

Perspective

ONLINE

Barry-Wehmiller Companies, Inc.

December 2005



Paper Converting Machine Company Joins Barry-Wehmiller Family

- *Adds Fourth Operating Platform*
- *Grows Total Revenues to \$800 Million*



*All-New Issue
Includes:*

International Spotlight

Making a world of difference

Pharmaceutical Industry Update

*Leading companies
choose Barry-Wehmiller*

From Success to Significance

*Bob Chapman shares his vision for
Barry-Wehmiller*

Pneumatic Seal Rolls Out the Red Carpet

Customers get the star treatment



FLEXO

TISSUE

NONWOVENS

Barry-Wehmiller



FleetwoodGoldcoWyard AMBEC

A New Generation of Technology

When FleetwoodGoldcoWyard prepared to launch its newest generation of conveyance technology, we needed talent parallel with this leadership initiative. We found Gene Garro, a recognized leader whose name is synonymous with case and pack conveyance innovation.

Our objectives were strengthened by the recent integration of Goldco International, Wyard Industries and Ambec, Inc. The combined experiences of these teams have enhanced the company's presence in the conveyance industry, establishing a foundation for market leadership.

Barry-Wehmiller and
FleetwoodGoldcoWyard AMBEC

*Investing in People
and Technology*

Barry-Wehmiller

AMBEC

FleetwoodGoldcoWyard

Leadership ...Innovation ...Service ...a strong foundation for the future.

1305 Lakeview Drive • Romeoville, IL 60446 • 630/759-6800
5605 Goldco Drive • Loveland, CO 80538 • 970/663-4770
2289 East Cedar Street, Suite 108 • Lino Lakes, MN 55038 USA • 651/464-4000
1320 Wards Ferry Road • Lynchburg, VA 24502 • 434/ 582-1200
10330 South Dolefield Road • Owings Mills, MD 21117 • 410/363-4400
Spring Valley Business Centre, Unit 5 • Porters Wood, St. Albans • Hertfordshire, England AL3 6PD • +44 1727 836101
www.FleetwoodGoldcoWyard.com • sales@F-G-W.com

Contents

- 4 . . . Guiding Principles of **Leadership** [GO](#)
- 5 . . . Robert Chapman's **Vantage Point** [GO](#)
- 6 . . . International Spotlight:
Making a **World** of Difference [GO](#)
- 8 . . . Feature Story:
PCMC Joins Barry-Wehmiller Family of Companies [GO](#)
- 10 . . . Industry Watch:
Leading **Pharmaceutical** Companies Choose Barry-Wehmiller [GO](#)
- 12 . . . From Success to Significance:
Bob Chapman Addresses the Association for **Corporate Growth** [GO](#)
- 13 . . . In the Community:
A Spirit of **Giving** [GO](#)
- 14 . . . Colleague and Friend:
A Tribute to **Chris Larsen** [GO](#)
- 15 . . . Customer Service Star:
Pneumatic Scale Rolls Out the Red Carpet [GO](#)

Barry-Wehmiller Guiding Principles of Leadership

We measure 'success' by the way we touch the lives of people.

- A clear and compelling **vision**, embodied within a sustainable business model, which fosters personal growth.
- **Leadership** creates a dynamic environment that
 - is based on **trust**
 - brings out & **celebrates** the best in each individual
 - allows for teams and individuals to have a **meaningful role**
 - inspires a sense of **pride**
 - **challenges** individuals and teams
 - **liberates** everyone to realize "true success."
- **Positive, insightful communication** that empowers individuals and teams along the journey.
- **Measurables** allow individuals and teams to relate their contribution to the realization of the vision.
- Treat people **superbly** and compensate them fairly.
- **Leaders** are called to be visionaries, coaches, mentors, teachers, and students.
- As your sphere of influence grows, so grows your responsibility for **stewardship** of the guiding principles.

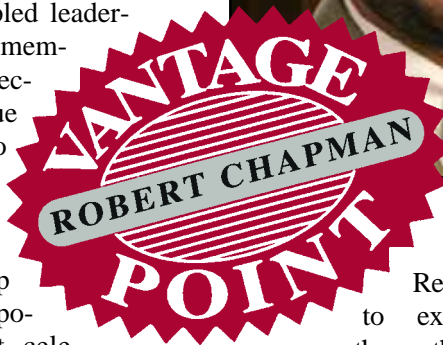
We are committed to our employees' personal growth.

Over the past 120 years, Barry-Wehmiller has emerged as a strong American company, committed to creating great American jobs serving a variety of global markets. As we look to the year ahead, our vision for Barry-Wehmiller continues to be that of an environment of principled leadership in which our team members are inspired and recognized for their unique talents as we seek to positively affect the lives of those we touch through our business.

