

**VITA PRODUCTS, INC.
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1.0 EXECUTIVE SUMMARY

Vita Products, Inc. is a manufacturer of Biodegradable and Environmentally Safe products for the Floriculture, Horticulture, and Christmas Tree Industry. Many of our products now are registered as United States Department of Agriculture National Organic Compliant. Our products are designed for Post Harvest Care and Handling of cut flowers, foliage, cut Christmas trees, wreaths, and holly. We also manufacturer products for live plants specializing in optimum seed germination and superior plant growth with Preventative Disease Management.

1.2 MISSION

Our goal is to supply our valued Customers with the highest quality biodegradable and environmentally safe products available at a fair market price. Our products are unique in that there are no other products on the market like ours. We take pride in the quality products we sell and the service we guarantee our customers.

1.3 MARKET ANALYSIS: U.S.A. AND GLOBAL

MARKET PRODUCTS

***PRE-TREATMENT HYDRATION SOLUTION
*VITA FLORA CUT FLOWER NUTRIENT SOLUTION
 *VITA HYDRA 2000
 *VITA FLORA 2000
 *VITA ONE-STEP
*(NEW) CUT N' DIP (QUICK HYDRATION)
 *VITA FLORA CONSUMER PAKS
 VITA FLORA 2000 FRAGRANCE MIST
 VITA FLORA SYSTEMIC FLORAL DYES**

VITA DERMA LOTION

***VITA CHRISTMAS TREE & WREATH PRESERVATIVE**

*VITA PLANTA 2000
*VITA PLANTA PRO
*VITA AGRI PLUS 1:4
*VITA PLANTA PRO FOR CERTIFIED SPRAYING PROGRAM
*VITA AGRI/VPX BOOSTER FOR CERTIFIED SPRAYING PROGRAM
*VITA AGRI PLUS
*VITA PLANTA PLUS
*VITA AGRI PLUS-A

NEW “ORGANIC DETERRENT OR DETERRENT” WITH CONTINUED RESEARCH

**NEW SOIL AND HYDROPONIC GROWING PRODUCTS ALONG WITH
HYDROPONIC WATER TREATMENT PRODUCTS**

***Product is USDA National Organic Program Compliant.** The remaining products are currently being considered for organic compliancy.

1.4 BRIEF EXPLANATION OF PRODUCTS

PRE-TREATMENT HYDRATION SOLUTION VITA FLORA CUT FLOWER NUTRIENT SOLUTION

Purpose: Pre-treatment Hydration Solution cleans vascular bundles of flower stems to allow uptake of nutrient solution. Lowers pH of water and prevents bent neck.
Vita Flora Cut Flower Nutrient Solution feeds the cut flower nutrients to reduce stress, sustain quality and extend vase life.
Care & Handling of Cut Flowers-Extends life of flowers-Reduces shrink
Concentrated formulas for In-House Use
Concentrate: Pre-treatment Hydration: 1 ounce to 1 gallon of water
Vita Flora Nutrient: 1 ounce to 2 gallons of water
Shipped: Large volume-15, 30, 55 gallon drums
Market: U.S. Growers, Off-shore Growers, Large Wholesalers and Bouquet Makers

VITA HYDRA 2000 VITA FLORA 2000

Purpose: Care & Handling of Cut Flowers-Extends life of flowers-Reduces shrink
Less Concentrated: 2 ounces to 1 gallon of water
Shipped: 32 ounce bottles 8/cs, 1 gallon jugs 4/cs, 5 gallon pails, 15, 30, 55 gallon drums
Market: Small Wholesalers In-House Use and Hardgoods for Wholesalers to sell to retail Florists, Mass Merchandisers (Target, Walmart), Mass Market Retail Departments (Grocery Store Chains), Consumers who purchase fresh flowers or Gardeners

VITA ONE-STEP

Purpose: Care & Handling of Cut Flowers. Vita One-Step is the only hydration and nutrient solution combined for fresh cut flowers. This eliminates a two-step or even three-step floral processing. Floral departments can easily train employees with Vita One-Step. A One-Step floral processing saves time, labor, and money.

