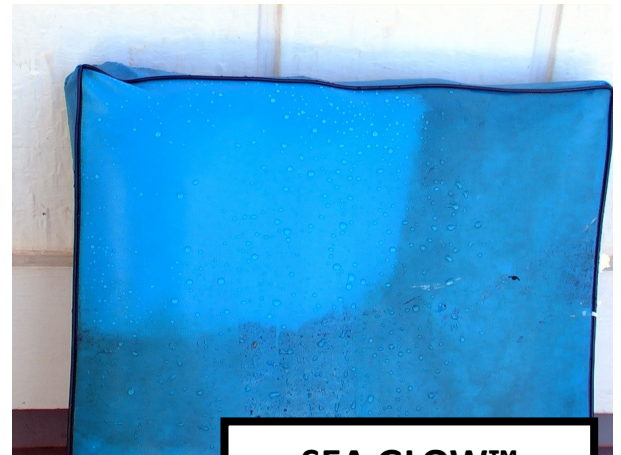
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ACKNOWLEDGEMENTS



Catalina 470 protected from new for 10 years.



SEA GLOW™ restores old vinyl



1. The Purpose of this Dossier

For the first time, this document summarizes the story *of ISLAND GIRL® Products*, from the earliest days of bottling in a boatyard to selling a full line of 10 products.

I have described the origin and rationale behind each product that we developed. Our marketing history and projections are also described.

Writing this document has been invaluable in clarifying my own thoughts and aspirations for the Company.

It may also be of interest to my associates, the media, potential investors and (perhaps) my family. For Confidentiality reasons actual sales and accounting figures are not included.

2. About the Author (Dr. Anthony L. Willis BSc. Ph.D)

I was born in Penzance (of pirate fame) in Cornwall, England on October, 28th, 1941. My mother was the daughter of a local fisherman, and my Father, a Marine Chief Engineer. He received the OBE (“Order of the British Empire”) after surviving being ship-wrecked six times, all but one through torpedoing in WW1 and WW2 . The one peacetime shipwreck (the SS Norwich City in 1929) has recently been of great interest, since it occurred on Gardner Island (now called Nikumaroro) , as the probable site of Amelia Earhart’s disappearance in 1937.

I obtained a BSc. in Applied Pharmacology in 1967 through study at Chelsea College (now part of Kings College, London University).

In 1971, I was awarded a Ph.D Degree through London University after research done mainly at the Royal College of Surgeons of England (founded in 1540).



Even before becoming a graduate student, my research at the Lilly Research Center in England, was the first to show that Prostaglandins (a type of local hormone) were a major factor in Inflammatory disease, This finding was part of the foundation of establishing how aspirin-like drugs acted to

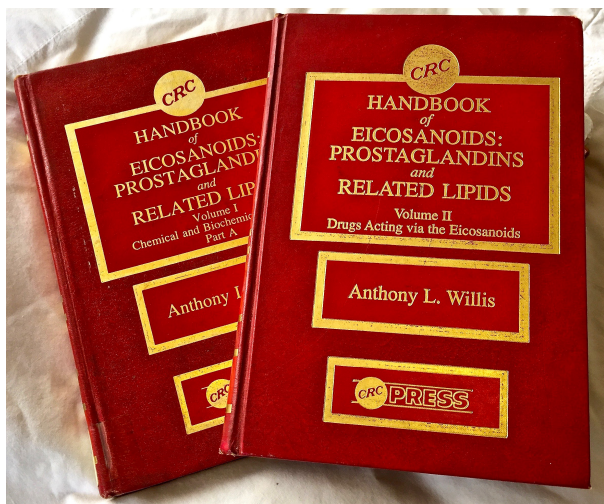
inhibit the formation of prostaglandins. I greatly expanded this work while a Post Doctoral Fellow at Stanford University (1971-1972) , showing that acetaminophen (Tylenol) also inhibited prostaglandin formation but **only** in brain tissue. I also did original and confirmatory work showing that prostaglandins caused fever and painfulness. My work was also part of an NIH grant at Stanford University with Linus Pauling (a double Nobel Laureate), to establish the role of prostaglandins in Sickle Cell Anemia.

In 1971, my work with J. Bryan Smith (we were both graduate students) showed that taking a single aspirin tablet blocked the formation of prostaglandins in the donor's blood platelets. It is the clumping of platelets that causes heart attacks and stroke. This work was initiated and published independently of the work of John R. Vane and Ferreira et al. The three papers published in Nature New Biology caused an explosion of interest world wide (among others, my name was cited in Time Magazine). Later, in the USA (Visiting Scientist at Hoffman La Roche 1972-1974) I detected and isolated a new "chemical trigger for thrombosis" that was an unstable intermediate in the formation of the classic prostaglandins. Together with the work of others, and results of clinical trials, such findings provide the basis for taking mini-dose aspirin to help prevent heart attacks and stroke. I do this myself.

In 1974, I returned to the UK to work at Hoffman La Roche and Leeds University, establishing research on dietary supplementation with a key fatty acid that could (by changing the type of prostaglandins formed) potentially prevent thrombosis and other disease processes without the side effects usually seen with pharmaceuticals.

After returning to the USA (Principal Scientist at Syntex, Palo Alto CA), I was involved in drug discovery and development in the atherosclerosis and thrombosis areas. Later, as Chief Scientist in Pharmacology at Glycomed in Alameda CA, I led a group developing heparin-derivatives in preventing restenosis (premature blood vessel narrowing after coronary bypass surgery), and spread of cancer cells ("metastasis").

I have over 100 publications, including research papers and book chapters. I also edited 2 volumes of a standard text book on Eicosanoids (a term that includes all prostaglandins and oxygenated fatty acids).



In 1976, I was awarded the Sandoz Prize for important pharmacological research by a person of less than 35 years of age. In 1982, my work was cited as seminal research findings in two Nobel Addresses by Prize Winners John R. Vane and Bengt I. Samuelsson.

In 1980, I was a co-organizer of the “Golden Jubilee Conference of Essential Fatty acids and Prostaglandins, held to honor the two pioneer figures in each area (G. O. Burr and U.S. Von Euler) who had worked separately before it was known how the two fields were so closely related. From 1965, U.S. Von Euler from Stockholm was head of the Nobel Prize Committee in the area of Physiology or Medicine.

Why Would I Want to Start my Own Company?