Inspired leadership fosters a distinctive corporate environment that celebrates personal development while creating a business with a strong foundation and a vision for growth through targeted acquisitions and organic growth. Similarly, our customer service and sales leadership initiatives empower our team members to build mutually beneficial relationships with our customers that are the foundation of our future. On a parallel basis, our team members are committed to building a "lean enterprise" that enhances our competitive position in the market.

Our ability to effectively translate market needs into product solutions that create value for both our customers and stakeholders has led to compound revenue growth exceeding 20 percent annually since 1989 as well as significant gains in market share. By developing our talents and leveraging our experiences, our revenues have reached the range of \$800 million, with more than \$200 million of that in global markets.

Barry-Wehmiller Design Group and



Barry-Wehmiller International Resources continue to experience record

growth as they expand their relationships with major clients within several targeted industries. Our two consulting practices are approaching 500 professionals across 10 domestic and international offices, including San Juan, Puerto Rico, and Chennai, India.

In the past year we experienced diverse and deliberate growth as we added to our organization nine times through a series of disciplined acquisitions. The effective integration of each acquisition has improved the balance of our business and has further strengthened our position as a significant provider of capital equipment and consulting services to a global list of customers.

The recent acceleration of initiatives began in November 2004 with the acquisition of the Carr & Centritech centrifuge product lines from Kendro Laboratory Products, which were integrated into Pneumatic Scale. Also in November, Design Group completed a merger with New Hampshire-based Stahlman Group, a leading designer

of food & beverage production and distribution plants.

Growth continued into 2005 with the acquisitions of Goldco International and Wyard Industries, which were combined with Fleetwood to form FleetwoodGoldcoWyard. The conveyance company also added the assets of Ambec, Inc. and certain assets of CVC Systems. In the spring, Barry-Wehmiller announced its first international acquisition since 1987—the packaging machinery division of Central Bottling International (CBI) in England. Two months later, Edmeyer, Inc., a well-known manufacturer of packaging equipment for the dairy industry, was purchased and integrated into Thiele Technologies.

In October 2005, Barry-Wehmiller completed the largest acquisition in its history with the addition of Paper Converting Machine Company (PCMC), adding yet another significant platform for growth. The combination of four platforms—packaging, consulting, corrugating and now converting—has created a balanced business with considerable synergism in operational philosophies, technology and business strategies. With the addition of PCMC, Barry-Wehmiller employs nearly 4,000 people in more than 40 locations worldwide.

The fusion of our unique culture with the clarity of our vision is a powerful combination critical for long-term growth. As we look toward the coming year, we grow even more confident of what we can accomplish together in the future—a future created by a profound understanding of the past and a vision for what could be. We describe this process as "Achieving Principled Results on Purpose." ■

International Spotlight: **Making a World of Difference**

“We measure success by the way we touch the lives of people around the world.”

By no means a hollow mantra, this philosophy has been readily adopted by the Barry-Wehmiller family of companies, with each member contributing its own historical impact in diverse overseas markets. With more than \$200 million in annual revenues from international sales and a number of strategically located foreign offices, Barry-Wehmiller possesses a considerable global presence. But as the following stories illustrate, it's the ways our products are used that make the real difference.

MarquipWardUnited, a major manufacturer of equipment for the corrugated industry, operates 12 offices worldwide, including Brazil, Germany, Ireland, Spain, China and Singapore, as well as a manufacturing operation in Budapest, Hungary. Establishing a focused presence in a variety of global locales has allowed the company to provide better service by way of team members who uniquely understand the customers' conditions and challenges. “This means that we can be a global company but act in a very local manner,” explained Jack Johnson, sales director for Europe, Africa and the Middle East.

More than 50 percent of the company's annual revenue comes from its customers throughout Latin America, Europe and Asia. “The paperboard box has revolutionized the way the world does business, allowing us to produce goods anywhere in the world and ship

them to anywhere else in the world,” Jack said. “From apples to car parts, everything goes in a box. If you didn't have the box, you'd get applesauce.”

He tells the story of a recent trip to Eastern Poland, where he watched a farmer coming from the fields, driving a large horse-drawn cart stuffed 30 feet high with cabbage heads. “It had tall sides, but as he went bouncing down the road, he was clearly losing a great deal of his product,” he remembered.



The paperboard box has revolutionized the way the world does business, said Sales Director Jack Johnson of MarquipWardUnited.

“The demand for corrugated board in that application is just tremendous because for \$1, you can save \$5 worth of cabbage. Increased productivity, less waste, less manpower and a higher quality product—those are the components that make up the return on investment for our customers.”