Shipped: 32 ounce bottle 8/cs, 1 gallon jug 4/cs, 15, 30, & 55 gallon drums

Market: Entire Cut Flower Industry focusing on, Mass Merchants, Grocery Store Chains and Bouquet Makers

(NEW) CUT N' DIP (QUICK HYDRATION)

Purpose: A 2 or 3 second Quick Hydration Product to instantly hydrate flowers.

Shipped: 1 gallon jug 4/cs

Market: Entire Cut Flower Industry

VITA FLORA PAKS

Purpose: Makes two quarts of nutrient solution for the Consumer to use with cut flowers. Free or add on charge with Consumer floral purchase. Packet written in English, Spanish and French. UPC Coding on individual packets for P.O.P Sale.

Shipped: 200 paks/pouch-1000 master case

Market: Entire Cut Flower Industry

VITA FLORA 2000 FRAGRANCE MIST

Purpose: Mist on flowers for longer life and fragrance. Absorbed through petals. Enhances natural fragrance and freshness of cut flowers. Many flowers have been so hybridized that they no longer have a fragrance. Consumers want to buy flowers and enjoy fragrance.

VITA FLORA SYSTEMIC FLORAL DYES

Purpose: Dye Cut Flowers. Gives variety to floral design work.

Shipped: Ready-to-Use in 1 gallon jug for Wholesalers & Retail Florists
Concentrated for Growers

Market: U.S. Growers, Off-Shore Growers, Wholesales, Bouquet Makers, Grocery Store Chains Floral Departments, Retail Florists

VITA DERMA LOTION

- Purpose:** For Floral and Plant Handlers. Apply to clean hands to protect hands that are constantly exposed to water, dirt, and other irritants. Helps prevent Contact Dermatitis which is a problem for people who work in the Floral/Horticultural Industry.
- Shipped:** 8 ounce bottle 24/cs
- Market:** Growers, Wholesalers to sell to Retail Florists, Grocery Store Chains, Plant Growers, Greenhouse Workers – May be marketed in other industries.

VITA CHRISTMAS TREE & WREATH PRESERVATIVE

- Purpose:** Hydrates the Christmas tree and/or Wreath to keep it fresh and reduce needle drop. Rated #1 by the Dover Fire Department in their Consumer Education Testing.
All major Wreath Makers in Oregon and Washington use Vita to extend the life of wreaths and holly.
- Shipped:** Consumer bottles 8 ounce/24cs, 5 gal pail, 15 & 55 gallon drum
- Market:** Growers, Wreath Makers, Retail Lot Operators, Mass Merchants, Grocery Store Chains Floral Departments, Fresh Produce Departments, Retail Florists

VITA PLANTA 2000, VITA PLANTA PRO, VITA AGRI PLUS 1:4

- Purpose:** Use as a watering agent and/or foliar spray. Restores vitality to stressed plants by assisting the hydration of plant stem and leaf. Aids in transplanting and seed germination. No salts to burn plants. Enables the plant to become healthy and balanced with a strong immune system. It also helps reduce antagonisms to the plants to that it may use available nutrients. Not classified as a fertilizer since it does not have a salt base nor an N-P-K breakdown.

VITA PLANTA 2000

- Shipped:** 32 ounce bottle 8/cs, one gallon jug 4/cs
- Market:** Nurseries, Mass Merchants, Grocery Store Chains, Wholesale Florists, Retail Florists, Consumer

VITA PLANTA PRO
1 ounce makes 2 gallons

- Shipped:** 1 gallon jug 4/cs, 15, & 55 gallon drums
- Market:** Same as Vita Planta 2000

VITA PLANTA PRO CERTIFIED (Certified Only)
1 gallon makes 2000 gallons

Shipped: 1 gallon jug 4/cs
Market: Commerical Developments, Large Nurseries, Growers,
Agricultural Crops, Landscapers, Hydro-seeding Contractors, Lawn Installers
and Maintenance Contractors, Golf Courses, State Roadside Development,
Christmas Tree Growers

VITA AGRI/VPX BOOSTER FOR CERTIFIED SPRAYERS (Certified Only)
1 gallon makes 2000 gallons

Shipped: 1gallon jug 4/cs
Market: See Vita Planta Pro Certified.

