



FOUNDATION
FOR THE
F·U·T·U·R·E

The captor Group

THE REASON

:: The Way Things Are

There are big companies and there are small companies.

According to government statistics, the small companies are the backbone of our economy. This is true, but not in the way you might think...

The big companies are always in the limelight ... Wall Street coverage, analyst's evaluations, major deals cut... but without the small companies the big companies simply wouldn't exist.

The small companies are the feeding ground of the big companies

The big companies grow either by eating the small companies' lunch, - or to make it easier - eating the small companies themselves.

:: Why things are the way they are

The big companies enjoy a large market share for their particular products or services. However, this market position is a vulnerable one that can easily be lost through lack of innovation

The small companies lack the market coverage, but their strength lies in their innovation and their ability to respond quickly to market shifts.

Innovative products are what sells and what big companies are looking for. They look to the small companies to obtain them.

- and obtain them they do!

They flood the market with similar products and, due to their volume, at much reduced prices. Unable to compete on price, the small company is starved out of business due to the big company - eating their lunch. If that doesn't work, they simply acquire the company.

That's the reason why small companies are so important for our economy - they are the intellectual nutrition for the big companies.

:: The consequences

Because their proverbial lunch is constantly in danger of being eaten, small companies are always in defense of their position.

They seldom grow big - at least not from within - and continually have to re-invent themselves to stay alive. This is challenging and can even be fun for awhile, but eventually it wears on the fiber of the organization.

The return on investment on innovation is meager with small companies - but innovation is crucial for survival.

The biggest return on investment for a small company is pride, pride in providing products or services in a way that enables them to survive among all the big companies

But how many lunches can pride buy? Will pride fund the investment necessary for the future growth of the business?

If you identify with the above and would like to change your situation - keep reading!

THE CONCEPT

:: Preamble

Here I will be a bit more explicit and review the basics of how the captor group evolved.

Let's look at the economy, the business world in general: Business is a game. To become successful in any game you must look ahead ... taking into account the future moves of all the different players. You must determine what will affect your position and what strategy you must develop to win. You must calculate the future movements of the other players or the marketplace both are the same.

The game is dynamic, not static. To stay "ahead of the game", you must have an inspired vision of the future.

Now let's look at the players in this game. They basically fall into two categories. The Davids and the Goliaths.

:: The Goliaths

The Goliaths play the money game and the Davids the intellectual game. The Goliaths are big and cumbersome. They are not built for fast movements and work best under static conditions.

But the world is not static anymore, the world is moving faster and faster every day and that creates problems for the big guys.

To obtain the position they deem to be best for their future, the Goliaths play the money game and acquire other companies. They place them in a position where they feel their expertise will be needed in the future and wait for the cash register to ring. In other words: they anticipate a certain development of the economic highways and build a toll both in advance.

But these highways can take a different route and develop randomly, not necessarily following Goliath's calculations. You then have a big expensive toll booth and no traffic, no money.

That is what happened to the AOLs and ENRONs of the world. It is not the accounting scandal that caused the fall of ENRON, it was the wrong move in their business game. Cooking the books was just the last, desperate attempt to avoid the inevitable.

:: The Davids

The Davids are flexible and move quickly to put up their little Hamburger stands where new traffic is developing. That's fine and feeds the owner and his family.

What if David, however, happens to have a revolutionary Buffalo Burger that will never get the market recognition it deserves? David won't rise to his true potential.

Now, picture another David - and that's me - with a similar stand at a different location. I have a revolutionary choco-cola and I know as well that my market penetration is limited.

However, I know that anyone wanting David's Buffalo Burger is certain to want a choco-cola and I also know I have been getting a lot of requests for Burgers at my cola stand.

David and I decide to work together and in addition we decide to look for more equal-minded fellows with similar products and customers. By working together as one team, we

can compete and even beat the big names because we are faster when it comes to new trends and customer requirements.

We now can afford marketing and branding to get wider recognition to develop a stable, growing business. That was the birthday of the captor-group.

HOW IT USED TO BE

:: The Big Companies

- ▶ Have a wide product range for complex customer projects.
- ▶ Have a world wide sales organization.
- ▶ Have world wide resources to draw from connected by an effective communications network.
- ▶ Have the marketing capacity to create attention.
- ▶ Have the branding that creates customer loyalty.

