

Today, jewellery sales start on the web but are closed in the store.  
OpenBlue Networks puts your retailers online with your products.

*Your biggest challenge is getting your product in front of today's consumers.*

## What If?

What if consumers chose the products your retailers carried? What if you could leverage the reputation and local recognition of each of your retail partners? What if you could track how consumers shop your products and produce reports?

*With OpenBlue you can do all that and more.*

It all starts by providing your retailers with powerful web sites through OpenBlue. These sites hold your entire inventory and allows consumers to see everything that you have.

That means your retailers, who may only carry 5 – 10% of your product line, can now promote and sell your entire line. This increases your chances of a sale. And it gives the retailer the ability to compete on selection with large e-tailers such as Blue Nile and Amazon.

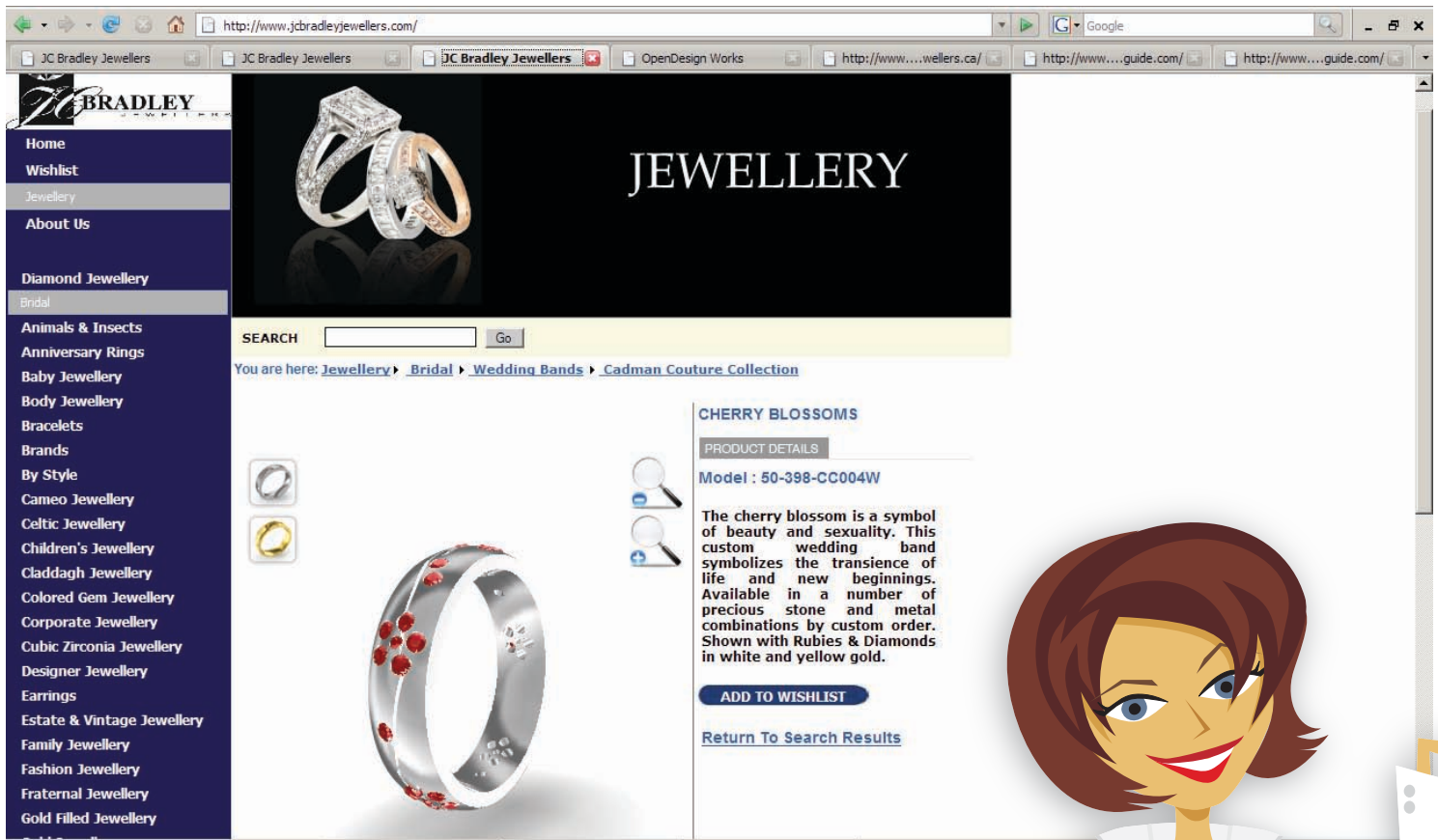
Sound good? Add to that a suite of sales and business tools that are not available anywhere else and you have a great opportunity. Today, OpenBlue is the only company that offers the industry live, consumer-generated business intelligence, 3-D product configurators and virtual catalogs, flyers and branding services.