I spent most of my scientific career in the Pharmaceutical Industry, but watched in frustration, as two initially successful and innovative companies became ruined by political infighting after hiring authoritarian management. They would not listen to common sense science if it ran counter to “wishful thinking” fostered by “yes men” of dubious scientific credentials. In one case this led to litigation involving the FDA (Food and Drug Administration). In the other, it led to abandonment of promising drug development and a collapse of share value. In both cases, the companies were eventually bought out with loss of jobs and opportunity for really good therapeutic advances. I remember thinking: ***“I wish I was in charge of a company - things would be so different!”***

In 1994, my last post was as Chief Scientist in Pharmacology at Glycomed, a now defunct Biotech Company in Alameda California. I stayed on to finish up some reports and then resigned – probably to eventually end up as yet another ***“consultant who wishes to spend more time with his family”***. Since I had some severance money and was still not quite 53 years old, I decided to have some adventure! I sailed to Hawaii, single-handed, in a 32-foot sailboat. It was a time of several Pacific Hurricanes, but I avoided them by using my Weather Fax and GPS, and arrived safely after 22 days.

Upon arriving in Honolulu, I celebrated my survival by hitting the bars! I remember buying drinks for a young dusky maiden. When I said I was from England in Europe, she said ***“Is that another Island?”***- This was one of the memories helping me to choose the ***ISLAND GIRL***® name for my business, started, with my wife Tina, as a sole proprietorship in January 1995.

A history of Product Development and of the ***ISLAND GIRL***® Company is described below. Our first products were basically cleaners.

3. ISLAND GIRL PINK Cleansing Lotion™ (“IG Pink™”)

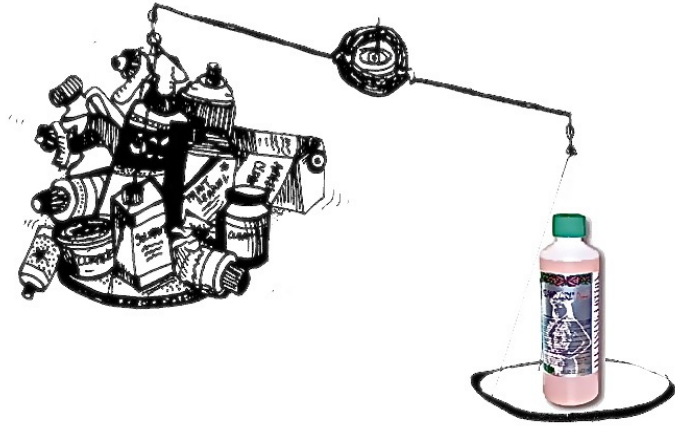
Properly marketed, this product should be in every household, every boat and every garage worldwide! It currently has >80% gross profit margin.

While working on my boat in Honolulu, I came upon a boater who was using a glycol-based graffiti remover to strip varnish. I found that it was good for cleaning vinyl and thought I should try selling it for this purpose. I knew enough about “niche marketing” to know that it was no good to use a number like 409, 303 or a stupid, forgettable name like Zappo, etc. It had to be something with a “Hook” that would make people surprised and think about the product name. So I named it ***“ISLAND GIRL Cleansing Lotion™”*** so that people would initially think it was a cosmetic but then be surprised to learn that it was actually a boat cleaner! The packaging design also reflected this idea. This “surprise” helped the name to be well remembered or “positioned” in the minds of potential customers.

Also, my initial customers were to be boaters, so I thought that the name, suggestive of sailing adventures in the Pacific Islands, would be very appropriate. In those days (January 1995), we bottled the product in a small corner of the Ala Wai boatyard in Honolulu and made our labels on a color Xerox at Kinkos.

I put a small ad in Latitude 38, a San Francisco-based sailing magazine and then shared a booth at an Oakland California boat show. To my surprise, interest in the product, and then sales, took off! People were avidly buying product from the local stores in which I had placed the product.

Over the following year or so, I reformulated the product to work faster, with increased detergency and had proper labels printed. The original red color tended



to stain boat hulls so it was diluted to a light pink color and the product was renamed **ISLAND GIRL Pink Cleansing Lotion™** commonly known to its many thousands of loyal users as **IG Pink™**. The pink color is still necessary for identity and to show just where the product is applied to light-colored surfaces. This product is so versatile as a “remover” that it can

remove dried paint or marine sealants from clothing, carpet and upholstery. With varying water dilution (while self-warming) it is the the best available general purpose “cleanser”. The product has a mild “bubble gum” fragrance that acts as a deodorant in boat bilges and carpet.

4. ISLAND GIRL Cleanser-Conditioners (SEA GLOW™ & NEUTRAL CLEAR™)

Need for a Conditioner to maintain suppleness and protect against aging.

In the cosmetics industry it is well known that cleaning can result in drying out of hair and skin, which are really just nature’s plastics. I thought that the same must be true of man-made plastics such as vinyl.

It is not commonly known that the plasticizers in vinyl “sweat” to the surface, taking other preservative chemicals with them so that the plastic begins to oxidize. Once on the surface, this “transmigrated plasticizer” produces a sticky residue on the surface that accumulates dirt from the air and dries into a brown scale. This is commonly seen on the top of white vinyl boat fenders and cowl vents. Less obviously, it is the cause of brown “sun damage” on vinyl upholstery. Only our cleansers can safely remove this surface residue and oxidation without damage to the underlying vinyl.

It occurred to me that using **IG pink™** to remove these vinyl breakdown products without replenishing the plasticizer and preservatives could accelerate drying out and brittleness. What was needed was an anti-aging “conditioner” to not only

replenish lost plasticizer but to also protect against further aging by the breakdown and cross-linking of the vinyl polymeric molecules



After a year of experimenting with different ingredients, I came up with two new products. Again borrowing from the cosmetics industry, these were introduced as “**Cleanser-Conditioners**”. They are more potent (compared to **IG Pink™**) at removing grime and plastic breakdown products. They also impregnate plastic surfaces with anti-aging conditioners, replacing those lost due to weathering. On new items, a quick wipe over with these products helps preserve them. For this reason, you do not rinse off the product with water (that would tend to leach out the conditioners) but just wipe off the surface before sealing it with our proprietary “plastic skin” protectant (more about that later).

SEA GLOW™ is the most famous of these **Cleanser-Conditioners**, since it can make old yellowed vinyl items snowy white again and keep new items that way from the beginning.



Ironically, this product was initially only a minor success in the boating area. However, some years later (about 2006) it got discovered by the kids (“sneakerheads”) who collect sports shoes. The product was described in Niketalk.com forums as: “the official cure for yellowing”. Because of free publicity on this and then many more shoe collector sites, we began to sell lots of this product. Because of the great demand and unauthorized rebottling (into 1 and 2 Oz amounts) by kids buying our 16 Oz bottles, we had to raise our prices and also sell our own smaller bottles. There is more about this in the section **(13.5.2)** on Marketing.

