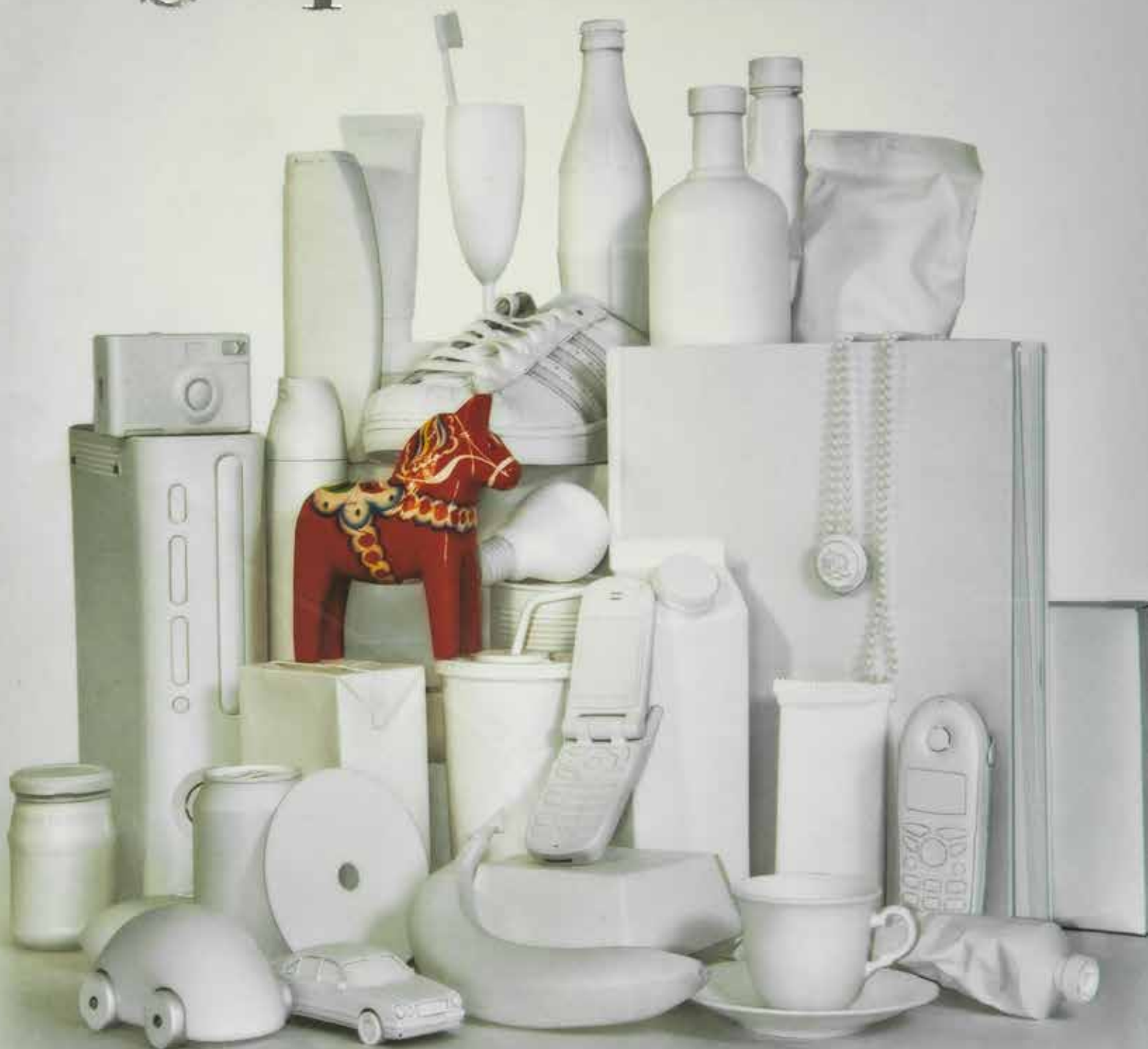


Superbrands®



AN INSIGHT INTO MANY OF THE SWEDISH STRONGEST CONSUMER BRANDS 2010

**THE MARKET**

It started with a small Swedish import company at the beginning of the 1950s and has since developed into one of the Nordic region's most established brands in its industry.

Today, OBH Nordica holds a leading position in the Nordic market and offers households new, innovative products with attractive, smart designs. Millions of satisfied consumers have discovered OBH Nordica through these products. Close contact with the local market and the will to listen to the Nordic countries' needs are the company's key competitive advantages.

OBH Nordica has subsidiaries in Sweden, Denmark, Norway and Finland. The organization is jointly managed by the companies in Sweden and Denmark. The company has 55 employees in Sweden and there are 150 employees in the whole group.

ACHIEVEMENTS

OBH Nordica was launched as a new brand in Sweden 2003. In the space of six years they have achieved successes that would normally take 20 years.

Some of the most important factors behind this is a will to always put the customers first and always offer a first-class service.

The right products and a massive investment in TV advertising has paved the way for OBH Nordica's successes.

OBH Nordica currently has sales in the region of 365 million kronor in Sweden and about 850 million kronor in the Nordic region. Each year, OBH Nordica now sells 1.8 million products in Sweden and about 3.8 million in the Nordic region.

The brand OBH Nordica is now ranked as the top brand in the business when it comes to design, innovation, selecting for personal use as well as recommending to others (source: Nielsen June 2009).

Behind the whole success story is a dedicated sales team and warehouse staff as well as office personnel.

HISTORY

In 1959 the import company Bertil Joffe AB was founded. During the 60s Bertil Joffe enjoyed great success with its professional hair dryer for home use. Today, you could say that the hair dryer was its passport to the small appliance business.

