

The prototypes listed below are all projects which we are firmly committed to and judging by the response to our choices, demand will continue to be an issue we must deal with. Fair pricing is essential for our future success, in that regard it is very important for us to have a very calculated approach to development and production and while we plan our future, our customers and potential new customers can financially plan for their future acquisitions.

- Chesapeake & Ohio K3/ K3a Mikado (two tender versions, RA & 16,000 gallon Vanderbilt)
- Union Pacific Class 4884-1&2 ‘Big Boy’ (both production variations)
- New York Central ‘Niagara’ S1a, S1b & S2a
- Erie S-4 ‘Berkshire’
- Chesapeake & Ohio H-8 Allegheny (three versions) / Virginian ‘AG’

Model Reservation and Purchase Policy

It is important for those interested in purchasing one of our models to understand how our products are sold, we try very hard to handle our reservations and sales as fairly as possible. Because our existing customers have already supported our efforts through the purchase of one of our products, we feel that it is only fair to provide the first opportunity to purchase new projects to those same individuals. We consider all customers in the same light, no one customer is more important than another and an existing customer need not purchase each and every project to maintain his or her preferred status, once a customer, always a customer for the purposes of new reservations. As we receive inquiries from potential new customers we develop lists on a project by project basis so we can more effectively update those individuals as specific projects progress. General inquiries are handled as such, we will further explain what that means as we detail the reservation process.

Any person making an inquiry about our projects will automatically receive an information packet on our current project, if they indicate an interest for a particular upcoming project we will make note of that interest and will follow up with additional pertinent information when it becomes available. Approximately 30 days prior to starting the reservation process on a project we will make a general announcement in writing to everyone on our mailing list that the reservation process will commence on a given date. As close to the announced date as possible, existing customers will receive the reservation package, two weeks later those new customers with an expressed interest in that project will receive the reservation package and again two weeks later the balance of people on our mailing list, those with general interest, will receive the reservation package. This approach should provide a sort of ‘fail safe’ mechanism in the event of lost mail, which has happened in the past. With the advance warning, everyone should have an opportunity to financially prepare for the required deposit at the time of making a reservation. I should also mention that reservations will only be accepted when using the appropriate form or facsimile there of.

The deposit required with a reservation will typically be approximately 20% of the purchase price and we will follow the Train Collector’s Association (TCA) rules regarding cancellations and refunds. We require what we feel are reasonable deposits because we typically offer a number of options when ordering one of our models and if we are going to produce a model to meet a specific request, it is only fair that order should be secured by a nominal commitment. Once we receive a reservation with deposit we issue a confirmation that spells out the particular’s of the order which allows us to correct any errors early in the process. The remaining balance on orders will be requested when we know that project is on final delivery to our facility. The orders will be processed for delivery in the order in which we receive the final payments, it is only fair that those that pay first receive their models first.

Regarding forms of payment, we are currently not accepting credit cards, we do accept personal/business checks and money orders. Although we prefer full payment when our finished projects become available, we are more than willing to consider payment plans arranged on an individual basis with our customers preferably at the time of reservation. Should you have questions regarding our sales procedure please feel free to contact us for clarification.

Show Schedule

- O Scale National Convention / June 28 - July 1
New Orleans, Louisiana
- Great American Scale Show / October 7-8
Timonium, Maryland
- O Scale West / February 8-11, 2001
Santa Clara, California

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Kohs & Company The Finest in O'scale
I N C O R P O R A T E D

Welcome to our long overdue update, if you do not have access to the Internet of have not been at one of the several shows that we have attended, you haven’t heard from us in a while, for that we apologize. The lack of communication certainly does not indicate a lack of activity, just the opposite in fact, there is always too much to get done in a timely fashion. I’ll try to bring you up to date on the major items of interest.

