

FRODDO®

Market

Ivančica d.d. is a shareholders company that looks after the health of its consumers. It's focused on the growth and development of its brands: FRODDO and BOOGALOO, that are characteristic of all the key factors that make them - comfortable, high in quality and healthy. The quality of FRODDO brand is well known not only in Croatia but in most major parts of Europe as well. While FRODDO shoes are sold on more than a hundred locations in Croatia, of which seven of these are small FRODDO retail stores - they can also be found in Slovenia, Bosnia and Herzegovina, Serbia, Macedonia, the Netherlands, France, England, Greece, Ukraine, Kazakhstan, Russia, and Australia - where in 2008 74,000 pairs of shoes were distributed. In 2008, 66 percent of all sales was achieved in export, of which 25 percent were FRODDO products.



History

Ivančica started business in 1946, when a group of shoemakers began making shoes for miners that worked in the north-western region of Croatia called Zagorje. Over the years numerous transformations regarding law regulations and development goals have taken place, Ivančica today operates as a joint-stock company of small share holders, that are mainly employees of the company itself.

In the 1980s Ivančica employed over 1,200 workers. Ivančica d.d. is always creating and developing its products, especially shoes for children, which before were only sold in former Yugoslav countries. This period is also important as the beginning of co-operations with its partner company Paul Green, which even today is their only buyer with which the company attunes its strategic plans and launches joint projects.

Achievements

With life long tradition of over 60 years, Ivančica d.d. has become the leading shoe manufacturer in Croatia.

The company's strategic plan from 2008 to 2012 is defined by further expanding and positioning FRODDO as the leading brand in the region - while at the same time innovatively producing high-quality shoes in a seminal and healthy environment - to the satisfaction of the owners, employees and customers alike.

Through their strategic plan, strategic projects are implemented as well, that pose to achieve medium-term goals. In the hope to further expand on the market through FRODDO and BOOGALOO brands, Ivančica d.d. is participating in world-renowned fairs such as: Micam in Milan, Italy; Moda Footwear in Birmingham, England; Mosshoes in Moscow, Russia; KidCAST Niveau and ISN Shoe Fair in the Netherlands; and in 2009 in Marseille, France. The company is proud to participate on all these prestigious fairs - where consumers abroad can familiarize themselves with their collection of high-quality products and design.

Up until now, the company has received numerous awards for quality and design. "Zlatni ključ", or the "The Golden Key" is one such award, which they received in 2008, in the category of Best exporter in Austria.

Product

With FRODDO and BOOGALOO brands, customers always get a feeling of comfort and ease, making every step a light one. Buy purchasing FRODDO or BOOGALOO shoes, the company offers a sense of individuality - because every shoe is hand-made.

FRODDO brand, which was named after the character from Tolkien's "The Lord of the Rings" - even before the movie became famous and renowned world wide - this year in 2009 is celebrating its 10th birthday. FRODDO shoes range from sizes 17-40, and are made from the best natural materials and according to orthopedic specialist opinion.

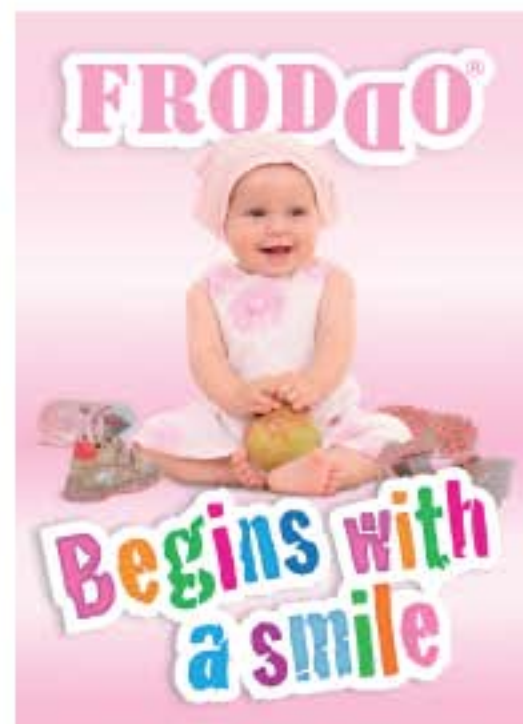
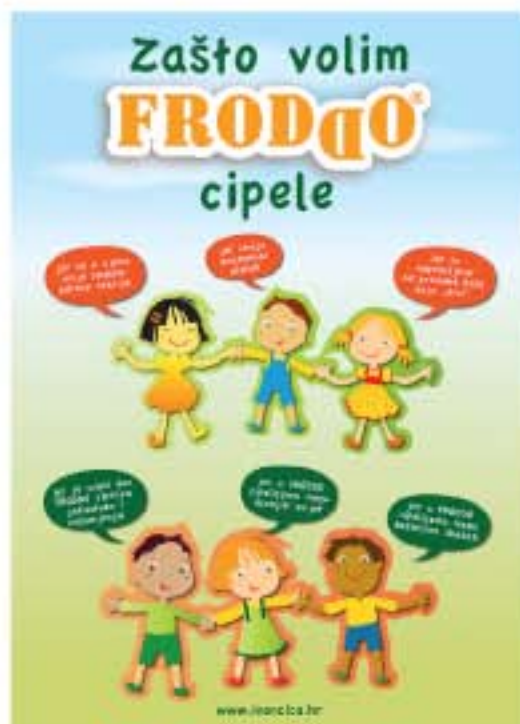
Development is based on scientific research of anthropometric measurement of children's feet. Anatomically shaped, lightweight and flexible - FRODDO shoes are healthy and comfortable, spiffy looking - not to mention that they provide for the healthy growth and development of children's feet. Playfulness, creativity, and freedom without a care - are all words that best describe FRODDO as a brand.

