

MARKET

Bobmil Industries Limited covers a broad range of sleep products made of polyurethane flexible foam and polyester fibre. These include mattresses (spring and foam), pillows, cushions, foam sheets, duvets, mattress protectors, bed spreads and other linens.

The product portfolio is developed to cater for the needs and budgets of low, middle and high income households and institutions (such as schools, hospitals, and other state and private institutions).

Bobmil's products are distributed through various channels. They have placed distribution centres in Nairobi, Mombasa, Eldoret, Kisii and Meru. Sales are channeled through the leading supermarkets, wholesalers, retailers and agents of Government / Non-Governmental organisations.

Over the years, Bobmil has gained an understanding of the general consumer preferences in each sector. It has then developed products to satisfy those preferences through its offering of various densities of foam, the different colours of fabric and the different types of finishing and packaging of its products. As a result, the Bobmil brands hold 45% of the market share and this is growing steadily as more people are opting for comfort over price. There has also been steady growth in the demand for their products in the East African region.

Modern retail trends, including the strategy used by supermarkets to be in 'your local area' has given the consumers more choice at a convenient location. As a leading supplier to the largest supermarket chains, Bobmil's brands remain highly visible to the consumers who, in turn, have enhanced their confidence in the brands and the quality of the products.

With continuous development of its product lines, Bobmil is likely to remain the top brand in the medium term. They strive to generate excellence in quality and constitution of product offering in the market.

The management of Bobmil is committed to invest in the latest technologies and product lines which will add value to the lifestyles of the people of East Africa. As a result, they would certainly look to increasing their market share and turnover.

ACHIEVEMENTS

In 2008, Bobmil Industries Ltd commissioned the first polyester fibre plant in East Africa, making it the only company to manufacture duvets locally. They were also the first company to quilt mattresses with polyester fibre rolls, adding to comfort and durability of the finished mattresses.

In 2013, Bobmil was awarded the first ever manufacturing license from Intercoil LLC (Dubai) to produce Spring Mattresses for its long-



established brand for the African market. This has led to an investment into top-of-range coil and mattress manufacturing machinery from the USA and Europe.

In 2014, Bobmil pioneered the manufacture of foam mattresses with a Guarantee of up to seven years – under its MAHARAJA brand. The introduction of these products presented the company's confidence in the quality of its products as a bold statement to the market.

The company also launched a major campaign aimed at establishing an individual identity for each product category. This led to the introduction of the following brand names:-

- TOTO (for baby and children's products)
- Ji-SORT (Light Duty mattresses)
- LALA SALAMA (retained for Medium Duty mattresses)
- AMARA (Heavy Duty mattresses)
- LUXURE (Super Heavy Duty and Orthopaedic mattresses)
- AVANTI (linens and bedding accessories)

HISTORY

Bobmil Industries Limited was established in 1982 and has since been managed as a family-owned business. Having noticed untapped potential in the foam products market, it sought opportunities to gain market share by producing and selling high quality, affordable, products.

The 'LALA SALAMA' brand (which means "Sleep well" in Kiswahili) was established from this early stage and has been the driving force behind the company's innovative activities to provide the market with high-quality products that promote good sleep and well-being. Although market intelligence has led the company to introduce individual brand names for existing products categories, the company has retained 'LALA SALAMA' to carry forward the legacy of the brand.

Bobmil made a modest debut with its first factory in Nairobi's Industrial Area, with an operations space of 8,000 sq ft, producing up to 20 tonnes of foam per month. The product portfolio was restricted to only standard size mattresses in a few densities. This was then further enhanced to include foam sheets and cushions.

Like any business, Bobmil faced stiff competition in the beginning from established market players as customers were hesitant to accept a new brand. A gap in consumer awareness about the quality of foam products resulted in depressed sales volumes at the time. Bobmil had to strive hard to ensure the 'LALA SALAMA' brand remained synonymous with quality as opposed to price, sustaining its policy of providing value for money.

With time, through product innovation,

providing consistent quality and embracing market intelligence and various marketing activities, Bobmil created its own image and stood out from the competition as a company manufacturing quality products, then sold under the 'LALA SALAMA' brand. This market position has developed to such an extent that each product category now moves forward with its own brand identity.

The company continues with its strategy of product development and investment in latest technology.

1982 – Business established and factory operations started

1985 – Production operations moved to larger site (15,000 sq ft) in the heart of Nairobi's Industrial Area

1989 – New factory premises inaugurated along Mombasa Road, Nairobi (90,000 sq ft) to house the full operations of the company. New machinery was acquired for foam production and ancillary activities, promoting automation and R&D.

2003 – Quality testing laboratory set up for more rigorous quality control measures. Through persistent R&D, the company was able to introduce profile pillows and mattresses in to the market.

2004 – Super Heavy Duty foam introduced into market and the company invested in their first distribution centre in Mombasa.

2006 – Invested in their second distribution centre in Eldoret.

2007 – Put into effect the succession planning strategy to carry forward the business.

2008 – Invested in third distribution centre in Kisii.

2011 – Invested in fourth distribution centre in Meru

2013 — Pioneered the introduction of Foam Mattress to the market with a guarantee against sagging / dipping – now being marketed under the Maharaja Brand.

2013 – Licensed by Intercoil LLC to manufacture and supply Spring Mattresses, divans and headboards under its well-established Intercoil brand. This was quickly followed by investment into machinery required for this brand new product line.