Paper Converting Machine Company (PCMC) serves all the major multi-national paper companies, which

use its equipment to produce rolled tissue products, like bathroom tissue and kitchen towels, or nonwoven products like “Wet Wipes” disposable cloths. “With nonwovens, we started just making baby wipes, but you may have noticed in the last couple of years that if it used to be in a spray can or bottle, you can now also buy it in the form of a moist wipe—insect repellent, sunscreen, cosmetic removal wipes,” said Rick Baer, executive vice president of corporate development.

PCMC operates sales & service offices in England, Germany, Japan, China and Switzerland, as well as manufacturing facilities in Sao Paulo, Brazil, and Lucca, Italy (an important center for the tissue industry in Europe). The company also makes the machine that prints flexible packaging materials for snack food bags, frozen food bags and the new stand-up pouches. PCMC recently shipped a variety of equipment to Peru, Chile and China, as well as several Eastern European countries, including Serbia, Poland, Lithuania and Estonia.

At **Thiele Technologies**, international sales constitute about 25 percent of this year's business. Thiele supplies customers in Europe, South America and Australia—including the major pet food manufacturers around the world—with a variety of packaging equipment. “Where we have done especially well internationally is with some specialty machines, like straw applicators for juice boxes and sleeves for packaging products like car air

fresheners,” noted Todd Sandell, vice president of marketing & sales. Thiele also recently provided equipment to a leading Mexican brewer for making a new refrigerator carton that packages beverages in a 2-by-6 pattern—similar to the “Fridge Pack” for sodas.

Hayssen Packaging Technologies, a form/fill/seal technologies leader, serves customers throughout Africa & the Middle East, Latin America & the Caribbean, and the Pacific Rim, and operates a large international customer support center in Thetford, England. Its latest projects include complete packaging solutions for a popular shortbread maker in Scotland, a major food processing company in England and the largest cheese company in Holland.

In Korea, Hayssen just installed another eight machines for the largest snack food producer in Asia, bringing the total number of systems there to more than 35. “It’s not the kind of snack food most Americans would probably enjoy though,” laughed President Dan Jones. “The potato chips they produce, for instance, contain fish oil seasoning. Chances are, that’s not very palatable to the Doritos fans here.”

Accraply expanded its global market presence with the acquisition of Trine Labeling in 2004. About 60 percent of Trine’s “roll-fed” labelers are sold internationally. “The most likely scenario for us to put a Trine labeler into a foreign market would have to do with bottled water or energy drinks,” noted Sales Manager Dave Hanson. Still, a new trend has begun to emerge in Eastern Europe—bottling vodka in plastic containers—which has led to multiple orders for roll-fed labelers this year. MEECO, the exclusive Trine distributor, also filled recent orders in

Latin America for a new bottled yogurt drink and in the Middle East, including two machines bound for Kabul, Iraq.

Pneumatic Scale’s Carr centrifuge product line enjoys a significant global profile, with machines in the Far East, Europe and the Middle East. Recent



customers include a world-leading pharmaceutical company in Austria and a government vaccine facility in India. A machine sold in England is used to manufacture cosmetic Botox.

Pneumatic Scale’s traditional equipment line is also at work around the world. Mateer fillers are used for everything from spice bottles in Africa to boxes of gravy mix in Mexico. More than half of the company’s Burt labelers—for the food, paint and chemical industries—are also sold internationally.

A world leader in the design and installation of integrated systems for the packaging industry, **Barry-Wehmiller Design Group** is currently executing a multi-million dollar project for a major international drug company in Puerto Rico. The two new tablet lines will provide for the global sourcing of a blockbuster anti-depressant drug. In addition to seven domestic locations, Design Group occupies a newly opened office in San Juan, Puerto Rico.

Barry-Wehmiller International Resources provides advanced IT, engineering and enterprise solutions to companies throughout Europe, Asia and the Middle East from its central off-shore development center in India and on-site at other Barry-Wehmiller corporate foreign offices. It is currently working to develop a resource planning tool for a major scientific equipment manufacturer that will use an integrated software system to connect the company’s corporate headquarters in Chicago with its manufacturing operations in France, Germany and England.

“The integration of these operations into one system helps increase production, control costs and increase profits tremendously, enabling our customers to achieve a competitive edge in their marketplace,” explained Jim Webb, vice president of professional services. BWIR is deploying similar systems for a banking institution in Dubai, UAE, and a worldwide manufacturing leader in Japan.