While the process of learning how to walk lasts from about a 1 to 2 and a half years, and consists of three phases waddling, running, jumping - various product lines have been designed. That's why FRODDO also makes their "MINI" models, that are intended for the tiniest feet, that are taking yet their very first little steps. "SOFTYFLEX" FRODDO shoes are enjoyed most by those little "running and skipping pros" - because they're exceptionally flexible and comfortable to wear - while "working together" with every step. The SOFTYFLEX SYSTEM with its shape and structure that offers a perfect combination of stability and flexibility.

Their FRODDO SPORT programme offers shoes that make growing up easy and playful, while they're flexible and made from natural materials. Through innovative technology the EXTRA insole was created, which is extra elastic, soft and have a strong ability to let air in and out and to absorb. FRODDO cotton insoles are a high-quality product made from light cotton materials that make them extra elastic. FRODDO cotton insoles have a high ability of moisture absorption with a porous characteristic that lets air in and out, while also having antibacterial protection. Besides being healthy good for children's feet - FRODDO cotton insoles also make shoes more durable and long-lasting.

The BOOGALOO collection for young urban women is also made from natural materials.





BOOGALOO shoes are comfortable and elegant; that range in sizes 36-41.

Recent Developments

Continual investment in its staff and new technology all contribute to the quality of FRODDO and BOOGALOO brands.

The growth and development of Ivančica d.d. is always in sync and up-to-date with the shoe industry, and in this way strengthens its brand name by raising the competition and increasing export.

Natural materials are used as a means of raising the competition (with leather insoles, processed plant tanners, and Froddo-cotton insoles made from cotton that have a strong ability to soak up moisture, provide ventilation and are flexible).

Besides offering reasonable prices, individuality and recognizable design is also an important factor, which are carefully planned by their very own designers team but also in continual cooperation with a designers house in Italy - all made to suit every customer to the fullest.

Great attention and care is devoted to post sales customer service - dealing with complaints, conducting surveys about customer satisfaction in stores and through the internet. By raising competitive standards, the development of foreign markets is also achieved.

In accordance with world trends and standards in 2009 FRODDO shops attained a new image where not only products are sold but also fulfill the customers - dreams, wishes and emotions.

Promotion

Brand value and the importance of a company is estimated by how it is recognized as a brand, which is precisely why the positioning of FRODDO brand is a key element that has to be carefully and strategically planned.

One of a few essential elements is also a company's orientation towards its customers. The company strives to inform consumers about the qualities of FRODDO shoes; through the internet with its on-line store; by promoting its brand at retail stores through POS materials; and The Book of

Standards with the aim of standardizing locations of sale and presenting the brand.

Parents are often very curious when it comes to their little ones shoes, and have many doubts and questions - which is why Ivančica d.d. continually communicates with the market and offers advice to its customers through printed media, educational brochures and the internet.

Ivančica d.d. promotes its FRODDO brand using specialized magazines for pregnant women and mothers. But other channels of communication are also implemented, such as: television and radio advertising, billboards and newspaper media through PR articles - catalogues, prize-games, sponsors, through advice from orthopedists and famous celebrities.

Brand Values

FRODDO - For a smile with every step!

Besides many other factors that define FRODDO as a brand of high-quality, exceptionally important is its ecological factor, with which the location where FRODDO shoes are made. This is best described in the poem: "Poleg jedne velike gore," which is better known as an Ivanec hymn, by



author Pavica Hrazdira.

By a great long mountain trail
Oh, by a great long mountain trail,
When you pass a many dale,
There's a place of cottage white
Is our village of beauty bright
If further on you go,
Of a nature's grace you'll surely know,
Here the folk are good at heart...

Pavica Hrazdira

Ivančica d.d. does business in a socially responsible way; through donating money, their products - and also supports and sponsors other social and humanitarian projects.

The company respects every aspect of doing business in an economical, social and ecological fashion - and in accordance with this has signed The Code of Ethics in doing business of HGK (Croatian Chamber of Commerce).

www.ivancica.hr

THINGS YOU DIDN'T KNOW ABOUT...

FRODDO

- > 5,000 pairs of shoes are produced daily in Ivančica - which is more than 1,200,000 pairs yearly.
- > The production of children's shoes requires special care and attention, so every FRODDO shoe is made according to detailed research and collaboration with orthopedic specialists.
- > A person in average makes about 18,000 steps a day, while children make even more.
- > Most people in a lifetime cross around 112,700 km - which is like walking around the earth four times.
- > 70 percent of all foot problems comes from wearing inadequate or faulty shoes - and most of these problems come from wearing them at a young age.
- > Left-handed people are usually "left-legged" as well. Usually they first step with their left leg.
- > While a persons feet are usually about 5 percent wider in the afternoon, it is recommended to buy shoes later in the day.
- > Romans were the first to make shoes for the left foot as well as the right. Before this, a shoe was the same for both feet.