## 3-D Product Configurators

Ours labs are constantly working on new innovations. One of our most recent products was a system to make product customizers in 3-D. OpenBlue, together with technology partner The Establishment, developed the Real3D system that allows consumers to customize jewellery by changing metal colours, stones and finishes. Unlike existing systems, consumers can zoom, spin and rotate the jewellery in 360 degrees. This provides a better customer experience than existing systems by engaging the client more fully with the product. The likelihood of the client purchasing the item is much higher than in existing systems that simply show an animated movie.

Some manufacturing clients use the 3D system as a front-end for their build on demand systems. Build on demand makes domestic manufacturers competitive with products from low-wage countries such as China and India.



OpenBlue invented business intelligence for jewellers. Every time a consumer connects to a retailer's site, our system analyzes their shopping patterns. And every week the system generates a report for the retailer and the supplier that shows them how many consumers have shopped, where those consumers came from, and which items they selected. That means retailers can track which items are most popular on a weekly basis. Suppliers also see how their inventory is performing with a weekly report that shows their most popular items on each retail site.

## Now You're More Efficient

Why should anyone invest in stocking low demand products? Using OpenBlue business intelligence, retailers stock the right items for their specific market and suppliers deploy the right product into those markets.

## Now You're Working Together

Suppliers can now work with their retailers to test-market new products, before making a large investment in production. You can also use a build on demand model, where the product is made only when the order is placed.

## Now You're Famous

In Canada, OpenBlue shares business intelligence with the industry through *Canadian Jeweller* magazine. In each issue, items from different categories are ranked based on popularity with consumers. This gives suppliers a chance to get their name and their product recognized.



### marketwatch

#### CANADIAN JEWELLER & OPENBLUE NETWORKS BUSINESS INTELLIGENCE REPORT

Overview for All Stores, Monday June 25, 2007 to Sunday August 26, 2007

#### TRENDWATCH

Summer shoppers maintained their interest in diamond rings, while the popularity of diamond pendants rose. In gold jewellery, men's signet rings got the top spot, while forever family rings were the most popular style of gem jewellery. This information was compiled from consumer activity on jewellers' websites across Canada, using OpenBlue's Hybrid Retail system. For more information about Hybrid Retail, visit our buyer's guide site at [www.cbuyersguide.com](http://www.cbuyersguide.com) or visit [www.openbluenetworks.com](http://www.openbluenetworks.com).

