

THE FIBER OPPORTUNITY:

Capturing New, More Profitable Markets



A conversation about your company's future customers with Instrumar, a partner to leading fiber producers worldwide.



INSTRUMAR

Measured Advantage to Market Advantage.

Does your business have the **Instrumar Advantage?**

opportunity

In our conversations with fiber producers worldwide,

we hear about their business challenges. The executives tell us about market globalization, relentless commoditization, increased competition, and higher expectations from downstream manufacturing. Plant managers remind us of the age-old problems of expensive testing, manual data tracking, and machine downtime.

We hear about these challenges constantly – which ones sound familiar to you?

- *Increasing pressure on profitability*
- *Eroding margins and market share*
- *High expectations of downstream customers*
- *The move toward higher-quality textiles and processes*
- *High costs for testing and manual data tracking*
- *Costly customer claims and off-spec product*
- *Machine downtime*
- *Commoditization*

Among fiber producers, there are special executives – champions for change – who are pushing beyond the constraints of commoditized markets. These special executives have a vision for capturing new business opportunities by creating fiber for downstream manufacturers with higher quality expectations. They realize the stakes for quality product are higher, but so are the profits. For these special companies, status quo is not an option.

What is your opportunity? Do you have a plan?



There are special executives – champions for change – who have a vision for new business opportunities.

THE FIBER REALITY:

Doing business in COMMODITY markets

THE MARKET

More competition: you are competing globally on low-margin commodity products.

New customer requirements: there are unprecedented demands for quality product that is difficult to deliver.

Asia's capabilities are changing: predominantly a commodity producer, Asia is also shifting to the quality market.



The Boardroom Challenge:

"Our company's sustainability is being challenged.

Customers demand a richer supply of quality products at a lower cost. At the same time, energy and raw materials prices go up."

- Eroding profit margins
- Loss of market share
- Slow time to new markets
- Decrease in sales



The Champion Challenge:

"To thrive, we need to do things differently. The market has new requirements, the board has new pressures, and the plant has the same old equipment."

- Complexity of new products
- Customer claims and seconds too high
- Increasing costs for testing and manual data tracking
- Lack of traceability to verify customer complaints and claims
- No integrated information source



The Plant Challenge:

"How do we deliver more without upsetting the fragile balance on the production floor?" Pressure is on us to produce more with the same machinery and processes that have been in the plant for decades."

- Downgraded product and customer claims
- Time-consuming and costly manual tests
- Machine downtime or failure
- Out-of-spec product

THE PLANT

Large investments in old machinery: very few companies can afford to upgrade machinery or build new plants.

Monitoring is a constant: online sensor monitoring has not changed significantly and is not providing much added value for new product requirements.

challenge

THE INSTRUMAR ADVANTAGE:

Closing the Product-to-Opportunity Gap

We have experience. We can help.

Our customers include many special fiber producers who are escaping commoditization – and capturing new, more profitable markets. Instrumar Advantage clients can produce the highest quality fiber and sell it at the highest price to the most discerning clients. That new reality means a significant shift in the way they produce fiber, and a cultural shift from plant-driven production to customer-driven processes.

How does Instrumar create advantage?

Instrumar creates advantage by shifting companies from an old, post-production product-testing culture to a production-process culture. The old way, focused on capturing bad yarn, has limited value and high costs. The new way, the Instrumar way, constantly learns about the production processes, reports unacceptable variances in real time, and recommends remedies to optimize production.

The result: product quality is predictably high, bad product volume is predictably low, and you have the confidence to serve new, more profitable downstream markets.

What advantage does your company have?

One Instrumar Customer:

“If Instrumar really wants to get our attention, detect when something is wrong on the production line, figure out why, and fix it.”

That is our mission.

4 *advantage*

THE CURRENT WAY:
Focus on Product Testing

PROCESS

PRODUCT

DETECT PRODUCT PROBLEMS
TEST PRODUCT BUNDLES
PROCESS CLAIMS

LIMITED VALUE



THE NEW WAY:
Focus on Production Processes

PROCESS

PRODUCT

DETECT PROCESS PROBLEMS
DIAGNOSE WHERE AND WHY
PRESCRIBE ISSUE AND REMEDY
TRACK PROCESS AND PRODUCT IN REAL TIME
REPORT TRENDS THAT IMPACT PRODUCT AND PROCESS

DETECT PRODUCT PROBLEMS
TEST PRODUCT BUNDLES
PROCESS CLAIMS

UNLIMITED VALUE



change

THE INSTRUMAR FIBER SYSTEM: *Intelligent Production Processes*

The Instrumar Fiber System™ is the result of years of fiber production expertise – our technicians have probably analyzed more fiber production data than any other individuals on earth. The System includes specialized consulting, software, hardware, and services tailored for your plant and your product.

The Instrumar Fiber System is a progressive approach that delivers quick wins and return on investment. We do this in three stages of implementation:

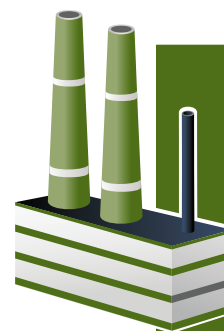
Stage 1 gives you unprecedented visibility into all of the processes and all of the product;

Stage 2 produces real-time improvement of production processes; and

In **Stage 3** you are relying on Instrumar technology to monitor and prescribe improvements to your production processes, which gives you the confidence you need to grow and serve new markets.

We can be your solution to capturing new markets.

Are you interested?



*Instrumar
optimizes your
existing assets and
leverages your
existing investments.*

intelligent

THE INSTRUMAR FIBER SYSTEM™: Intelligent Production Processes

THE PLANT

Shift: you have moved from old product testing methods to intelligent production process improvement.

Optimized: all of your assets are optimized – existing machinery, new capacity, and new machinery.



Measured Advantage

“We have unprecedented control of product uniformity. We can produce more quality fiber with the same machinery.”

- Less reliance on time-consuming and costly manual tests
- More machine uptime
- Less out-of-spec product
- Fewer customer claims



Process Advantage

“We do things differently. Our intelligent, optimized production processes help us meet the most demanding market requirements.”

- Fewer customer claims and seconds
- Reduced costs for testing and manual data tracking
- Constantly improving production processes
- Process and product problems easier to trace and fix



Market Advantage

“Our company is ready to meet new market challenges. We can compete confidently in higher-profit markets.”

- Higher margins
- Increased market share
- Faster time to new markets
- Increase in sales

THE MARKET

Less competition: you are no longer limited to being a commodity producer.

More opportunities: demand is growing for your quality product.

Company sustainability: you can compete in high-quality downstream markets with confidence.

confidence

THE INSTRUMAR ADVANTAGE

Capturing new markets with the power of Intelligent Production Processes.



World Headquarters:

Instrumar Limited

39 Pippy Place

St. John's, NL

Canada A1B 4A5

Tel: +1 709-726-8460

Fax: +1 709-726-8613

Email: info@instrumar.com

www.instrumar.com