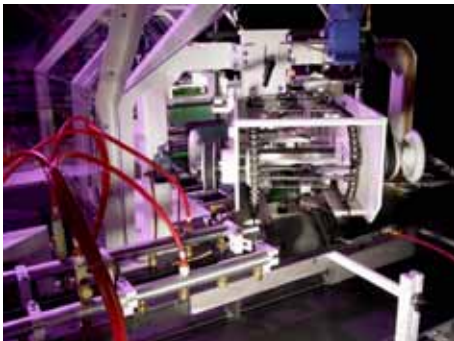
“Each Barry-Wehmiller division offers a global system of experienced and resourceful teams to help develop total solutions for our customers,” concluded Chairman and CEO Bob Chapman. “Our international ‘network of expertise’ enables us to provide localized customer service and support, which has been—and will continue to be—the foundation of our success.” ■

Feature Story:

PCMC Joins Barry-Wehmiller Family of Companies

With more than 80 years of innovation and industry leadership, Paper Converting Machine Company (PCMC) now brings its paper converting and flexographic printing expertise to the Barry-Wehmiller organization, adding more than 1,000 employees in seven countries and annual revenues of nearly \$200 million.

Barry-Wehmiller acquired PCMC in October 2005, which established paper converting as a fourth major operating platform and is expected to



PCMC is the leading manufacturer of tissue converting equipment in the U.S.

increase annual revenues to approximately \$800 million in 2006 for the first time in the company's 120-year history.

"We initiated a dialogue with PCMC over three years ago with the belief that we could strengthen our combined businesses in the global markets by bringing our leadership practices and technical resources to PCMC," said Tim Sullivan, CEO of PCMC. "We are now working togeth-

er to build a strong American business serving a balance of industries and markets, while building on the rich history of both organizations."

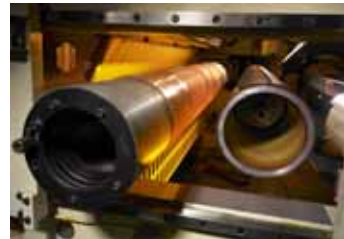
PCMC specializes in the design and manufacture of converting machinery for the rolled tissue and disposable nonwovens industries, which produce a variety of consumer products, including bathroom tissue, paper towels and "wet wipes." The company is also a leader in the manufacture of flexographic printing presses for flexible packaging materials like frozen food bags, snack food bags and candy bar wrappers.

Headquartered in Green Bay, Wis., PCMC has additional operations in England, Italy, Germany, Japan, China and Brazil, and an installed base of machines in more than 75 countries around the world.

"The PCMC business has been in our family for three generations, and we're confident that our tradition of leadership and our business practices complement those of Barry-Wehmiller," said Rick Baer, executive vice president of corporate development. "It's exciting, too, because it opens up the opportunity for a 'cross-pollination' of technologies between the Barry-Wehmiller companies. Already we see some syn-

ergism and sharing, and I think there's more to be explored."

The company was founded in 1919 as the Bay City Machine Company—its original invention was a machine that folded paper napkins using a vacuum instead of mechanical means—and



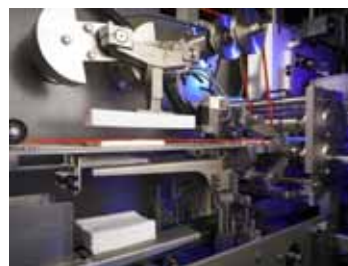
PCMC's flexo printing presses create photo-quality graphics.

was incorporated as PCMC in 1923. In the years to follow, P C M C expanded its product lines to include additional tissue converting equipment as

well as rolled tissue products and the associated equipment, such as printers, embossers and rewinders. It also manufactures the packaging machine that overwraps rolled tissue products to create multi-roll bundles like those sold in retail stores.

PCMC is the leading manufacturer of tissue converting equipment in the U.S. and a recognized name in the global markets. It has been credited with many industry firsts, including its exclusive center rewriter, which helps maintain the integrity of tissue embossing and delivers a very soft and squeezable roll.

Its largest international operation, PCMC Italia, is a full-service company with approximately 100 team



Over 80% of flat-pack wet wipes are produced on PCMC equipment.

members located at its facilities in Lucca, Italy, a very important center for the tissue industry in Europe. "PCMC Italia has experienced significant growth in the last five years, increasing from 4 million euro to 20 million euro in revenue," noted Sergio Casella, managing director of PCMC's European operations. Exclusive to PCMC Italia is a line of tissue converting equipment for the away-from-home market, which produces a variety of commercial products, including oversized bathroom tissue rolls and industrial towels.

PCMC is also a leader in the design and manufacture of converting equipment for the nonwovens industry, focusing primarily on "wet wipe" disposable cloths, which are used by today's consumers to apply everything from make-up remover to insect repellent.

