Propertooling

Manufacturing

The shipment of the last Wilbert spin stack two shot mold signifies the last job launched under previous procedures both upfront and in the shop. Going forward, all new molds have been started under our team of Chris, Al and Phil. The market remains slow but we are starting see improvements in quality, timing and customer satisfaction. This is a great starting point and I would like to thank everyone and remind you all that your continued support of the supervisors and management team, along with your dedication to quality is what makes this work.



Since the start of the 1st guarter we have completed (20) new molds with an on-time performance of 95%. All tools were on time or early with the exception of #15808.

Overtime will be continued to be managed closely by department based on workload. Bay#1 has been working (7) days for several weeks. We are starting to see their workload return to normal as new orders have been completed. As our new project backlog has picked up, machine utilization and consequently work hours in all machining areas are increasing. Anyone with any questions regarding workload / backlog please, see your supervisor or me directly.

The recent Ford CX 430 Prototype program (19 Molds) has started a culture change within our company. Prototype work used to be characterized as overflow work and lower priority. With this program, we have taken steps to integrate the planning and execution strategy to involve the entire company. This

will provide a better service to our customers and allow both prototype and production tooling areas to thrive. Prototype aluminum tools are now tracked and scheduled in the same manner as production tools, with larger molds machined complete in B1 with the same priority. The programs being quoted are too large for one building to machine and build therefore the jobs are being quoted for all of Proper build. This provides internal opportunities, increases capital utilization and increases Proper Group's customer base which is a big advantage in cyclical markets like automotive. Prototype success can also lead to future production orders as well.

This is a great example of working as one company versus acting as separate divisions. We will continue to strive to spread this type of activity to all areas of the company, including PGIM and Anderson.

As I outlined in the previous newsletter our initial goals are simple;

- · Eliminate any current job liabilities ASAP. (Molds need tryout issues closed out)
- Develop current system ASAP making sure job assignments are clear and there is accountability.
- Do it right the first time. Eliminate rework.
- Interface Chris, Al & Phil in the new builds at the right time so more eyes are on the project and they can assist to steer the job in the right direction.
- · Make ALL due dates.

To build on this additional required goals are;

- · Increase utilization of equipment.
- · Maximize 3D printing utilization.
- Consistent shop & machine cleanliness.
- Overall organize entire shop all bays / departments.
- · Improve mold designs, content and update Proper standards with regular team meetings.

All of the above are well underway with much work left to complete.

Darren Mack

Director of Manufacturing