

# aiwa

## ACQUISITION OPPORTUNITY AIWA CORPORATION

Hilco Streambank is seeking offers to acquire the operating assets of Aiwa® Corporation (“Aiwa”), including its intellectual property and related tangible assets, inventory, related contracts, and eCommerce storefronts. The assets available for sale include the registered Aiwa trademarks and domain names, patents, social media accounts, Amazon and eBay merchant accounts, and more (collectively, the “Assets”).

### BID DEADLINE

October 4, 2021 at 1:00 p.m. Eastern/  
12:00 noon Central

### AUCTION

October 6, 2021 at 1:00 p.m. Eastern/  
12:00 noon Central (via videoconference)

## A STORIED BRAND WITH SUPERIOR PRODUCTS

The iconic Aiwa brand launched in 1951 and has been recognized over the past 70 years as a global leader of high-quality audio products, including speakers, headphones, and stereo systems.

The brand is a staple among audiophiles because of its relentless dedication to quality audio products. Savvy consumers have understood for decades that Aiwa stands for superior sound. Holding with this decades-long tradition, Aiwa’s most recent product launch realized nearly 200% revenue growth over the preceding 3 years.



## AN OPPORTUNITY TO PURCHASE A HIGHLY RECOGNIZABLE BRAND IN AN EXPLODING MARKET

### AIWA OPPORTUNITY

- Aiwa trademarks registered in the U.S. and most of Europe
- Cumulative global sales over \$30 billion
- \$2 billion in annual revenue at its height; \$1 billion from territories covered by offered trademarks
- Aiwa brand recognized by more than 90 million adults in the U.S.

### AIWA MARKET GROWTH

- Global wireless speaker market 2020: \$28.33 billion (CAGR 14.4% from 2020 – 2026; expected \$63.38 billion by 2026)<sup>1</sup>
- Global wireless headphones market 2020: \$15.9 billion (CAGR 19.1% from 2020 – 2026; expected \$45.7 billion by 2026)<sup>2</sup>

<sup>1</sup>“Wireless Speaker Market – Global Outlook and Forecast 2021 – 2026,” Research and Markets (Feb. 2021).

<sup>2</sup>“Global Wireless Headphones Market to Reach \$45.7 Billion by 2026,” Global Industry Analysts (May 2021).

# OPPORTUNITY TO GROW MULTI-CHANNEL REVENUE STREAMS

## ECOMMERCE

Aiwa has enjoyed great success on the Amazon and eBay Marketplaces due to its trusted brand and uncompromising design and quality. Recently launched products have achieved first-rate reviews from Amazon customers, including an average of 4.7 stars from thousands of reviews of its most popular product, the Exos-9 Portable Bluetooth Speaker.

Historically, Aiwa products were sold through all major retailers. Under its current model, Aiwa realizes approximately 80% of annual revenues from Amazon Marketplace sales. Aiwa products can also be found on the Walmart online marketplace, as well as at [www.aiwa.co](http://www.aiwa.co), Aiwa's direct-to-consumer website.

## LICENSING

A license agreement is currently in place, which allows Aiwa's European licensee to use the Aiwa name and likeness on audio products distributed throughout the majority of Europe. A buyer has the opportunity to realize immediate royalty income and to partner with best-in-class European counterparts.

## ASSETS AVAILABLE FOR SALE<sup>3</sup>

### ® TRADEMARKS

- 3 registered trademarks in the United States
- 12 internationally registered trademarks, including in the E.U., the U.K., France, and WIPO
- Aiwa's trademark rights extend to key territories such as the United States in International Class 9 and much of Europe in International Classes 9 and 37.

### 👍 SOCIAL MEDIA ACCOUNTS

- Facebook – 38k likes
- Instagram (@aiwa\_audio) – 1.5k followers
- Twitter (@Aiwa\_US) – 1k followers
- YouTube – 680 subscribers

### 💰 ASSOCIATED TAX BENEFITS<sup>4</sup>

- Net Operating Losses
- Research Credit Carry Forward

### 🌐 DOMAIN NAMES

9 domain names, including [aiwa.co](http://aiwa.co), [aiwa.us.com](http://aiwa.us.com), [aiwaaudio.com](http://aiwaaudio.com), [aiwa-us.com](http://aiwa-us.com), and [aiwa.us](http://aiwa.us).

### ® PATENTS

- U.S. Patent No. 9,172,787
- U.S. Patent No. 9,305,060

### 🛒 ECOMMERCE STOREFRONTS

- Amazon
- eBay

### ✍️ CONTRACTS

- Towada Audio Co., Ltd. and Aiwa Co., Ltd. Settlement and Mutual Release
- Aiwa Europe B.V. Trademark (Sub-)License Agreement
- Audio Mobile Americas, S.A. Co-Existence Agreement
- Mark Thomann Mutual Termination and Release Agreement

## SALE PROCESS

Aiwa Corporation is operating as a chapter 11 debtor in a bankruptcy case pending in the United States Bankruptcy Court for the Northern District of Illinois (the "Bankruptcy Court"). The sale of the Assets is subject to approval of the Bankruptcy Court. If you are interested in obtaining an NDA to gain access to the online data room, please contact Hilco Streambank.

**Disclaimer:** Aiwa Corporation has no association with Sony Corporation or any of its subsidiaries, the previous holders of the Aiwa trademarks. Aiwa Co., Ltd., Towada Audio Co., Ltd., and Audio Mobile Americas, S.A. are not debtors in, or affiliated in any way with, the instant chapter 11 bankruptcy proceeding.

<sup>3</sup> Any sale transaction to acquire the Assets shall be on an "as is, where is" basis and without representations or warranties of any kind, nature, or description by Aiwa Corporation, its agents, or estate.

<sup>4</sup> Interested parties should consult with their tax and legal professionals about the possible value and ability to acquire any associated tax benefits.

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