Since our **Cleanser-Conditioners** could safely dissolve away oxidation from vinyl and rubber we expected it to work similarly on fiberglass gelcoat, which it did, beautifully. The advantage of **chemically** removing the oxidation, is that it would not remove good gelcoat as with the harsh abrasives usually necessary to restore older oxidized boats. This is especially important for dark-colored gelcoat, where

deep-down oxidation leaves a grey look that can **only** be properly removed by our products.

So here was a whole new use for our products and the results could be dramatic especially with **SEA GLOW™**. It made white gelcoat “snowy white” and gave almost luminous brightness to red, blue and other bright colors. **NEUTRAL CLEAR™** was more suitable for “earth-tones” such as beige, brown etc., since it would not abnormally alter the color. The anti-aging conditioners in both products helped protect against return of oxidation but something was still needed to seal the surface to keep these conditioners down in the gelcoat pores (see below).

5. Need for a physical barrier protectant - **SILKENSEAL™ “plastic Skin” Protectant.**

After much experience at cleaning items at boat shows and getting feedback from repeat customers, it was obvious that our **Cleanser-Conditioners** did work well to maintain and increase vinyl suppleness and whiteness. At that time we used either **Armorall®** or **303®** as a surface protectant. Although both products provided a shine, the UV blockers in **303®** were not necessary since even better protection was given by our **Cleanser-Conditioners**.

However, the vinyl still became sticky (even more so since plasticizer was being replenished to excess). What was needed was a “natural shine” waterproof sealant-protectant that provided a physical barrier and could also be used to seal gelcoat prior to waxing. This need, led to my invention of **SILKENSEAL™ “Plastic Skin” Protectant**. It DOES form a physical barrier against plasticizer migration. Consequently, it does prevent early return of gumminess or “sun damage” on vinyl. It also prevents staining of plastics by newsprint, sun tan oil etc.



This product was introduced in January 1997. Applied as an air-dried coating, **SILKENSEAL™** forms a durable, yet renewable, "plastic skin" over the underlying surface. The product is suitable for use on leather or on vinyl, hypalon and other opaque plastics, including fiberglass gelcoat. It protects

all clean surfaces from penetration by water, dust, air pollutants, oxidation and spores of mildew and algae.

SILKENSEAL™ also differs from other "protectant" products, in that the final finish does not feel slippery or greasy and will not crack or peel. The surface just looks and feels "new". An intriguing property of this product, is that the silken surface skin can, if desired, be gently buffed to a high gloss using a soft microfiber towel.

On hard surfaces, such as gelcoat, the **SILKENSEAL™** skin can serve as a foundation prior to waxing, by sealing over any surface porosity. It can even be used to provide a high gloss protective finish over conventional waxed surfaces.

Surface cleanliness of the sealed surface is readily maintained by wiping over with wet microfiber cloth. Grimy surfaces can be cleaned by diluted soap and water or (better) copiously diluted **IG Pink™** followed by water-rinsing and wiping to dryness with microfiber cloth.

6. SIMPLY BRILLIANT™ the world's first "Superwax" – wipe on and walk away, without need for buffing!

Although water-repellant, traditional waxes provide little, if any, protection against penetration into the underlying surface by UV and oxygen. These act together to produce gelcoat oxidation. and color fade that occur **under** the wax coating.

Even the best conventional paste waxes rely on added silicones to produce shine and eventually dry out, become dull and may become yellowed and chalky. In addition, all waxes are prone to "black streaks" from runoff of oily-sooty air pollutants. That is because wax itself is just a very hard fat and is easily stained (try dipping a candle into some old engine oil!). That is why most commercial "black streak removers" are actually wax removers, usually with some dissolved wax and/or silicones to repair the shine.

Previously, the only DIY alternative to use of wax on older gelcoat were wipe-on acrylic coatings (based upon non-wax floor finishes). These can be

used on older gelcoat where surface porosity is necessary for them to stick. They have to be applied in multiple (up to 12) coats using special applicators to avoid lap marks. Such coatings cannot be used on paintwork, NEW gelcoat or any shiny surface, since they will just peel off. These coatings eventually become grey and opaque and can then only be removed from the gelcoat pores by use of solvents and deep wet-sanding. There used to be many small companies selling such products but the most well known, and still around, is “**Poliglow®**”.



What the world was waiting for was a resin-based coating that will adhere to **any** surface without yellowing or peeling and provide a physical barrier to weathering that regular wax coatings cannot. Ideally, the coating itself should maintain shine for at least a year, provide waterproof protection for up to 3 years and be easily “touched up”.

This need was met by us in 2001 by introduction of **SIMPLY BRILLIANT Superwax™**, a product further perfected over the years. This product is a mix of fast and slower setting heat-proof resins that never yellow, crack or peel. This **Superwax** (our first product in the area) also contains micronized particles of long-lasting synthetic (silicon, not carbon-based) wax. These help seal porosity and provide extra weathering protection with reduced affinity for sooty pollutants and without yellowing. The product also contains anti-oxidants, color brighteners and UV protectants to preserve the underlying gelcoat, as well as the coating itself. *[Note: A product like ours would not be economically attractive to major companies that want fast turnover in a mass market. Our repeat customers only buy every 2-3 years].*

Applied by hand (paper towel, microfiber cloth) or machine (low speed buffer) one or two thin coats of this product produce a brilliant shine with protective water beading that lasts for YEARS!

On older gelcoat, the surface is first cleaned and conditioned by our **Cleanser-Conditioners**. They remove oxidation and impregnate the gelcoat with preservatives. Next, the surface porosity is sealed over with a coating of **SILKENSEAL™**. Finally, the **SIMPLY BRILLIANT Superwax™** is

applied. This whole process is the “**ISLAND GIRL 3-Step Process**” and is described in detail on our website.

