



SCOTTEVEST INC. • TECHNOLOGY ENABLED CLOTHING • WWW.SCOTTEVEST.COM • 866-909-VEST
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SCOTTEVEST INC. and Technology Enabled Clothing-TEC®

Overview

SCOTTEVEST® INC. (SeV) and its wholly owned division, Technology Enabled Clothing -TEC® (TEC), represent the convergence of fashion and technology and together are considered the premier innovators of clothing designed to accommodate an increasingly wired world. Central to the company's business model is the unique integration of technology and apparel.

SeV was founded in 2001 by attorney-turned-entrepreneur, Scott Jordan. Before founding SeV, Jordan became frustrated with the inconvenience of carrying all of the electronic devices that have become necessary for modern life, including cellphones, iPods, digital cameras, PDAs, and others. The burden of carrying these items was further complicated by the wires and accessories that accompanied such devices, e.g., cell phone earbuds, MP3 headsets, and spare batteries.

SeV recently debuted its newest product line, Version 4.0. Version 4.0 targets a younger audience, as well as the truly fashion-conscious. Version 4.0 is the embodiment of functional fashion. The chic clothing remains on the cutting-edge of clothing technology, incorporating features such as fabric volume control switches and detachable solar panels that will recharge drained electronic devices in select clothing items.

Technology Enabled Clothing –TEC® Explained

SeV's most unique feature is the patented Technology Enabled Clothing -TEC® System, known as the TEC System. The TEC System consists of a series of hidden conduits strategically placed within garments. The conduits manage wires associated with many of the electronic devices that are standard in the modern world. With the TEC System, users can now discretely and safely listen to tunes or carry on a conversation without the burden of dangling wires.

SeV intends to license its intellectual property rights through a wide variety of channels. According to Founder and CEO, Scott Jordan, "Consumers and manufacturers should think of the TEC System similar to the way that they think of Gore-Tex®, Teflon®, Velcro®, or any other add-on feature of clothing. Consumers should be able to shop for a ski jacket and understand immediately that items with the TEC label have the ability to incorporate their personal technology," said Jordan. As portable electronic devices become integral to everyday modern life, the concept of Technology Enabled Clothing -TEC® will also become more and more well-known.

Various branches of the military and Homeland Defense Department, including the Special Ops, Secret Service, and the FBI have successfully used variations of the TEC System in the field. Additionally the TEC System is especially relevant to the consumer market, in light of proliferation of MP3 players such as Apple's iPod, and the recent state, federal and international legislation mandating hands-free use of cell phones while driving.

In addition to the value of the patent, the company's greatest asset is the strength and simplicity of the registered brand name, Technology Enabled Clothing - TEC®. When consumers see the TEC® label, they will know instantly that the garment will accommodate their personal electronics and will allow for easy access and use. SeV expects that within five years, over half of all garments will include an aspect of the TEC® system. As consumer electronics become ubiquitous, so will the TEC® brand.





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Another feature unique to SeV products is the incorporation of patent-pending magnetic closures. Hidden magnets keep pockets closed when not in use, and make it easy to access their contents on the go. As electronic devices get smaller and smaller, SeV products are being viewed as the next generation of computer housing.

The Market Opportunity

Gartner Group estimates that more than 60% of US and European individuals between the ages of 15 and 50 will carry or wear wireless computing and communication devices for at least six hours a day by the year 2007. The proliferation of handheld and wireless devices in both consumer and professional communities underscores the continued integration of technology into the daily lives of modern individuals. SeV products allow users to integrate wires associated with these devices into clothing products, and to do so in an efficient and stylish way.

Unbelievable Success to Date

SeV has experienced tremendous growth since its foundation. From the moment the Website went live, and before production had even started, SeV was taking pre-orders for products. Having now introduced several subsequent versions of the SeV—each outselling the previous one—the company has out-performed even its most optimistic sales goals. While other online apparel companies are struggling to survive, SeV is thriving and embodies a rare e-tail success story.

Customer feedback has been phenomenal – approximately 70% of its customers own more than one SeV product. This degree of customer loyalty is unheard of in consumer businesses, and surpasses that of popular brands such as Apple. It is being used for everything from carrying necessities on the golf course to a day at the park with the kids. Ideal as a second carry-on bag for frequent travelers, the SeV simplifies airport security procedures by eliminating the need to remove devices from multiple pockets and clips and to turn them on and off. One simply takes off the SeV and puts it through the x-ray – gadgets and all.

Jordan and the SeV have been featured in more than 1000 publications worldwide, including *The New York Times*, *Time*, *The London Times*, *The Wall Street Journal*, *Entrepreneur*, *US News & World Report*, *Kiplingers*, and the SeV was named by *USA Today* as one of the top tech gifts. Major Fortune 500 corporations, government, and law enforcement agencies see the value of the SeV and have approached the company to outfit their mobile work forces. Companies such as Microsoft® and Intel® are using the SeV for their teams at tradeshow and other events.

The *Army Times* reported that President George W. Bush admired an SeV jacket worn by one of his Secret Service Agents and “insisted on acquiring his own—complete with the presidential seal.” Moreover, it is being sold by the International Spy Museum in Washington D.C., as one of the only items in their gift shop that is being used in the field by actual undercover agents. The retail giant Neiman Marcus has also become a reseller of SeV. Additionally, the SeV has garnered the attention of Hollywood and has been featured prominently in a number of movies and TV shows, including being worn by Matthew McConaughey in the 2005 blockbuster, *Sahara* and HBO’s smash hit *The Wire*. It has been exhibited at The Tech Museum of Innovation in Silicon Valley, The Innoventions Pavilion at Disneyland, The Oakland Museum of California, The Museum of Technology in Milan, Italy, and the Cittadella Scienza in Naples, Italy.

Industry Leaders Take Note

One well-known industry analyst reported that “unless you’ve been hiding out in a cave in Afghanistan, you’ve probably heard of the SeV. What looked at first like a clothing item of interest only to ultra geeks has turned into a mini-phenomenon.” Industry analysts agree that the SeV, with the patented TEC System, is leading the trend of the convergence of technology, apparel and travel gear and that more designers will soon create such accommodating apparel. Giga Information Group concluded that SeV’s innovations will “provide value for enterprise applications . . . [allowing] a more personal way to carry technology and keep it easily accessible.”





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Availability

SCOTTEVEST products are available online at www.scottevest.com, as well as at various reseller locations, including the International Spy Museum in Washington D.C., Neiman Marcus, and Magellans. Information about SeV and TEC is available at www.scottevest.com and www.technologyenabledclothing.com.

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