VITA AGRI PLUS
1 ounce makes 15 gallons-1 gallon makes 2000 gallons
VITA PLANTA PLUS
1 ounce makes 15 gallons-1 gallon makes 2000 gallons

VITA AGRI PLUS-A
1 ounce makes 15 gallons-1 gallon makes 2000 gallons
For very large users-Golf Courses, Growers, Schools, Resorts, Etc.

Purpose: Areas where the Vita Agri/VPX Booster or Vita Planta Pro Certified may not
be available or required. Used as a maintenance product.

1.5 INDUSTRY TRENDS

The Floriculture Industry is the third largest cash crop in the United States and larger in some foreign countries. One of the greatest concerns from Growers to Mass Merchandisers is the Post Harvest Care & Handling of fresh cut flowers so that the quality and vase life of the flower is extended. The smart Consumer today must receive a quality floral product; only then will the Consumer return to purchase more flowers. Organic flowers now have become part of the Mass-market Retailers inventory. Our floral products are the only ones that may be used for organic floral post harvest care. Sales of organically grown food products reached \$7.2 billion in 2000 with an average growth of 20 percent per year over the past 10 years. There is an established organic/natural products industry and studies have indicated that other countries, such as United Kingdom and Japan, are moving rapidly towards an Organic Industry.

The Christmas Tree Industry is drastically changing in order to promote the Real Tree Industry. Marketing a fresh cut tree with Care & Handling Instructions is of great importance. The Grower does not want to lose his market share to the artificial tree industry or to the Consumer who is unhappy with a poor quality cut tree.

The Live Plant Industry is booming. Gardening has become the Number One Hobby in the United States. An estimated \$42.5 billion was spent in 2004 on lawns and gardens. The Consumer wants to “Cocoon” and make his Home Environment health and less stressful.

Fresh Produce Food Safety Issues are top priorities. Vita Fresh Produce Wash addresses this issue. We have met with the FDA concerning Vita Fresh Produce Wash; all ingredients are GRAS Approved (Generally Recognized as Safe). The next step is to submit it for USDA National Organic Program Compliancy.

1.6 ORGANIZATION MEMBERSHIPS

Vita Products, Inc. is a member of the following important Industry Organizations:

1. Association of Specialty Cut Flower Growers
2. National Christmas Tree Association
3. Ohio Florists Association/Ohio Short Course Tradeshow
4. Society of American Florists
5. Western Growers Association

1.7 TARGET MARKETS

Specialty Cut Flower Growers
Distributors
Floral Brokers
Wholesale Floral Industry
Bouquet Makers/Pre-made Arrangements
Mass Merchandisers
Mass Market Floral Retail (Grocery Store Chains)
Cash & Carry Florists
Consumer

Christmas Tree Growers
Choose & Cut Farms
Retail Tree Lots
Catalog Sales to Retail Tree Lots
Wholesale Wreath Makers
Mass Merchandisers
Consumer

Plug & Plant Growers
Bedding Plant Growers
Live Plant Wholesalers
Nurseries
Mass Merchandisers
Landscaping Industry
Hydro-seeding and Reclamation
State Roadside Development
City Parks & Landscapes
Schools, Athletic Fields
Agriculture
Golf Courses
Wholesale Floral Industry
Retail Floral Industry
Consumer

1.8 COMPETITION

CUT FLOWER HYDRATION, QUICK HYDRATION AND NUTRIENT SOLUTIONS

All Post Harvest Care Products should extend the floral quality and reduce shrink. Vita not only extends the vase life and flora quality but also is the most cost effective product on the market. Vita does not foam or promote any odor or slime. It leaves no filmy residue. Vita contains its own antibacterial agent so it is not necessary to bleach floral

buckets which saves time, labor, and money. There is no competitive product for Vita One-Step.