| TOP 10 STYLES IN GOLD JEWELLERY<br>TOP 100 JEWELLERY ITEMS (BASED ON POPULARITY) IN YOUR STORE   | TOP 10 STYLES IN COLOURED GEM JEWELLERY<br>TOP 100 JEWELLERY ITEMS (IN ORDER OF POPULARITY) IN YOUR STORE   |
|--|---|
| <p>Rank 1 <b>MAN'S SIGNET RING</b><br/>Model: 5370<br/>Category: Gold Jewellery - Rings<br/>Supplier: Cosmos Manufactures</p> <p>Rank 2<br/>Model: B94<br/>Category: Gold Jewellery - Bracelets<br/>Supplier: Cosmos Manufactures</p> <p>Rank 3<br/>Model: N3388<br/>Category: Gold Jewellery - Cuffs<br/>Supplier: Cosmos Jewellery - Lantz</p> <p>Rank 4<br/>Model: PR1-4W<br/>Category: Gold Jewellery - Pendants<br/>Supplier: Cosmos Jewellery - Lantz</p> <p>Rank 5<br/>Model: PL2-4W<br/>Category: Gold Jewellery - Links<br/>Supplier: Cosmos Jewellery - Lantz</p> <p>Rank 6<br/>Model: BR03-42<br/>Category: Gold Jewellery - Bracelets<br/>Supplier: Cosmos Jewellery - Lantz</p> <p>Rank 7<br/>Model: N3385<br/>Category: Gold Jewellery - Cuffs<br/>Supplier: Cosmos Jewellery - Lantz</p> <p>Rank 8<br/>Model: N3381<br/>Category: Gold Jewellery - Neckties<br/>Supplier: Cosmos Jewellery - Lantz</p> <p>Rank 9<br/>Model: N3310<br/>Category: Gold Jewellery - Cuffs<br/>Supplier: Cosmos Jewellery - Lantz</p> <p>Rank 10<br/>Model: BR04-43<br/>Category: Gold Jewellery - Bracelets<br/>Supplier: Cosmos Jewellery - Lantz</p> | <p>Rank 1 <b>FOREVER FAMILY RING</b><br/>Model: F2388<br/>Category: Cosmos Jewellery - Rings - Once One<br/>Supplier: Cosmos Jewellery</p> <p>Rank 2 <b>DIAMOND &amp; SAPPHIRE RING</b><br/>Model: 59950 9 GS<br/>Category: Cosmos Jewellery - Rings - Once One<br/>Supplier: Cosmos Jewellery</p> <p>Rank 3 <b>THE ROSE CADMAN</b><br/>Model: CC021V<br/>Category: Cosmos Jewellery - Rings - Once One<br/>Supplier: Cosmos Jewellery</p> <p>Rank 4<br/>Model: RW-4238-ALL<br/>Category: Cosmos Jewellery - Rings - Pendants<br/>Supplier: Kater Jewels</p> <p>Rank 5<br/>Model: 2207<br/>Category: Cosmos Jewellery - Rings - Once One<br/>Supplier: Cosmos Jewellery</p> <p>Rank 6<br/>Model: BB1019W<br/>Category: Cosmos Jewellery - Rings - Once One<br/>Supplier: Cosmos Jewellery</p> <p>Rank 7<br/>Model: AT-4354-4AD<br/>Category: Cosmos Jewellery - Rings - Once One<br/>Supplier: Kater Jewels</p> <p>Rank 8<br/>Model: BW-40170 MP4<br/>Category: Cosmos Jewellery - Rings - Once One<br/>Supplier: Kater Jewels</p> <p>Rank 9<br/>Model: RW-6059-AXD<br/>Category: Cosmos Jewellery - Rings - Once One<br/>Supplier: Kater Jewels</p> <p>Rank 10<br/>Model: W1-1849 XDM<br/>Category: Cosmos Jewellery - Rings - Once One<br/>Supplier: Kater Jewels</p> |

### marketwatch

#### JEWELLERY ZESTIGEST: SELECTED KEYWORD SEARCHES DURING THIS PERIOD

|                    |                         |                      |                |
|--------------------|-------------------------|----------------------|----------------|
| School Rings       | 10K White Gold Bracelet | Toff Beads           | Necklace       |
| Watches            | Vintage                 | Facet                | Heart          |
| Pocket Watch       | Blue Diamond            | Polar Ice Diamonds   | Promise Rings  |
| Expanded Solitaire | Mustang                 | Wedding Rings        | Eleg           |
| Turtles            | Hidalgo                 | Angel Pin            | Turquoise Ring |
| Armbands           | Other                   | Colored Diamond Ring |                |
| Neck Earring       | Ornate                  | Sapphire Crystals    |                |
| Etique             | Cheap Diamonds          | Moist                |                |

#### 7,689 Unique Visitors

| BY COUNTRY  | BY TIME (EASTERN STANDARD TIME) |
|---|---------------------------------|
| 65.98% came from Canada.  | 5.17% 1:00 AM - 3:00 AM         |
| 14.54% came from the United States.   | 16.44% 3:00 AM - 6:00 AM        |
| 2.06% (287 visitors) came from Argentina and Barbuda, Argentina.  | 17.02% 6:00 AM - 9:00 AM        |
| Australia, Austria, Bahamas, Bangladesh, Belgium, Brazil, Chile, China, Colombia, Dominican Republic, Egypt, Finland, France, Germany, Hong Kong, Hungary, India, Indonesia, Ireland, Italy, Israel, Jamaica, Japan, Korea, Malaysia, Mexico, Mauritius, Nepal, Netherlands, New Zealand, Northern Mariana Islands, Pakistan, Poland, Portugal, Puerto Rico, Romania, Saudi Arabia, Singapore, South Africa, Spain, Sweden, Thailand, Togo, Turkey, United Arab Emirates, United Kingdom, United States, Venezuela, Viet Nam, Zimbabwe. | 16.37% 9:00 AM - 12:00 PM       |
| 15.42% came from other countries.   | 21.62% 12:00 PM - 3:00 PM       |
|   | 16.23% 3:00 PM - 6:00 PM        |
|   | 15.12% 6:00 PM - 9:00 PM        |
|   | 11.74% 9:00 PM - 12:00 AM       |

