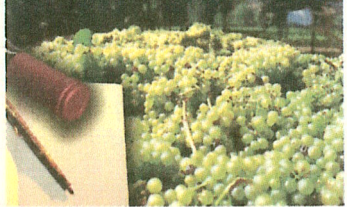


North Bay Business Journal

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Wine Industry
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Focus: Wine Law



Tough times test winery and grower relationships Page 6

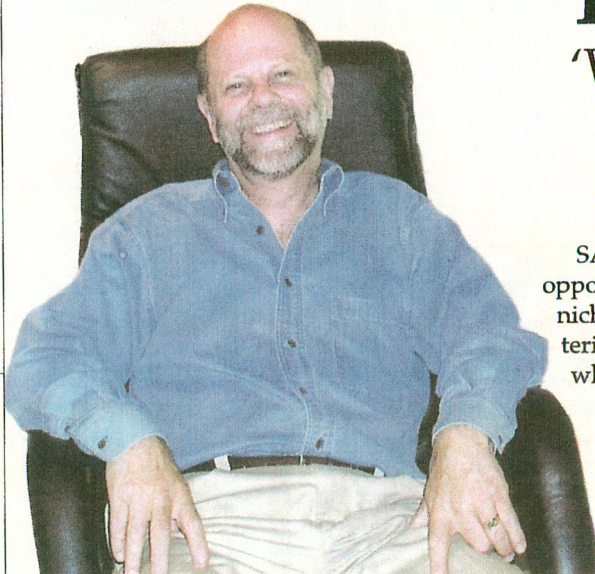


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THE LIST

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Hard times spell success for Reltek



Robert Lindberg

'We have the No. 1 product in our market; we're profitable; and we have no debt.'

BY LORALEE STEVENS
STAFF REPORTER

SANTA ROSA – Hard times often spell opportunity for small, agile companies with niche products that can dodge among faltering giants to nail big customers. That's what's happening for tiny Reltek, LLC, a maker of specialty coatings and adhesives for harsh environments. While a steep downturn in the commodity market for such materials has slowed large manufacturers, Reltek is shifting into a higher gear.

The seven-year-old Santa Rosa

company's sales have been climbing for the last three years and are expected to jump six-fold to \$1.5 million this year from \$250,000 in 2002. Within five years, Reltek expects to grow revenues to \$10 million. The company is shopping for larger facilities and bringing on sales and marketing people to increase its presence in what analysts say is a \$10 billion market in the U.S. and a \$25 billion market worldwide.

Reltek is seeking \$250,000 in bridge funding to ramp up marketing.

"The time is right for a major effort to
(please turn to page 5)

Santa Rosa wins tax

General Plan proposal

stentless on community

Hard times spell success. . . (continued from page 1)

expand distribution," says owner and CEO Robert Lindberg. "We have the No. 1 product in our market; we're profitable; and we have no debt."

Mr. Lindberg developed proprietary bonding material as an engineer with BIW Connector Systems in Santa Rosa and took the technology with him when he left to form a consulting company in 1994. In 1996, he began to manufacture BONDiT and SEALiT, which have the ability to bond dissimilar materials and hold them in harsh weather conditions and underwater. Offshore oil rigs, ships, telecommunications equipment, factory floors, and the automotive and construction industries are big users of adhesive and coating materials.

According to Bill Harrington, author of *Adhesives and Sealants Newsletter* and writer for *Adhesives Age*, very few products are made today without adhesives. They've supplanted or complement rivets in the construction of airplanes and automobiles and fostered the growth of consumer and factory electronics by holding chips in a fail-safe position.

"Most high-end adhesives are developed for a specific application and find a broader market elsewhere," says Mr. Harrington. "A company with a good niche product will find applications that didn't exist a few years ago. But growth might be limited by the stagnant high-tech and telecom industries. Once they turn around, opportunities for developers of specialty adhesives will surge."

Reltek's customers include Raytheon, the U.S. Navy, General Dynamics, GE, Northrop Grumman, Guidant, JDS

Uniphase, and the Port Authority of Seattle, which could find no other non-erosive material to coat the holds on its steel barges.

Reltek outsources the manufacture of its bulk products, but custom manufacture, formulation, and testing are done on premises. The company is just beginning to fill orders from the semiconductor industry, whose clean rooms must be built with conductors to dissipate electrostatic charge.

"The conductors are expensive and dirty," says Mr. Lindberg. "Our coating material does away with the need and reduces costs of building and upgrading clean rooms significantly."

"We've also been contracted by the leading manufacturer of gas masks to develop special adhesives."

Consumer electronics and sporting goods are other target markets.

Current Reltek products are distributed through McMaster-Carr, an industrial catalog company; GE Commercial Plastics; Laird Plastics; and Ellsworth Adhesives Systems, among others. Mr. Lindberg says several other major distributors are in the wings.

"I can't mention names, but two of our largest distributors told me that ours is the best product introduced in years, and we provide the best service. It's time we leverage that kind of reputation and show customers we can beat the big guys like 3M, Henkel/Loctite, and Lord with superior adhesives at competitive prices," says Mr. Lindberg.

For more information, call 707-539-0539 or visit www.reltekllc.com.