

Caboose Series - We previously announced out caboose series of projects and indicated that the first in the series would be the PRR N5c class cabin cars, shown on the front cover is the first sample model for this project. We are making over 150 changes to what you see in this photo and this project promises to be outstanding, a new standard should be set for what a caboose model should offer in details and features. Reservations for our N5c are almost 90% complete at this point so if you are interested let us know and we'll forward the reservation brochure and form. The second project in this series will be a pair of Norfolk & Western 'cabs' appropriate for use with our Y6a's and Y6b's, one will be a wooden 'CF' version, the other a steel 'cab'. More details on this second in the series will be forthcoming in the next update.

Chesapeake & Ohio H8 - Planning continues for this project, including the Virginian 'AG' version, hundreds of new blueprints have been acquired for the design so we are hard at work on this project already. The official launch of our H-8/AG project will come approximately mid-summer this year.

We're running out of room in this update so we'll have to wrap it up for this month, but we are going to try hard to increase the frequency of our updates. If you have access, be sure to check out our web site for more current information. If we missed your favorite project, drop us a note or give us a call for the latest information possible.

Future Projects

The prototypes listed below are projects to which we are firmly committed and are actively developing. The order of listing is our current thinking on production timing, but it is subject to change, should we encounter problems associated with research and development.

> New York Central 'Niagara' S1a, S1b & S2a Union Pacific Class 4884-1&2 'Big Boy' Erie S class 'Berkshire' Chesapeake & Ohio K3/ K3a 'Mikado' (two tender versions, RA & V-16)

Show Schedule

The National Train Show / July 9-11, 2004 Seattle, Washington O Scale National Convention / July 22-25, 2004 Washington, DC Midwest O Scale Fall Train Show / September 17-18, 2004 Indianapolis, Indiana

Contact Information

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This is the first update of the new year and we have a lot to catch up on. We have a number of projects to update as well May 2004 Update as several observations to make based on our experiences in recent weeks. Generally speaking, we are thrilled with the way the 'word' of our efforts have spread nationwide as well as internationally with more new clients coming aboard with each new project.

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Since our last mail update we have participated in a number of shows around the country and I have to say that what we have witnessed seems very encouraging for the O scale segment of the hobby. With the advancing efforts of Atlas O and the fact that many of the traditional 3-rail companies are focusing more and more on scale, detail and even planning 2-rail locomotives in their production, there are and will be even more avenues into O scale which should benefit us all. The interest in scale and prototypical fidelity at the recent TCA Spring Meet in York, Pennsylvania was the greatest I have ever seen. If you're a 'scale' person and have never been to the York meet, you may want to consider checking out the TCA Fall Meet in October.

In recent months we have tried to track the resale of our models in the secondary market and have been amazed both at the elevated prices some of the models have garnered as well as some of the models that have been 'given away' on eBay. In more than one instance, at the same time that one of our models has been sold on eBay for considerably less than the original price, we have arranged sales for customers of the same model type for the original price or more. It is understandable that many modelers would prefer to deal with us as the original maker of the model of interest to them, but once a project sells out that is no longer a possible. What we hope to offer in the near future is a certification program for our original owners so that we will be able to direct new customers to current owners with available models and will be able to certify the condition and extend the warranty to the new owner. We plan on doing this on a non-profit basis simply as a continuing service to our loyal customers. All of the details are not resolved as yet, but they will be announced shortly to our existing clients.

Now, on to our project updates. A lot has been happening and there are a number of new projects in the works as this is being written. Our focus this year continues to be improving our delivery schedule and shortening the time between announcement and delivery without compromising our quality and features. We are very hopeful heading into this year.



reconsider acquiring one of our 9000's, let us know and we'll be happy to forward a package of information for your consideration. Our available reservations for this project are very limited at this point.

Norfolk & Western Y6a - Pictured at the right is a sample of our production Y6a which was completed last December. This was planned as a follow up project to our N&W Y6b due to the interest expressed by many of our Y6b customers. A very limited number of our Y6a's were produced in four versions, all relevant to the late service period which made them contemporaries

> of the Y6b. This particular project was overlooked by many because the prototype was seemingly not the sleek sophisticated road engine that have been so

popular as models, but since the projects completion, it has found great favor with those that took the time to learn and understand what a fabulously successful class of locomotives the Y's were. Many of our new owners have proclaimed their Y6a as their favorite model as it's prototypical looks have 'grown on' them, they have discovered the wealth of detail modeled and they have enjoyed the performance their new model offers in service on their model roads. If you are someone that overlooked this project initially and have reconsidered, we will be happy to pass along a package of information that describes the last couple of models we have available.

Union Pacific 'type' - The project that never ends! Shown on the back cover is a sample of the 'pre-war' version. This has been our longest running project to date and we will be thrilled to have it completed, as you read this update, that in fact will be happening. This project will stand as a monument to our commitment of making every effort to do things correctly regardless of the resultant profit or loss. Certainly we would have preferred to have a nice easy clean project with a quick delivery, but it has been more important to us to be proud of the end result. In taking the approach we have with this project, we have learned that we have a very serious group of clients that are only interested in having the best models possible, their patience exhibited throughout our UP 'type' effort have reinforced with us that we have no excuse not to do the best job possible, because we have the support. Over the many months that we have written about this project the many features and details that we are modeling have been highlighted so we won't do it again here. If you have not seen the descriptive brochure or would like to

Pennsylvania K4 - This project was officially launched several weeks ago and we have been overwhelmed by the response, at this point the project is about 80% reserved. We have undertaken a new approach with the K4 in terms of the development, we are spending far more time in refining the version development at the CAD (computer aided design) stage trying to avoid wasted effort in having to redo tooling that we have used in the past to build the first sample model. The first sample model was typically used as a promotional or sales tool at the outset of a new project, but particularly with this project, that is not much of a consideration. Our hope is to shorten the time required to fully develop each variation that we are doing and to have a more cost effective effort which will allow us to hold the line on price increases with future projects. Another new aspect of this project is that we will try to make this our first 'DCC Ready' locomotive, this may not seem like a difficult proposition, but there are many aspects to be considered in building a model that will perform equally well on either analog DC or in DCC mode. We will keep you posted as we continue to experiment with DCC, we know that many of you are interested in this technology, but are uncertain of it's 'usability'. As we have done with every project to date, we will be pushing the envelope in terms of detail and features, the progress thus far is extremely promising. Shown below are the beginning master patterns for the two different styles of K-4 drivers, the 'plain spoke' on the left and the 'web spoke' on the right. If you are interested in this project and have not received the offering information, let us know before it's too late!



