## SEEMEC

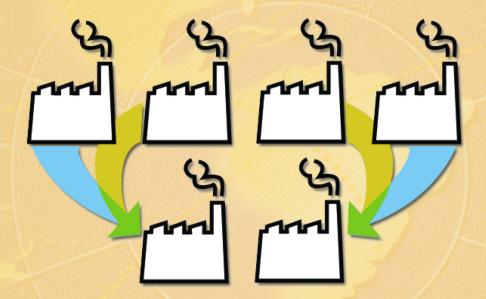
THE FUTURE





### Plant Closings Lead to Manufacturing Consolidation

During the recent economic downturn, many suppliers and customers were forced to close plants, consolidating their business into smaller manufacturing footprints.



In this example, this company had four plants and found it necessary to close two, assimilating all the product lines, equipment and current volume through the two remaining plants.



## Customers and Suppliers Operating at Reduced Capacity

In today's market, even with these plant closures, some customers are still operating plants at less-than-full capacity.

Some suppliers are still operating at reduced capacity.

The impact of the loss of brick and mortar, particularly in raw material / finished goods storage, hasn't been fully felt yet by the supply chain.

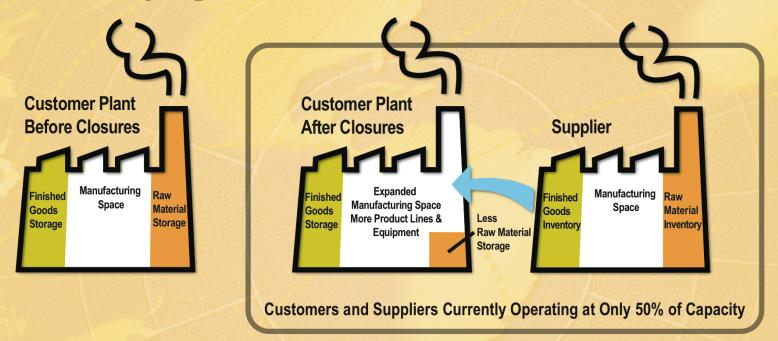
**BUT IT WILL...** 





#### A Problem in the Making

With this reduced capacity, both customers and suppliers are experiencing the impact of this loss of manufacturing and storage space.



In this example, storage for raw materials has been greatly diminished. As business is rebounding, every inch of space will be at a premium.



#### As Business Improves

As business is improving, most of the plants that have closed are not reopening. This is forcing more volume through less brick and mortar, resulting in much less storage space.

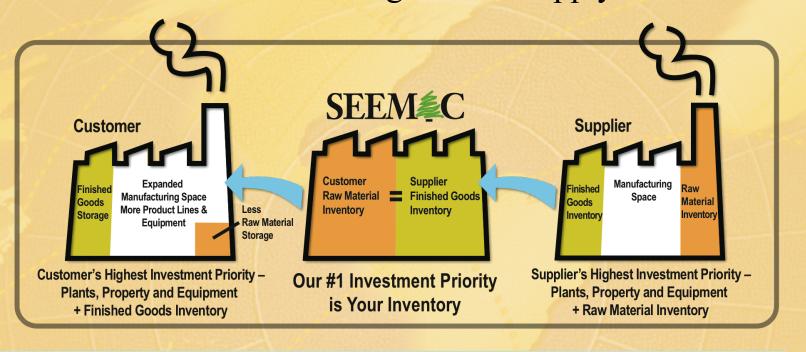


There has never been a better time to partner with SEEMAC. SEEMAC's inventory ownership/management/JIT shipment model is critical to both customers and suppliers alike as business ramps up.



#### The New Credit Reality

Banks require more collateral per lending dollar. That results in less credit available throughout the supply chain.



SEEMAC buys its suppliers' finished goods and holds them as raw materials for its customers until they need them. SEEMAC takes this inventory off its customers' and suppliers' balance sheets!





#### "Virtual" Warehousing Model

Unlike distributors that own their own warehouses with all their associated costs, SEEMAC employs the Virtual Warehousing Model described below. It gives us the flexibility to move in and out of locations and up/down in inventory to better serve our customers.

- 1. Inventory stored on consignment at customer's facilities or in public warehouses close to customer's plants
- 2. No owned or leased warehouses, fork lifts or trucks.
- 3. No brick and mortar keeps costs down.
- 4. Inventory stored in warehouse typically to serve one particular customer







#### Time for Forward Thinking

Visionary companies are assessing the situation and viewing it as an opportunity to be ready as business rebounds.

- 1. Customers and suppliers may have less brick and mortar because of plant closings.
- 2. Because of reduced capacity, that reality may not have been a hardship until now.
- 3. Less credit is available through banks in the current economy.
- 4. As business increases, customers and suppliers need to push increased capacity through less brick and mortar with less credit available. In the current economy, how can you satisfy your customers' increased demands?





#### The Bottom Line

- There has never been a better time to partner with SEEMAC. We are so much more than a distributor. We are wood experts, problem solvers and solution providers.
- As an innovative and responsive solutions provider, SEEMAC can help optimize customers' and suppliers' space and processes.
- SEEMAC has the cash / credit available to purchase products from suppliers when they ship them, the warehouses to hold these products until customers need them, the ability to deliver to customers JIT, the cash / credit available to bill these products to customers when they use them ... and the track record to prove it.

# SEEM Controlled