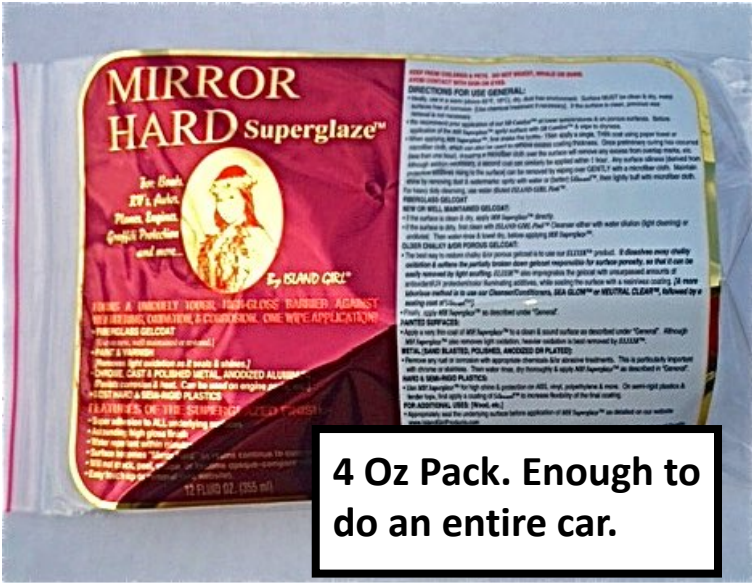
The latest version of this product sets up much faster (especially when using our new **SB Catalyst™**) and has greatly increased coverage. After a few days it forms a very tough, hard surface, yet initial water repellency is seen within minutes

Note: this product is not usually necessary when using out new “Hawaiian 2-Step Process” since ELIXIR™ already contains SIMPLY BRILLIANT Superwax™ as part of its formula.

7. MIRROR HARD Superglaze™

Developed shortly after introduction of **SIMPLY BRILLIANT Superwax™**, this product has a similar mix of resins and anti-oxidants, color brighteners etc but contains no actual wax. It dries into a coating with astounding gloss

and beads water for years. It was well reviewed by Practical Sailor (2010) and is ideal for protection of new gelcoat, car paintwork, metal or hard plastic trim, even artificial granite countertops. It can be used as an extra glossy and protective outer coating after the “**3-Step Process**” of gelcoat restoration (described above). More recently (from 2006). it is used as an additional protective coating after gelcoat has first been restored by our **ELIXIR™** product.



4 Oz Pack. Enough to do an entire car.

[on gelcoat or paintwork, a single treatment with ELIXIR™ dissolves up oxidation and prevents its return, while sealing the surface with a resin-wax coating].

The **MIRROR HARD™** resins cure by a process of air drying and UV exposure, so the product is best used on a warm sunny day. There is also an **SB Catalyst™** available that makes the resins set up more quickly so that the coating is water resistant within minutes.



**My 1966 GTO.
Protected > 2 years by
MIRROR HARD™**

Durability of the shiny coating is remarkable, providing protective water beading for at least 3 years on cars and light-colored gelcoat.

Why pay \$1,500 for Dealer application of **Cilajet®** or similar "dealer applied" automobile coatings? **MIRROR HARD™** can be self applied for a tiny fraction of the cost. The coating is heat-proof and has

been successfully used on chrome or polished engine parts and an iron stove. Because it attaches to the surface by molecular bonding, it can be successfully applied to **any** surface, including shiny metal, polyethylene kayaks, automobile bumpers or wheel surrounds.

8. **NON-SLIP Superglaze™** (previously called **NON-SKID SEALANT™**)



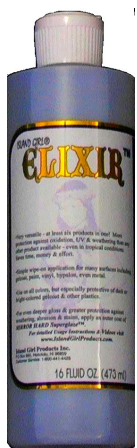
This is a water-based emulsion of **MIRROR HARD™** containing an additional resin that has a "rubbery texture" when cured. Hence, the coating is not slippery underfoot in wet conditions (due to rain, sea spray etc).

Recently, a new use for this product has been introduced. It can be used to seal shoe soles after they are dyed or after removing yellowness with **SEA GLOW™**. Other possible new uses include prep of shoe soles for basketball players by increasing underfoot grip.

9. **ELIXIR™** ("Time in a Bottle")

This is our "flagship" product. It is the world's most exclusive, effective and versatile rejuvenator for oxidized gelcoat, paintwork and some other

plastics. These include polyethylene as used on kayaks and auto bumpers or Jeep wheel surrounds.



The "2 Step Process"

Wiping over new items will help preserve them against future weathering. It is very potent at chemically removing oxidation and is unparalleled in ability to prevent color fade and return of oxidation of dark colored gelcoat. It also brightens white and all other colors. The product is self-sealing since it dries back to form a resin-wax coating (it actually contains ***SIMPLY BRILLIANT Superwax™*** as a major part

of its formula). For astounding gloss and extra protection against weathering, an outer coating of ***MIRROR HARD Superglaze™*** is applied. Using both products together is the "***Hawaiian 2-Step Process***", available in kit form.

ELIXIR™ can be used by hand or machine (we have used small orbital sanders with fine scuffing or applicator pads). It is so fast to use, compared to conventional use of abrasive buffing and so long lasting in effect, that we gave it the moniker "***time in a bottle***" and priced it accordingly at \$92.00 per 16 Oz bottle (>75% gross margin).

10. ***CLEAR HORIZONS™ Optical Clarifier and Surface Armor for glass and clear plastics.***



This is a water-based emulsion, for application to mirrors, window glass or clear plastics.

It is buffed off to dryness with microfiber cloth, leaving a slick water-repellant surface that is remarkably clear and glare-free while resistant to fingermarks.

For eyeglasses, car and boat windows, both sides of the glass or clear plastic should be treated. It is perfect for computer and TV screens, iPhones etc.

It is especially effective at eliminating glare on steeply-raked car windshields. It allows the wiper blades to gently glide over the glass, without “juddering” and the water-beading allows good vision even without wipers.

11. HAWAIIAN BLUE MASKING GEL™



This unique 2-part catalyzed carbogel has been designed to temporarily protect clean surfaces from overspray and airborne pollutants. It can also be used to mask awkwardly shaped, inaccessible, rough and/or absorbent surfaces against overspray or spills of paint, oil and other contaminants, including airborne dust. After use, the gel (together with contaminants) is removed by use of water jet and/or by use of a brush and a bucket of water.

The application procedure involves daubing the underlying surface with a thin coat of our proprietary surface-activated catalyst. Then, the blue gel is applied by sponge, brush or roller. In response to the catalyst, the gel "sets up" to form a gelatinous and



impervious "skin". Repeated layers can be built up in order to protect rough and/or porous surfaces (raw wood, non-skid decking, even concrete!). The blue coloration of the gel is non-staining but indicates where it has been applied and how thick the layer has become.

Under dry conditions, this gelatinous mask can be allowed

to remain on the surface for several days, when it forms a rubbery skin. This can be thickened by new layers of gel and/or moistened while sanding to help lay dust.