#### BY DAY OF THE WEEK

|        |           |
|--------|-----------|
| 5.17%  | Monday    |
| 16.44% | Tuesday   |
| 17.02% | Wednesday |
| 16.37% | Thursday  |
| 21.62% | Friday    |
| 16.23% | Saturday  |
| 15.12% | Sunday    |

#### BY HOURS OF THE WEEK

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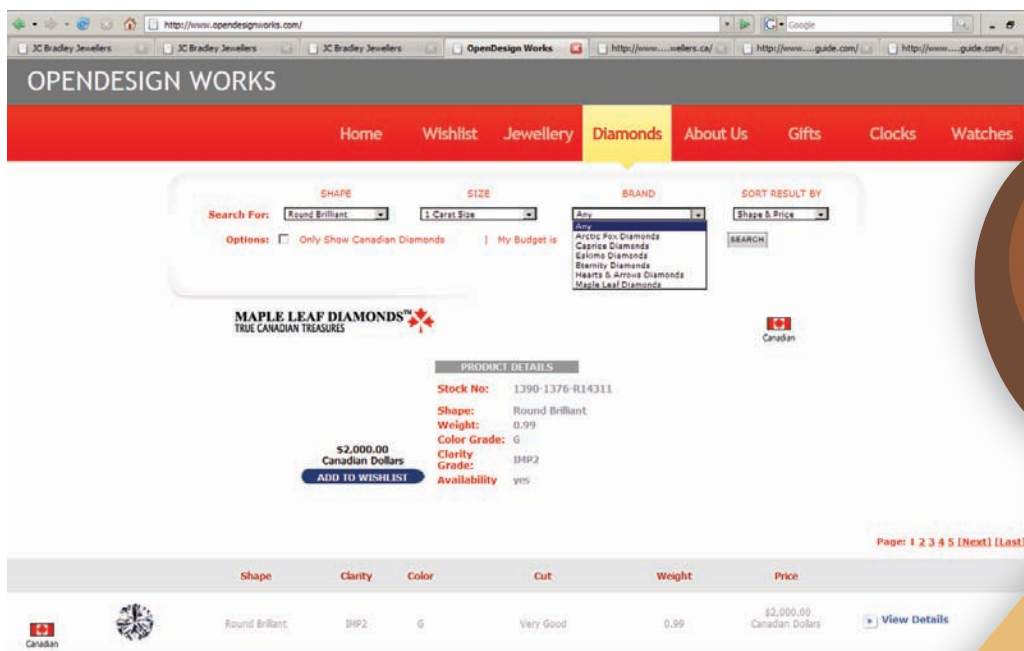
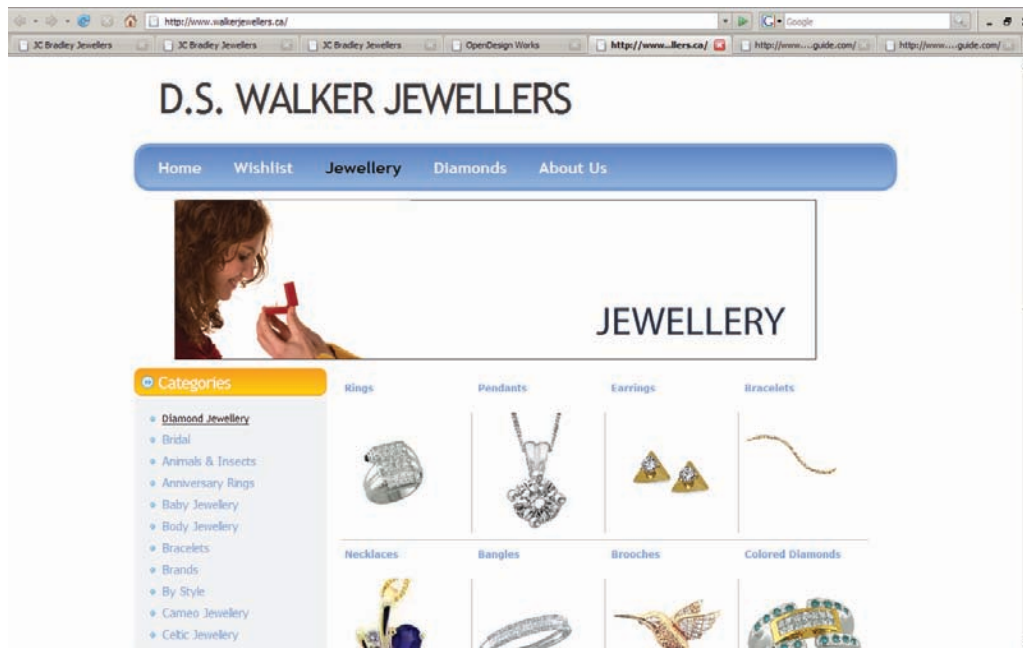
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OpenBlue Networks offers everything a jeweller needs to increase sales right out of the box. Shown below are just two of the many stores designs available. And because our system is designed to be modular, retailers can get custom sites designed and built or the system can be built into their existing site.



