

May 2001

Issue 4

Ironwood Plastics Newsletter

Weather Report:

The 298 inches of snow in Ironwood has finally melted. Now the bugs are out! Black flies, mosquitos are eating us alive! We also hear the cute little tent caterpillars are arriving. 4 million per acre. Watch where you walk!

Dena Lundin, Administrative Assistant, 906-932-5025 ext. 123

SALES HIT \$20MM

Ironwood Plastics sales were up 22% to a record \$20,057,000 in our fiscal year ended April 30th. After 22 years in business, the company has passed another milestone by hitting the \$20MM figure. Thanks to our customers and employees for your support in our growth.

Reel-to-Reel project #5:

The Ironwood Division has just completed its' fifth reel-to-reel project. This project, for the medical industry, includes a progressive stamping die, cut-off and bending dies and an eight cavity mold. We committed to an expedited 12-week delivery and shipped in 11. Ironwood handled this project on a 'turn-key' basis, procuring stampings and plating from outside sources. The complex system includes two inspection cameras and PLC. A system is in development that will package the individual parts in tubes after singulation and bending operations- all in line!



8 Cavity Reel-to-Reel project

Update on Two Rivers:

The Two Rivers Division is key to the continued growth of Ironwood Plastics. Two strategic initiatives are critical to increasing the competitive strength of the this division:

- QS-9000 Registration
- Building Renovation

Efforts to achieve QS-9000 registration are well underway and will mirror the Ironwood Division quality system. This approach will optimize manufacturing flexibility between the two Divisions, while capitalizing on the strength of the existing, QS-9000 system in Ironwood. Our external registrar, KPMG, has scheduled a Two Rivers audit for the fall of 2001.

The \$1.5MM building renovation in Two Rivers, WI is also progressing full speed. The objective of the project is to provide a "world-class" facility that will make the Two Rivers Division a proud place to take customers. The scope of our building renovation is the following:

- To provide a clean, bright, high-tech look that will impress customers and employees.
- Temperature & humidity control to improve quality and enhance the working environment.
- Central material handling system (similar to Ironwood's Motan system) to reduce scrap and improve labor productivity.
- Mold storage system for better space utilization and faster mold changes.
- Overhead crane system to facilitate faster mold changes.

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- New layout with better space utilization allowing Two Rivers to grow from 8 to 16 injection-molding machines.
- Completion: Fall/2001.

Sales for fiscal year end April 2001: \$20,057,000 --- 22% increase.

New projects (last 12 months): 80 new jobs.
Average quote time: 6.76 calendar days.

New Equipment: *Ironwood:* we were in need for a new "face lift" for our production floors. They were getting beat up with every day activity. After shutting shut down for a few days in March, we were back in production in no time. Over Memorial Day weekend, we will be doing our quality, toolroom, and warehouse floors.



New floors at Ironwood Division

Two Rivers Division: recently purchased a Brown and Sharpe Gage 2000 CMM. We compare 3D IGES surface models to actual parts or electrodes. An alignment is created on the part or electrode and "snapped" to the alignment of the model. Points are probed on the part/electrode and shown on the screen. The screen shows the variance from the part/electrode to the model. Variance amounts are color coded to allow easy identification of any points that are suspect.

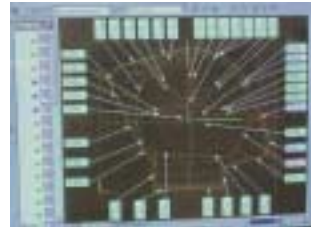
Ironwood Plastics has also integrated a pallet system between the CNC EDM's and the CMM. This allows us to verify our burns to the design without tearing down the set-up prematurely. Tooling projects can now be completed quicker and more economically.



CMM



Electrode



Variance Information

Employment: Ironwood: 134. Two Rivers: 54. Total employment: 188.

Upcoming Trade Shows: SAE show in Detroit-March 2002

Sales Coverage: Five sales organizations, 20 sales representatives covering 15 States plus northern Mexico.

Marketing Efforts: Brochure and business cards are complete. Web site renovation by mid July 2001.

Babies Update:

3/1/01 Lynn & Boyd Stueck (TR) – Nicholas

3/4/01 Mark & Lori Niemi (IWD) – Matthew

4/3/01 Sissy & Mike Sejbl (IWD) – Mariah

5/1/01 John & Pam Lorenson (IWD) – Sydnee

5/14/01 Don & Kristin Jokela (IWD) – Jacie & Jaidon

March of Dimes Walk America:



The Ironwood Plastics team participated in the March of Dimes Walk America on a beautiful Saturday morning April 28th in Ironwood MI. Our team raised \$1,500 and each walked 7.2 miles for healthier babies. On May 5th the Two Rivers Division also participated in Walk America. They each walked 6 miles and raised \$200. Great job!!!