Sent: Monday, February 20, 2006 12:48 PM Subject: 48.1 !!!

Dear Aquathin Dealer OnLine;

From confirmed P.O. to Ship Date, Aquathin has achieved a terrific average Days of Processing Orders of 1-21 days (averaging orders from 1 unit to 385 units = solid 20' container of Subsink Models).

In the 4th Quarter of 2005, as I detailed our intentions several months back, we completed the build out of another 5000 square feet of Production...<u>and it is stroking !</u> We have begun to retool the original Production Area's Work Stations and Shipping Area to be as lien as the newly completed areas. And because banks pay zilch for interest, last year Aquathin further leveraged its purchasing power, and increased it's "components in knock down" inventory on hand. 92% of our 7 figure inventory is prepaid ! This is a big stick in control of costs and productivity.

**THE GOAL:** any order in house at 48.1 hours is considered an "old order". That's right. Aquathin is moving toward shipping all your orders, from 1 to 200 units, in 1-3 business days max (save Commercial and Custom Systems)...and we plan to be able to meet this goal by mid year once retooling is completed. Already many Dealers have seen "shaved days" off delivery of larger orders resulting from strong inventory, tighter dialogue in forecasting, strong Team, further streamlined Production facilities, Kaizan (Constant Improving) Practices.

Let me know what you AquathinK !

Warmest regards to all...as well, your comments are always welcome and very much appreciated.

FOR THE BEST TASTE IN LIFE & 26 Years Pure Excellence ...and another Quarter Century re-inventing the water industry ! Think Aquathin...AquathinK ! (visit the allnew <u>www.aquathin.com</u>)

"Alfie" Alfred J. Lipshultz, President

P.S. "Splash NewsBulletins", "Forum Q & A", "Allergic Reaction", Biz Bank, Tech Bank and Quote Bank... <u>ARE</u> <u>ALL FREE</u> services to all Authorized Aquathin Dealers and their clients to keep you abreast of technology updates and industry news.

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