

Memo

To: Gary Shansby
From: Kevin O'Brien
Date: 03/02/01
Re: The Shansby Group Website

After studying your website as well as a those of some related companies (specifically, KKR and Frostman Little) we've come up with the following thoughts:

We were particularly struck by an article in the March 5, 2001, issue of *The Industry Standard* which commented: "Web design is more than just good looks. Unlike, say, a brochure, which need only look great while providing a modicum of information, a Web site is interactive – people should be able to use it to accomplish tasks. A site that looks beautiful but functions poorly is about as useful as a sleek new Porsche with a sputtering engine."

We are not designers, as I mentioned. But we have looked at the TSG Web site with a view to making it inviting, simple to use, informative and prompting perhaps some action by either prospective investors and / or targeted companies to reach out to you.

We will involve ourselves in writing or, as the case may be, re-writing where necessary, material for the site. And we will work closely with the design folks, if you have one, to assure we get the best possible and most useful site. Thereafter, we want to make certain that the site is updated regularly and is fully current.

Here are some specific suggestions, which, of course, we should talk about:

1. Opening page. As it stands now the opening page of www.shansby.com does not clearly identify TSG. Although partner companies deserve to be featured prominently on the Website it is, in our view, distracting to have them flashing on and off on the opening page without any product identification or brand maintenance of The Shansby Group name.

An identifiable TSG logo should be used in order to establish a brand identity for TSG, possibly focusing on the fact that brand names are TSG's specialty. TSG should consider creating its own brand recognition and this might be a good place to do it -- prominently (TOP CENTER) on the first page.

The rest of this page – which should take up only one screen without having to scroll down – should go into a little bit of detail about TSG, followed by a table with links to the other pages in the Website. For example, it might look like the following:



[Appropriate Headline]

The Shansby Group focuses exclusively on investments in consumer brand name products.

TSG, more often than not, takes a controlling interest in its partner companies and assumes a very hands-on approach by experienced consumer product experts to building brands by aggressively managing costs and utilizing its specialized capabilities in product development and distribution.

TSG targets companies with strong consumer brand names, substantial growth potential and revenues between \$20 million and \$200 million, but which are traditionally undercapitalized and lack the breadth of management expertise necessary for continued growth.

We are flexible in structuring deals, we work well with management teams, and we assure a fair price, a timely closing and the ability to finance growth.

TSG Partner Companies	About Us	Professional Staff	Case Studies	Contact Us	Articles & Press Releases	Secure Investor Site
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2. Each page should contain a vertical information link menu (as shown below) for ease by the user of getting around the site without have to return to the main page each time.



3. We would work on the “About Us” section, where we should explain in greater detail – how TSG works, why TSG strategy adds value, what criteria it uses, etc. Perhaps, too, a short commentary on the philosophy and positioning of orphan brands.
4. The “Case Studies” should be selective, obviously, but provide a narrative on what TSG accomplished and how it contributed.

5. The TSG Partner Companies link might lead to a table containing the logos of the portfolio companies, accompanied by a brief description of the company (more detailed than what is currently listed when you click through from the current [Portfolio Partner Companies](#) sites). We would suggest that the logos not be scattered randomly on one page. It would look something like the following:


<h2 style="text-align: center;"><u>Portfolio Partner Companies</u></h2> <p style="text-align: center;">(Click links for more information)</p>			
	<p>World reknowned marketer of premium cookies.</p>		<p>Leading topical wart remover.</p>
	<p>Integrated web-based service for healthcare information.</p>		<p>Manufacturer and marketer of a variety of natural and organic foods sold to the natural food industry.</p>
	<p>Leading processor and worldwide marketer of macadamia nuts</p>		<p>Marketer of nutritional foods and supplements under the MET-Rx and Source One Brands.</p>
	<p>Manufacturer of sports watches and related accessories.</p>		<p>Marketer of Cutex nail polish remover and nail care products</p>
	<p>Manufacturer and marketer of Mexican sauces and salsas</p>		<p>Marketer of organic specialty tortilla chips and snack foods</p>

that more detailed page:

<h2>Case Studies</h2> <p>(Click links for a detailed description)</p>	
<ul style="list-style-type: none">• Famous Amos Cookies• Mauna Loa	<ul style="list-style-type: none">• Met-RX• Cutex

6. In turn, when clicking a brand, the user would move directly to a page detailing that specific investment. Alternatively, clicking on “Case Studies” in the links menu would take the user to a separate menu page listing each investment for which a case study has been prepared. The option would also exist to return to the company description, or even hyperlink to the company’s own web site, should one exist. It would look something like this:

By clicking the links the user would be sent to a page such as the following:


<p>The Shansby Group became the fourth owner of this faltering cookie maker in three years when it bought the company for \$3 million in 1988. Famous Amos reported sales of \$6 million that year – off 50% from the previous year. The company’s overall loses that year were \$2.3 million.</p> <p>By sharpening the company’s focus and adding new cookies to the Famous Amos brand, The Shansby Group completely turned the company around within a four-year period.</p> <p>In 1992 The Shansby Group sold Famous Amos Cookies for \$61 million – a return of more than 20 times it’s original investment.</p>

Or:



The Shansby Group bought a 49% interest in MET-Rx for \$15 million in 1999, when the physician who founded the health bar company sought to expand its sales market beyond the athletic market.

The Shansby Group assisted MET-Rx in recruiting senior executives to accelerate product development. It also expanded the distribution base of the company – marketing it more to general consumers than athletes.

As MET-Rx came to market with its new product line, The Shansby Group was inundated with offers to buy its stake. Just one year after The Shansby Group made its investment in MET-Rx the entire company was sold to Rexall Sundown for \$108 million, or approximately \$52.9 million.

7. The links titled “Firm Overview” and “Biographies” should provide information about what it is that makes TSG special as an LBO firm or Private Equity partner. Much of what is on the current links for “Team” and “Overview” is good, although it needs honing and sharpening, which we will work on. Again we’d like to see each page limited to approximately one screen shot so the user does not have to scroll down to find information. We’d also suggest simplifying the “Team Page” and refer to it as “Professional Staff.”

8. The Contact Page would be pretty standard – the address, telephone, fax, and E-mail addresses of the firm and its Principals, if you’d like. The maps, however, take away from the professionalism of the page.

If we want to provide directions from the airports, we can link from this page to another separate page that has readable maps, including driving directions.

9. We should also add a page for news articles and press releases, and consider a limited entry page for investment partners to access whatever information TSG might want to post from time-to-time.

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