

HMF EXPRESS

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Report to stakeholders



One measure of our success this year is the extra paycheck to all associates on December 16th. Happy holidays!!!

A big reason for our success is the extra effort of sales, engineering, and production to meet customers' high expectations.

This success comes despite the fact we are sometimes not the lowest-priced option in the market. We remain profitable because customers value our service and quality.

It says a lot about the character of our team — this ability to consistently deliver higher service and quality.

Areas to improve

We still have much to improve, and we need to do it faster.

Number one is the RMAs that get out the door. These seem to come equally from sales, engineering, and production. RMAs are probably the #1 issue holding us back in the market.

We also can improve by developing new customers, doing more process improvement projects in the shop, implementing new software faster, and getting our safety programs top notch.

These are all things high on our 2012 priorities.

2012 goals

In 2012, we want better safety, quality, service, efficiency, growth, and profitability. With everyone's best effort, we will.

Thoughts on thresholds

The legend is that in the olden days, thresh was placed on bare floors to control dust and add comfort. Supposedly a block of wood, the "thresh" would prevent the thresh from spilling out when the door was opened.

Skeptics point out that there is no such thing as "thresh." Thresh is not a noun. It is a verb meaning to beat, stamp, trample. But clearly there is a relationship between the entry to the old threshing rooms and what we call a "threshold."



A threshold is "A strip of wood, metal, or stone forming the bottom of a doorway and crossed when entering a house or room." The threshold is literally the first piece of a building you cross as you step in, and the word "threshold" has evolved into a deeper, more symbolic meaning.

Thresholds are important

Thresholds are very important when determining the size of doors and must be accounted for when figuring the undercut on a door. The undercut is the distance from the bottom of the frame to the bottom of the door. An architect or designer must calculate the undercut based on the clearance required for the floor covering thickness and the threshold height. There are other considerations such as building codes and floor conditions that affect the undercut, and the location of hardware when based on measurements from the bottom of frames.

As you consider the complexities of thresholds, let me leave you with one more thought. As we at HMF sit on the "threshold" of a new year, let us take time to reflect on our successes and look forward to a *dynamic* and *innovative* 2012!



We love our cookouts at HMF Express, and

November was notable for delicious chicken cooked to perfection by Bucky Ganey.

JD and Mark do a lot of the shopping and logistics. Robin helped set-up the serving line. Thanks to all the others who helped too, including your intrepid reporter here who helped by consuming as much as humanly possible.

One of the reasons we like to do these cookouts is to say "thank you" for the day in and day out extra effort to meet the customers' expectations.

Speaking of cookouts — I see the smoker is getting fired-up for a bar-be-que. We are glad for this chance to celebrate a year of good work!



It happens all the time ...



Steve: It was good to see you yesterday. Here are some before and after pictures of the Fox Theatre in Atlanta that we were talking about. The Fox Theatre is a historical landmark in Atlanta so we had to be very careful to keep the aesthetics as close to the original as possible.

The first picture is the before. The job turned out very nice, our customer is extremely pleased with the end result. The three door panels from left to right are welded in place, there is a block wall directly behind them. The door on the far right is the only operable door leaf. Thanks to Shannon and HMF Express for the help on this project. - Chris

Supervisor's corner

Happy Holidays

This year 2011 is coming to a close and HMF Express has performed well since the summer; however as we all know not much stays the same except rain falls from the clouds and hummingbirds do fly.

Another thing that is true is that we appreciate the hard work each of you puts in throughout the year. Of special note, we have done a great job on being safe.

But we must raise the bar in order to stay competitive. One area to improve is the amount of scrap steel we generate; we are creating almost twice as much as last year. Steel is the biggest part of our product cost. We must get our scrap steel back to the normal range, with no time to lose!

Don't make scrap

When there are remakes, shear operators need to have a remake sheet before cutting the steel. Always pay close attention to the work orders. Always measure the



first piece off the machine. Keep quality in mind as you perform your job.

Make 2012 even better!

Thanks for another good year and looking forward to an even better year in safety, quality and production in that order.

Happy Holidays to all
JD Robinson

HMF will host family hoops night ...

Mark your calendars.

On the evening of Saturday, February 11th, HMF Express will sponsor a UNCW family hoops night.

For \$1 per family, HMF Express will buy the admission tickets for **all** members of your immediate family.



Look for more details on how to sign-up in the January Newsletter.

Meanwhile, mark this date on your calendar and get ready to cheer for the UNCW Seahawks!

Scott answers your employment questions:

Dear Scott: We are quickly approaching the end of the year and I still have not used all of my vacation time that I've accrued for 2011. I might not use it but I don't want to lose it. What happens if I still have unused vacation time remaining at the end of the year?

--Vacation Verification

Dear Vacation Verification: There are two important things to remember when it comes to vacation time at the end of the year. The first is not to worry if you have not used all of your vacation for 2011. Fortunately, HMF will pay out any unused vacation time on the last paycheck of the year, which will be pay date 12/30/11.

The second thing to remember is that everyone will need their vacation request forms for 2011 turned into their supervisor no later than Friday, 12/23/11. The unused vacation pay out will be calculated from all employee vacation request forms submitted as of this date. As a result, any vacation request submitted after this date will not be granted. Please stop by Scott's office if you have any questions or concerns regarding your vacation time.



December Birthdays		
Terry	Patrick	3
Lynette	Hudson	25
Michael	Wilson	27
David	Gibboney	30