When the job is complete, the gel layer (with overspray) is readily removed by water as already described. This product is best made in large batches for use in auto body shops and boatyards. For hobby use on small delicate items, as in model-making, there are already rubber-based “liquid masking” products that are more suitable for this purpose.

12. ANCILLARY PRODUCTS

12.1 SB Catalyst™. Of proprietary formula, this is the invention of a close associate of the company. This water-based product greatly accelerates curing of our resin coatings: ***SIMPLY BRILLIANT Superwax™***, ***MIRROR HARD Superglaze™*** and ***NON-SLIP Superglaze™***

12.2 O.XIBOOST™ is a water-based solution containing weak Hydrogen Peroxide. When used in conjunction with ***SEA GLOW™***, it accelerates its ability to remove yellowing of white or clear plastics and rubber shoe soles. The effects are synergistic but non-damaging because of the protective effects of the ***SEA GLOW™*** conditioners.

However, for NEW items, ***SEA GLOW™*** alone should be used because its anti-aging conditioners prevent yellowing from occurring in the first place.

13. MARKETING STRATEGY

This background information is key to understanding the sea-changes that have occurred to influence growth of small companies over the past 20 years. Important features are consolidation of major retail and chemical supply companies to almost monopoly status. To some extent this has been countered, in the area of marketing, by the growth of internet sales aided by social media presence. All of this is detailed as background to future strategy.

13.1 General Strategy - Trademarks and secret formulae



I started this business in 1995, with my wife Tina, as sole proprietors.

After some initial success, I was introduced to the President of Davis Instruments in California who was a VIP vendor to West Marine. He gave me very prescient advice. He advised me to eventually devise a suite or “system” of products, not just one and **never** consider patents for products like mine. He even gave examples of a company he knew that stole or modified formulae that had been patented. Instead, He recommended having secret formulae that are very difficult to copy with a strong trademark position, like **Coca-Cola®** and **Kentucky Fried**

Chicken®. Patenting is a much less effective means of protection, since an individual could become bankrupted by attempting to defend patents against a deep-pocketed major company, and the patent application itself would give key information for copying or circumvention.

I used a San Francisco Attorney to register the mark **ISLAND GIRL®** in the USA (just renewed) and the European Union. With the more cost-effective advent of online registration, we are presently in the process of supporting our proprietary product names through trademark registration and URL designation. Our product names (with “TM” superscript) have been used in interstate commerce for about 20 years thus proving priority.

13.2 The Classic Strategy of magazine advertising, demos at shows, sales though stores etc.

Back in 1995-1996, My initial approach was to run some small ads and demonstrate our “**ISLAND GIRL Cleansing Lotion™**” (precursor to **IG Pink™**) at local boat shows in the San Francisco Bay Area. I had already placed product on consignment in some Hawaii marine stores; it soon sold out.



I placed small ads in **Latitude 38** (a local sailing magazine) and exhibited at Oakland boat shows. We even ran cash prize (\$100) contests of **IG Pink™** versus any possible competitor. I was amazed at how easy it was to persuade local stores to take the product and then how fast it was selling.

Over the remainder of 1995 and into 1996, I expanded into the Sacramento River Delta stores, and then into Southern California stores. I was now advertising in other California magazines, including full page color ads in the **San Diego Log**. I remember happily traveling in my Dodge Stealth Convertible up and down the Delta and the Pacific Coast. I visited stores and exhibited at several boat shows and swap meets. Sales were easy in those days, since there were plenty of independently owned marine stores and all of them liked having their names mentioned in our advertisements. Our **SEA GLOW™** product was introduced at the January 1996 San Diego Boat Show. Initial supplies were limited and I actually had a waiting list of customers!

Two of my most important retail customers in those days were **Svendsens Boatworks** (that also had a wholesale distribution division) and **TAP Plastics** which had about 20 stores in California and the Pacific North West: The President of TAP Plastics is a boater and had bought and used our products himself when his boat was in the Svendsens boatyard.



Also, in those days, **West Marine** was still privately held and not yet a monopoly. They were very helpful to small vendor companies, allowing individual Store Managers to try out sales of new products through the “Manager Buy” Program.

The first West Marine store to carry our products was the store in Palo Alto, whose good sales figures helped me get into the San Pedro Store. After I did a store demo there, sales took off and I got into the San Diego and Long Beach stores and more. Sales in

California West Marine Stores made it easy (in 1997-1999) to get into Florida stores, again with exhibition of products at the Miami, Fort Lauderdale and other boat shows. I was also running full page ads in the *Florida Mariner*, with several front page displays of our “Island Girl” Models holding bottles of product. I even had a full time rep in Florida and some part time reps in California.

At this stage, I thought that “I had made it” - that West Marine would carry the products in their catalog, all of their stores, and do serious wholesale distribution for us. Then, I could soon sell my company and retire to go off sailing again.

It was not to be! West Marine became a public company and used the influx of investment capital to buy their main competitor in Florida (“*E & B Stores*”). Now, the only major store chain left was *Boat/US*. The manufacturer of their “in house” inflatable boats, really liked our products for dinghy maintenance and put our products into all of their stores. What happened? Within a year West Marine absorbed Boat/US as well.

West Marine stores were now swamped with cleaning products taken in from their store acquisitions and were not open to purchasing new product lines. They especially discouraged the “Manager Buy” system. that had made us so successful. They started with restrictions on where the products could be shelved (no “end caps”). They then introduced terms that were punitive to small companies. These included payment in 3 months (no longer 30 days), enforced buy back of unsold product, \$3 million liability insurance and so on. We were almost out of business!

13.3 The Internet and Website Production

It is said that when one door closes, another one opens. Our website: ***www: IslandGirlProducts.com*** has been online since 1997. In the beginning, I had to pay a small professional group to make the site in HTML. The site was minimal and not updated until 1998-1999.

In 1998, I met a drummer in a Surfing Rock Group who had made his groups’ website using *Netscape Composer*. He completely redid our own website for \$500, with myself providing all the text and photos. Netscape Composer was one of the first WSWG (“what you see is what you get”) website construction apps that was easy to use for people with no coding experience. I was also shown how to do

updates and upload them to the internet server. Until recently much of the “backbone” of our website was still in this format. However, nowadays only an old computer can be used as newer computers do not support Netscape Composer. In 2010, I further updated the website with new product descriptions and an “Online Instruction Book” made using Apple’s **iWeb** app that THEY stopped supporting in 2012!

