



NEWS RELEASE

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K40 ELECTRONICS CELEBRATES 25TH ANNIVERSARY

Elgin, IL – October 4, 2002 – Highlighted by numerous industry innovations, K40 Electronics officials today announced their 25th anniversary of manufacturing and distribution excellence in the automotive aftermarket mobile electronics industry.

Originally formed as American Antenna in October 1977 to manufacture antenna coils 30 times more accurate than other brands, the company quickly established a reputation for product excellence that has remained for over three decades. In its first year of introduction, the K40 CB antenna became the number one selling antenna and captured 35% of the U.S. market in CB antenna sales. The antenna name was derived from the K peak, the highest point of the Himalayan Mountains; and 40, which is the number of legal CB channels. Thus, K40 was the name chosen to represent the highest performance antenna available.

Not wanting to rest on its laurels, the company introduced other innovative CB radio products. Highlights include receiving the Technica Award at the Hannover Industrial Fair in 1980 for the introduction of a speech processor CB radio microphone, introducing the first flexible fiberglass antenna, introducing the world's smallest CB mobile transceiver, and developing and patenting the first tunable sleeve that allowed for antenna tuning for specific vehicles without cutting the length of the antenna. To supplement the fiberglass antenna line, K40 developed and patented the first eight-pole magnetic mount for mounting the antenna to a car or truck roof. The Unimount was the only product on the market that adapted to all mounting surfaces and eliminated the need for retailers to stock multiple application mounts.

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Perhaps the biggest single reason for K40's successful history is a steadfast commitment to establishing a true relationship with over 3,000 dealers. Whether it's the sales staff calling on a dealer's birthday and singing "happy birthday" over the phone to creating exciting sales contests with prizes like Super Bowl tickets, K40 has always added a personal touch to dealer relations. "K40 has always stood for two things: unmatched product performance and dealer service," said Peggy Finley, president of K40. "From day one, we placed our dealers at the top of our organization chart and if there's any secret to our success, that's it."

That commitment to its dealers has served K40 well over the years. The company enjoys a loyal base of dealers, some of whom have been selling K40 products since the company was formed. "They are just an awesome company," said Danny Nazzaro, owner of Body Dynamics, Wethersfield, CT. "I've been with them for 24 years because of their great products and service."

Established in 1977 and headquartered in Elgin, Illinois, K40 Electronics is a manufacturer and distributor of mobile electronics products including custom remote radar detector systems, portable radar detectors, laser protection and detection systems, CB radios, antennas, and fiberglass whips. Product information can be obtained by calling K40 at 800-323-6768 or by visiting their website at www.k40.com.

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ATTACHMENT: Color JPEG photo with suggested caption:

Then and Now: The original 1981 K40 radar detector, left, was slightly bigger than a soup can and heavier. K40's modern Warning Pod, right, is smaller and lighter than a quarter.

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In 1981, the company introduced its first superheterodyne dash mount radar detector and it was quickly hailed by independent testing labs as the world's best performing radar detector in both distance and sensitivity. Once again sensing an opportunity to utilize its engineering and marketing prowess, K40 expanded its radar detector product lines during the 1980's with the world's first no ticket guarantee, the first two receiver "sonaradar" detector, the lightest visor detector, the smallest dash mount detector, and the first undetectable remote detector.

By the late 1980's, the K40 brand name was so widely recognized that both customers and dealers began referring to the company as K40. That trend, plus the company's growing dedication to radar detector products, resulted in company officials formally changing the business name to K40 Electronics.

Addressing new speed enforcement technologies and product requests were K40's focus during the 1990's. The world's first police laser jammer, the Laser Defuser, was introduced and its second generation model, the Laser DefuserPlus, is still the best selling laser jammer on the market today. The RD650 Portable all band radar and laser detector received VG2 shielding to protect drivers from police "radar detector detectors." Even Harley Davidson motorcycle owners benefited from K40 technology as a radar system was developed to their specifications.

Refinement has been the name of the game for K40 during the 2000's. The Warning Pod alert module and Universal Mounting Bracket gave dealers new installation options and flexibility. Currently, K40 is planning on releasing a new portable radar and laser detector during the first quarter of 2003.

In addition to its revolutionary products, K40 Electronics has established numerous unique operations procedures and philosophies that have paved the road to success. Its products are sold only through select authorized new car dealerships and specialty electronics stores. By shipping all orders C.O.D. and thus eliminating an accounts receivable department, K40 can pass the administrative savings on to dealers in the form of some of the highest margins in the industry.

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