"In the early '60s, we were known as a company that you should talk to if you had an idea for a product and needed a machine to make it," Rick explained. "A major multinational paper company had an idea for a disposable diaper, and they came to us with a prototype and asked how we would design a machine to make it at high speeds with high efficiency. That was our entrée into what is today our nonwovens product line."

Over the next four decades, PCMC worked closely with this and other leading paper companies, building disposable diaper machines. It later left this segment of the market—which was dominated by so few companies that there were very few others to sell machines to—but continued to build its "wet wipe" machinery business. "Today, more than 80 percent of flat-pack wet wipe products are produced

on PCMC equipment," noted Dave Kessenich, director of sales and marketing for nonwovens.

The nonwovens business at PCMC also consists of modifications support



Sergio Casella, managing director of the PCMC operations in Europe

for its existing technology. "The diaper industry, for instance, is moving from traditional tape-tab diapers to waist elastic and pull-up products. It's a less costly product to build and a preferred product by consumers," Dave said. "That's a potentially tremendous opportunity for us to look at modifications to our traditional diaper machinery."

Through its third business unit—flexographic printing—PCMC has introduced a number of innovative printing solutions for the flexible packaging industry, offering revolutionary improvements in graphics print quality, color availability, changeover speed and ease of operation. These advancements have enabled its customers to reduce costs and increase efficiency, while providing new ways to differentiate their products to consumers.

"The '90s saw the beginning of the transition from rigid to flexible packaging," explained Craig Compton, vice president of operations. "Zippered sandwich bags became a part of every-

day life, which was uniquely different at that time. Consumers wanted products that were easy to get to, and today the quest for convenience continues to dictate market trends."

Since joining Barry-Wehmiller, a number of sales incentive and motivation programs have been implemented at PCMC, generating positive excitement throughout the organization.

"PCMC has always been focused on the customer, but as a culture we haven't been able to create a 'business philosophy' of customer service that transcends each and every department," said Steve Kemp, vice president of customer service. "With Barry-Wehmiller, that expectation is making its way throughout the organization. From the person you meet when you walk in the door to the person who's boxing the part to go out the door, our team members are beginning to see how they all can impact the customer."

PCMC has a rich history of advanced technology that has served the flexographic printing industry and tissue industry for generations. With the global challenges that all capital goods manufacturers face in meeting the ever-increasing demands of our customers, PCMC has committed to becoming a "lean enterprise." This concept has been embraced throughout the organization with a profound recognition that to sustain great American jobs, we have to eliminate waste in every aspect of our business. Likewise, we have to provide a leadership environment that inspires every team member to contribute his or her optimum capability and gain a sense of accomplishment and recognition that encourages a continual growth in the organization. ■

Industry Watch:

Leading Pharmaceutical Companies Choose Barry-Wehmiller

Barry-Wehmiller's expanding presence in the pharmaceutical and biotech industries is a perfect example of how our business is touching the lives of people. Barry-Wehmiller has become a leading supplier of packaging technology and consulting services to many of the world's top pharmaceutical companies—aiding the development and distribution of medicines and vaccines that fight everything from malaria to the common cold.

Barry-Wehmiller Design Group employs 300 engineering consultants and technical professionals in eight offices throughout the U.S. and Puerto Rico. Since entering the pharmaceutical market sector just eight years ago, the company's National Pharmaceutical Practice has grown to nearly half of the overall business.

"We've basically located our offices near the hotspots for the industry," noted Managing Partner Ray Hensel. "For instance, we recently opened our fourth dedicated pharmaceutical office in San Juan, Puerto Rico, which is home to more than 50 pharmaceutical plants."

From its other locations in San Francisco; Philadelphia; St. Louis; Chicago; Sacramento, California; Greenville,



South Carolina; and Concord, New Hampshire, the Design Group provides manufacturing automation and engineering consulting services to the world's leading pharmaceutical, biotech and consumer products companies. Design Group is currently developing software for the automation of a clinical manufacturing laboratory for one of the world's largest biotech companies, a longtime client focused on the research and development of cancer treatment drugs.

A new client, a multi-billion dollar drug company based in the U.K., recently contracted with Design Group for two new high-speed tablet lines for its facility in Puerto Rico. Within the same year, Design Group won engagements at two of the company's U.S. plants. One plant is dedicated to making penicillin, while the other two manufacture widely-used medications for depression, hypertension and diabetes. The combined projects total nearly \$18 million.

Another new client is a leading healthcare product company working to meet FDA requirements for the manufacture of a drug that treats malaria, a disease endemic in

more than 100 countries around the world. Design Group recently completed the engineering and documentation requirements for a new packaging line that will produce nearly 25 million doses of the malaria treatment each year.



