KANSAS

DEPARTMENT OF COMMERCE & HOUSING

Joan Finney
Governor

Bob Knight
Secretary

June 18, 1993

Bob Harshaw, President
Harshaw Research, Inc.
401 S. Main Suite One
Ottawa, KS 66067

Dear Mr. Harshaw:

When we learned of Harshaw Research, Inc. we were pleased that your talent and expertise will be available to assist Kansas in product market development.

The Kansas coordinators office works in waste reduction, recycling and market development striving to produce products from post consumer waste. We share the frustrations of dedicated persons and groups who are striving to achieve economies of scale, only to have a program dissolve for lack of research information.

Therefore, we welcome the opportunity to work with Harshaw Research, Inc. Your intellectual analysis of environmental issues combined with a pragmatic approach will serve persons and companies using Harshaw Research services in the market development field.

Your tenure with the Kansas Ad Hoc Committee on Waste Minimization and Marketing has helped foster objectives to utilize ingenuity and technology in providing agendas for the Annual Kansas Governor's Conferences. We look forward to our continued relationship with your office.

Sincerely

Claud S. Shelor

Claud S. Shelor
Kansas Coordinator of Waste Reduction,
Recycling, and Market Development

700 S.W. Harrison Street, Suite 1300 / Topeka, Kansas 66603-3712 / (913) 296-3483
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Better Business Bureau

Serving Northeast Kansas

501 SE Jefferson, Suite 24
Topeka, KS 66607
785-232-0454 - 785-232-9677 Fax
Lawrence, KS 785-766-2009
www.topeka.bbb.org

January 7, 2005

Dear Better Business Bureau Members,

Thank you for your membership in the BBB. Please display your membership by placing the 2005 decal over the 2004 decal on your placque. A window decal, visible from both sides, is also enclosed for your office window, door or vehicles. Please give us a call if you need additional stickers.

Ethics is important to you. Your agreement to uphold the BBB standards of membership helps to sustain the ethical business environment in NE Kansas.

Please look for the BBB Torch logo as you conduct business. Thoses businesses like yours have been invited to join the BBB. They have a record of ethical business practices. Check the membership listing at www.topeka.bbb.org or call us at 785-232-5055 to check out any business, charity or investment opportunity.

Sincerely,

Joyce Woodard
President

enc.

DESIGN NEWS

Detection system smokes competition

Anna Allen, Staff Editor

Design begins with an idea, grows into a concept, and ultimately blossoms at the hands of engineers. Sometimes the inventor, designer, and engineer are one and the same. Other times, it takes a team to implement the concept.

When Adam Q. Lynch of Madison, IN, an ex-salesman of residential fire detectors, came up with an idea for a multi-sensor detection system, he teamed with Harshaw Research to develop it. In his sales days, Lynch experienced many disagreements that stemmed from controversy over what type of detector provides the greatest level of protection--heat, fire, or carbon monoxide. Thus emerged the Trinity 2000 multi-sensor detection system, with help from a team of engineers. "If you want to get where you want to be," says Lynch, "you have to surround yourself with people who are better than you."

The firm felt the product was such a good idea that they entered it into the Hammacher Schlemmer SEARCH for INVENTION contest where judges selected the detector as one of the semi-finalists. Lynch attended the award ceremony in September at the company's flagship store in Manhattan where they announced four category winners and a $5,000 grand-prize winner. "When they announced my name as the grand-prize winner it about knocked my feet out from under me," recalls Lynch.

The multi-sensor detection system (Patent US5589824) senses different conditions of ambient air: smoke, heat from fire, and carbon monoxide. The housing/alarm circuit has lobes for first-, second-, and third-circuit sensors that surround a single-circuit alarm. An alarm circuit delivers the current to a logic chip that produces a current to sound the alarm in different patterns, according to the condition detected.

"The product is much more comprehensive today than my concept ever was. Engineers have taken the available technology and added bells and whistles," says Lynch. He notes that one engineer came up with the idea of a self-test, devising a circuit that allows Trinity 2000 to test its sensors and 10-year lithium battery every hour on the hour.

