



Associated Addition

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August 2010

Business Address

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Mankato, MN
56001
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Fax: 507-345-5828

We're on the Web
www.associatedfinishing.com

E-mail Quotes
quotes@
associatedfinishing.com
Fax Quotes
Fax: 507-345-5828

Need help with:
Order pick-up
Brian Christnagel
866-345-5861 ext 211

Status on an order
Ryan Kapsner
866-345-5861 ext. 246

OR
Jammey Harroun
866-345-5861 ext. 221

Quality
Alan Baer
866-345-5861 ext 206
OR
Christine Doering
866-345-5861 ext 212

Manufacturer's Day with St. Clair High School Seniors!

April 16, 2010, Associated Finishing welcomed 17 seniors from St. Clair High School. The students worked with South Central College to help them fabricate a metal part from start to finish. After completing the fabrication at SCC, next stop was Associated Finishing to powder coat their parts. While the parts were pre-washing the seniors toured the AFI facility. The seniors were trained by Jammey Harroun, Operations Assistant, on the techniques of powder coating their

parts. At first some of the ladies were reluctant because they thought they may get dirty. However, after watching the gentlemen paint, they were convinced they could do it too (without getting dirty). After the powder coat the parts were rolled into a curing oven to bake. While parts were baking the seniors enjoyed Pizza and pop in the lunchroom. The joint Manufacturer's Day was intended to give them a small picture of the opportunities out there

for seniors that may be looking for different educational avenues. One of the students was asked about his experience. Jordan K. of St. Clair explained, "It was a good experience and I felt it was a successful event". (Of course he also enjoyed the pizza and pop).

Thank you to Ann Austad our HR director for planning this event.



CUTTING EDGE TECHNOLOGY ON POWDER COAT

Recently, we were asked what is new in the line of powder coating. I asked this question of our Operations Assistant, Jammey Harroun, to gather some information about one particular paint some of our customers may be interested in.

Abrasion Resistant Powders

Tiger Drylac has formulated a powder that is abrasion resistant. According to Tiger Drylac, the abrasion resistance is

approximately 100% better than conventional hybrid-based powder coating. The benefits of using this type of coating would be; less handling-related abrasion, less prone to drag marks, and improved scrub resistance. Some ideal products for this coating would be; stacking chairs, shelves, tables, or any product that would be, in a high traffic area, or be rubbed up against and handled. Tiger Drylac sent AFI a sample, we have

some on hand. If there is any interest in seeing a sample of this product you can e-mail Jammey, jharroun@associatedfinishing.com or call Jammey at 866-3445-5861 ext . 221. For further information, you can visit Tiger Drylac's website at www.tigerdrylac.com.

TRAINING TIPS WITH TED

On February 4, 2010 Ted Schreyer, President of AFI, participated at an all day symposium hosted by TC-CCAI (Twin Cities Chemical Coaters Association International). Ted and Neal Luitens of Polaris Industries of Spirit Lake, Iowa talked about their companies experiences in converting to non-phosphate conversions. Fifty-five registered attendees participated in the all day symposium. The program was well received. The process has been very effective at AFI. Zirconization is a pretreatment process that combines low-temperature cleaning technology, transition metal formulation, and rinse water quality maximization to minimize the need for process heat, eliminate phosphates, reduce cleaning system maintenance, and maintain or improve product quality. Zirconization uses a blend of additives and accelerators to help promote rapid, tight coating formation on parts while minimizing sludge creation and flash rusting. Typical use concentration in Zirconization is 1-15%, similar to conventional iron phosphate some users have had success with concentrations as low as 0.5%. If you are interested in this new process, feel free to give Ted a call as Associated Finishing, 866-345-5861 ext. 229, or visit our website at (www.associatedfinishing.com) and read the article on Leaner and Greener written by Jim Destefani, Editor of Products Finishing Magazine, or visit Product Finishing on line at pfonline.com/articles/070702.html. Ted's e-mail address is tschreyer@associatedfinishing.com



President of AFI, Ted Schreyer, at the TC-CCAI All Day Symposium presenting our experience with non-phosphate Zirconium verses iron phosphate.



Kaizen Korner Continues (Continues)

AFI had eleven employees that participated in Kaizen's awarding \$200 in cash. Associated Finishing encourages Kaizen's. Each quarters the employees are given opportunities to submit their performed Kaizen. First place winner was Teresa Stevens winning \$120 for two Kaizen's she submitted. Tony McMichael and Mike Lane won \$25 each on a shared idea they submitted. Shari Small and Chrissy Sather received \$15 each for another dual Kaizen the two submitted. Kaizen's encourage our employees to think outside the box and come up with ways to make their jobs easier while saving time and money for AFI, but most importantly our cus-

tomers. Over the past year the Lean Committee received over 41 Kaizen's saving AFI thousands of dollars. The committee decided, due to the success of this program, they would continue on in 2010. Another \$200 cash will be given at our next employee meeting to the person (s) who performs and submits the best Kaizen. The committee reviews each Kaizen and figures the cost and time savings to AFI to determine which Kaizen will be awarded monies.

