

Message

From: Potter, Dennis (Denny) L [POTTERD@RJRT.com]
Sent: 6/29/2010 1:46:25 PM
To: Borschke, August J. [BORSCHG@RJRT.com]; Gentry, Jeff S. [GENTRYJ@RJRT.com]; Herko, Daniel (Danny) J. [HERKOD@RJRT.com]; Figlar, James N [FiglarJ@RJRT.com]; Whitehurst, E. Kenan (Ken) [WHITEHK@RJRT.com]; Holton, Mark L. [HOLTONM@RJRT.com]; Lewis, Lincoln [LewisL@RJRT.com]
Subject: Fuma Innernational LLC
Attachments: 20100629114616.pdf; 20100629113602.pdf

Follow up to earlier email: Re: Electronic Cigarette supplier.

Fuma International LLC has followed up with the additional information and sample product as promised. Attached is a copy the informational brochure and a bar coaster included in the package.

The product sample consisted of packaging containing 2 Fuma batteries, 3 flavor cartridges, usb and wall rechargers. As claimed, the product is unique in design and operation to the e-cigarette designs based on the Chinese models we have previously seen. Taste/flavor, operating ritual and smoking experience are also different. Significant, is the absence of the sweet aftertaste commonly associated with e-cigarette and the "Ploom" product. This suggests the absence, or very low levels, of Propylene Glycol commonly used as the carrier and vapor formation material in the referenced products. I'll have R&D attempt to analyze.

Both the reusable battery/electronics device and the disposable mouth piece cartridge are made of metal. This gives the assembled device a nice balanced feel. The cartridge/mouth piece is completely sealed, so no messy pad to handle and would be difficult to re-load with fluid. The device is assembled by removing protective covers from both ends of the mouthpiece and screwing it onto the battery. While the battery/electronics section has a puff activated switch, the 'magic' is primarily in the mouth piece/aerosolizer end which obviously contains both the liquid aerosol former and some form of heating element. Use of the product requires 1 or 2 short "heat up" puffs and the instructions suggest short puffs thereafter. However, because there does not appear to be a time delay cut off (as with Chinese design), the user has considerable control over puff volume. The mouth piece becomes very slightly warm after extended use (e.g. so slight you must be looking for the difference vs. the battery end). Based on the few individuals that have evaluated the product thus far, the experience is far closer to a cigarette experience than Ploom or other e-cigarette designs we have acquired. Flavor aside, some likened it to an Eclipse.

Overall, the Fuma product is simple, clean and very close to intuitive to use. Personally, I see more potential in this product design than any of the others we have assessed to date. Based on the strength of initial observations I have requested Procurement start the CA process so that we can arrange more detailed discussions.

Please advise if you have any questions or would like to see the product. The web site is www.myfuma.com

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