

Clampco Clips

February 2020



Positive Awareness Awards:

Dee Dee King
Veronica Llewellyn (2)



Name: Stacy Kemp, 2nd Shift Production Supervisor

Normal Day Consists of: When I'm not at Clampco, I usually like to spend time with my daughter, my boyfriend, and the rest of my family. We love exploring new restaurants and having time together.

Hobbies: I crochet EVERYTHING. I also like doing artsy and crafty things, like 3D diamond painting, painting pottery, and sketching. My newest endeavor is making 80s props for an event for my sister. I also always have a story in my head, so when I get a chance to, I love to write.

Favorite Part of the Job: The favorite part of my job has to be the people and variety of personalities I get to work with. Everyone here has always been so friendly and genuinely kind to work with.



Our wellness and safety initiatives are in full-swing. We successfully brought out the shoe and boot bus and had strong participation in preparation for our steel-toed initiative when it hits in March. Overall, Clampco spent over \$12,000 in wellness dollars to ensure you had a great pair of shoes for the work floor. In the safety meeting today, you're also receiving notice of our smoking cessation program as it will kick start in July of this year upon our benefits renewal. Please read the notice and let HR know if you have any questions.

Thanks everyone – Jason Venner

Don't forget! TODAY ONLY!!

We are collecting money, loose change, checks made out to Akron Children's Hospital or dollars to benefit Akron Children's Have a Heart, Do Your Part, 98.1 Radiothon.



A Note from the desk of: Jerry Biagini

It's going to be an interesting year!

I'm sure many would agree that the winter of 2020 is shaping up to be the mildest that many of us remember – hey, it hit an all-time record high of 65 degrees in Antarctica this week! If you have turned on your TV or radio this year you have noticed a lot of turmoil in our government as well as an upcoming election in November. The U.S is not alone as the UK Parliament finally ratified the Brexit withdraw agreement in January (the initial referendum was in June of 2016), everyone is Tariffing everyone and the Browns turmoil continues as Kevin Stefanski, their 12th head coach in the last 20 years was recently hired.

Yes, Cleveland, the United States and the World continues to undergo **unprecedented change** and Clampco just keeps making clamps? No, we really do work hard to not only keep up but to stay ahead of changing markets and customer demands.

Clampco's largest customers are currently those supplying the off-road, truck and bus market. We continue to build share in this market by trying to be the preferred vendor for new Diesel Particulate Filter Systems (DPF for short - like catalytic converters for cars). As these pollution control systems evolve and foreign countries adopt stringent air quality standards to combat global warming the DPF market is seeing more suppliers which means more clamp competition particularly overseas and increasing price competitiveness.

The best way for Clampco to combat these pressures is to continue to automate to increase our efficiencies and world class quality standards. It's also through having great people, good training programs and using sensors and process checks to ensure we maintain very high-quality standards.

We also recognize that the auto industry is beginning to change through its commitments to electrification. Tesla shipped in excess of 300,000 vehicles in 2019. Volvo has committed to having over 1M electric vehicles on the road by 2025, Audi committed to spending in excess of \$15B on electrification by the end of 2023, GM is investing \$2.2B in its first all-electric vehicle plant and Ford's investing \$11B.

What does this mean to the clamp industry? Electric vehicles have no DPF units or Turbo's that use clamps. They have no gas tanks, although they may use some straps. Not a lot of Clampco's products currently go into the automotive markets, but when electrification makes it into the heavy-duty diesel truck/bus/heavy equipment markets we will be impacted.

To lessen everyone's fears, we don't expect to see a significant electrification impact in the heavy-duty vehicle markets in the next 10 years. Also, we will continue to significantly supply the aftermarket DPF customers with clamps for equipment for many years beyond. In the meantime, Clampco continues to grow significantly with Cummins who will displace Faurecia for our #1 customer spot. Our contract with Faurecia has been extended for Nitro through 2023 and we are close to being awarded significant additional business with Tenneco.

Clampco is also not sitting still waiting to see what happens. We continue to commit additional resources to growing markets such as Aerospace and Defense. Ownership also remains committed to investing in equipment and people to leverage our strengths to retain and increase our overall market share in North America.

Everyone here should be concerned about change. But that concern should be channeled into understanding that change happens and everyone's efforts should be channeled into doing their best every day to manufacture an outstanding product in the most efficient manner possible.

If we do these things well, and continue with sound strategies, adapting and being flexible in our thinking and production techniques Clampco will continue to be a valued clamp producer and a great place to work for a long, long time.

If you ever have any questions concerning our markets, strategies or anything at all regarding Clampco please do not hesitate to stop me and ask.