Competitive Products:

- 1) Floralife
- 2) Pokon-Chrysal
- 3) Syndicate Sales
- 4) Gard Environmental Group (Rogard)

CHRISTMAS TREE PRESERVATIVES

Vita Christmas Tree & Wreath Preservative hydrates the Christmas tree to keep it fresh and reduce needle drop. It is the only product which may be sprayed on the tree and added to the water bowl. It was rated #1 by the Dover Fire Department in their Consumer Education Testing. All of the major Wreath Makers in Oregon and Washington use Vita Christmas in bulk to dip their wreaths and evergreen material to extend the life of wreaths and holly.

Competitive Products:

- 1) Tree Life
- 2) Keeps It Green
- 3) Greener 'N' Ever
- 4) Prolong

HORTICULTURE & AGRICULTURE

Vita Planta 2000, Vita Planta Pro, and all of our growing products are not classified as fertilizers since they do not have a salt base nor an N-P-K breakdown. These products are registered in most states as Plant/Soil Amendment. In some states, such as Arizona, we are exempt and not regulated nor required to be licensed. A State license is required to sell products on the shelf to the Consumer in each state.

Competitive Products: None

No other growing products may be used systemically and as a foliar spray to reduce stress and promote health plants that resist disease and insect attacks. Salt base fertilizer products must be leached out to prohibit salt buildup. The overuse of fertilizers may cause antagonisms that prohibit the uptake of other valuable nutrients. Vita helps reduce antagonisms so that plants may absorb available nutrients. Runoff from fertilizers also increases algae, nitrate levels in ponds and groundwater.

1.9 PRODUCT ADVANTAGES OVER THE COMPETITION

CUT FLOWER HYDRATOR AND NUTRIENT SOLUTIONS

- 1) Our product begins and ends as a liquid. Competitive products begin as a sugar based powder. If they wish to make a liquid floral product, they have to mix the powder with water and most likely heat it to a boiling point. This process is similar to making hummingbird food.
- 2) We have the only floral product which does not contain sugars. We also do not have biocides in our products to reduce bacterial growth caused by sugars. Whether powder or liquid form, the sugar base limits how concentrated the competitive products can be. We have no concentration limits. We are also the only product which may be mixed and sprayed on flowers/foilage that is not an anti-transpirant product.
- 3) Our competition has manufacturing limitations based on their sugar base contents. It is difficult and expensive to build additional manufacturing plants due to their processing. Our company can go to any town, state or country. Contract packagers can easily bottle and ship our products. This eliminates costly manufacturing sites. It also gives our company product leverage in offering additional incentives such as free freight since we can easily set up close to populated areas.
- 4) The ingredients and processing for competitive products is expensive which means margins rely on volume. Our ingredients are inexpensive and processing costs are low which definitely gives us an advantage over our competition. Packaging cost may even be further reduced through volume. The bottom line is that our competition cannot compete in price wise in the marketplace. We could totally take over the market with a superior floral product that costs less.
- 5) Consumer Packs are free or sold with the floral purchase. Our Vita Flora Pak is a liquid; competitive packs are all powders. The competition's 5 gram pack makes 1 pint; their 10 gram pack makes 1 quart. Bouquet Makers and Grocery Store Chains are demanding the 1 quart pack size as most floral vases hold at least 1 quart of water. Larger vases may hold more than $\frac{3}{4}$ gallon of water which makes the 1 pint pack obsolete. Our Vita Flora Pak holds 3 cc's of concentrated formula and makes 2 quarts. It is the only one that makes 2 quarts. The competition can not make a 2 quart pack because it would be too heavy and bulky. Additionally, our Vita Flora Pak is written in English, Spanish, and French and could accommodate any language from any country. It also has its own UPC Code for those who wish to have the packet as a point of purchase sale with the flowers.