Although we already had a toll free (1- 800-441-4425) phone number for mail orders, we did not have the capability for online ordering until the year 2000. This was the same year that the company became a functioning Hawaii Corporation. My wife and myself had just previously become residents of Kailua to be near my boat in Honolulu.

That was also the year that we were able to take orders online using a custom-made system developed by Phil Herring of **Sailboatowners.com** who also hosted our site for us. By 2017 standards, this e-commerce solution was crude since we still had to enter customer information into our accounting program by hand, run credit card information on a terminal and then prepare shipping invoices.

As of 2016, our e-commerce sales became almost completely automated using the **Shopify**® system that syncs with our **Accountedge**® accounting and inventory system. This means that all payments are automatic and changes in product inventory, description, and pricing in **Accountedge**® are immediately transferred to our **Shopify**® site.

By the end of December 2016, we completely updated our main website, using **Everweb**®, that is similar but vastly superior to, the old **iWeb** app with which I was already familiar. Like **Shopify**®, **Everweb**® gives great 24/7 phone support, while all videos, currently on **YouTube** were curated via a dedicated “gallery” page. We now have a state of the art website and e-commerce system that is easily maintained by myself. Finally, we are gathering updated testimonials from long-term customers and beginning to learn about Search Engine Optimization (SEO) Google Adwords and Social Media Presence for our website.

13.4 Infomercial Temptations and Video Dissemination

In retrospect, the golden age of TV infomercials was the late 1990s and early 2000s. Most memorable were Chuck Norris with the **Total Gym**[®] and (the late) Billy Mays for **Oxiclean**[®] that ended up as a \$200 million per year business.

Around that time, we were pestered by several companies offering to do infomercials for us, the cheapest of which were just a few minutes long. In each case, they wanted to charge anything from \$5,000 to over \$20,000 just to prepare the commercial, with no guarantees of success or when and where the infomercial would be aired.

I realized that I would have to show the video makers how to use the products and would be paying for their time and any female models. So, in 2003, I decided to invest in a good video camera (**Canon**[®] **GL2**) and a new **Apple iMac** Computer. This came with free software to process photographs, video and to make DVDs. I then learned to make videos about each aspect of product use and made DVDs for inclusion with our mail order packages. However, these videos have now been cut up into smaller sections and posted as streaming video on our YouTube channel (**Island Girl MPW**) and accessible to any user of our new website or to anyone worldwide who might find the videos while making online searches.

We have still not ruled out eventual TV spots and in a Business Plan we drafted in 2005, we researched costs of airtime etc., which is reasonable late at night in low population centers or on some cable channels. Ideally, these advertisements would be aired in time slots in which older syndicated **Hawaii 5-0** episodes were aired.

13.5 Internet Discussion Forums, free adverts but troll bait.

The two most important events that made our product name(s) well known were to do with internet forums

13.5.1 Sailboatowners.com

Set up circa 2000, Sailboatowners.com is a website solely dedicated to sailboats, notably Hunter, Catalina, O'Day and some others. This site carried our products for sale, with a 30% commission on individual sales and 20% on discounted kits that we mailed out under a "drop shipment" arrangement. They also asked me to

host a forum on “plastics’ (gelcoat, vinyl etc.) This exposure to a wide audience of sailboaters, really put our products “on the map” nationally and without all the expense I had previously incurred running ads in magazines. I still did some San Francisco Area shows, especially in 2006 (when we launched the **ELIXIR™** product). I ran this forum until 2007, the same year that my wife Tina died after a long illness.

My products were sold there until 2009, when, for personal reasons (emotional upset due to a real Island Girl with a violent temper!) I became temporarily unreliable at sending out drop shipment orders.

This forum was a very valuable experience for me. I wrote two “blog” articles about gelcoat repair that I still have. Also, customer responses about use of **ISLAND GIRL®** products in a wide variety of climatic conditions taught me a great deal about product performance. Consequently, I was immediately able to modify formulae and instructions for use. For instance, I changed resin mix in response to complaints of slow setting of our new **SIMPLY BRILLIANT Superwax™** and greatly reduced its content of wax particles to minimize staining by sooty pollution. Most importantly, I prevented “soaking in” of this resin-based product on porous gelcoat (leaving dull areas) by recommending an “undercoat” of **SILKENSEAL™**.

The best example: In response to a request from forum members, I formulated a non-skid sealant product (now called **NON-SLIP Superglaze™**) and had test mixes beta-tested by forum members before I released in for sale.

There were downsides. A few people, now termed “trolls”, would say things like “This stuff is useless!” Typically, no details of use were given and investigation often showed that they were not even customers. Interestingly most of this “troll” activity occurred before I had video instructions on DVD or online.

I countered by sending correspondence with each order, asking for feedback on experience with our products and to immediately contact me if they needed further guidance on product use. I reminded the customers that there was a full refund to any authentic customer with serious complaints.

I also learned something about apparent customer stupidity and how to counter it. The worst response I ever got was from a French guy in Marin County CA, who said that the result was a “milky mess”. I could not believe that he did not allow the (water-based) **SILKENSEAL™** to dry before applying the (resin-based) **SIMPLY BRILLIANT Superwax™** ! So, I had to state **every** “step by step” detail in future flowchart instructions. I also attached instructions for use in very humid conditions, that could slow drying of water-based emulsions such as **SILKENSEAL™**.

Another guy applied the **SIMPLY BRILLIANT Superwax™** while his boat was under a cottonwood tree and complained that it “had fluff stuck to it”. I told him to just use the boat and wipe off the fluff with a rag, after waiting a few days for the coating to cure to full hardness!

There were two other “stupid” examples and how I dealt with them. One guy used one of our grey 3M “Synthetic Steel Wool” scuff pads on a new painted stripe and complained about it dulling the shine. To head off such problems with future customers, I put warning labels on each packet of grey pads and recommended use of only white (non-gritty) pads or paper towel on new or shiny surfaces.

Another minor problem could have been more serious. Some bottles of our products used to come with trigger spray heads. One guy squirted a jet of **SEA GLOW™** onto the side of a boat and some of it splashed back into his eyes, so I got a call from a Hospital Emergency Room. I had to reassure them as to the transient nature of any eye irritation. From then on, I enclosed **very** explicit safety warnings with each order. I also replaced the spray heads with flip-top dispensing caps. These made the user apply the product to paper towel before application. If the product was applied directly to the hull, it just dribbled down until spread out over a wider area.

