



1959 :

- Mr. Rizzuto started Conair with a \$100 investment

Today - Conair is a privately held company with:

- Annual sales in excess of \$2 billion
- 4,200 employees world wide
- Operations in 12 countries
- Sold in over 100 countries
- 24 brands owned by Conair
- 95% of US households have one or more Conair products in it

The Move to Glendale and Goal

- The goal was to streamline operations by reducing cycle times and taking control of our destiny
- Reduce total operational costs
- Reduce dependence on foreign labor and vendors
- Recoup portion of returned product costs
- Key off of synergies within the existing facility and community

Operations Pre-2010

- Product returns were processed in Conair's Phoenix Facility
- Once returns had been processed goods were stored - 3rd party storage awaiting shipment to a vendor
- Sent either to Hong Kong, China, or Mexico
 - Increasingly difficult to work within foreign guidelines for returned materials
 - Increasing costs associated with ocean freight
 - Goods sent to foreign vendors could take up to 6 months to be return to the Glendale facility as refurbished items

Current Operations

- Product returns are processed in Conair's Glendale Facility
- Returned products are sorted and stored on site
- Remanufacturing pulls from the on site inventories and processes materials creating Refurbished inventories or "B" grade items.
- Refurbished items are sold through specialized distribution channels. They maintain all of the functionality and quality but are sold at a fraction of the "A" grade price.

Current Operations

- Once remanufacturing has been completed the items are confirmed into inventory and become available for Shipping (same day).
- The entire process may now be completed under one roof.

Working in Glendale

- The process flow has become simplified:
Returns Processed – Received into warehouse
– Remanufactured - Order fulfillment/Shipment to customer
- Labor/expertise sourced domestically within greater Glendale area
- Additional benefits include new focus on Failure Mode Analysis (FMA)

Working in Glendale

- FMA is the next step in remanufacturing. Our focus shifts from purely repair and remanufacturing to failure prevention. Information gleaned from analysis (data collected from returns) is shared with Vendors in the spirit of Continuous Improvement.
- Glendale operations are a work in process, future plans include additional functions within FMA and Remanufacturing

Working in Glendale

- Product turn around dramatically improved from processed return to remanufactured and available to sell
- Total cost reduction considering:
 - Storage costs
 - Cost of money
 - Total landed cost
 - Vendor relations
- Control over scheduling/availability
- Sourcing labor and materials locally

Working in Glendale

- Initiated a comprehensive recycling program for all materials
 - Metals
 - Plastics
 - Films
 - Foams
 - Cardboard
- Initiated Internship and a job placement programs
- Currently nearly 200 full time and temporary employees tied directly to Returns and Remanufacturing Centers
 - 50k + hours spent YTD on the remanufacturing of units