



Company Overview

Company Snapshot

The Leader in Indoor Tanning
www.wolffsystem.com

Wolff System was founded by Friedrich Wolff, "the father" of the indoor tanning industry. The company manufactures lighting systems for tanning beds and is the exclusive licensor of Wolff System certified tanning beds in the United States and Canada.

With licensed Wolff System tanning equipment, the amount and type of exposure to ultraviolet light is predictable and consistent, unlike outdoor tanning where variables include the time of day, season, cloud cover, and proximity to the equator.

FOUNDED: 1978

HEADQUARTERS: Atlanta

TANNING MARKET

- ~ Approximately 28 million people visit tanning salons each year.
- ~ Women make up approximately 70 percent of the customer base.
- ~ Tanning salon industry revenue estimated at \$5 billion a year.
- ~ Approximately 30,000 businesses offer tanning services.
- ~ Average cost per session: \$5 to \$7.

PATENTS: Wolff System has patents in 16 countries

PRESIDENT AND CEO
Michael Stepp

MEDIA CONTACT

Daryl Toor
Precision Communications
770-777-9489
dtoor@precisioncommunications.net

Society values appearance. We work out at health clubs and exercise by walking in our neighborhoods. Articles on the latest diet trends are always featured at the magazine checkout lines at the grocery stores. Many people choose to have plastic surgery to produce ideal results quickly. We straighten our teeth with braces and whiten our teeth with treatments. And, we get tan.

The healthy, sleek and vibrant appearance of bronze skin is the goal of many sunbathers in our parks and at our beaches and among those who use indoor tanning equipment. A healthy tan conveys a vibrant, active lifestyle. People with tanned skin are often perceived to be more fit, attractive and healthy.

Tanning is a natural response to exposure to sunlight -- just as our muscles develop when we exercise. Just as with exercise, care must be taken to increase our tan gradually and not to overdo it.

As the founder of the indoor tanning industry and the leading manufacturer of lamps for indoor tanning beds with more than 500,000 systems in use worldwide, Wolff System has led the industry's initiative to promote responsible tanning.

That's why salon and health club owners -- and their customers -- are accustomed to ask for Wolff System certified equipment, easily recognized by the Wolff System trademark. As the world's first and largest manufacturer of indoor tanning lamps, Wolff listens to salon owners and integrates their preferences for the latest in tanning lamp technology with decades of experience creating products that appeal to their clients.

Wolff System's philosophy has always been to promote tanning with responsibility -- and in moderation. Millions of Wolff System tanning lamps have been sold in the last 20 years. The high quality, consistent ultraviolet output and superior maintenance of Wolff products have made Wolff System the most requested name in indoor tanning.

Indoor tanning is a more healthy, cautious alternative to the risks of outdoor tanning because the amount of time and the intensity of the skin's exposure to ultra violet rays are controlled. Wolff System indoor tanning lamps are designed to deliver the best tan possible while simultaneously minimizing the dangers of sunburn or skin damage.

WOLFF SYSTEM HISTORY

While studying the beneficial effects of ultraviolet light on athletes, German scientist Friedrich Wolff noticed an interesting side effect -- tanned skin. Realizing the appeal of a beautiful tan, Wolff founded the indoor tanning industry. His research led to development of indoor tanning equipment and lamp technology. He founded Wolff System Holding AG, the parent company of Wolff System Technology Corp., and other subsidiaries in Germany, Switzerland and France. Called "the father of indoor tanning," Wolff brought his European technology to the United States in 1978. He set the standard for the industry with specialized lamps and a reflector system that was ideally suited to indoor tanning. Today, the company operates in North America and Western Europe, and has patent licensees in Belgium, Canada, Germany, Sweden, Switzerland and the United States.

Wolff's lamps are the most popular lamps used in the indoor tanning industry and are regarded as the benchmark standard for other manufacturers. In 1991, Wolff developed a new generation of ultraviolet lamps reducing a small portion of the ultraviolet energy that contributes to premature aging of skin.

Friedrich Wolff continued his research as a medical engineer until his retirement in 2001. He created a line of medical products, including products for the clinical treatment of vitamin D deficiency, dermatological disorders and Seasonal Affective Disorder (SAD). Working from his private Institute for Photobiology and Medical Technology in Switzerland, he wrote extensively about light and its effect on the human body. Wolff is an established expert and often addressed industry audiences in the United States, Canada and Europe. In 1989, he established The Light Symposium Foundation, which sponsors a biannual international symposium on the biological effects of light.

