

STROBELS SUPPLY

April 2020



BUSINESS AND OPERATIONS PILLARS



PAINT APPLICATION



Structure

18 floor personnel (and growing)

2 overlapping shifts between
7am and 9pm

2 Senior Managers (Production Manager
& Operations Manager)

Dedicated Material Planner

Shipping & Receiving Coordinator



Functions & Process

Surface preparation (manual DA sanding,
grinding, abrading, sandblasting)

Applications of paints from major
manufacturers such as Axalta, BASF,
PPG, Mankiewicz, and Sherwin Williams

Polyurea application for both rail
and bus systems

Detailed documentation support
throughout the process which follows
ISO principles

Quality controlled documentation
supplied to customer with each shipment



Equipment

25' x 25' dedicated sandblast building

2,500 sq. ft. ventilated prep room

4 spray booths sized:

- 36' x 14' x 14'
 - 28' x 14' x 14'
 - 24' x 14' x 12'
 - 24' x 14' x 12'
-

3,000 sq. ft. dedicated drying room

KEY CUSTOMERS, QUALIFICATIONS, & TRAININGS



ALSTOM

SIEMENS
Ingenuity for life

CAF | USA

BOMBARDIER

Kawasaki

STADLER

HITACHI

Talgo

**MANY TIER 1
SUPPLIERS OF ALL**



Audited & qualified for painting by all major OEM customers and their Tier 1 suppliers



All floor personnel are Top Gun certified through Axalta



Ongoing 1 on 1 coaching and performance evaluations

GROWTH & EXPANSION STRATEGY



2020

Optimize New Facility

Leverage space and personnel capacity increases

Continue to improve and evolve processes in new space

Learn and dial in new equipment to maximize efficiency gains

2021

Technology Evolution

Explore valuable technologies (chemical passivation, robotic spray systems, automated paint mixing systems)

2022

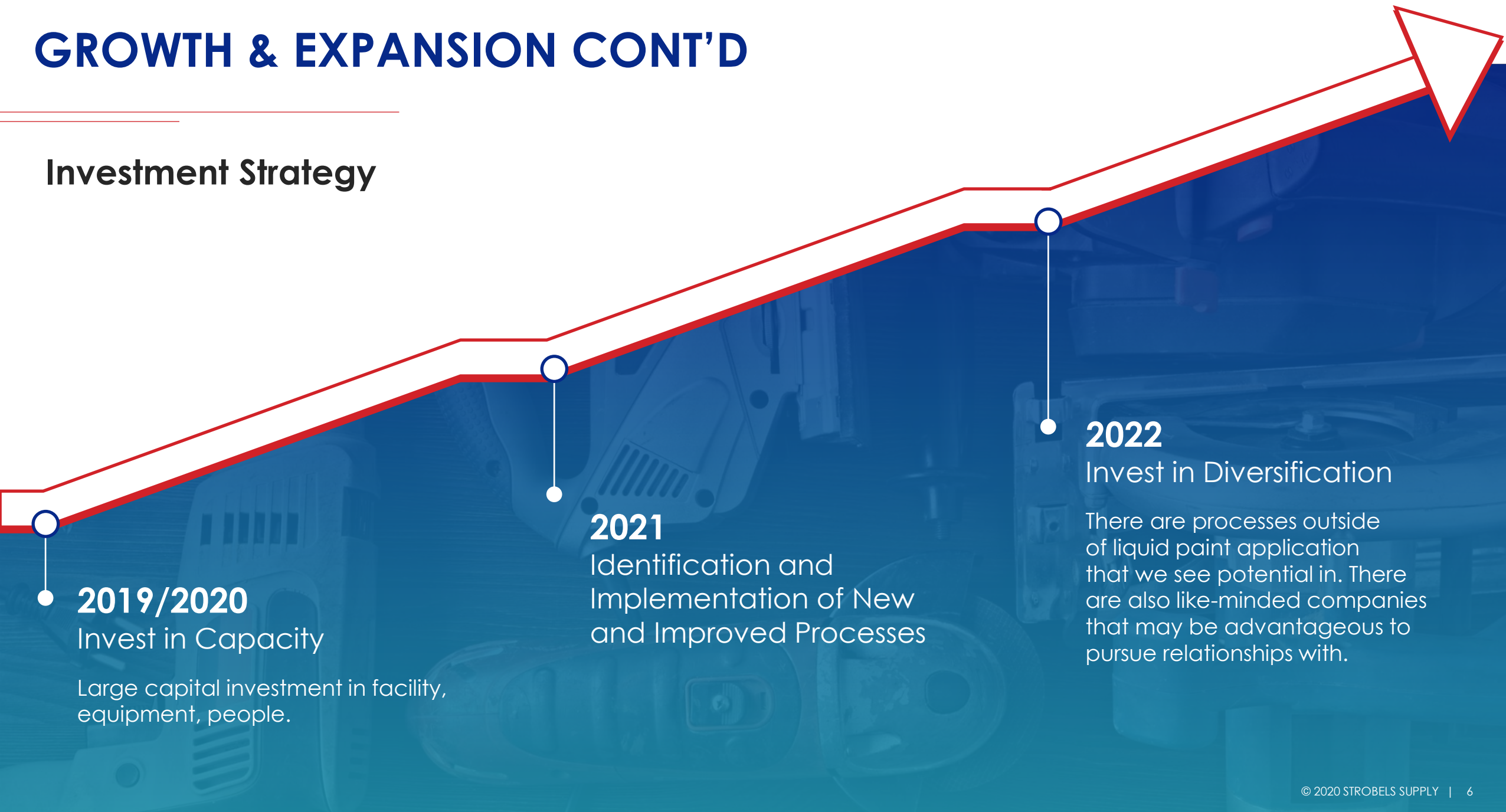
Additional Processes and/or Inorganic Growth