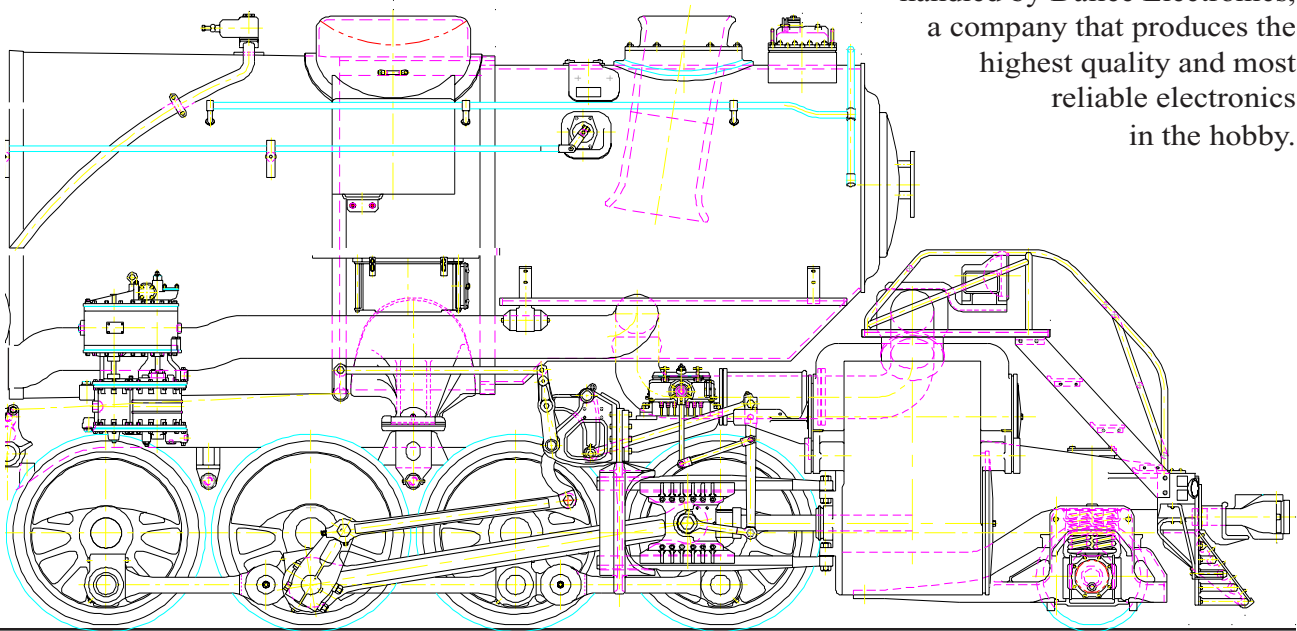
July Update

You may have noticed that we are not advertising as frequently as in the past, not to be concerned, we are at the point where the number of interested hobbyists and collectors that are following our projects is far greater than our available supply of product. Rather than continuing to commit resources to advertising we are redirecting our time, effort and money to more frequent communication with those that have already expressed an interest, this will hopefully be a more desirable approach for everyone. We will continue our advertising in *O Scale News*.

Because of all of the interest and concern about purchasing or reserving one of our models, we have included on the last page a detailed explanation of our sales policy. We have had this posted on the web site for several weeks now and most that have reviewed it seem comfortable with the provisions outlined. If you have a comment, please let us here it.

Over the course of the last couple of years, really since we started our O scale business, two major topics of discussion have been the use of sound in our models and the issue of DCC compatibility. We recently decided to further our commitment in both of these areas in an effort to reach a plateau that will simplify our future development and product planning. In short, we will further enhance our sound systems which at present are the only systems on the market that prototypically reproduce locomotive sound and we will also become directly involved in the development of DCC Componentets.

The next generation sound system will have increased memory capacity with enhanced processing power with more user controlled features and most importantly the speaker systems will be further developed. As our customers know, we have used the Dallee Electronics non-addressable system to control sound and features, but we have been talking about developing our own system to offer the addressable control that DCC offers. We had felt that we would depart from the NMRA standard for our new system, but have now decided to try and live with the standard and will collaborate on developing our own decoders that will be compatible with the NMRA standard, The ultimate goal will be to produce a new user control interface with the idea that DCC needs to be reliable, easy and most importantly, fun to use. The development of our sound and DCC components will be handled by Dallee Electronics, a company that produces the highest quality and most reliable electronics in the hobby.



Pennsylvania GG-1 - The production of this project has been completed and is totally sold out. In brief we produced 148 units in eight different paint schemes plus two unpainted models, everything from the original Raymond Loewy inspired 1935 classic to the 1955 Congressional silver broad-stripe variation. We honestly feel that this is the most accurate GG-1 model ever produced regardless of scale and are extremely proud of the detail, accuracy and special features. The feedback from operating customers has been absolutely great and that is very exciting for us, it is very difficult to produce a highly detailed model like our GG-1 and have it work well on the wide variety of home and club roads that these models have been exposed to.

