



April 12, 2010

To: Union Metal Agents & Customers

From: Ron Martino

Subject: New Labor Agreement


We are pleased to announce that United Steelworkers Union Local 3446-1 signed a new labor contract on Sunday, April 11, 2010. The new contract is for three years and will continue through March 31, 2013. We are very pleased that this new agreement between Union Metal Corporation and the USW will allow us to continue operations without interruptions.

You may already be aware that on Thursday evening, April 8<sup>th</sup> the Union initially voted against the contract and did not report for work on April 9<sup>th</sup>. Fortunately, this work stoppage was for only one day, negotiations continued over the weekend and operations resumed today.

While other companies in the area and across the country have laid off employees and outsourced work, in the last 18 months under the Company's new management, there have been no layoffs and no work has been outsourced. Instead, Union Metal has recalled previously laid off workers and hired additional new workers. During this period, many improvements in processing as well as capital equipment upgrades have taken place which has facilitated significant improvements in lead times and on time delivery performance. We look forward to continuing to improve efficiencies in 2010 and beyond.

Thank you for your continued support.

Sincerely,

  
Ronald J. Martino  
Vice President, Sales