"This drug has been receiving a lot of attention lately due in part to the work of the World Health Organization and significant new financing from the Bill and Melinda Gates Foundation," explained Partner Mike Bauer. "We've even seen several production teams at the plant filming documentaries about the project."

With pharmaceutical outsourcing in the U.S. predicted to grow to approximately \$48 billion by 2008, **Barry-Wehmiller International Resources** has begun to explore new opportunities to provide validation services to drug companies in the rapidly expanding pharmaceutical industry in India, which is ranked No. 4 in volume and No. 13 in value in the world. Senior Project Engineer Baskar Raman will lead this initiative from the BWIR office in Chennai.

India presently is a major producer and exporter of bulk drugs (the raw material for formulations) and has the largest number of FDA-approved manufacturing plants outside the U.S. BWIR will utilize the 16,000 hours of consulting experience it has gained working with the leading drug companies through joint projects with the Design Group.



joint projects with the Design Group.

BWIR also has a long history in medical device design for the world's top healthcare equipment manufacturing companies. A leading manufacturer of organ monitoring systems used by major hospitals around the world recently contracted with BWIR for a yearlong engineering design project that will employ 10 people full time. The company is also working with a local St. Louis company to redesign a magnetic probe catheter machine that uses two 1,000-pound magnets to guide a microscopic catheter through the heart for surgical and diagnostic purposes.

The Carr-Centritech division of **Pneumatic Scale** manufactures continuous flow centrifuges used to process biological compounds for the manufacture of pharmaceutical drugs. They are also used to separate and purify components to make vaccines and blood plasma fractions. A world-leading drug company uses four Carr Powerfuge centrifuges—worth more than \$4.5 million—to manufacture one of only two commercially avail-

able vaccines that treat pneumococcal infection, a major cause of pneumonia, meningitis and otitis media (ear infection).

"Since Pneumatic Scale is already heavily involved in the pharmaceutical industry with its filling and capping equipment, the addition of the Carr and Centritech product lines in 2004 was a synergistic move to further penetrate this industry," explained Paul Steiner, Director of

Global Bioprocessing Sales.

Pneumatic Scale also recently contracted with a leading eye health company for a \$1.7 million system that includes a filler, a plunger and a capper for 7ml to 30ml squeeze bottles of eye care solution. This is Pneumatic Scale's first installation of its successful flow meter filling platform for an aseptic filling application, which can be steam sterilized according to strict pharmaceutical industry standards.

Thiele Technologies provides end-of-line packaging solutions to some of the largest and fastest-growing manufacturers of generic pharmaceuticals in the world. The largest generic drug company in Central and Eastern Europe recently ordered two rotary topserters from Thiele used to apply product literature to the top of medicine bottles. Thiele's latest project involves four complete new lines—a total value of \$2 million—which include Accraply labelers, FleetwoodGoldcoWyard and Ambec conveyors, Thiele topserters, and Thiele bundlers.

"By being a full-service company, we can offer labeling, conveyance, end-of-line and validation services all under one umbrella," said National Sales Executive Bob Wiley. "That's a strong advantage for us, especially being able to offer validation services to the generic drug companies, which don't have much experience with that process."

FleetwoodGoldcoWyard & Ambec also teamed up with Design Group on two recent projects. A world-leading



drug company purchased two Rotoserts, which place outserts (folded directions) at a rate of 250 per minute into a diabetes medication that helps improve blood sugar.

A second project, for one of the largest manufacturers of generic pharmaceutical products in the U.S., provided a conveying line for high-density polyethylene (plastic) pharmaceutical bottles ranging in size from 60cc to 250cc, which are filled with medicinal products for a variety of uses.

As Barry-Wehmiller continues to build lasting business relationships with the world's leading pharmaceutical companies, we not only become a stronger company, but a partner in helping improve the lives of people around the globe. ■

From Success to Significance:

Bob Chapman Addresses the Association for Corporate Growth

As the guest speaker at a breakfast meeting of the Association for Corporate Growth held on Sept. 16, Barry-Wehmiller Chairman and CEO Bob Chapman described the value of "achieving principled results on purpose" to the more than 150 members and guests in attendance, including senior members of the St. Louis legal, banking and accounting communities.

Bob shared the story of how Barry-Wehmiller came alive by boldly divesting two-thirds of itself at a successful public offering in 1987 on the London stock exchange—and the philosophy of balance and diversification that has been its guiding principle ever since.

"I'd like to say that nothing we have achieved has been by accident," he began. "We are a product of our experiences. For Barry-Wehmiller, our early career experiences laid the foundation for everything we have been able to accomplish since."