All in all, however, I learned these lessons:

- a) Try to think ahead about any possible misunderstandings or complaints there could be. Use detailed “step by step” instructions and routinely use the products yourself (while at shows, or making videos). Also, keep some historical samples of product for reassurance about efficacy and “shelf life”.
- b) Always send follow up e-mails asking for feedback to find out any possible problems under different climatic conditions and to gather positive feedback for testimonials.

- c) **Immediately** answer any negative comments on forums
- d) Realize that comments in online forums last for many years on the internet and (for some reason) are found very easily by internet search engines. That is why they need be positive!

In summary, there is no doubt that hosting a forum on Sailboatowners.com made my products known to many boaters nationally and (to a lesser extent) internationally. The only cost to me was my time and diligence. I am still in touch with many boaters who first bought through sailboatowners.com or heard about our products on the forum. They are still loyal customers and advocates today some 16-17 years later, often after trying other products but then coming back to us. This confirms to me that our products really must be ...*Simply Superior™*.

13.5.2 Niketalk.com and the great SEA GLOW™ Rush!

I had sold **SEA GLOW™**, since 1996, first for vinyl and inflatable boats, and then for removal of oxidation from gelcoat.

Then, about 14 years ago, a customer asked if it might get rid of yellowing on some clear plastic toys. I said that it might and sent him a small sample to try and told him how to use it in sunlight (UV activates the fluorescent brightener). To my surprise it worked well. A couple of years later, I sold a sample to a guy with Nike

sports shoes whose clear rubber soles had become yellowed.

I told him about the toy restoration and said it might work.

Then, in late 2005, when my Winter boat product sales were devastated by Hurricane Katrina, a minor miracle occurred. We started getting a lot of orders for **SEA GLOW™** that we were still selling at \$20 for 16 Oz and retailers of our product also noticed an upsurge in orders.

A customer told us that the product was mentioned in a forum on Niketalk.com as “the official cure for yellowing”. My assistant, at the time (now Company Secretary with a Ph.D in Psychology) got us to join Niketalk.com and I wrote a piece explaining how the product worked.



Only later, did we learn that actual bottle sales of **SEA GLOW™** were becoming HUGE. We were selling up to nine 16 Oz bottles per day during Christmas 2008. However, there were actually thousands of bottles of this product being sold

"The SEA GLOW™ Rush"



without authorization, illegally rebottled into 1 and 2 Oz sizes. They were being sold as “authentic **SEA GLOW™**” but with no proper instructions or safety precautions.

What to do? We eventually reduced the largest bottle size to 12 Oz, sold with a warning not to rebottle. We also increased the price significantly (currently \$59.95) and ourselves sold 2 and 4 Oz bottles with proprietary packaging and literature. This is available **only** directly through us or from 3 or 4 official online resellers that we now have. They, in turn, made complaint to E-Bay, or other online stores, if they saw illegal sales. Coincidentally, our retail profit margins then became close to 90 % .

To this day, **SEA GLOW™** is still a strong seller, but now mainly through authorized online resellers. Nowadays, there are copy-cat products but mostly based on hair bleach that can damage the rubber shoe soles. We suspect that some of them also add **SEA GLOW™** bought from us to help make the products “work”. Only **SEA GLOW™** can be used to safely PREVENT yellowing (and other aging processes) of NEW rubber and vinyl.

What did we learn?

- a) Keep an early eye out for trends on forums (there is now software for this) and quash illegal rebottling sooner rather than later.
- b) But the main message – these Shoe Collector forums transformed profitability of the business for just one product (**SEA GLOW™**).
- c) We now sell shoe care kits that contain other members of our product line: **NON-SLIP Superglaze™** (for shoe soles) and **SILKENSEAL™** (for sealing midsoles and uppers). We have also developed a general shoe cleaner (based upon **IG Pink™**) and a dye penetrant for those resellers who currently use our **Cleanser-Conditioners** to carry dye into the soles for customizing purposes. These newer products will be introduced after completion of beta-testing and printing of labels.

13.5.3 Future use of Internet Forums.

We need to persuade our long term boating and car customers to mention our products on forums for specific boat and car makes, even just asking if anybody has tried them. This has already worked for *Rinker* boats.

13.6 The ISLAND GIRL® Dealaitor™ Project – A franchising concept that has already been tested

Over the years, we have consistently found that if there was a group of orders from one marina, it was because there was an enthusiastic customer that nearby boat-owners had watched as he used our products. Often, he had even lent his neighbors some product to try for themselves. This effect was especially large if there was a professional detailer in the area using our products.

When drafting a business plan in 2005, We came up with a concept based upon the “**Dealaitor**” – a person who is both a professional **detailer**, and also a retail **dealer** of our products. Ideally, such a person is both an expert in use of our products and also a good salesperson. The products would be demonstrated to potential customers who wished to do the work themselves.

These *ISLAND GIRL Dealaitors™* (we already have a website for them), would be assigned an exclusive area of operation, and could recruit “*Associate Dealaitors*”) to help them. They would be expected to obtain the franchise through wholesale purchase of product (with a stated minimum order) and a fee to offset advertising and literature support. They would be expected to show (and sell) product at swap meets and boat or car shows.

We have two excellent examples of people who have already shown proof of concept. Terry Hudson, when he lived on his boat in the US Virgin Islands, detailed hundreds of boats He had several local guys helping him at the time. He has since returned to Galveston TX and now works on website and SEO marketing and acts as our advisor. He still uses our products on his own expensive vehicles.

The second example is Gary Stamey, a professional boat and car detailer who used our products on many boats and expensive cars, until disabled by a severe spinal

dislocation. He is, however, willing to act as a Dealaitor with others working for him to do the main manual labor, or to just demo and retail our products.

13.7 Single product promotion

Given the opportunity to promote a product on television, for instance through ***Shark Tank***, it is confusing to describe and demo several products, especially when used together as an interlocking “system”. One should focus on one or two key products that could, on their own, produce convincing demos.

ISLAND GIRL Pink Cleansing Lotion™ (IG Pink™) is the product that should be in every boat, garage and household, worldwide.

As seen in our videos, it demos convincingly and there is a 20 min DVD already prepared.

Hawaiian Blue Masking Gel. This makes for a GREAT demo, but the product is not ideal for retail or mail order sales. It is more suitable as an industrial product for use in auto paint and body shops.

Sale of the rights to this product could well finance expansion of our entire product line, particularly bulk product manufacture and worldwide sales of ***IG Pink™*** ***but without loss of equity or control of the company.***

Our ***CLEAR HORIZONS™*** treatment for glass and clear plastics could, with proper distribution, be widely retailed in stores (we already have a point-of-sale display). In a TV show, passing around the product with microfiber cloth to audience or panel members with eye glasses would be a very convincing demo.