The unit consists of five components:

- Computer/logic chips for self-testing
- Ten-year lithium battery
- Rate-of-rise and fixed-temperature heat sensors
- Photoelectric/photocell smoke detectors
- Gel-cell carbon monoxide technology

"This technology (gel cell) imitates the human body's response to different levels of carbon monoxide and responds the way you and I would respond," says Lynch. "Well, it won't vomit or throw up, but it does send a warning signal."

Adam Lynch's multi-sensor detection system took the grand prize at this year's SEARCH for INVENTION competition, held annually by Hammacher Schlemmer.

"This is a product whose time has come. The unit is software-driven, unlike any other residential fire alarm on the market," Lynch adds. "It has the three types of detection crucial to surviving a home fire. It's the logical solution."

Lynch doesn't claim to be an inventor, but does comment that, "It's taken a team of people to bring this product to where it's at today. We are not locked into any of the technology currently incorporated into the unit, so as new and better technology comes in, and it will, we can stay on the leading edge."

The system will hit the market around the first of July through Trinity International.

And the winners are...

	Utilitarian Home & Garden Prize $1,000	Personal Care Prize $1,000	Recreation Prize $1,000	Personal electronics Prize $1,000
Product	Tilt and Clean Rain Gutter System	Liperator	Hydro Optixa Dive Mask	Self-locating remote monitoring system
Inventor	Kevin Leahy Wayne, PA	Robert Slage Kalamazoo, MI	Jon Kranhouse Pacific Palisades, CA	Dan Schlager, MD Mill Valley, CA
Design	From the ground up, homeowners rotate this rain gutter from its water-catching position to its cleaning position, and back again.	This computerized device plugs into a telephone and translates voice communication into a sequence of lip movements that appear on a video display.	This optically correct, curved diving mask allows for natural vision underwater. It eliminates tunnel vision and increases field-of-view four times more than a regular diving mask.	This system, comprised of a life vest and GPS system sends the location of a person who has fallen overboard to a GPS base unit.

The Hammacher Schlemmer SEARCH for INVENTION contest is divided into four categories each with its own winner, and a grand prize winner. For more information on the contest visit www.hammacher.com

Reprinted from **DESIGN NEWS** December 21, 1998

HARSHAW RESEARCH INCORPORATED

Pop N' Shake™ All the way through....

A well executed pathway to success.

Pop N' Shake™ was invented September 26, 1995, and licensed internationally February 21, 2002, almost six and a half years later. Additionally, the licensee anticipates a six to twelve month ramp up prior to product introduction. This particular time frame, from concept to market introduction, is certainly not what one would associate with the "get rich quick" mentality often promoted by disreputable invention promotion companies. New product development is, in fact, hard work that requires patience, diligence, and considerable professional know-how.

An IDEA turned into an asset, not an easy task, but certainly doable.

The inventor of Pop N' Shake™ initially presented the concept to Harshaw Research in August of 1997. At that point HRI determined that the information provided was insufficient to complete a valid S.E.L.L.® System Analysis and the inventor was so notified. Additional detailed information followed and a complete S.E.L.L.® System Analysis was completed indicating that significant market potential existed for Pop N' Shake™ and an intense Due Diligence process ensued with encouraging results. This essential and foundational process was completed in early October of 1997 and a mutually beneficial relationship was established between HRI and the inventor which enabled further strategic development to proceed.

The inventor's concept required IDEATION, Concept Design Engineering, and a Market Driven Patent Application to optimize the investment opportunity for the project. The entire new product development process began in October of 1997 and culminated with a market driven patent application being filed with the Untied States Patent and Trademark Office on May 20, 1998. A relatively rapid response was received from the USPTO with an allowance notification being provided to HRI in early January of 1999. The inventor immediately authorized HRI to proceed with the government issue procedure including preparation of formal drawings for publication in the PTO Official Gazette. This process was completed and submitted to the USPTO in March of 1999 and the inventor client's patent for Pop N' Shake™ was finally issued on November 16, 1999. The original patent certificate, complete with gold seal and red ribbon, was presented to the inventor that same week.

