



Recoating West, Inc.

MAY 2007

President's Message

To our Valued Business Partners,

I want to personally thank you for another wonderful year at Recoating West. 2006 turned out to be one of the best years in our 25-year history. We have made a great deal of changes and strides in the past year in hopes of being able to provide you with the greatest value when it comes to your locker investment.

Recoating West will be making some announcements in 2007 in an ongoing effort to always improve our products and services. The new Soil Locker has been released which was changed based on your suggestions. RC44 has also been redesigned with a new latching system, which provides faster assembly and a longer life. We've even created a new management position that will focus solely on Delivery and Distribution to ensure the best possible service to you and your customers.

Just like you, we are continually tempted to make moves that would lower the cost of our products, but once we assess the real value, we often find we are money ahead if we keep focused on the entire package. I know that you are being given proposals that seem "too good to be true" by some of our competitors. We have spent a great deal of time deciding our response and have concluded this: We will always make sure that you will get the very best value for your dollar invested in a Recoating West Product. I truly believe, that once evaluated, you are money ahead because no one can compete with our Service, Quality, and Reliability.

We have all enjoyed being your partner and look forward to our continued relationship. Over the last year, we have made some changes to our assembly and have added a third building to better meet your needs.

Finally, thank you again and if you have any suggestions on how we can continue to improve our products and services please let us know. We truly appreciate your input.

Sincerely,

Dennis Wingate
President, Recoating West Inc.

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Meet the team.....



Dennis Wingate, President



Brian Hope, Vice President

RWI - Our Past

A company originally started by Larry Shafto and a pick-up truck has grown into 4 buildings, a fleet of trucks and 50 employees; all the time maintaining the same core beliefs in how to do business. (making customers come first)

Many of you who have been with us throughout the years often ask about Larry and Glenn Shafto, and I thought it time to shed a little light on their current doings.

Larry is enjoying his well deserved retirement with his wife JoReen, spending much of his time traveling and sight-seeing throughout America in his RV.

Glenn is doing well and he is spending quite a bit of time perfecting his green thumb. He and his wife Sharon have tack-

led the landscaping of their home, and still find time to enjoy watching their grandson out on the football field.

As the new president of RWI, I feel very fortunate to have worked with Larry and Glenn for the last 11 years and still see them often.

As we focus on the past, we would be remiss not to mention the great foundation that was laid in regards to overall business and product design. We are very proud that RWI has been able to improve our product design each and every year in addition to seeing marked growth each and every year in our overall business. We look forward to that trend continuing into our next 25 years.

2007 is a special year for RWI
As we celebrate our
25th year in business

RWI - Our Present

Here at RWI, there have been several changes made in order to make 2007 an even better year than 2006. We made changes both in our personnel and product line, in hopes of making your experience with RWI as your business partner more valuable to you and your business.

First, as to our personnel changes; we have brought a few new members into our RWI family who we feel very fortunate to have.

Doug Hansen has decided to join the RWI family, and as many of you know Doug was formerly the National Sales Manager with Sycamore Systems and is the type of person we feel very privileged to have on our team. Doug will primarily be assisting in our expansion towards the Midwest market but will be on the West coast

from time to time.

We also created a distribution and fleet management position in an effort to make sure your orders are delivered quickly and efficiently. For this position we recruited Corey Gaide who has managed distribution operations for one of the largest auto part manufacturers in Northern California.

We welcome them both to RWI, and know you, our customers, will appreciate the value they add to our company.

As to the product changes this year; we have made several design changes based on your comments and suggestions.

The Soil dump has been redesigned in order to support a larger amount of soils while maintaining the integrity of the door. We have also created a



Ian Cameron, CFO



Aaron Shadownes, VP Sales



Corey Gaide, Distribution/Fleet Manager



Pavel Proshak, Production Foreman



Jamie McCartney, Customer Service

RWI - The Present (continued)

Soil dump that is the depth and height of an eight-bank locker but the width of a Small-Soil. We did this so that when installed the locker would maintain uniformity with the other lockers being installed.

Additionally on the Soil we have created the option of having the interior ryno-lined (which is the same material used in the bed of trucks) for highly humid environments to increase the

working life of the soil. The RC44 has also been redesigned with a new latching system and a reinforced base. Other design changes have included the new lock-bar, Hammer-tone paint options, a knockdown Garment Rack, and a new line of carts.

We are proud to be offering products that are truly meeting the needs of our customers. Thank you for all your input and suggestions.

RWI - The Future

Over the last year we have finished the process of adding on-site reconditioning to our Los Angeles Hub. With this now a success we are looking to expand our operations to other territories using this model. While RWI continues to keep on the forefront of Globalization we are also very focused on keeping our product an American made product through automation and management. Because of this we feel we are able to meet your locker needs with a better made product and at the same time it allows us to be more responsive to you future needs.