

## Apple, REI, and ?

A struggling economy and slow recovery will be part of what we have to deal with for some time to come. Good news and bad news are going hand in hand, and overall there seems no quick end in sight. How can we stand out in such times? There are companies that show how and proof that it is possible.

Poinsettia cuttings are about to ship, and so it is a good time to update you on the latest when it comes to supply.

Change is good, or not? Selecta News will cover some upcoming changes and explain to you what to expect from the NewsFlash in the near future.

There is lots to read in the June News Flash, so sit back, relax, and enjoy this issue.

Sincerely yours,  
Stefan Reiner



## Variety of the Month

**Lascar™ Magenta** is a colorful addition to our best selling Verbena line. Together with the new Lascar™ Brilliant White and the top-selling Red and Red+Eye, you have four of the best Verbena varieties available from one series. For pots try our new Lascar™ Compact line.

## Poinsettia stock update



Ludwig Allnoch, our new General Manager in Uganda, sent me a number of images a week ago showing the progress of the Poinsettia stock at the farm. The farm is gearing up to ship almost 40 million Poinsettia cuttings this season. For North America we have a new box, and the first feedback from recent shipments was great. The box is sturdier and holds up much better during transport. A new design allows the ice to be centered, giving us better results as well.

Richard Petri, our former General Manager, just moved to Stuttgart where he will join the Selecta team working from headquarters. After four years in Uganda, he and his wife decided to move to Germany. Ludwig, Richards Production Manager, just took over as General Manager. Ludwig is not new to Africa and Selecta. He has been in Kenya for several years and joined Richard in Uganda over a year ago. He is ready to take the farm to new heights starting with Poinsettias.



## Be different and focus on your customers



I was no big Apple product fan at all. Yes, I have an iPod and use it mostly for running. My wife, working in marketing and design, always spoke highly about Apple. So she got an iPhone and loves it. I have to say I used it a couple times too and was quite positively surprised that with my iPod knowledge I was able to use the iPhone as well. The iPad came along. My wife used her iPhone to read news sitting on the sofa, and I always worried about her eyes (it is a small screen after all). So I got her the iPad for her birthday. Not only does my wife use it for reading news on the sofa, now it has become a family tool. We often sit together in front of it and play games, read books, listen to eBooks, watch movies, and love Youtube. My three-year-old knows how to use it and plays his games whenever he can get a hold of the iPad. My five-year-old is a pro after only two months. She finds her videos on Youtube, plays all kind of games, uses Skype, listens to books, and so on. It is so simple to use. Apple's claim that you already know how to use it is true, no handbook needed. Most technology separates people and are used alone, not so with the iPad. Sitting on the sofa we all enjoy it together.

I always called my kids the Apple generation, but I have to say I got used to it as well. When I buy something I don't want to spend time reading a handbook, it has simply to work out of the box. Apple mastered this task, and so I have become a Apple fan. The same is true for Flip, the handy little camera. One can personalize it (left) on-line with its own images, and it is simple to use. Out of the box it looks great and just works.

Apple and Flip are examples of companies that despite a crisis are able to grow and be successful. Their strategy is actually quite simple, **develop innovative products that are simple to use, work reliably, and look great.** With a relatively small product offering they revolutionized their field.

**A little thing can go long ways.** My dad told me that and he was true. I am a REI member (it is a co-op) since 1993 and have been a good customer since moving to the U.S. in 2003 (too good according to my wife ;-). We have purchased a lot for our family at their stores and on-line because we love their customer service and their 100% satisfaction guarantee (see right). If a purchase breaks or isn't working, they will exchange it, no questions asked. I have experienced this a couple times. To be honest, yes, I shopped at other stores as well, mostly on-line. I wanted a product REI wasn't offering, and I bought it elsewhere. I had to experience other stores satisfaction guarantee first hand by ending up most of the time with costs I had to carry or not getting anything at all. Still have shoes at home that didn't fit, unfortunately I didn't buy them at REI.

A year ago a storm in Joshua Tree National Park ripped my tent, and REI wanted to give me a new one even though it was my fault and I had used it for four years already (and it showed wear). I felt bad to do so and asked them to fix it, which they did.

However, the best just happened to me a week ago. Two years ago we purchased a six-person family tent only to find out it is too big for us. We thought we might use it later but never did. As a joke I said to REI that I wished they would take it back so I can buy the three-person, super-light backpacking tent I was looking at and take my kids backpacking. Guess what, they said if I am not happy with it, I should bring it back. I thought they were joking, so I checked with customer service on-line, twice. Get this, I took my two-year-old tent used for one trip (one week long) back to REI, got all the money back I paid and used the in-store credit



### The REI Guarantee

Our 100% satisfaction guarantee ensures that every item you purchase at REI meets your high standards—or you can return it for a replacement or refund.

We have been outfitting outdoor adventurers since 1938. And in that time, we've learned a lot about what makes great gear. Our employees continually use all the gear we have to do the same activities that you do—from weekend day hikes to ascents in the Himalayas.

Plus, we listen to your feedback. All of it. Bottom line? You can count on everything we offer to be highly functional and 100% satisfaction guaranteed. Which means you can't go wrong with gear from REI.

If you're ever dissatisfied with an item, you may return or exchange your REI.com or REI-OUTLET.com purchases at any REI store or through mail order.

for the new backpacking tent (I had the choice between cash or in-store credit).

No receipt needed because I am a member, and they looked it up in their records. I asked them about their policy, and they said that the cost compared to the loyalty of customers is minimal, and looking at what I spent at REI the past 7 years this is absolutely true.