Powder Coating, Electro-static Painting

Mergers & Acquisition Potentials

GROWTH & EXPANSION CONT'D

Investment Strategy



WHY STROBELS SUPPLY? SOME DIFFERENTIATORS;



1

Customer Centric

- Industrial & transit-oriented business, emphasis on relationship (partner rather than vendor), strong communication
- Product recommendations – specific recommendations according to each customer's needs/wants

2

Depth of Product Knowledge

- From distribution history

3

Process Driven

- Develop processes for every project and track each phase throughout
- The use of Sartorius Color Net
- The use of the Anti-static Gun Control prior to applications

4

Results Focused

- Do whatever it takes to get it 'right'. Extremely high internal standards for finished work

5

Location, Location, Location

- For direct and indirect business with our customers. Ability to source inspect, logistics savings, etc.

ALIGNING YOUR GOALS WITH OUR RESPONSIBILITIES



**Grow
Fast**



**Improve
Performance**



**Strong
Culture**

CUSTOMER FOCUSED ORGANIZATION



Transportation Coatings

- Light Vehicle OEMS
- OEMS
- Heavy Duty Truck
- Bus
- Aviation
- Marine



Industrial Coatings

- Electrical Insulation
- Decorative
- Specialized Coatings
- General Industrial



Performance Coatings

- Axalta
- PPG
- BASF
- Sherwin Williams
- Mankiewicz



Refinish Coatings

- Light Vehicle
- Coatings for Plastic and Composite Materials
- Automotive Interiors



Distribution

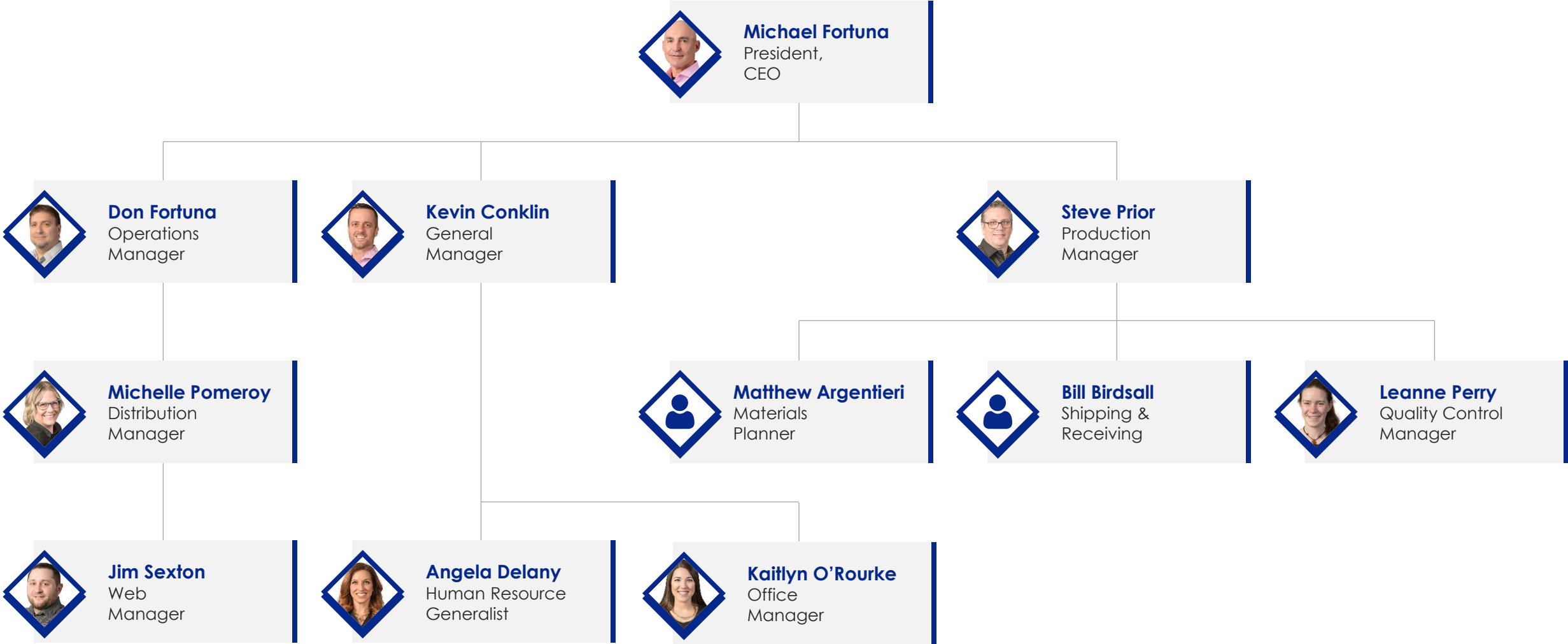
- 3m
- Axalta
- BASF
- Sika
- Dormer
- Loctite
- Dow Corning
- Ammex Gloves