We will be offering a custom display for the GG-1 including prototypical Pennsy cantenary towers, but we are trying to fit these components in with the other projects in production. The wood base and case are all ready for production, but we are waiting on the cast cantenary towers, our builder is extremely busy working on the completion of the Fine Art Models ‘Big Boy’, our own ‘Late’ Hudson and the development of the Y6b project, the display will come, it will just take a little time to do it at a price that is affordable. All of our GG-1 customers will automatically receive the offering information for the display.

New York Central J3a (late variation) - This very limited project, only 50 units, including the Lima built PT-4 centipede tender has created a high level of excitement among our supporters and it sold out in two and a half weeks. This is not a quick remake of the first ‘as built’ version, we have taken into account everything that was learned on the first version and incorporated it into this special offering along with new detail features. We have continued to push our standards for detail accuracy as well as operational characteristics. With this project being fully reserved, a large number of existing and potential new customers have been frustrated and disappointed as a result of the limited availability, but our original commitment was to produce only 150 J3a units in total, prior to this variation we produced 100 ‘as built’ J3a’s. By the 4th of July we will have a new series of photos of the latest sample model posted on the web site, they will also appear in our next update. Out ‘late’ J3a is currently in production and we anticipate the completion of the project by the end of July with final notices going out to customers with reservations at that time.

Norfolk & Western Y6b - I can honestly say that this is the most difficult project that I have ever worked on including all of the gauge one projects that were completed while I was still working at Fine Art Models. Leading up to this project it was said by seemingly knowledgeable people that all the reference material necessary to successfully model this prototype was readily available, I can tell you now that was not a fair statement! We are very comfortable with the accuracy of our design and development thus far, but it has not come easy. We started with the core of material already on hand at the outset, added what the acknowledged experts on the N&W had to offer, factored in some key data offered by two of our customers/friends, made three research trips to collect bits of data, purchased three large collections of N&W related material (also of value for future projects) and we’re not satisfied yet. I believe that I now understand why such a significant prototype in railroading history has only been modeled once previously in O scale. Much of the difficulty in the development of this project stems from the fact that the prototype breaks all of the design rules, you can take nothing for granted in filling in the blanks as you can with so many other locomotives. Lima, Alco and even Baldwin built locomotives generally follow fairly consistent company design philosophies so you can develop a feel for how ‘things’ are done on a given build project, not so with the N&W designed and built Y6b and perhaps that in part is what made it such a successful locomotive. Every aspect of this project has to be thoroughly researched and developed to insure the integrity of the final product.

In line with our plans to develop and offer our own NMRA compatible DCC decoders and ultimately a new control interface, we have added to our plans on this project, user controlled lights. The headlight, reverse light, markers and cab lights will all be user and/or automatically controlled. The control interface will be the digital controller that we have previously used for our sound or you will be able to install our DCC decoder.

Regarding the development of sound, this project will use our next generation system. The new system will incorporate three microprocessors and will use three speakers to transmit the sound. The additional processor capacity will allow even higher digital sampling rates to provide more character in the user controlled sound. The system that we have been using is the most accurate in the hobby, the new system will be that much better and will feature the user controlled change in sound from ‘simple’ to ‘compound’ operation.

Operational characteristics being of utmost importance, we are currently evaluating six (6) different motors for use in our twin motor installation. We are primarily concerned with maximum torque at the low end while maintaining a prototypical top speed capability. The motors used most run quietly not only in the acoustic sense, but also in the electronic sense for use with DCC decoders and systems. We are considering four manufacturers, two U.S. and two Swiss with cost as a secondary consideration.

On the reservation and ordering side of this project we are wrestling with several considerations regarding when to start the process. We have the delivery of our ‘late’ NYC Hudson pending, most of the customers holding those reservations also purchased GG-1’s and again are also interested in the Y6b. Because the O scale community is a small one, we are trying hard not to arbitrarily leave behind any of our customers if we can avoid it, we’re trying to spread the financial burden as best we can. What I expect to do is allow a deferred Y6b deposit payment by those individuals taking delivery of a ‘late’ Hudson, we are quickly approaching the point where I need to commit on the production quantities for each version of the Y6b and that is reliant on reservations, those affected will be contacted directly. I expect to start the reservation process by the end of July.