- 6) **Vita One-Step: Mass Merchants, Grocery Store Chains, and Bouquet Makers would be the largest market segment. Kroger alone has over 2200 stores. This is a very competitive market where reducing shrink and saving labor time, and money is a must. The grocery store chains would then demand that their Suppliers (usually Wholesalers) use Vita so that the same product is used throughout their Distribution Center. The Retail Florist would be the next marketing segment for the One-Step. As a rule, the traditional Retail Florist is more conscientious in the Care & Handling of cut flowers than the grocery chains or mass merchants. They have a reputation to protect and want the Consumer's returned business as they are unable to receive the same discounted pricing that the Grocery or Mass Merchants receive. They may want to continue a Two Step method (Vita Hydra 2000 & Vita Flora 2000) which in our tests gives the longest vase life and quality but takes more time and costs more money.**
- 7) **Pricing for cut flower hydration and nutrient solutions has been set by the competition. This may be based on profit margins since they all go through the same production processes. This is our advantage. The competition builds customer alliances primarily based on price. We build relationships based on superior products that are also USDA National Organic Compliant, Service, Problem Solving to meet Customer needs, plus the most cost effective product.**
- 8) **Vita Flora Fragrance Mist-The only competitive product is Design Master who also makes dye and paint for the floral industry. Their fragrance product is alcohol based which may burn flowers and dry them out. Design Master used artificial fragrances; it is not natural. We have the only natural fragrance on the market mixed with Vita Flora to extend the life of the flowers.**

CHRISTMAS TREE INDUSTRY

- 1) **Vita Christmas Tree & Wreath Preservative is the only product on the market which may be used in the tree water bowl and also sprayed on the cut tree. It hydrates the tree to sustain freshness and reduce needle drop. A hydrated tree does not support combustion. We are not classified as a flame retardant since people in the Real Tree Industry know that a flame retardant (anti-transpirant) seals up the tree and dries out the tree faster.**
- 2) **Vita Christmas is an important product in the Wreath Industry. Vita allows the evergreen material to transpire without sticky residue or film. It may be used on all evergreen material and holly. There are over 35 million cut Christmas sold every year in the U.S.A. In the European Christmas Tree Market, sales figures estimate 60 million cut trees are sold every year. The biggest market is Germany, demanding approximately 20 million cut trees a year.**

**(NEW) ORGANIC REPELLENT OR DETERRENT
NOW USDA NATIONAL ORGANIC PROGRAM COMPLIANT**

The Organic Repellent (officially not named) is comprised of our Vita Planta Pro Certified with new plant materials and extracts. This formulation has been pursued for almost 6 years. Some of the plant materials and extracts incorporated into this new product have already been used and tested by Universities and several industry areas. The purpose of the Organic Repellent is to battle Fire Ants, termites, pine bark beetles and other chewing insects. None of the ingredients in this product are listed as prohibitive or restricted in the NOP Compliancy list. This would allow this product to be allowed as a repellent to be NOP Compliant through the USDA National Organic Program files. A second plant extract has already been tested at Texas A & M for its effectiveness on termites, and it lasted five years when combined with a patented process. However, this patented process will not be able to become NOP Compliant. We will use this technology and incorporate it into our base product to become NOP Compliant. This product has been tested on deer and rabbits. Any insect or animal will not want to continue to chew or eat when this product is added. Another combination of plant extracts that we are working with has already been proven as a natural fungi control, and as a natural bio-repellent in the prevention and reduction of pests, fungi, and insects. It also has increased crop yields a minimum of 10%. The final plant extract incorporated is a combination of the third extract with a surfactant. These two materials will be used as a natural plant surfactant to bond the repellent to the surface it is applied to. We hope to get a one to four month bonding capability on tree bark to combat beetles and chewing insects on all plant life. This extract has already been tested and is sold for other uses, but it is not USDA NOP Compliant. With a few modifications, we can make it Compliant.

The name for this product is No More Bunnies. Has been very effective against prairie dogs, gophers, elk, deer, javelina, cats, dogs, rabbits, etc.

**(NEW) SOIL AND HYDROPONIC GROWING PRODUCTS ALONG
WITH HYDROPONIC WATER TREATMENT PRODUCTS**

Growing products for the Hydroponic and Soil techniques. Water (balance) treatments for hydroponics.