The rest of the product line, particularly those for paintwork and gelcoat could be demonstrated on small items but as part of an “upsell” process ***MIRROR HARD Superglaze™*** is the product I would choose. It could be compared with an acrylic coating on bendy plastic material, showing that it does not crack or peel off. Its heatproof properties (compared to wax or acrylic coatings) would also be a great demo for potential use on motorcycle and hot-rod chrome or polished engine parts.

14. Solving Production problems

14.1 Supplier Consolidation & Change to ingredient supplies

The 1990s was a golden era for small innovative businesses. When I was developing our products, I received dozens of samples of potential ingredients and had close rapport with the technical advisors of the chemical companies concerned. Then one original supplier was bought out by a monster international company who introduced large minimum orders and discontinued one key ingredient of *IG Pink™*. Luckily I had stockpiled adequate supplies for the future.

Then, another company was bought out, and yet another introduced huge minimum orders. I was lucky in finding substitutes for some of the ingredients, but their properties were not identical and I did have to adjust my formulae by empirical testing. Also, I was now at the mercy of just a few major companies.

14.2. Too small to Sue!

With the great financial meltdown, in 2009, I was saved from foreclosure by selling my boat (I now have it back) and by the great “*SEA GLOW™ rush*” that dramatically increased our cash income. I then made an arrangement with *TAP Plastics* that we would make, and share, 300 gallon batches of this product at a mainland contract blending company. TAP would finance purchase of the bulk chemical ingredients, while I supplied the key (expensive) ingredients that I had previously stockpiled. In recompense, I allowed TAP to take over our main wholesale accounts on the mainland to which they could ship by road. The first 300 gallon batch was soon running out.

In 2012, to meet further increasing demand we ordered TWO large 300 gallon batches, each of which to be paid for separately (I had now sold my house). Then disaster struck! The mixing company (perhaps to save a few dollars) **shipped the product in used plastic tanks** that contained a residue, causing our product to become yellowed, then turning brown. I managed to re-blend some of it, but the product ended up as unusable with almost half a tank left and we were losing customers. Although I did experiments proving that it was **not** the fault of our ingredients, the contract mixer insisted that I come over to the US mainland to supervise the mixing and first make a test batch. This obviously ate into our profits. If we had been a BIG company we would have been in a position to sue and the product would have been replaced at little or no charge. We were in a weak position, with limited resources, with no leverage and nowhere else to go. I now specify EVERY little aspect of manufacture and shipping!

15. Present Status of the Company (as of March 2017)

I am now 75 years old, and have no children of my own. Indeed, **ISLAND GIRL**® is really my only “baby”. However, as a Corporation the company could undoubtedly survive and prosper given expert marketing assistance and adequate capitalization for bulk manufacture of products. However, after having put all my energy and time for over 20 years, and close to a million dollars into marketing and manufacture, I now allow the company to find its own way like a sailboat that is “heaved to”. Except for recently updating the website and e-commerce site, I spend nothing on promotion and marketing of the products.

With regards to **SEA GLOW™** for the sports shoe market, I no longer need an assistant to pack 9 or more boxes per day for small (<\$20) orders, I leave it to professional resellers who are much better at marketing. In the boat (and auto) market, I rely on repeat customers, referrals and the search engines to sell our kits of products that usually bring in \$150-\$200 per order.

As long as I do not greatly increase my current level of sales. I have adequate supplies (replaced though sales revenue) for the company to keep going indefinitely at a low level. To save money, I work out of a home office and keep bulk chemicals in a lock-up storage, so my overhead is very low and any surplus income just supplements my retirement income.

It is essential to soon make another big batch of **SEA GLOW™/NEUTRAL CLEAR™** but demand is still strong enough for my wholesale customers to partially finance this. Instead of the 300 gallon batches made on the mainland, I will consider



temporarily returning back to making 55 gal batches here in Hawaii. I just need to buy in some of the bulk chemicals. I already have all the special anti-oxidants, fluorescing agents etc.

I can keep making resin-based products with smaller pail or gallon-sized quantities of ingredients.

The goal is to keep the business viable until I can sell all or part of the company. That is why it is so important that the Shark Tank or other opportunities occurs while the company is still a “going concern” and while I am still healthy enough to enjoy the rewards!

ACKNOWLEDGEMENTS



Jantina Barbara Willis (“Tina”) my wife of 38 Years. She was the perfect wife. She was invaluable in supporting my Scientific Career, putting up with all my long hours in the lab, She then allowed me to sail to Hawaii and spend most of our money on the **ISLAND GIRL®** Project. She came up with the **SIMPLY BRILLIANT™** and **SIMPLY SUPERIOR™** ideas.

Terry Hudson, a customer since 1998, and our prototype **ISLAND GIRL Dealaitor™**. He is my sounding board and confidante. He teaches me about SEO, critiques my writing!

Laycie Williams (“Laycie Love”). Another part-time Office Manager and only 21 at the time. She brought humor, inspiration (and competitiveness) to the business operation. She made great product flyers with Apple’s “Pages” App). She also helped during Tina’s final illness.

Bumiko Ading, from Majuro, Marshall Islands. She was sent to Hawaii for an education in Business Management by her father, the Mayor of Enewetak (one of the atolls used for H-bomb testing in the 1950s). She was the most recent of my Office Managers. She was great at book keeping, order fulfillment and newsletter preparation. She is now a full-time mother. **I really need her back!**

Fern E. Davis BS., Ph.D came to Hawaii after getting her first degree and became my part-time Office Manager. She was brilliant, very supportive and helped draft our first Business Plan in 2005. She designed our **ELIXIR™** bottle label. She was invaluable in helping me care for Tina, as she became increasingly ill and then bedridden. She is now Company Secretary, with authority to carry out my instructions for disposition of the Company assets, should I be incapacitated or die.

Kwiteo Monica Powell, from Ailing Lap Lap in the Marshall Islands. She is my most loyal friend. She revitalized my spirit and organized her friends for product bottling, packing boxes, moving house and boat detailing.

Clarence Callahan Ph.D, retired scientist and my sailing buddy. He was invaluable in making me modernize my USPS procedures . He also helped with chemical and packaging processes and many business ideas. Sometimes he was helped by his assistant **Anne Elisa**.

Ed Nessoff was invaluable in streamlining the office management. Also, after 30 years in the computer electronics field, he was our IT and internet expert.

