



Permanent outdoor LED lighting system offers plenty of promise as exciting, dealer concept

ChannelBrite is SHINING BRIGHT!

Jerry Handsaker, a lawyer-turned-entrepreneur, is not only a thinker, he's a doer. Twice now, Handsaker has found creative solutions to everyday problems and founded a couple of companies along the way.

The first -- Innovative Lighting, Inc., -- was founded in 1993 as the indirect result of a scary experience Handsaker had a few years before when he found himself on an unlit boat with friends at dusk on a busy lake on a Fourth of July weekend. It inspired him to design a motorized light that could be raised and lowered from the boat's controls like a power antenna. When no other manufacturer would license the concept, Handsaker started his own company to make the lights.

Now, the 57-year-old Handsaker is at it again, this time inspired by the annual hassle of time and money that Americans across the country endure when they put up their holiday lights.

In May 2007, Handsaker founded ChannelBrite, an innovative dealer concept that installs Permanent Outdoor LED Lighting Systems that blend in seamlessly with a home or commercial building's trim. Both the

dealer concept and the lighting system are the only one of their kind in the world.

"Coming up with problem solving ideas it not as difficult as making that idea into a commercially viable product," the 57-year-old Handsaker said. "It certainly helps when you surround yourself with a talented staff that is willing to share your vision and work hard to accomplish it."

ChannelBrite is an innovative dealer concept that installs Permanent Outdoor LED Lighting Systems that blend in seamlessly with a home or commercial building's trim.

Requiring a one-time installation, the ChannelBrite LED-based system remains on a home or business year-round. LED light strips are contained within a railing system that matches a home's trim and blends in seamlessly, while also ensuring that the light strips remain perfectly straight and uniform. A programmable pattern controller that can be located indoors or outdoors controls the speed, pattern

and color of the lights.

However, with commercial installations expected to comprise 60 to 70 percent of revenue, ChannelBrite is not only for Christmas and other holidays. Because LED lights are extremely safe and 90 percent more energy-efficient than traditional incandescent lighting, they are well-suited for year-round commercial use by car dealerships, banks, shopping areas, storefronts, car washes, downtown main streets and more.

"We have a very unique product that can't be found anywhere else," said Brian Flynn, ChannelBrite's national sales manager. "LED lighting not only offers tremendous benefits over incandescent lighting in terms of energy consumption and service life, but the ChannelBrite Lighting System solves many problems inherent to the residential and commercial markets."

Innovative Lighting was named one of the nation's top 500 fastest-growing companies by *Inc.* magazine from 2002 through 2005 and today has 120 employees at its headquarters in the central Iowa city of Roland (population: 1,324).

Handsaker expects to find the same

success nationally with ChannelBrite as an additional product line to current businesses already working in the residential and commercial markets. The dealer program was launched in April of 2008. Besides operating a company-owned dealership in Roland, ChannelBrite has four other dealers in Dakota Dunes, SD, Des Moines, IA, Cedar Falls, IA, and Chicago, IL.

The company is targeting 300 major metropolitan markets across the country for growth -- from San Francisco to Chicago to New York -- and expects to add 40 to 50 dealers in 2008, eventually growing to 300 dealers by the end of 2010.

"We are on the cutting edge," Flynn said. "We aren't just jumping on the bandwagon with LED technology and importing all of our products. Innovative Lighting is one of the oldest domestic LED manufacturing companies and we have been doing this for a long time."

The impetus for ChannelBrite originated in late fall 2000, when Handsaker relocated Innovative Lighting about 100 miles south from Algona, IA, to Roland. The holidays were nearing and though many of his neighbors in the development where Handsaker had moved had put up their lights, Handsaker was consumed with setting up his new plant and hiring employees. He did manage to put up a few holiday lights, but they fell short of his neighbor's expectations.

The following year, however, Handsaker's ingenuity took over. He secured some small LED lights to curtain rods that matched his home's trim and attached the rods along his home's roofline. At night, the lights not only looked great, they were perfectly straight and uniform. And because the curtain rods matched the home's trim, the lights were barely noticeable during the day.

"I got such a joy out of going out, flipping the light switch and watching my neighbors scramble," Handsaker

ChannelBrite would be a good fit for any central vacuum dealer who wants to add additional sales revenue without re-inventing their current business model. Outdoor lighting is becoming a big business.

said with a good-natured laugh. "I had people stopping and wondering how I got my lights so uniform."

Handsaker realized from the onset that his idea had business potential. He used the resources of Innovative Lighting over the next several years to further refine the product, buoyed by research that showed time-starved Americans were willing to pay for such a service.

"There was a significant research and development expenditure," Handsaker said. "But I went to my Board of Directors and they liked the idea. They thought there would be a market for it."

The system was test-marketed in central Iowa in fall 2006. It was a resounding success as people responded enthusiastically to ChannelBrite's television and print advertising campaign. Handsaker's own installation crew along with two other crews from a roofing and gutter company did 40 installations in 40 days.

"We had a terrific response," Handsaker said. "We learned there were a lot of other people like me that didn't like climbing ladders and all the other inconveniences that come with putting up holiday lights. People were willing to pay for a permanent lighting system."

Handsaker decided a dealer model offered the best method to expand the ChannelBrite business model nationally. Though still in its infancy, ChannelBrite has been receiving widespread interest from potential dealers across the country. The concept is suitable for both major metropolitan and smaller secondary markets.

"We're very excited," Handsaker said. "It's a unique concept. ChannelBrite expects to attract dealer interest from business owners such as home automation, central vacuum dealers, architectural lighting, roofers, landscapers and others already providing services to homeowners, local businesses or municipalities who are looking to offer an exciting new service to their existing customer base."

ChannelBrite has already aligned itself with many custom home builders which will be featuring and marketing the ChannelBrite system in their showrooms and home show as a buyer option to help differential themselves.

And passage of a new energy bill that mandates increases in the energy efficiency of light bulbs by 30 percent -- effectively phasing out most common types of incandescent light bulbs by 2012 -- proves that the opportunities for ChannelBrite extend far beyond simply being a new twist on holiday lighting.

"As the awareness of the ChannelBrite system grows, so will our potential market," Flynn said. "That is simply because of the size and number of projects that are out there, both on the residential and commercial side. And even though we have no competition, we will always be adding and improving upon our system."

ChannelBrite would be a good fit for any central vacuum dealer who wants to add additional sales revenue without re-inventing their current business model.

Outdoor lighting is becoming a big business and can easily be sold by central vacuum dealers who have showrooms, participate in home shows, and have a strong new construction and remodeling business.

Visit www.channelbrite.com for details or contact Brian Flynn at Innovative Lighting by calling 1-515-383-1011. Protected territories are available. ♦