"My entire professional life has rested upon the well substantiated thesis that sunlight is essential to the well - being of humans, plants and animals. People should use the natural sun or indoor tanning in moderation and with prudence so that they can realize its benefits without causing themselves damage."

Friedrich Wolff
Founder of Wolff System

Wolff System has more than 50 types of sunlamps. During the development of new sunlamps, Wolff System produces numerous prototypes to determine the tanning effectiveness, performance and consistency. The company's production facilities are ISO certified. Once in production, Wolff sunlamps undergo rigorous quality inspections during and after the production process, delivering on Wolff's cornerstone commitments to quality, reliability, long service life, and exceptional value.

A Wolff System tanning bed must be produced by a licensed manufacturer and be equipped with Wolff lamps as original equipment -- assuring the customer that each part of the system will deliver the highest performance and benefits. Suppliers that follow these guidelines may display the well-recognized Wolff System trademarked logo.

INDOOR TANNING INDUSTRY

Following the introduction of indoor tanning by Wolff System in the United States in 1978, health and fitness businesses offering indoor tanning services spurred the initial growth in the industry. In the early 1980s, businesses focused solely on tanning, called tanning salons, soon became widespread. The early growth regions were on the Pacific Coast and in the Midwest and the Northeast regions of the United States, which represent the highest concentration of tanning salons today.

Approximately 28 million people use indoor tanning equipment each year in what has become an industry that generates more than \$5 billion of revenues a year. There are approximately 15,000 salons that offer tanning products and services as a primary business. Another 15,000 locations such as health clubs and beauty salons supplement their primary business with indoor tanning products and services.

The majority of people who tan indoors are in the 18 to 49 age group, 70 percent of which are women and 53 percent of which are women between the ages of 20 and 39. Senior citizens over the age of 55 represent one of the fastest-growing segments of the indoor tanning industry.

Most salon owners charge between \$5 and \$7 for a tanning session.

The U.S. Food and Drug Administration regulates sun lamps as medical devices. All lamps and indoor tanning equipment are regulated for performance standards for light-emitting products. The FDA also has issued operational guidelines for salon owners.

THE BENEFITS OF TANNING RESPONSIBLY

The sun is the source of all life. It lights our days and warms our environment. Without sunlight, there is no life.

Accurate information about indoor tanning and the benefits of sunlight is necessary to the continued success of the industry. Wolff System is the industry's leading information resource about the benefits of tanning *responsibly*.

Vitamin D -- The Sunshine Vitamin

Everyone knows that milk is healthy, helping build strong bones. But the calcium in milk cannot be absorbed into the body without the help of vitamin D -- coined the "sunshine" vitamin.

The sun produces light that we can see as the colors of a rainbow, from red to violet. It also produces ultraviolet light rays, which are used in the treatment of psoriasis and other skin disorders. Ultraviolet rays, when interacting with the skin, form vitamin D. The vitamin is critical for our bodies and helps the body absorb calcium, enhancing the health of our bones and teeth.

Sunlight supplies the body with about 90 percent of its vitamin D. Many people, especially those living in climates with longer winter seasons, do not get enough vitamin D. As we grow older, our skin's ability to supply the body with vitamin D diminishes and leads to calcium deficiency. This contributes to the bone loss and the hundreds of thousands of hip fractures suffered each year.

The possibility that (sunlight) may wield some kind of anticancer power no longer seems so far-fetched. ... In April, researchers at the cancer institute reported that the chances of dying from breast, colon, ovarian and prostate cancer were reduced by about 10 to 27 percent for people in the sunniest areas. ... Some early experiments have also found that the vitamin D compounds convert tumor cells into normal cells.
New York Times, August 2002

In the 1920's, scientists discovered that a deficiency of vitamin D from inadequate sunlight caused rickets, a childhood bone disease. Researchers are investigating the link between a lack of sun and vitamin D to cancer, including whether vitamin D is a possible remedy. Clinical trials are underway. Research was prompted by a striking geographic distribution of colon cancer with death rates in northern states about three times greater than in the South. Scientists are also researching whether lower vitamin D levels contribute to prostate cancer and other types of cancers. Ultraviolet light therapy is also used to treat psoriasis, a chronic skin disease affecting millions of Americans, and other skin disorders.

Sunburn: Irresponsible Sun Exposure

It is a common misperception among many people seeking instant results and immediate gratification from sunbathing or indoor tanning that sunburn leads to a healthy tan. Nothing could be further from the truth.