Union Pacific ‘type’ - This prototype is the perfect subject for the style of model that we build, it’s exposed suspension components will highlight the equalized suspension used in our model and will allow viewers to easily see the real fabricated leaf springs. We are planning two basic versions for our production, the first will have the traditional ‘flying pump’ arrangement for it’s compressors and the second will be the ‘bald face’ version as shown below with it’s compressors mounted on either side of the boiler. Operating radius will certainly be an issue, even more so than usual with this project. We anticipate using blind (flangeless) tires on the number four driver set just as the prototype did when originally built. Those tires were eventually changed to flanged early in their

career as the road determined that they did not need the advantage that feature offered. Our model will also feature an operating center (3rd) cylinder mechanism, a primary feature of this prototype, to build a model without this would be pointless. This project offers several new challenges for our design team and I can tell you that we have already begun the head scratching process. The delivery of this project is scheduled for late in the first quarter of 2001.

Pennsylvania K-4 ‘Pacific’ - The K-4 is a particularly difficult prototype to model accurately because of the large number of prototypes built and their many variations. The basic group of locomotives that we will focus on is the 5400 series, beginning at their introduction in 1927/28 and following them through some very distinctive and fundamental variations up to the late 40’s. There will be three tender classes modeled, the original 110P70 (non-stoker) build, the most common replacement for the 110P70 which was the 110P75a and finally the 130P75. Some of the important equipment variations that will be modeled are the ‘slatted’ pilot, fabricated solid pilot, both headlight configurations, all offered in appropriate combinations, additionally there will be versions including induction train phone equipment. Finally, we have decided to offer a limited number of models decorated with the original 1927/8 multi-stripe passenger paint scheme, because of the complex nature of the multi-stripe layout, this will be a very limited offering. This project will incorporate all of our now standard features including equalized suspension, sound, free-coasting mechanism and a full compliment of ball-bearings. As always, if you have suggestions or comments to offer on this or any of our projects, please let us hear from you. The completion of production for the K-4 is planned for the Summer of 2001.

Pennsylvania Passenger Equipment - We continue to receive many inquiries regarding passenger equipment in general and specifically heavy-weight equipment applicable for use in the Pennsy ‘38 Broadway consist, we hope to meet that need in the near future and we are already in the design stage for the project. The first car will be a heavy-weight baggage unit, not the purpose rebuilt M70b used specifically for the Broadway, but a car similar and appropriate for inclusion in that consist. The second offering will be a similar diner, again not the purpose rebuilt unit for the Broadway, but a suitable replacement for that car. We chose this approach to avoid potential conflict with Fine Art Models should they decide to produce the Broadway specific cars. We should have our sample available for inspection later this year with production to follow close behind. Additional information and specifications will be provided in future updates as the development proceeds.

3-Rail New York Central J3a ‘late’ Hudson - We have not forgotten about the 3-rail market and our first 3-rail project, we simply put that project on the back burner temporarily to let the dust settle with regards to the infighting among those trying to gain dominance in the sound and control system segment of the business. We have no interest in using either the MTH or Lionel sound/control systems, our only interest is in maintaining compatibility with them. At this point we have begun manufacturing parts for the production and as soon as our 2-rail version is delivered, the 3-rail final develop will be concluded. Our next update will include photos of our prototype and more detailed specification list, in the mean time our web site will be updated on an ongoing basis as information becomes available. We have had numerous inquiries about additional 3-rail projects, but our plan is to take these projects one at a time to make certain that we get it right and deliver what our customers are looking for. I can tell you that in large part the projects that we do in the future will depend on the operating radius requirements we encounter, it seems that many people that we are talking to are moving to larger radius layouts which helps the cause greatly.

Freight Rolling Stock - We’re running out of room in our update, but briefly, we currently have four pieces of rolling stock under development. We are working on a variety of classic types with an eye towards developing premium quality units in brass that are desirable and affordable. Brass rolling stock is a particularly tough part of the hobby and requires a mindful approach to avoid the hazards.....in short that means being careful or going bankrupt! Our focus will be interesting and unusual equipment that will highlight the skill of our builder. Regarding our first release, one clue, it will be Pennsy related.