Read about our next winners in our December newsletter.

Kaizen Japanese word meaning continuous change



CUSTOMER PARTICIPATION — Inquiring minds want to know?

There is so much technology out there for us to use some times we just can't keep up with it all, it makes are heads spin.

I have enclosed a short customer survey. Please fill it out and fax the survey to Christine at 507-345-5828 or e-mail to:

cdoering@associatedfinishing.com

If you have any questions, please call Christine at

866-345-5861 ext. 212 (toll-free). This survey is for gathering information.

There is no need to include your name or any identification information. Thank you very much in advance for your response to Associated Finishing's communication survey.

Thank you for your help!

- 1) Do you have a company computer? Yes No
- 2) Do you have a company e-mail address? Yes No
- 3) Do you have a company cell phone? Yes No
- 4) Do you receive and send company text messages? Yes No
- 5) Is your company cell phone capable of receiving e-mail? Yes No

- 6) Is your company cell phone capable of receiving voice mail? Yes No
- 7) Does your company use Facebook? Yes No
- 8) Does your company use Twitter? Yes No
- 9) Would you like to receive information from AFI by text messages? Yes No

Truth and Consequences for Small Businesses like AFI

Note from AFI's President: We are all faced with increasing costs everyday, yet at the same time, our customers expect us to hold pricing or reduce prices in order to keep their business. In coating, utilities are our third largest cost (behind labor and materials) so we've asked our Facilities Manager, Kelly McCabe to sum up his thoughts on the recent utility rate increases we are all facing. Please direct your attention and understand at AFI we are doing everything we can to increase efficiencies to minimize the effects of these increases, but we want our customers to know that what is being presented to the public as a small increase is actually quite substantial and will have a major effect on us all.

Ted Schreyer, AFI President

New Utility Rate Increases Snuck In

As a business working hard to conserve energy and maximize productivity of each therm and kilowatt consumed at AFI, I am writing to review a couple of energy rate increases that we have absorbed over the past two years. I am sure you have seen them as well but I don't feel that the public and manufacturing in general has a good understanding of what our utilities and the Minnesota Public Utilities Commission (MPUC) are doing.

In 2008 CenterPoint Energy (CPE) announced a natural gas 3.39% interim rate increase effective 1/1/09. They scheduled public hearings to get feedback from around the state. I was one of only a handful of people (state-wide) to show up and voice my concern over the rate increase. This "small" 3.39% increase would take \$60 million out of our economy during the recession. This increase has cost AFI an additional 4.62% in gas costs to date and I still haven't heard what the final rate increase will be that was approved by the MPUC. Whenever I talk to CenterPoint, I learn that they do not make any money on natural gas supply, they only make their money on the delivery of the gas. Well, since CPE is only passing through the cost of natural gas when you remove the gas cost from the equation and apply their rate increase to the delivery the actual interim increase is **35.62%**. I realize the CPE marketing people are good planners because this rate increase was introduced when gas cost peaked at \$12/dekatherm and 3.39% of \$12 is a lot more cash than 3.39% of \$6. I think a few more employers would have gone to the public hearings if CPE notified us of their 35.62% increase during a terrible recession.

Along the same lines Xcel Energy did the same thing at the same time. They gave themselves a 3.5% increase through the MPUC as well which took \$90 million out of the economy.

I am hoping to raise awareness that this is how our legislature set up this process to work. If we sit idle this will probably happen again in a couple of years. I just hope we can raise awareness and have more input on our critical operating costs. If anyone would like to discuss this issue in more detail, please feel free to contact Kelly at 866-345-5861 ext. 207 or kmccabe@associatedfinishing.com. If you are interested in reading the article printed in the Mankato Free Press about the CenterPoint Energy Utility Hearing attended by Kelly, visit our web site home page at www.associatedfinishing.com and click on the link (green box) at the bottom of the page. If you have some feedback, please contact Kelly.

Kelly McCabe, Facilities Manager

Tom Wanta retires after 15 years at AFI



Tom's Retirement Party at AFI
3-31-2010
What a beautiful cake!

Tom Wanta, of AFI's silk screening department, retires after 15 years. Tom explained that his training was mostly, on the job training. In the 15 years Tom has been at AFI he has seen many changes. What he likes the most is the people he works with. Tom has been married for 37 years to his wife Sandy. They have one daughter and 3 grandchildren. After retirement he plans to spend more time on his hobbies; golfing, woodworking, coin collecting, motor cycling, fishing, and flying. He has his private plane rating. Tom will continue to work part-time at AFI. Thank you Tom for all your dedicated years of service at AFI. And for the last time Tom, no, you can not have radio's in the plant!!!! HA HA HA!!!