There is no doubt and no debate that irresponsible exposure to sunlight is cause for concern. Severe sunburns are not only painful -- they are dangerous and may lead to serious skin damage and disease. Sunburn is damage to the skin. According to the American Cancer Society, a single sunburn before the age of 20 can more than double the risk of skin cancer. Excessive exposure can cause eye and skin injury and allergic reactions. It may contribute to premature aging of the skin and certain types of skin cancer. The peeling process that typically follows is the body's way of protecting itself.

A Wolff System survey of indoor tanners revealed that 70 percent believe that tanning indoors is a responsible way to prepare for an intense exposure to the sun, such as a beach vacation, ski vacation, or cruise.

Building a tan gradually and responsibly helps avoid damaging consequences of too much exposure to the sun. Wolff System recommends exposure to the sun or light from indoor tanning with

controlled exposure that eliminates the risk of sunburn. Tanned skin helps to prevent sunburn. According to research conducted by Wolff System, many people choose to develop a base tan indoors using a tanning bed where amount of time and intensity of ultraviolet light is controlled -- a more responsible, controlled and convenient way to get a base tan and maintain a tan.

Psychological Benefits of Sunlight

Exposure to sun heightens our sense of well being. According to Wolff research, most people who choose to tan indoors are very health conscious. Tanning, in combination with exercise, make them look and feel healthy. The benefits are more than simply cosmetic.

Research has shown that some people become depressed during winter months when the sun's rays are not as intense and days are shorter. This condition, called Seasonal Affective Disorder, or SAD, is often treated through exposure to light that mimics summer sunlight -- indoor tanning.

The Tanning Process

Six to eight tanning sessions, at least 48 hours apart, are recommended to achieve a base tan. The length of each session should be gradually increased with each visit but should never exceed the equipment manufacturer's recommended maximum exposure time. To maintain a tan, one to two weekly sessions are recommended.

Tanning indoors provides gentle, controlled exposure to a range of light rays similar to the sun. You can't feel or see the ultraviolet light. The light spectrum contains two types of ultraviolet light used for tanning -- UVA and UVB. Wolff System technology combines UVA and UVB waves for the ideal tanning conditions.

UVB serves to stimulate cells (melanocytes) in the skin's top layer to produce melanin. As this melanin rises to the surface of the skin, UVA then darkens the pigmentation, thereby giving a person a "tanned" look. In addition, UVB induces a thickening (callosity) of the skin's outer layer, further enhancing the body's ability to protect itself from overexposure.

Skin Type Determines Tanning Schedule

The type of skin a person has determines the ability of the skin to produce melanin. Skin types are hereditary and are not altered through tanning. Each skin type has an amount of time designated for tanning based on the least amount of ultraviolet light that stimulates tanning without reddening the skin.

Skin types range from a Skin Type I (albino) to Skin Type VI (African American). Skin types are classified according to a person's tendencies to sunburn and/or tan. Most people using indoor tanning systems are a skin type II, III or IV. These people tend to sunburn upon exposure to varying dosages of UV light, but also have the ability to develop a tan.

Type	Skin Reactions to Ultraviolet Light	Examples
I	Always burns easily and severely; tans very little or none at all	Fair skin, blue eyes, freckles; unexposed skin is white
II	Often burns easily and severely; tans minimally or lightly, also peels	Fair skin, red or blonde hair, blue, hazel or brown eyes; unexposed skin is white
III	Burns moderately and tans about average	Normal average Caucasian; unexposed skin is white
IV	Burns minimally, tans easily and above average with each exposure; exhibits IPD (immediate pigment darkening) reaction	People with white or light brown skin, dark brown hair, dark eyes; unexposed skin is white or light brown
V	Rarely burns, tans easily and substantially; always exhibits IPD reaction	Brown-skinned persons; unexposed skin is brown
VI	Never burns and tans profusely; exhibits IPD reaction	Unexposed skin is black

An individualized tanning program is based on skin type and the amount of base tan. This information should always be displayed on the tanning bed. Wolff System encourages individuals to follow the manufacturer's recommend schedule.

How to Select a Tanning Salon

Customers should be comfortable and confident that the management and employees of a tanning salon are informed, accountable and follow industry guidelines – including hygienic cleansing of the tanning beds after each use.

The salon attendant should:

- ~ Discuss skin types and exposure time charts carefully with you.
- ~ Recommend a tanning schedule that will produce a moderate tan in successive stages, avoiding sunburn.
- ~ Discuss medications that may have a potentially photosensitizing effect when combined with UV exposure.
- ~ Provide you with FDA-approved eyewear with instructions on use.
- ~ Explain the cleaning procedures of the tanning beds between sessions. A tanning bed should be cleaned after each session.