Polyurea Coatings

- Q/A Certified Applicators
- Two Full-service Machines
- Quantum Chemical Stocking Distributor

STROBELS SUPPLY HIERARCHY



PRICING MODEL

Time and difficulty factor examples

Body work? If 'yes', how extensive?

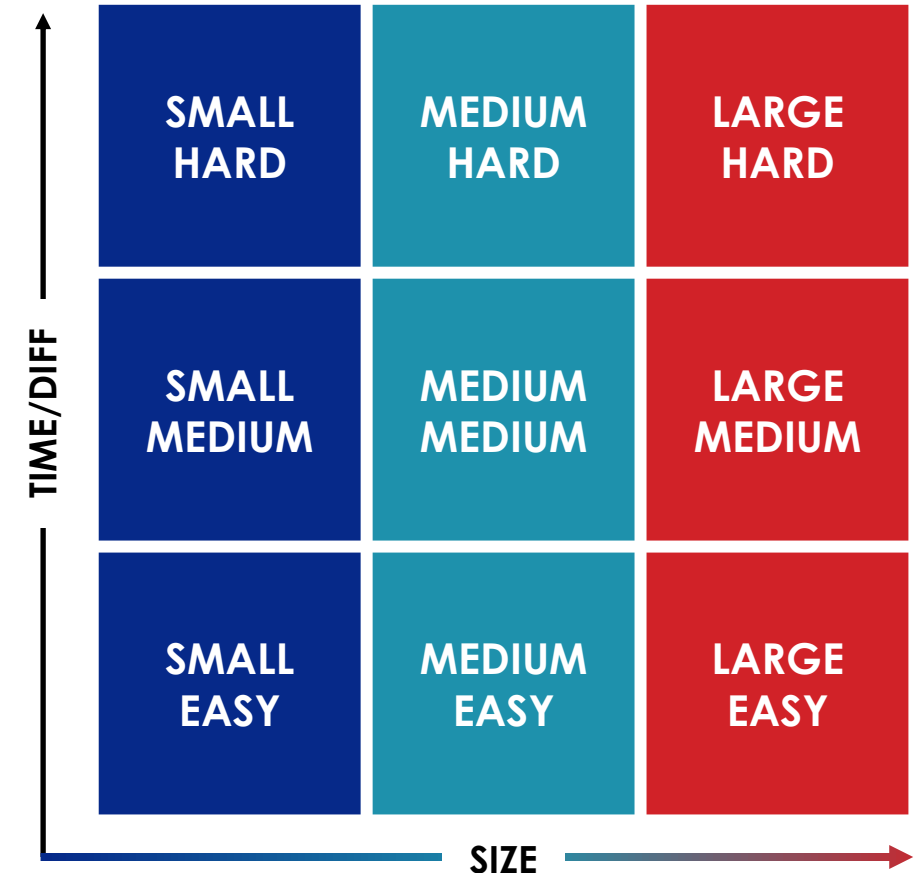
Part visibility / Aesthetic criteria

Are samples required?

Inspection documents, reading requirements

Masking required? If 'yes', how difficult?

General part dimensions / Shape



COST COMPETITIVENESS APPROACH

VD

Volume Discounting

Relative to the total number of unique contracts or projects awarded through relationship

CB

Labor/Material Cost Breakdown

Can provide a detailed cost breakdown for each step in the painting process.

BSD

Batch Size Discounting

The number of parts received at one time against a contract's total. Considerable efficiency increase when batch sizes increase

PMA

Price Match Analysis

When given 'target pricing'. This includes customer target pricing and/or competitor pricing.

STROBELS SUPPLY



www.StrobelsSupply.com