Pop N' Shake™ was still in its infancy at this point with an extremely complex process yet to be achieved – "commercialization". With the market driven patent in hand, HRI began the process of contacting appropriately selected companies to initially determine specific levels of interest. Utilizing a time proven proprietary methodology, the preliminary screening stage virtually eliminated the vast majority of companies that did not meet HRI's licensing profile.

Pop N' Shake™ licensing negotiations began in May of 2000. The process became intense at times as HRI was simultaneously negotiating with three possible licensees for Pop N' Shake™ with the intent of optimizing not only the inventor's investment but also the shared royalty provision that is HRI's main focus for long term revenue.

Concluding the terms of the licensing agreement was a process that involved the teamwork of all three parties - the inventor client, the manufacturer/licensee, and Harshaw Research, the exclusive licensor for Pop N' Shake™.

The end result, utilizing the exclusive proprietary services of HRI, provided a licensing agreement with a six figure licensing fee payable in quarterly installments, and a royalty provision that is not only substantial for the inventor/client of HRI, but also fair and equitable for the manufacturer/licensee. An IDEA turned into an asset, not an easy task, but certainly doable.

Dale Ream, left, Vice-President and General Counsel of Harshaw Research, presents the first installment of a licencing fee for the Pop 'N Shake to Lawrence inventor Greg Gibler and his wife Julie.

HARSHAW RESEARCH INCORPORATED

Client Demonstrates TushCush™ Air Ride System Comfort

From Start to Finish...

A New Product Development Profile

The original S.E.L.L.® System New Product Evaluation and Analysis for the TushCush™ Air Ride suspension system was originally submitted to the Harshaw Research Group November 11, 1998. The client had made some significant progress in both design and development and had constructed an alpha prototype demonstrating technical feasibility. The resulting S.E.L.L.® System Analysis provided an extremely positive indication of market potential. Accordingly, a request was made of the client to authorize Harshaw Research to proceed with the initial Due Diligence requirement to determine if further strategic development would be advisable. The client immediately authorized Harshaw Research to proceed and within thirty days the initial research had been completed. A comprehensive analysis was provided reinforcing the initial market potential and indicating that further strategic development would be advisable including establishing a proprietary business environment through the United States Patent and Trademark Office.

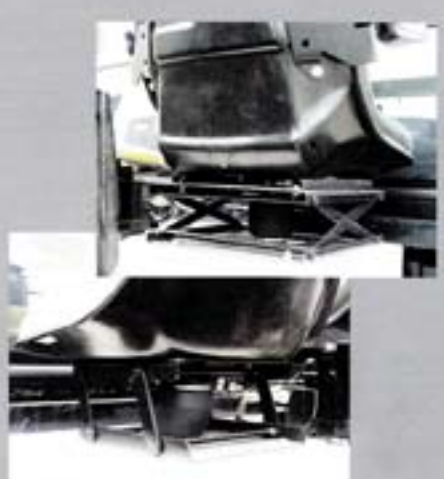
The authorization to proceed with Ideation, Concept Design Engineering, and a Market Driven Patent Application was provided December 21, 1998. Final documentation was completed and executed by the client and a Market Driven Patent Application was filed with the United States Patent and Trademark Office establishing a priority date of May 12, 1999.

The Notice of Patent Allowability was issued by the United States Patent and Trademark Office approximately one year from the initial filing date. Within thirty days the client authorized Harshaw Research to proceed with the formal drawings and issue procedure. Approximately two years following the initial S.E.L.L.® System Analysis and Evaluation process the original patent for the TushCush™ Air Ride System was published with the original document being forwarded to the client immediately upon receipt.

The commercialization process was initiated early in November of 2000 with the initial contacts being directed to the primary target candidates identified through a proprietary seven step screening process during the patent examination period. As the commercialization contacts continued with client assistance, the eventual licensee was contacted May 10, 2002.