The company worked during the 70s and 80s with developing household products for the two biggest retailers of the day, COOP and Åhléns, which had a combined total of 600 stores. The stores had their own «Private Brands» and the company provided them with their own new models for many years.

The brothers Peter and Thomas Ek, who had been working at the company since the 70s acquired it in 1986 and the company was renamed Joffe Marketing.

Up until 2001, Joffe Marketing had been working with four different brands: Tefal, Rowenta as well as its own brands Carmen and Nordica.

2001 saw a major change within the organization that would come to pave the way for the company's impending success: Rowenta och

Tefal wanted to set up their own subsidiaries in Sweden. The EK brothers had been offered part ownership in the new separate company but declined and decided instead to concentrate on their own abilities to produce products to suit the domestic market.

The idea proved to be a winner. They developed new imports at a rapid pace, determined to replace Tefal and Rowenta as quickly as possible with new products that focused heavily on design. After just twelve months the company, with its own brand Nordica, succeeded in achieving the same turnover that it previously had with all four brands.

The company also realized that it had to work on a Nordic basis in order to be a strong partner for the customers in the future.

As a result, they approached the Danish OBH company which they had been cooperating with for 15 years. The Danes also saw that there were advantages to be gained by joining forces and the decision to merge was taken in 2001. Since 2003 the brand OBH Nordica has existed in all four Nordic countries.



THE PRODUCT

To invent or develop innovative products with clever solutions has been characteristic for OBH Nordica. The company has become a specialist in producing the right products for the domestic market in the Nordic region. This strategy is typified by products such as home appliances and products for hair and personal care, both of which must have attractive designs and good features.

OBH Nordica has an efficient product development system and high flexibility and dynamics as decision-making channels are short. This enables them to launch between 70-80 new products each year.

OBH Nordica's market strategy is to make sure that its products are available within the largest market segment that appeals to approximately 85 percent of the population. Irrespective of price level, all of the products are to be perceived as giving the best value for money.

The market's confidence in the brand also means that OBH Nordica is able to expand its product range and establish itself within new, closely related product areas. In this way, they create new, exciting sales opportunities for themselves and their customers.

There is nothing that is so strongly associated with OBH Nordica as the Chili series. These are products that are firmly embedded in the public's consciousness. In Sweden alone more than 450 000 Chili-products were sold between 2005 and 2009. The characteristic red metallic colour proved to be absolutely right for the times.

Wellness is a relatively new product category that is growing fast for OBH Nordica. Products that can make life a little more luxurious or make you feel a little better. The popular Shiatsu Massage has become the company's biggest single product during 2008/2009.

RECENT DEVELOPMENTS

The market constantly changes and develops. With its effective way of working, OBH Nordica has shown that it is often one step ahead and takes key decisions at the right time. Close proximity to the customers and the market needs has always been the most important success factor. This, combined with its natural skill and the courage to dare to take opportunities when they arise, has been decisive.

With its latest successes in frying pans and saucepans, the company has created opportunities within the product segment household goods (not electrical household products).

In the last two years, the company has made a fantastic comeback with two new frying pan/saucepan series. To promote one of these, Oden Steel, the company collaborates with the famous Glenn Strömberg in its advertising campaigns. Strömberg, a former football star turned cooking expert, has been selling high quality Italian food products in Sweden for the past three to four years.



In the autumn of 2009 the company launched Supreme Steel which is a Swedish invention developed in cooperation between OBH Nordica and the industrial designer Mattias Mikaelsson. The double handle design holds the lid in place which is practical when pouring off boiling water.

MARKETING

When the company was reformed into OBH Nordica in Sweden in 2003, the new brand OBH Nordica had to be built up as quickly as possible. In Denmark, OBH had already been established since 1985 so in that country it was not such an urgent matter.

In Sweden, however, the company had competitors that had been active on the market for 70 years, so it was a matter of quickly developing preference and trust in the brand. To gain time, OBH Nordica chose to communicate via TV advertising as this was the fastest marketing method.

The most critical issue was to find a solution to the problem that TV advertising puts the organization under pressure and is also costly. The company chose to intensify its cooperation with the biggest channel, TV4, which is also transmitted nationwide. This was important as many hardware stores are located in small towns and OBH Nordica wanted its message to create an effect all over the country.

OBH Nordica has achieved a brand awareness level of 96 percent in less than six years, and the brand's well known slogan «Designing Good Life», which concludes every TV ad, is almost as well known as the brand itself.

Designing Good Life stands for two things; making everyday life easier with smart functions and offering products that can make a home more attractive.

BRAND VALUES

What characterized the brand then, as now, was an extreme focus on the customer. Bertil Joffe would stop at nothing when it came to

satisfying his customers. And that's the spirit that the brothers Ek have now carried forward into their company culture.

OBH Nordica constantly strives to deliver beyond expectations. Irrespective of price, the company wants all consumers to perceive OBH Nordica's products as being the best value for money. Added value in the form of attractive design, attractive colour schemes and smart functionality is something that is associated with today's OBH Nordica.

Internally, the company attributes a large part of its success to dedication, a happy atmosphere and a high tempo.

Things you didn't know about OBH NORDICA

- In 1967 the Ek brother's mother, Jorunn, started work at Bertil Joffe AB as a product demonstrator. That's how the brothers Ek got a foot into the company.
- OBH are the initials of the Danish part owner Ole Bødtscher-Hansen. Ole has also been active in the industry since the mid 70s.
- The company's least successful investment was «Crazy Duck» at the end of the 80s. This was a hair dryer that looked like Donald Duck, with Donald Duck feet as a stand.
- OBH Nordica has sold between 2.2 and 2.3 million toasters in Sweden since the start (1959). 250 000 popcorn machines and 450 000 products from the popular Chili series.
- For all of 18 years, OBH Nordica has chosen to support the work of Hoppets Stjärna.