After surviving a financial crisis in the early 1980s, the company developed a three-tiered strategy for "growth, value and liquidity" that focused on diversifying product offerings and improving the balance of markets served. Combined with a disciplined

acquisition strategy and a strong focus on culture, leadership and motivation programs, this has enabled Barry-Wehmiller to achieve 20 percent compound growth in revenue and EVA share value for the past 18 years.



"We took a step back and created a vision of an ideal packaging machinery company, and we sought only acquisitions that fit our vision and leveraged our experiences—where we were confident of creating value," he explained. Barry-Wehmiller's disciplined acquisition model outlines exactly how an

acquisition will positively impact the EVA share price and includes a three-year path to value creation.

Although acquisitions have been the primary growth driver for Barry-Wehmiller, the company has increased its focus on organic growth over the past several years. "We came to realize that like any

sporting team, you need an offense and a defense," Bob said. "The highest value for a leadership team is one that can

not only acquire companies, but grow companies. We began a process we call 'visioning' to have a more robust focus on growing the businesses we acquire

instead of simply growing their value."

Central to Barry-Wehmiller's organic and acquisition growth initiatives is a distinctive focus on culture.

"Each of us has a profound opportunity to touch the lives of people by the way we go about conducting our

"Our early career experiences laid the foundation for everything we have been able to accomplish since."

business," he stressed. "At Barry-Wehmiller, we focus on making our 'profession' an enriching experience and believe that by doing so, we allow our team members to be better spouses, parents, children, friends and citizens of the community. If you build great people, give them a great vision and inspire them, it is unbelievable what organizations can do."

Today, with nearly 4,000 team members in more than 40 locations worldwide, Barry-Wehmiller's objective is to build a vibrant culture of principled and insightful leadership throughout the organization that will allow each individual to achieve a meaningful role in the business, thereby contributing to a lasting business legacy.

"We have no exit strategy," Bob concluded. "We aspire to build an organization with a deeply embedded culture of leadership to sustain our ability to 'achieve principled results on purpose' for decades to come. We are focused on moving from success to significance!" ■

"The highest value for a leadership team is one that can not only acquire companies, but grow companies."

In the Community: **A Spirit of Giving**

The Guiding Principles of Leadership are the essence of the unique culture that can be found at Barry-Wehmiller. Its philosophies of motivation, leadership and ethics help foster a positive and enriching environment that is reflected in our commitment to corporate citizenship and social responsibility. As stewards of the GPL, our team members are both empowered to achieve a meaningful role in the business and inspired to seek dynamic opportunities to serve within the community.

Through a number of creative fundraising activities organized by our Community Development Team, Barry-Wehmiller contributes regularly to a variety of charitable organizations. These activities range from silent auctions to pay-for-casual days to company barbecues, which benefit groups such as KidSmart, United Way and Feed My People. In 2005, our team members reached out to the needy not only in St. Louis, but around the nation and around the world, responding with generosity to the tragedies of the Tsunami in Asia and Hurricane Katrina in New Orleans.

Other programs go beyond raising money to include donations of time and energy as well. On a Saturday in late April, a group of volunteers spent the day working in 40-degree weather to renovate the home of an elderly woman through Rebuilding Together. With support from Barry-Wehmiller's gardeners, electrical suppliers and

electrical contractors, the team put up drywall, installed a new air conditioner, repaired electrical work, painted the interior and exterior of the home, and landscaped the yard.

"It was a tremendous experience to see individuals from throughout the organization putting their diverse set of skills to work on a great community-building activity," recalled Motivation



Barry-Wehmiller team members accept donations at the KETC Channel 9 annual pledge drive, supporting quality educational programming in St. Louis.

team member Brian Wellinghoff, who coordinated the volunteers. "Our team shared the desire to be actively involved in changing another person's life."

This summer, the company organized a food drive for Feed My People, which included a competition in which each team was challenged to create a sculpture from the donated items. Every fall, Barry-Wehmiller coordinates a school supply drive benefiting KidSmart, which provides supplies at no charge to area school teachers for use in their classrooms. A team of volunteers also visited the KidSmart facil-

ity to help prepare the supplies for distribution. Barry-Wehmiller also hosts two blood drives for the Red Cross each year and joins the KETC Channel 9 pledge drive in September to help promote quality local programming in St. Louis.

Our annual United Way pledge drive kicks off each October with a popular silent auction, offering such items as restaurant gift certificates, tickets to local sporting events and a weekend stay at the company condo in Florida. Continuing into the holiday season, Barry-Wehmiller also participates in the Giving Tree program to support One Hundred Neediest Cases. This provides our team members with another opportunity to enjoy a more active role, in this case by purchasing gifts for underprivileged families in our area.