:: The Small Companies

- ▶ Are lacking in all the above.
- ▶ Can't bid on complex customer projects because of the lack of versatility.
- ▶ Don't have the resources to take on ambitious projects.
- ▶ Don't have the IT network for communication, fast information retrieval and decision making.
- ▶ Are lacking the market recognition of branding.

HOW IT IS NOW

:: The captor Group

- ▶ Gives small companies the power of the big companies without their shortcomings.
- ▶ Is a group of complementing, independent companies that work together for a common goal.
- ▶ Is united under the umbrella of the well known captor brand name.
- ▶ Presents itself to the market as one entity were every member of the captor group carries all the products of all the group members.
- ▶ Complement each other. Members are working together on big customer projects as one virtual company.
- ▶ Complement each other with sharing resources.
- ▶ Combines certain staff functions such as marketing, strategic planning, research etc. in the captor Management company to minimize costs.
- ▶ Distributes and diversifies where the big companies concentrate.
- ▶ Gives its members the opportunity to concentrate on their area of expertise. Other needed products and services are acquired from other, specialized member companies.

- ▶ Is the high tech answer of small companies to the global economy and the accompanying new global market requirements.

THE REALIZATION

:: Each member of the captor group

has the right and obligation to sell the products and services of all the other members.

All products are marketed as **captor** products to create a uniform market appearance and branding.

The presentation of all the joined captor products and services to the market is the same by every member of the **captor group** as one big entity.

All members of the captor group are using the same **captor** sales and marketing literature, with the only difference of the address, company name and logo of the presenting company identifying itself as **a member of the captor group**.

Every member of the captor group offers their special Know How and special resources – like unique test equipment or testing capability, for example – to all the other members for better economic utilization

Every member of the captor group has the opportunity to form a **virtual company** to pursue special projects, like complex customer orders or joint development projects.

:: captor Management Inc. (cMI)

is the service organization for the captor group and provides to its members:

▶ MARKETING

- Plans, material – including design – for all products and services of the captor group including:
- Web design and services
- Advertising campaigns and promotions
- Coordinates sales strategies
- International sales partnerships

▶ COMMUNICATION, DATA MANAGEMENT

- Joint project management
- Data Base Management of all relevant data for the group on a joined captor server

▶ MANAGEMENT SERVICE AND ASSISTANCE

- Streamlining of existing organizations.
- Inventory management.
- Order-processing.
- Human resources management.

▶ GROUP PLANING

- to coordinate future developments between the group members to increase joined efficiency.

▶ FINANCIAL PLANING and TAX CONSULTING

- Applying for government grants.
- Cash flow planning.
- Tax consulting by an international member accounting firm.

THE BENEFITS

- The ability to offer all products and services of all members of the captor group as if they are your own.
- Additional sales and profit by selling your products to your partners and the partners products to your customers, while buying from your partners under the most favorable conditions. This will substantially increase your gross profit.
- Breadth of product enhances your potential of being listed as preferred vendor or integrated supplier by large corporations.
- All products being offered to the market as captor products by all members, greatly increases the market exposure of each member's products and strengthens the impact of branding.
- Reducing cost at each member company by combining staff functions at captor Management Inc. This savings easily will amount to 5% of sales or even more.
- The combined expertise of the Group at your disposal for support with technical, economic, and legal issues.
- Enjoying all the benefits of a big organization without losing your independence and control.

THIS IS THE BEGINNING, LET US WORK TOGETHER

The **captor Group** get's stronger and more powerful with every new member.

Gunther Weber, Naples, FL, February 10, 2003



The Author

Gunther Weber is the President of captor Management Inc. (cMI) and Chairman of the weber Sensors companies. He is known as the "Father of the proximity switch" and has pioneered the development of modern sensing technologies. Gunther Weber lives and works in the USA.

The captor Group



For over 40 years weber Sensors has been a leader in sensor innovation worldwide. From these activities the captor group evolved, providing engineered solutions for industrial automation and factory floor communication throughout the world.

The captor group is a unification of companies from a variety of industries and technologies addressing the market-

place under the captor umbrella. The members of the captor group are sharing resources and Know How and - most important - share and benefit from the market recognition of the trade mark "captor", that stands for products and services you can rely on. Members of the captor group are world-wide. For more information, please email to info@captor.com.

captor Management Inc.

serving the captor group

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