The negotiations to conclude a mutually beneficial licensing agreement were initiated, and the final draft was executed by the client, the licensee, and Harshaw Research September 10, 2002. The "Start to Finish" time frame for the TushCush™ Air Ride System covered approximately four years and involved a significant investment of time, energy and resources by all parties concerned. Based on experience, this project is a relatively good example of the typical time frames involved in the Harshaw Research New Product Development process. Patent Partners® will continue to provide licensing administration for the entire life of the Proprietary Intellectual Property.

Intense Negotiations Finalized by President Dale Ream and Director of Strategic Licensing Tyler Harrell.



TushCush™ Air Ride System Comfort Seating Showing Both Parallel and Crisscross Mounting.

The TushCush™ Air Ride System is a unique technologically advanced comfort seating configuration for lawn tractors, mowers, and other ride-on equipment engineered to significantly improve operator comfort and reduce back strain. An extremely well designed combination of engineering principles provide a proprietary product and a significant market niche for the licensee manufacturer. The TushCush™ Air Ride System is being made available on a number of different ride-on products and is being very well received. "Try it you'll like it!"

Code of Ethics

Members of the American Marketing Association are committed to ethical professional conduct. They have joined together in subscribing to this Code of Ethics embracing the following topics:

Responsibilities of the Marketer
Marketers must accept responsibility for the consequences of their activities and make every effort to ensure that their decisions, recommendations and actions function to identify, serve and satisfy all relevant publics: customers, organizations and society.

Marketers' Professional Conduct must be guided by:
1. The basic rule of professional ethics: not knowingly to do harm;
2. The adherence to all applicable laws and regulations;
3. The accurate representation of their education, training and experience; and
4. The active support, practice and promotion of this Code of Ethics.

Honesty and Fairness
Marketers shall uphold and advance the integrity, honor and dignity of the marketing profession by:
1. Being honest in serving consumers, clients, employees, suppliers, distributors, and the public;
2. Not knowingly participating in conflict of interest without prior notice to all parties involved; and
3. Establishing equitable fee schedules including the payment or receipt of usual, customary and/or legal compensation for marketing exchanges.

Rights and Duties of Parties in the Marketing Exchange Process
Participants in the marketing exchange process should be able to expect that:
1. Products and services offered are safe and fit for their intended uses;
2. Communications about offered products and services are not deceptive;
3. All parties intend to discharge their obligations, financial and otherwise, in good faith; and
4. Appropriate internal methods exist for equitable adjustment and/or redress of grievances concerning purchases.

It is understood that the above would include, but is not limited to, the following responsibilities of the marketer:

In the area of product development and management,
- disclosure of all substantial risks associated with product or service usage;
- identification of any product component substitution that might materially change the product or impact on the buyer's purchase decision;
- identification of extra cost-added features.

In the area of promotions:
- avoidance of false and misleading advertising;
- rejection of high-pressure manipulations, or misleading sales tactics;
- avoidance of sales promotions that use deception or manipulation.

In the area of distribution:
- not manipulating the availability of a product for the purpose of exploitation;
- not using coercion in the marketing channel;
- not exerting undue influence over the reseller's choice to handle a product.

In the area of pricing:
- not engaging in price fixing;
- not practicing predatory pricing;
- disclosing the full price associated with any purchase.

In the area of marketing research:
- prohibiting selling or fundraising under the guise of conducting research;
- maintaining research integrity by avoiding misrepresentation and omission of pertinent research data;
- treating outside clients and suppliers fairly.

Organizational Relationships
Marketers should be aware of how their behavior may influence or impact the behavior of others in organizational relationships. They should not demand, encourage or apply coercion to obtain unethical behavior in their relationships with others, such as employees, suppliers, or customers.
1. Apply confidentiality and anonymity in professional relationships with regard to privileged information;
2. Meet their obligations and responsibilities in contracts and mutual agreements in a timely manner;
3. Avoid taking the work of others, in whole, or in part, and representing this work as their own or directly benefiting from it without compensation or consent of the originator or owner; and
4. Avoid manipulation to take advantage of situations to maximize personal welfare in a way that unfairly deprives or damages the organization of others.

Any AMA member found to be in violation of any provision of this Code of Ethics may have his or her Association membership suspended or revoked.

AMERICAN MARKETING ASSOCIATION