



January 11, 2012

Dear Crown Plastics Customer,

Like most of you, we have been battling our way through all the normal business issues associated with the impact of the local and global economies. 2011 was overall a very good year in many not-so-obvious ways, and this year is looking positive as a result of many changes and refocusing of efforts throughout our organization.

Over the past few years, due to the issues mentioned above along with other internal items, I felt that we had fallen short in our goal to be the best supplier of any product our customers purchased. Our lead times had drifted out much further than I felt was acceptable, our customer service sagged at times, and the level of satisfaction with Crown in the marketplace was not as high as it could be -- or even used to be.

Something had to change and change quickly.

After hiring Alan Rowland as VP of Sales and Marketing in December of 2009, we began reviewing our overall product offerings and customer service. We began to lay out a strategy to improve the way we worked with our customers to better educate, communicate and service them with high-quality, value-based thermoplastic solutions to meet their needs.

A plan was put into place -- and we executed on that plan immediately.

Much time and effort was put into redesigning our web site and in creating better product information over that first year. But it was clear we needed some additional human talent as well.

In October of 2010 we hired Dan Dunham as our Controller and began creating the financial systems and processes needed to support the kind of growth and customer service to which we were committing. In May of 2011 we added Kellee Case as our Lead Customer Service person and, two months later, we hired Andy Slay to serve as our new Plant Manager. Through all of last year, these individuals have been reviewing our policies, procedures and systems and have initiated many changes, additions and improvements in all these vital areas.

Throughout the year Alan also started identifying qualified rep organizations to enhance our selling and education processes with distributors and to help create additional opportunities through more consistent communication and support. At this time we have a significant part of the country covered and hope to complete the goal of 100% coverage shortly. We will continue to work with these reps in supporting distributor efforts and create better tools for our customers to market both current products, as well as the many new and exciting things in the works, as we continue to expand our product line offerings.

We have made a huge push to reduce lead times and have made significant inroads through better scheduling, increasing our stocking levels, and more efficient use of manpower. We will continue to work to reduce shipping times while improving product quality throughout the coming year. We are scheduled to become re-certified under ISO 9001-2008 in the next few months and fully expect to maintain and improve our performance in this key area.

Our Management Team met with our entire employee staff on January 2nd to lay out our goals and plans for 2012 and beyond. In our discussion we reviewed our Mission, Vision and Values and introduced the concept of our **Brand Promise**:

“To meet or exceed customer expectation...every time.”

This is not a slogan, but a commitment from me as President and CEO to our customers. My promise to you is that every single Crown Plastics employee is committed to making every single transaction with you a positive experience that will exceed your expectations -- period. That means quality of product, top-notch customer service, timeliness, correctness and overall value in every single touch point with a customer.

It won't happen completely overnight but it has been underway for a while in many areas already and will continue to be our primary focus going forward. We want to know every time we do not meet or exceed your expectations. That is the only way we can adequately measure ourselves and improve. We will be proactively asking our customers and suppliers what we need to do or provide to accomplish this goal -- and then execute on these items.

I thank you for your dedication, your loyalty and your business, and I apologize for the times we have stumbled over the past few years. We will continue to work tirelessly to be the best supplier you have -- bar none. Your help in making us better will continue to be appreciated.

I look forward to bigger and better things ahead and a brighter future for Crown Plastics and its customers.

Gary Ellerhorst
President CEO