

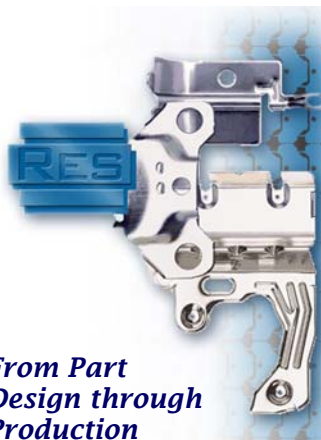


THE ProgRESsive

Mission

Res Manufacturing produces metal stampings, engineered solutions and value added services for companies in markets with significant growth potential.

RES operates profitably to support its customers, provide opportunity and reward for its associates and generate a solid return for its shareholders.



From Part Design through Production

Res Manufacturing is a leading manufacturer of progressive die metal stampings providing:

- ◆ **Engineered Solutions**
- ◆ **Expertise in Materials**
- ◆ **Effective Quality Management Systems**
- ◆ **Exceptional Customer Service**

MANAGEMENT VIEWS

Our spring newsletter included information regarding the tariffs imposed on imported steel in mid-March. The tariffs were meant to aid the ailing U.S. steel industry. They have, however, caused significant problems for steel-using companies, including double-digit price increases, supply shortages and quality issues.

Not much has changed during the past three months, except on Capitol Hill. While U.S. steel producers argue that the tariffs are legal and necessary, steel users — like Res — have also taken their concerns to Washington.

Recently, I had an opportunity to share our views with Steve Claeys, chief of staff in the office of the under secretary for international trade at the U.S. Department of Commerce. The under secretary, Grant Aldonas, has taken up the fight for steel consumers and their customers on Capitol Hill. At a meeting on July 23rd, Mr. Aldonas and representatives of the metal forming industry presented arguments against the tariffs. As a re-

sult of the meeting, the U.S. Department of Commerce has implemented a greater level of scrutiny of the practices being employed by steel producers and increased pressure on them to adhere to the timetable, agreements, and spirit of the Section 201 legislation. I encourage you to contact the under secretary by phone (202-482-2867), fax (202-482-4821), or e-mail (grant_aldonas@ita.doc.gov) with your company's input with respect to problems you are experiencing as a result of the Section 201 legislation.

At Res, we remain focused on serving our customers' needs. Material requirements are reviewed daily and additional steps have been taken to help ensure that material is received on time. Negotiations with steel suppliers continue in an effort to control costs. There has been no compromise on quality.

Unlike many of our competitors, Res remains stable and viable during these challenging times. We have the resources required to easily

take on a significant amount of new business. As a result, five companies have transferred their business to Res during the past six months. In each case, we have consistently proven that we have the ability to perform in challenging situations where quality and delivery issues had to be resolved under tight time constraints.

Res will continue to monitor the steel situation and provide you with updates by e-mail or through our website. We encourage you to contact us if you have questions or concerns regarding the steel shortages and the potential impact on existing and future projects. We would be happy to discuss what we can do to guarantee current production requirements and/or a successful new product launch.

David G. Tomczek
Vice President of Sales

RES is people. Our family of associates are active partners. The enthusiasm, creativity, commitment and team spirit that they bring to their jobs each day is a key to our success. We are proud of their efforts.



SIMPLY SEAMLESS

Res associates continue to apply what they have learned from previous challenges and successes to new projects. Key to this process is a sophisticated project management system that includes flexibility and accountability, while ensuring the most efficient, cost-effective product launch.

It all begins with the quote. A feasibility review includes input from each functional area within the organization prior to development of the quote. Res has implemented a standardized approach for developing a program schedule following receipt of the order:

- ⇒ Deliverables and milestones are agreed to by each functional area prior to acceptance of the order.
- ⇒ Once the order is accepted, a list of all activities is developed for the program schedule.
- ⇒ Activities are broken down to an individual task level.
- ⇒ Resources are identified for each task and responsibility is assigned to functional areas and individuals.
- ⇒ Tasks and activities are tracked to completion.
- ⇒ Cross-functional meetings are held on a regular basis to discuss the project status and open issues.
- ⇒ Open issues are assigned to the appropriate party for resolution.
- ⇒ Each issue receives a tracking number that is monitored to the close of the issue.



Management involvement is critical to the success of the overall project. At Res, a program manager oversees the project — from beginning to end. Senior management is involved in the review and approval processes as the schedule status is updated and upon completion of the project. All of this makes for a seamless new product launch.



STAMPING 101

In addition to providing project-specific engineering assistance, Res offers a stamping seminar—at no charge. Seminar topics include: **Best Practices; Stamped Part Characteristics; Guidelines for Blanking, Piercing and Forming; Secondary Operations; and Suggestions for Successful Part Design.**

Contact one of our sales associates or e-mail us at sales@resmfg.com for more information.

RES Contacts:

Dave Tomczek
Vice President of Sales
(414)365-5521
davet@resmfg.com

Rick Steinke
National Account Executive
(414)365-5542
ricks@resmfg.com

Mark Kowalski
National Account Executive
(414)365-5548
markk@resmfg.com

Denise Buda
Buyer
(414)365-5524
deniseb@resmfg.com

Rachael Shaw
Sales Correspondent
(414)365-5556
rachaels@resmfg.com

Res Manufacturing Company
7801 N. 73rd Street
Milwaukee, WI
53223-4023

Phone: 414/354-4530
Fax: 414/354-9434

www.resmfg.com

