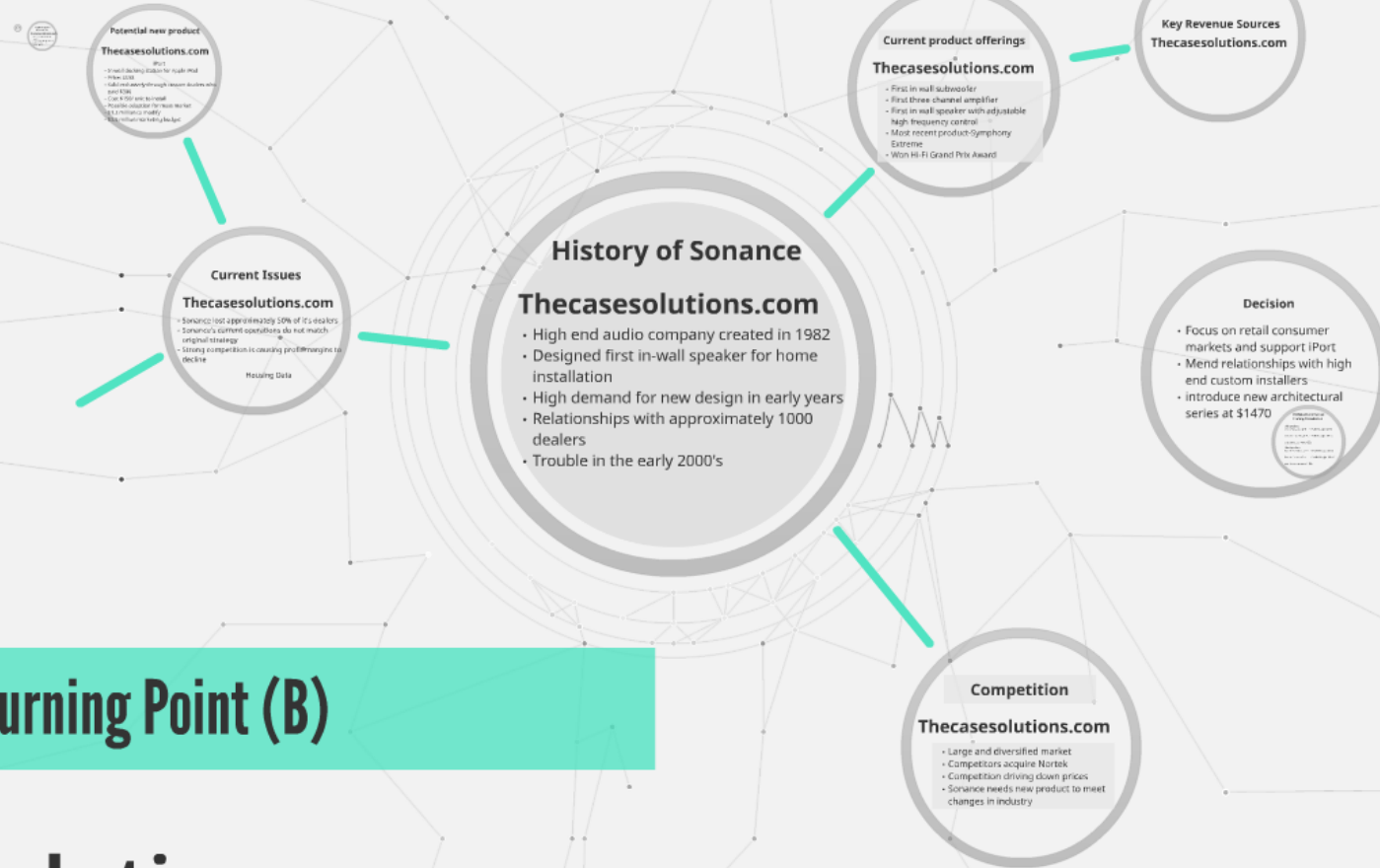


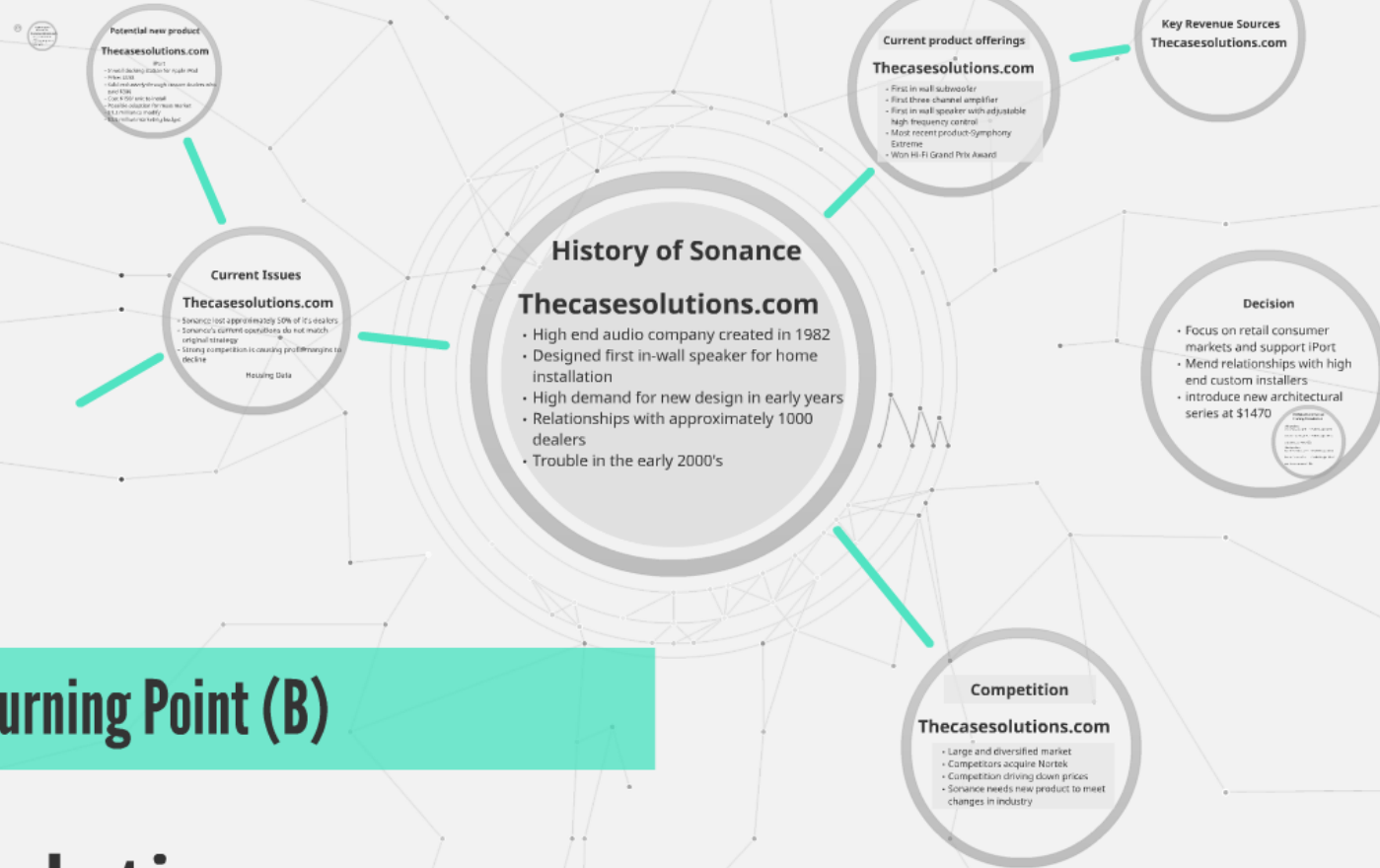
# Sonance at a Turning Point (B)

# Thecasesolutions.com



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# History of Sonance

## Thecasesolutions.com

- High end audio company created in 1982
- Designed first in-wall speaker for home installation
- High demand for new design in early years
- Relationships with approximately 1000 dealers
- Trouble in the early 2000's

## Current product offerings

# Thecasesolutions.com

- First in wall subwoofer
- First three channel amplifier
- First in wall speaker with adjustable high frequency control
- Most recent product-Symphony Extreme
- Won Hi-Fi Grand Prix Award



**Key Revenue Sources**  
**Thecasesolutions.com**



# Competition

## Thecasesolutions.com

- Large and diversified market
- Competitors acquire Nortek
- Competition driving down prices
- Sonance needs new product to meet changes in industry

# Current Issues

## Thecasesolutions.com

- Sonance lost approximately 50% of it's dealers
- Sonance's current operations do not match original strategy
- Strong competition is causing profit margins to decline

Housing Data

## Potential new product

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### iPort

- In wall docking station for Apple iPod
- Price: \$598
- Sold exclusively through custom dealers who paid \$300
- Cost \$150/ unit to install
- Possible adaption for mass market
- \$1.2 million to modify
- \$3.5 million marketing budget



## **In-Wall Architectural Series Speakers**

# **Thecasesolutions.com**

- Redesign of original product
- Invisible
- \$2 million to finish development
- \$200 to manufacture
- \$200 to install