Celebrity in our Midst!

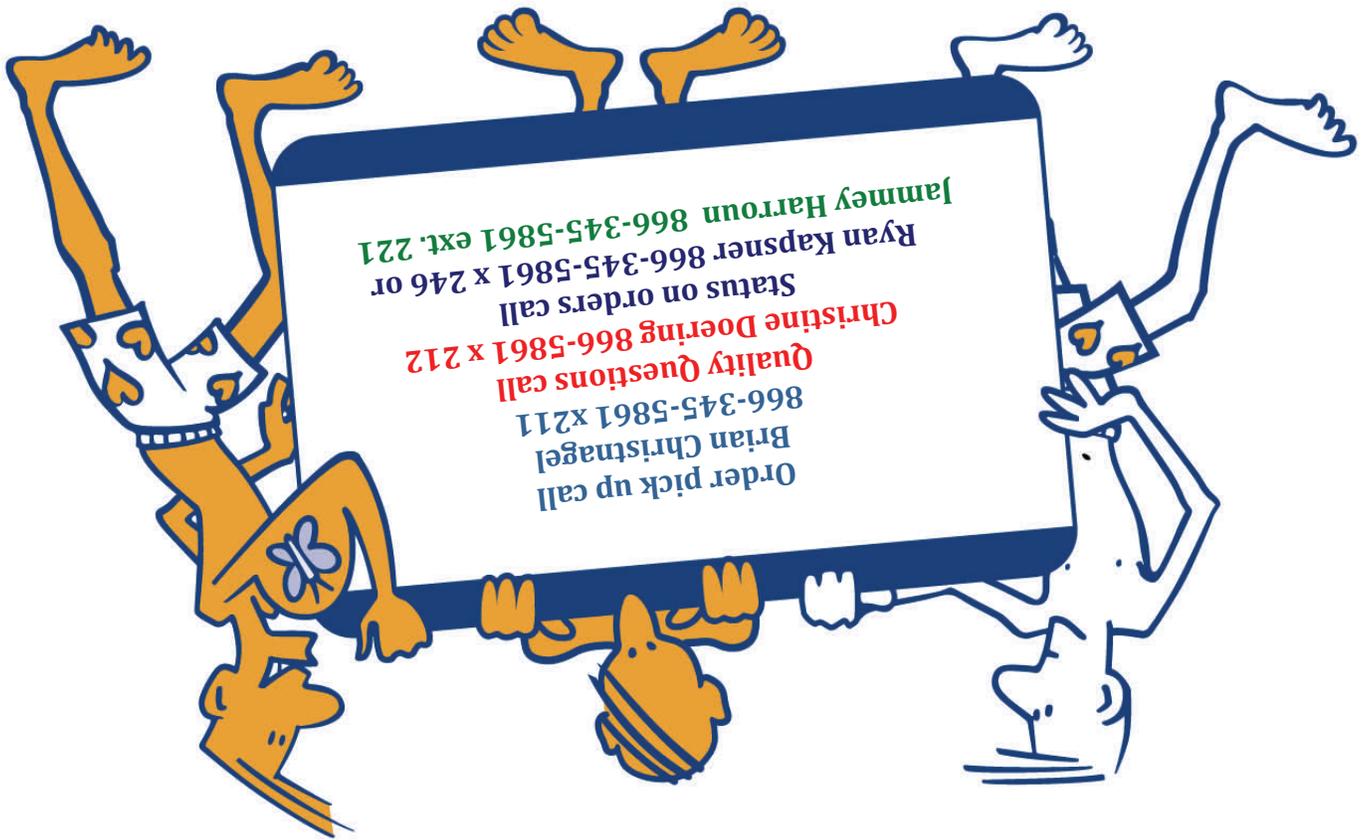
Fred Lange, lead painter on our JCI line, has been an avid snowboarder for 15 years. His first taste was riding lunch trays down hill, but they were too hard to control. Fred is ranked 5th in the state of Minnesota, in his age bracket. He was invited to participate in the NASTAR National Championship at Winter Park Colorado, March 26—28, 2010. Out of 129 participants Fred achieved 15th place overall. He conditions year around, in winter snowboarding, in summer, skating boarding, mountain biking, and rollerblading. He began conditioning for

the National Championships in September. Fred was quoted saying, "the best is yet to come, make sure to watch the 2014 Olympics, you just never know who'll be there." Fred has worked at AFI for 2 years.



To learn more about the Nationals visit the web site at www.nastar.com. The pictures at right were taken at the National Championship in Winter Park, Colorado during one of Fred's runs.





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“Enjoy the little things in life, for one day you’ll look back
and realize they were the big things”!

