



Current Stage of Business:

We are modifying our original design to specifically fit into a new Hypro inductor (polytank used to load sprayers) unit. Pentair of which Hypro is a subsidiary company, is an \$8 billion company. They asked that we design a Chem-Blade unit specifically for their new inductor unit being launched right now. They stated that Chem-Blade being compatible with their unit was an integral part of their launch because in their research it showed customers consistently asking whether Chem-Blade would work in their unit. Their brochure states that the new Hypro Cleanload Max is compatible with the Chem-Blade. They made some modifications since working with us initially, and we are now finishing our modifications for a specific Chem-Blade for their unit. We will carry two product lines of the original Chem-Blade, one line for all polytanks, and one line for the Hypro Cleanload Max. The only difference will be the leg configurations minimizing the amount of fixture changes. With the new Hypro inductor launch and them advertising that Chem-Blade is available for their unit, and with existing distributors in place we anticipate selling up to 700 units a year. The Chem-Blade original currently sells for \$525/unit in 60 distributor locations in 24 states from Washington to Florida.

Current Development:

Under a licensing agreement with Hagie together we designed an enclosed system so all chemicals are unloaded with the operator being isolated from chemicals, and all the processes are done automatically. We have brought the unit back in house to manufacture. With testing as well as feedback from customers and distributors we are completing our final design, adding the requested features and improvements on functionality thus allowing a turnkey powered system.

What Chem-Blade does for the customer:

The original Chem-Blade saves 15-30 minutes in a day and with spray rates and coverage speed making the sprayer worth \$20/MINUTE in the field, the ROI is quick and it allows the operator to apply more revenue to their bottom line which is even more important with agriculture slowing some at this time. They are looking for small investments that help them with their profit. The Chem-Blade ES will isolate operators from dangerous chemicals and ergonomically do all the procedures automatically. Spraying windows are almost always tight with the potential of wind or storms on the horizon. It is important to be in the field spraying instead of sitting still loading and that is why the Chem-Blade is valuable for the operator. Our slogan is "More time saved, More acres sprayed". All the chemical is emptied and rinsed out immediately on site with all of it going into the sprayer and on the intended field instead of later down a drain, or having the jugs burned or buried . . . which in surveys showed is the norm today. A single chemical jug can cost upward of \$1000 and with an estimated 2 ounces left behind by traditional pour methods the costs can add up in a hurry. The opening, purging, and rinsing of chemicals is all done in an enclosed chamber isolating the operator from chemical exposure which is increasingly important with EPA regulations. Operators typically don't wear the safety gear required for loading chemicals and get chemical on them... our goal is to minimize the opportunity of chemical ever getting on them. Bags of dry material are not near as hazardous as liquid variants therefore the ES can empty them with the lid open. Operators can safely use our two-hand touch button system to open and empty bags quickly while the lid is open. Money generated from time savings, less chemical being lost, and the work being easier while safe as possible for the operator all were taken into consideration when designing the Chem-Blade ES.

Use of the Jumpstart funds:

We are subcontracting several components and processes in the state of Kansas but will need to create fixtures for high production of our high valued processes in house like welding and assembly of the various Chem-Blade models. The Jumpstart Funds will allow us to immediately set up for higher production on our first models so we can hit the market quicker and grow at a faster pace. We anticipate eventually building 500 units/year and on the high side 1000 units/year retailing for \$7500/unit. Being set up from the beginning with the proper fixturing paid for from the Jumpstart funds will lead to a higher quality product, decreased manufacturing costs and a faster capturing of the market. The quicker we can ramp up the Chem-Blade line with our distributors already in place will enable us to generate revenue leading to the designing and testing of other products to take to market along our existing products. In the end this will help us continue to grow and to add more jobs each year while building a sustainable manufacturing business in Kansas.