Mainely Tubs Year in Review

To Our Loyal Customers

Dear Mainely Tubs Nation,

In 2014 we had lots to celebrate, including our 36th anniversary. It was a year in which our customer base climbed to over 16,000 strong, and our staff team grew to 36! <u>This Year End Review is now an annual tradition as we keep you all abreast of what we have achieved and of the direction in which we're headed.</u>

New "Super" Store: For the last several years the growth in all facets of our business has left us challenged by space. We haven't been able to display all the products you have asked for, we have had to store products outside, and we have staff members who work in very close quarters. As a result, we have acquired the former Mill Store building diagonally across the street from our current location on the Payne Rd. This 25,000 sf structure is next to Shaws, and sits on 3 Ac, allowing us to add space as needed. This building is the old Rivco Millwork location, and the front retail section of the building is in significant need of repair. We expect our improvements to be completed by the spring of 2015, at which point we will have a "Grand Opening" celebration/sale.....watch your email and snail mail for announcements.

Rewards Programs: Last year at this time we told you we were revitalizing the program in which we thank you for the referrals that you send us, and offering clearer examples of the kind of benefits many of you enjoy already when sending in your "friends and family". Well, it worked, because this year our customers earned over \$40,000 in store credits.... watch our website for regular updates to our Rewards and Loyalty Programs and enjoy the incentives we offer to those of you who help build our "customer family"!

New Web Site: In December we are intruding the new, online "face" of Mainely Tubs. The new site offers an improved navigational experience to access far greater amounts of useful information for our existing and prospective customers. We welcome your feedback and ideas!

Water Chemistry: As our customer base has grown to include many of the customers whose original retail hot tub store is no longer in business, we have seen increasingly frustrated customers having trouble keeping hot tub water clean and healthy. We have found that many problems are related to the water treatment products sold by mass merchandisers, and even pool stores, most of which (while potentially a lower price) have higher degrees of fillers/additives which dilute their effectiveness. We can't emphasize enough the importance of using "pure hot tub only" products to treat your water, and the availability of our estore at www.mainelytubsestore.com should make your life easier if you can't get to our Scarborough location. And if water chemistry just isn't your thing, you can be one of our many customers who choose one of our popular watercare service contracts....see the estore for details, or call our Service Dept at extension 203.

2014 and 2015 Staff Challenges: The steady growth in our business has led us to continue hiring more staff members, and as I write this we still have openings in each of our departments (including non-commission sales staff). Inasmuch as more than half our staff are customers that we've hired to support our growing customer base, we hope that some of you would consider joining our team...so here is an open invitation to be in touch (our website has the specific jobs available)! During 2014, we have added two staffers whose full time job is answering Service Dept. phone calls (Karie, Darin and Charlene) to answer calls directly when they arrive. We are also happy to welcome long-time customer Diana Locke to our staff as General Manager. Diana looks forward to improving every part of our business, and is anxious to hear from any customer who has ideas on how we can improve our customer experience....she is on ext. 223 of our phone system.

2014 Financial Results: Again this year, while being part of an industry that has remained largely flat for the last 5 years, Mainely Tubs has achieved a very healthy growth in all facets of our business. And remarkably, (for being in such a small market) for the 11th time, we are the largest volume HotSpring store in the world!

New Products: 2015 will be very exciting as we move into our new store. We will be introducing swim spas (mini-swimming pools for the "aqua-fit" market) to our product mix, as well as in-ground hot tub options for both residential and commercial applications. We will be offering new gazebo and hot tub cover products that are dramatic changes to one of the industry's long-standing challenges. And there will be more "surprises" once we are in full swing at the new Super Store.

Popular Products: Again in 2014 the popularity of our Saunas has been extraordinary. We hear increasing numbers of people echoing the extraordinary wellness benefits (weight loss, detox, etc.) of sauna heat, with about an **equal number of customers choosing the convention Finnish style vs the FarInfrared style**. Several varieties of each are always on display in our showroom....hot and ready for "test-driving"....Come On Down and **see why we call them "Maine Warming Huts"!**

Appreciation/Openness: Please accept our sincere appreciation for the business/support you have given us again this year. Our primary goal for 2015 is to remain "the Best Retail Relaxation Store in the World", and we pledge to work harder and smarter ever day to help all of you enjoy your relaxation products!

Finally, on a personal level, while I am not in the store every day, I continue to decline my Social Security invitation in favor of enjoying my interactions with my team and my customers whenever I can, <u>and I</u> <u>encourage any of you to reach out to me on either my personal cell phone (207 838-3163) or my personal email (sivf2003@yahoo.com) anytime you feel the urge!</u>

We all wish you a healthy and prosperous 2015!

Jim Van Fleet (for the entire Mainely Tubs Team)