## KYCON, INC.



2016 Corporate Profile



Kycon, Inc. was founded by Kaya Erk in 1988. Kycon was formed to combine the North America sales and marketing expertise with the competitive manufacturing expertise of Asia. Kycon is an ISO9001:2008 registered company with a 3A1 D&B rating, the highest rating for a company of our size. Sales, Marketing, Engineering, R&D, Operations and Accounting all operate out of Kycon's worldwide headquarters in Morgan Hill, California.

Kycon has additional warehouses in Taiwan and China, as well as a support team for logistics and quality. From our inception, Kycon has provided our business partners with more than just quality products at competitive prices. Our goal was to ensure that utilizing Kycon for connectors is the most reliable choice. Kycon continues to rank consistently high in the Bishop Survey for our quality, accuracy of deliveries, engineering support and overall customer service.



Kycon initially started providing D-sub connectors in 1988. Throughout the years our product lines have expanded to include Modular Jacks, Mini-Dins, Audio Jacks, DC Power Connectors, USB, HDMI and custom cable assemblies. We dedicate ourselves to providing the widest range of connectors within each product line we supply. Kycon has always been a leader in introducing newer technologies within exisiting lines. We have and will continue to introduce technologies for a variety of applications in which our products can be used. Ferrite filters, PC99, high temperature plastic on through hole components and insert molded contacts for HDMI were all introduced by Kycon long before our competitors.

We have also continued to focus on packaging more than one connector into a single component. For example, combinations of D-subs, Mini-Dins, Audio Jacks, Modular Jacks, or HDMI both with each other and with other connectors helps further expand our offering. By combining different connectors, we continue to develop unique solutions to meet specific customer or market requirements.













Today Kycon still offers one of the broadest ranges of I/O connectors in the industry and continuously introduces newer generations of exisiting connectors in addition to creating brand new product lines.

Kycon has always focused on distribution as our prime channel to market. Kycon's sales policies have focused on supporting this view. Throughout our history, distribution has consistently been well over 70% of our overall sales. Today, distribution represents 76% of Kycon's revenue. POS sales vs. direct sales from Kycon to end users is approximately a 3:1 ratio.

CEM 20%

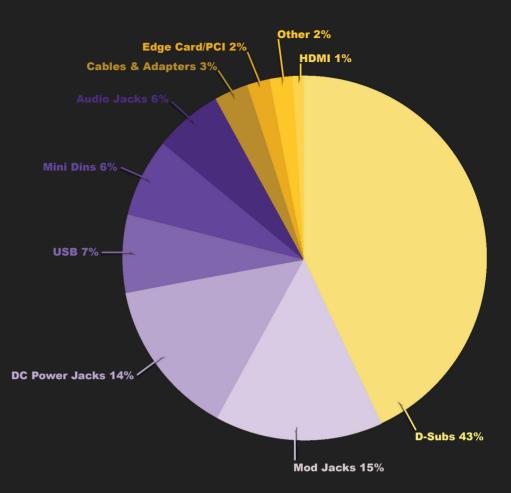
OEM 4%

Kycon's sales for many years were solely in North America. Through the addition of distribution in Europe (2000) and general migration of manufacturing to Asia, the split of sales by geography is more representative of that of the industry. In recent years, both Europe and

Asia have seen increases in terms of percentage of overall sales.

Traditionally, D-subs have been Kycon's strongest product offering, but over the past several years their percentage has steadily decreased.

As newer technologies that require smaller form factors are developed, we have seen an increase in the usage of our mini, micro and high speed connector offerings.



In addition to our comprehensive distribution network and direct sales force, Kycon has an extensive, experienced manufacturers' representative network in the design, sales and service of Kycon's customers. That network and the longevity of our Kycon sales staff helps to ensure our steady growth in sales. With an average tenure of 13 years, our customers are assured knowledgeable, accurate, and timely responses to any and all inquiries.











Kycon continues to expand our product line, utilizing our strengths and expertise to actively develop new products. We will grow our existing offering not only by working with our customers during design, but also developing them in anticipation of the future needs we see in the market. By focusing on alternate versions of current popular products, we continue to release innovative connectors to the market.

The Bishop survey is the most comprehensive evaluation of connector companies. A representative cross section of North American connector users encompassing engineers, purchasers and product managers at CEM's, OEM's and distributors are polled. Participants of the survey are asked a series of questions that pertain to the use and interface of the prospective companies' product and overall service.

Kycon has continually ranked and maintained the highest level of consistent product quality and customer service evaluated by the Bishop Survey. Market consensus shows that Kycon is an elite connector company which more than holds its own compared to all of our competitors regardless of size. Our award winning standards have set the tone for innovation and results in the industry. We are committed to the highest level of excellence demonstrated through our price effective solutions and five star customer service and we will continue to lead the industry in customer service, problem solving and product quality. Our rankings are a positive indicator that Kycon has remained focused on our goals for more than twenty-five years.

Category	2014	2016
Inside Sales/Customer Service	1	1
Handling Problems	5	1
Technical Support	3	1
Turnaround Time for a Design	2	1
Meet Promised Ship Dates	2	1
Product Quality	1	2
Price Competitiveness	2	2
Meet Requested Delivery Dates	9	2
Obtaining Product Samples	3	2
Usefulness of Website	2	2
Outside Sales Rep Support	2	3
Lead Time	7	3

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