This system was designed to help you grow your business, penetrate niche and ethnic markets and expand your products and brands internationally.

### Multiple Currencies:

You can list product in any currency and the system will automatically perform the conversions for a retailer's local market.

### Multiple Languages:

Forthcoming multi-language support means that your company can better serve elusive markets. The United States, for example, has a strong Latino market. That market could be supported by deploying Spanish language web stores with your product for Latino retailers. In development is support for Chinese, Korean, Japanese, French, Spanish, and Arabic languages.



OpenBlue Networks Inc. was founded in 2004 to provide jewellers with best in class tools for sales and marketing. The initial software was in development for 18 months during 2004-2005.

### Advantages:

Consumers drive the sale: traditionally suppliers try to get inventory into retailers' showcases. With OpenBlue, the consumer sees the supplier's entire line, choose what they want and drives the sale up the supply chain.

Business Intelligence tracks consumers as they shop and that helps retailers' purchase based upon consumer interest; suppliers can use the same data to deploy the right products into the right markets. Suppliers who chose to can use virtual inventories to build or supply on demand. Think Dell for Jewellery.

Web to store: OpenBlue sites drive pre-qualified traffic into the retailer's store giving him or her the opportunity to substitute, up sell and sell add-ons.

### Timeline:

2006

February - Initial system is launched. The system grows from 3,000 jewellery & diamond SKUs to over 54,000. Today it has over 68,000.

Created *Canadian Jeweller* magazine's online Buyer's Guide ([www.cjbuyersguide.com](http://www.cjbuyersguide.com)).

2007

Launched the first and only Business Intelligence system for jewellers in the world, providing retailers and their suppliers with consumer-driven information about how their products are performing in the marketplace.

*Canadian Jeweller* magazine begins publishing statistics from the system in every issue; this includes ranking the top designs from different categories.

Launched the first 3D system for retail jewellery sites on web, beating out Blue Nile, Amazon and everyone else with first-class technologies for independent retailers.

Created modules for watches, clocks and giftware and estate jewellery. Citizen Watch, Bulova and Leeber giftware join.

Our system was further enhanced with the ability to show flyers and catalogs on our store sites. Now suppliers' catalogs can appear on their retailer's sites and as consumers flip through the animated catalog, the corresponding inventory is displayed on the screen.

Most jewellers on the system have 4,000-5,000 finished goods items - making their selection of jewellery larger than Birks.com and BlueNile.com. Some jewellers have as many as 15,000 items.

Approximately 5,000 – 6,000 consumers shop the network of stores each month.



## Please select a plan.

**100 Items \$100 Per Month**

**'All Your Can Eat' No Pre Set Limit \$279 Per Month**

Company: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_, State/Province: \_\_\_\_\_

Country: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

WWW:// \_\_\_\_\_

Email: \_\_\_\_\_

VISA/MC: \_\_\_\_\_

Name on Card: \_\_\_\_\_

Signature: \_\_\_\_\_

Expiry: \_\_\_\_\_ Date : \_\_\_\_\_

Internal Use:

REP: \_\_\_\_\_ FAX COMPLETED FORM TO 1-267-295-7313

I authorize OpenBlue Networks Inc. to charge my credit card in accordance with the options I have selected. I understand that this contract automatically renews each year and that if I cancel within the first year, I am obligated to pay the outstanding balance for the first year. After the first year, I can cancel at any time with 30 days notice but that by cancelling I will forfeit any prepaid amounts. I also agree to the terms of use at [http://www.jewellerysearch.com/openblue\\_eula.htm](http://www.jewellerysearch.com/openblue_eula.htm).

