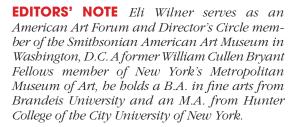


# Building the App

An Interview with Eli Wilner, Founder and Chief Executive Officer, Eli Wilner & Company



**COMPANY BRIEF** Founded in 1983, Eli Wilner & Company (www.eliwilner.com) is internationally regarded as a leading dealer, restorer, and collector of 19th- and 20th-century European and American frames. Based out of a prestigious Upper East Side Manhattan gallery and 10,000-square-foot atelier in Long Island City, the firm employs 26 master craftspeople and has restored and replicated antique frames for a variety of renowned auction houses, institutions, and museums over the years. Recently, the Impressionist auction at Sotheby's featured 38 percent of the paintings in Wilner frames. The \$106-million Picasso recently sold at Christie's was framed by Wilner. He has framed 28 pieces in the White House and just finished a two-year project recreating the original frame on Leutze's "Washington Crossing the Delaware" for the Metropolitan Museum of Art.

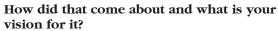
## You offer a wide range of price points and product. How broad is the market, and do you have a global reach?

We have now made several moves to focus globally because high-end art sales are up internationally. We have been asked for proposals from South American, Middle Eastern, and Chinese clientele; plus, we have just recently framed 14 realist painters' work in Beijing. We also developed a Smartphone and Web app, which has an international presence.

### Given the high-touch nature of frames at your level, are you are able to drive revenue online?

Yes, in fact, we are currently redesigning our Web site. We are planning on using the existing company as the high-end base of operations and developing line extensions, including Smartphone apps, carved doors, and carved pedestals, as well as additional distribution points. We're reaching out with different ways of servicing our clients and expanding the brand.

The key focus for the brand is high-end framing but recently you developed a broad based Smartphone framing application.



Originally, the app started from my thinking 20 years ago about extending my vision about frames to the average consumer.

At the time, I developed a magnetized photo version of what has now become the app. When I realized the app allowed me to reach a significantly larger audience at a fraction of the cost with 100 percent replication of quality, I swiftly moved to capture that market.

My goal is to become the number-one framer of high-end digital frames in the Internet world. There are a lot of cheesy frame apps out there, but we're the only ones that offer a museum quality selection of world-class antique, modern, and unusually shaped digital frames where users can truly present their digital photos in spectacular frames.

The app is currently available for the iPhone and is being developed for the Droid and the Web.

The app is very easy to use. A photo is downloaded from your photo gallery or you can take a photo with the phone, and you will have access to 100 frames in three different widths on the mobile devices and, within a second or two, you will be able to try different frames on your image, size the image, and send it out to Facebook, Flickr, or Twitter or e-mail it to your friends. You also have the option of printing the photo.

It's an entirely new business and industry. In the framing world, there are hundreds of thousands of framers. In the app world, and the online world, there is only me at the moment.

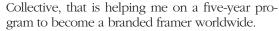
#### Do you foresee this complementing the core business?

Very much so. The core framing business will always be the mainstay, and then the peripheral businesses will all reach around and be brand extensions, and refer back to the original business. Name brand development is the goal.

In the app, every frame will have a descriptive analysis of the frame and the value of the frame in the real world, and there will always be a reference to the integrity of what I deal in.

We're also looking at working with other line extensions. We are in conversations with one of the country's largest wholesalers and a \$300-million mass market framing company.

The framing industry is a \$12-billion industry in America alone. No one has been branded. We're working toward branding ourselves. I chose a great marketing and branding group, The Zagoren



#### In regard to the app, will there be opportunities to partner where you can take this broader through those relationships?

There are several ways we're going to grow the app. One way is through a normal viral blogging channel. Glenn Zagoren has a social media department and 100 of the top app writers will be receiving the app and reviewing it; they reach millions of followers.

Another way is by collaborating with institutions. We just signed an agreement with the New York Academy of Art to create a private-labeled app for them.

We have meetings with major international hotel groups to create private label apps for their hotels that will allow them to capitalize on a viral social push from their guests. Just think of the number of photos vacationers take. This will help them retain their customer loyalty and also potentially capture future customers since the app will have a message that the photo was sent using the hotel's app.

### So the opportunity is there for corporations where there is a fit to have their own app?

For not-for-profit institutions, we will share the net profits so the app becomes a great fundraising opportunity.

The hotels and other corporate entities buy coupons from us, hand them to their guests in a nice brochure, and the guests can log on to the iPhone store or the Droid store, tap in the code, and receive access to the app, which will be private labeled for that institution. But the business model has cash flow coming to us from the coupon sales to the institutions. It will basically become an advertising and social marketing business.

### Where does your five-year plan take you?

We are working on brand development that will allow for line extensions into mass markets; ideally working on a branded line of frames for Target or Walmart. In addition, we are taking our high-end lines and expanding globally while increasing the scope of products: frames, doors, window frames – all things hand carved. And the final element is the virtual digital market using the Web, Smartphones, iPads, etc. Together, this brand expansion will cover the marketplace from high-end to generic with quality Wilner products. •

Eli Wilner surrounded by his frames – both real and digital