2014 / 2015 - Successfully launched a marketing campaign with new brand names for each product class, moving away from all the products being marketed under the 'LALA SALAMA' brand to giving each category its own personality. The company identity was also



enhanced to give it a fresh new look.

With the economic growth expected in East Africa, the company has sought to maintain its strategy of producing high quality products at fair prices, focusing through the line on all segments of the market. It aims at incorporating changing trends and needs into its product portfolio.

PRODUCT

Bobmil products are made to provide extra comfort and

perfect sleep needed to "Wake up fresh" tomorrow. There are various densities and a wide choice of finishes to suit everyone's tastes and needs.

TOTO – Bobmil's Toto Mattresses are specially dressed with liquid resistant covers to help keep baby dry, are easy to clean, maintain their shape well and provide excellent support for infants and toddlers.

JI SORT! – Bobmil's sprightly and flamboyant Light Duty Mattress is a budget-friendly mattress that has been designed not only to give you a great night's sleep, but is also flexible enough to be neatly packed and transported to the loved

ones at home or in school.

LALA SALAMA – if sleep really can be bought, then Bobmil's Lala Salama Medium Duty Mattress provides both great support and comfort, is durable and is great value for money.

AMARA – Heavy Duty Mattresses give you a solid night's sleep, are strong and provide firm support. Comforting dissections mirror the contours of your body for optimum spinal alignment and rejuvenating sleep.

LUXURE – An Orthopaedic Mattress, as the name implies,

focuses on specifically supporting the spine and joints.

MAHARAJA – Kenya's First Ever Foam Guarantee Mattress, is made with a combination of premium foam and perforated bamboo fabric that is designed to eliminate body heat and enhance comfort. The mattress is guaranteed against sagging for five years (for Medium Duty) and seven years (for Heavy Duty).

AVANTI - Bedding accessories are an easy way to bring comfort and a new look to your bedroom. Whether it's Mattress Protectors, Duvet Sets, Pillows, or Bedspreads these products provide the best ways to snuggle up every single day!

RECENT DEVELOPMENTS

Bobmil has recently launched a campaign to provide each of its product categories an individual identity. This has also brought the

company into the marketing limelight with several activities undertaken to market and promote its products.

The agreement signed with Intercoil LLC has exposed Bobmil's manufacturing operations to be tested further at international standards and has put the company on a more rigorous platform.

PROMOTIONS

Bobmil's marketing team utilises various media to promote their brands. Some of the key channels include:-

Bobmil's delivery trucks are branded to showcase the products and brand identities as they travel all over East Africa delivering the quality products to customer outlets.

The brands are also actively promoted through newspaper advertisements and community and lifestyle magazines. These media provide wider support by educating the market about the products and their key features.

Top-of-mind attention is retained through attractive Billboards at key locations around the country and continuous presence on popular radio channels. This is further enhanced by supporting outside broadcasts (social events) and on-ground activations. By participating in industry expos and conduction activations at busy shopping malls, we embrace the opportunity to interact face-to-face with the market for that personal touch.

BRAND VALUES

Bobmil is committed to:-

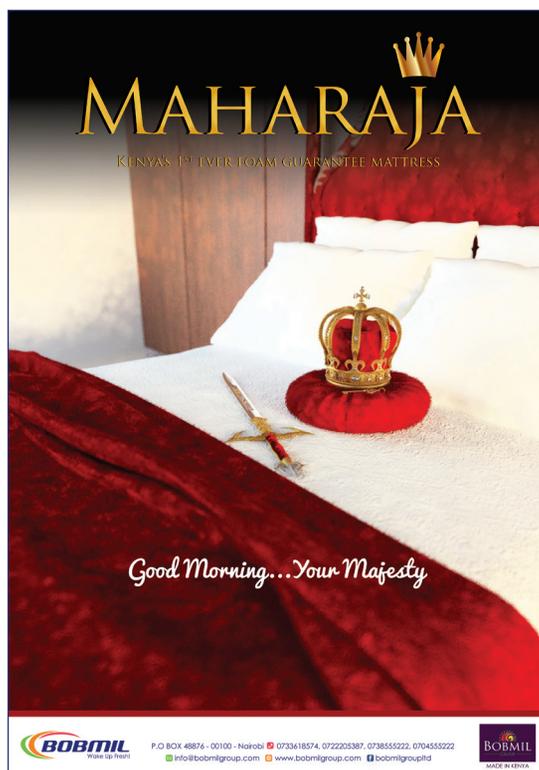
QUALITY – Quality assurance is carried out at key stages along the production line to preserve customer expectations.

INNOVATION – Continuous product development addressing everything from comfort to the look and feel of our products.

SERVICE WITH A SMILE – Always prepared to promptly serve and cater to the customers' taste and preference.

VALUE FOR MONEY – A wide product range that caters to all market segments with no compromise on quality.

www.bobmilgroup.com



Things you didn't know about BOBMIL INDUSTRIES LIMITED

Bobmil industries Limited has been providing sleep solutions to the masses since 1982 and growing year after year.

The company is member of Bobmil Group that has noticeable business and brands under its umbrella (namely VIRO, Bloomingdale Roses, etc.) and a strong hold on investments countrywide.

Bobmil's mattresses account for 70% of the total stocks available at leading supermarkets in Kenya.

Bobmil also manufactures flexible packaging solutions for a variety of industries and business sectors

KAIZEN principles have been effectively instilled in the daily operations of the factory.

Superbrands