Today I will choose a similar product if REI doesn't offer what I am looking for, just because of their customer service and the fact that they mean what they say with 100% satisfaction guaranteed. It is worth it because I know I can take it back if it breaks or doesn't work for me.

Besides their service, they offer one of the best websites in their field and have great stores. Our kids love the Apple and REI stores and could spend hours in them (OK, we do too).

Even if it looks costly at first, **a satisfaction guarantee is nothing else but being proud of what we do, of what we offer, and standing behind it.** Customer service makes a huge difference today and specialized stores with knowledgeable staff, great customer service, and consumer-friendly policies gain market share even in a crisis.

What can we learn from Apple, Flip, and REI? Focus on your customer and be different by thinking outside the box! Steve Jobs made a comment last week that describes in short how we can do it. He was asked during an interview why he still loves Apple's culture:

*"I have one of the best jobs in the world. I get to hang out with some of the most talented, committed people around, and together we get to play in this sandbox and build these cool products. Apple is an incredibly collaborative company. You know how many committees we have at Apple? Zero. We're structured like a start-up. We're the biggest start-up on the planet. And we all meet once a week to discuss our business."*

**Well, use your team and listen to your customers.** By the way, Steve Jobs answers all Emails he receives. No matter if good or bad, long or short. I tested him, and he replied.

## MiniFamous™ Double News

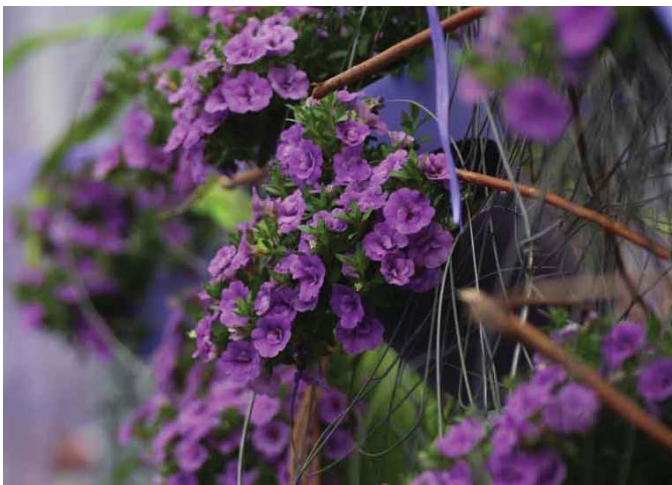


It was a true innovation when we introduced the first double flowering Calibrachoa in 2006, and we got awarded with the Greenhouse Grower Medal of Excellence for our achievement. An innovation like this takes, besides big investments, years in the making and should be protected from copy breeding. This is why we applied for a U.S. utility patent in addition to our plant patents. This month we received the Notice of Allowance from the United States Patent and Trademark Office for our utility patent application for double flowering Calibrachoa. A time to celebrate!

The patent prohibits, for example, the unlicensed sales of double flowering Calibrachoa (cuttings, liners, finished plants, and so on) in the U.S., and our material cannot be used for breeding purposes. This kind of protection guarantees future innovations and protects investments of breeding companies like Selecta.

MiniFamous™ Double is a great product for growers, retailers, and consumers alike. The top image shows you a European Trixi™ mix called Petticoat, a mix of MiniFamous™ Double Lemon, Double Amethyst, and the new Double Pink evol., the first and only pure double Calibrachoa multi-cutting liner mix.

This protection of investment helping the return of investment leads to new great innovations like the revolutionary, all new double flowering Osteospermum FlowerPower™ just introduced during a big event in Germany (in Stuttgart, at Selecta's headquarters). FlowerPower™ Double will be introduced during the





Flower Trials in Holland as well and you can get a close look at this big innovation from Selecta. The two images above show you the all new FlowerPower™ Double series in 12 cm (4.75 inch) pots in full bloom. A great innovation that needs no special treatment or knowledge. If you have grown FlowerPower™ before, then you know how to grow the new Double series already. After all, we are part of the Apple generation. And yes, we applied for a utility patent as well. Selecta's creative team of breeders, product managers, and marketing specialists will continue to work on innovations that rock our industry. MiniFamous™ Double and FlowerPower™ Double will bring you new colors and bi-colors you have never seen before. This is just the beginning of a great new area of innovations from Selecta. The next revolutionary product is already in the pipeline and ready for customer trials. Stay tuned for more!

## Selecta News

In July 2003 we moved to the U.S. to work for Selecta in North America. In October 2010 we will move back to Germany to work at the Selecta headquarters. After over seven years we will begin a new chapter. We came as newlyweds and return as family with two kids. Not an easy move, and we will miss the place we called home for such a long time. Sabina will join the Selecta marketing team, and I will join the product management team. The next weeks and months we will wrap up our activities and hand it all over to the team at Ball. A smooth and successful integration and business venture so far.

I will continue to write the Selecta NewsFlash. With my new responsibilities it will not be easy to come up monthly with for your relevant topics, and so the October 2010 issue will mark the last monthly issue and introduce you at the same time to the new Selecta NewsFlash issued once a quarter covering the latest from Selecta all over the world. I am sure that I will not give up hiking, and I am planing on coming back to hike the Join Muir Trial in a year or two.

My goal is to keep you posted on what is new at Selecta, and I will be an Email or call away for tech help or to answer any questions you might have.

After all, North America will remain our second home not only because our kids are Americans but because we love it.



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