"Once you begin to take part in charitable activities and to see the joy that others are discovering, the spirit of giving becomes contagious," expressed Diane Osterholt, who has been chairperson of the Community Development Team since its inception in 2000.

Perhaps the most touching display of generosity and compassion takes place when a member of the Barry-Wehmiller community itself suffers a hardship. Yet whether the need is right at home, in our surrounding communities or on the other side of the world, Barry-Wehmiller continues to demonstrate a commitment to corporate citizenship, encouraged by a 'spirit of giving' that is celebrated throughout the year. ■

Colleague and Friend: **A Tribute to Chris Larsen**

At Barry-Wehmiller, when we tell the story of our company, we talk about achieving principled results on purpose, of a performance driven company where "how we get there" is as important as what we achieve. This year, we lost a colleague in the sales organization who embodied these very attributes.

As a member of the National Account Sales team at MarquipWardUnited, Chris Larsen was a respected colleague and a good friend to many. As several of his teammates recalled, Chris was fond of saying that before we get out of bed in the morning and our feet touch the floor, we have a choice for the day: Either have a positive attitude or start off the day with a negative one.

"Chris contributed to a better culture within MarquipWardUnited and Barry-Wehmiller," said Tim Sullivan, CEO of MarquipWardUnited. "He was genuinely liked and universally respected by both colleagues and customers."

A man of diverse interests, Chris loved fishing, sampling fine wines, working on old cars and playing the occasional game of golf. He was an active member on the boards of the Chicago and Minnesota chapters of TAPPI, the leading technical association for the pulp, paper and converting industry. He also served as vice president of the Acoustic Neuroma Association, which provides information and support to individuals with acoustic neuroma and other benign tumors of the cranial nerves.

"Chris was an all-around great guy," said teammate Patrick Dunham. "He was hard-working, competitive



and honorable." He enjoyed the strategies and challenges of selling—the "thrill of the chase," added teammate Miles Fletcher. "But he also cared a great deal about his customers, and that did not go unnoticed."

Chris distinguished himself as one of only four \$10 million dollar performers at Barry-Wehmiller in 2005.

In memory of Chris, Barry-Wehmiller created the Chris Larsen MVP Award.

He was a five-tool sales performer and among the leaders in MVP points, recognizing him as one of the Most Valuable Performers in sales.

"Chris had the absolute best, most disarming way about him," said Bill Pratt, vice president of National Account Sales. "He appeared calm all the time, but he had the strength of conviction to go after a sale and wouldn't let anything get in the way."

Jim Haglund, president of Central Container Corporation, described that conviction as a "benign aggressiveness." As Haglund recalled, "Chris wouldn't seem forceful in going after an order, but the underlying feeling was there. He had this look in his eye that asked, 'What do I have to do?'"

Chris made significant commitments to the company and routinely achieved those commitments. He created value for the organization by forecasting his sales, sharing leads and closing orders with intensity.

"Chris embodied the spirit of a true sales professional," remarked Barry-Wehmiller Chairman and CEO Bob Chapman. "He found a way to create a mutually beneficial relationship between the company and the customer, which is the ultimate challenge of any sales team member."

Kirt Patel, vice president of manufacturing at Georgia Pacific, echoed that sentiment, saying, "I have never met a person involved with equipment sales as honest and trustworthy and as dedicated to making sure the customer gets taken

care of. His loss is a big loss for Georgia Pacific."

In Chris' memory, Barry-Wehmiller created a sales award—the Chris Larsen MVP Award—to be given annually beginning in 2006 to the outstanding individual who achieves true success in the sales executive role and in life.

The characteristics of Chris that will be shared by the winner of this award are: a consistent top performer who succeeds by desire, tenacity, trust, hard work, and dedication—and with passion and pride; a positive attitude that brings all those around him or her to a higher level; a true steward of the mutually beneficial relationship between the company and the customer; an outstanding contributor in creating value for the company; and a leader within our organization, within the industry, and within the community. ■

Customer Service Star: **Pneumatic Scale Rolls Out the Red Carpet**

In Barry-Wehmiller's ongoing efforts to provide exceptional customer service and build lasting, mutually beneficial client relationships, Pneumatic Scale has developed a unique and effective program toward this end. Its "Red Carpet Reception" provides visiting customers with an engaging and memorable welcome to the facility—complete with an actual red carpet.

"Our customer service team members challenged themselves to look for ways to significantly impact our customers by enhancing their experience while visiting our facility," explained David Utrup, director of customer service. "We wanted to create a unique welcome for the customer to genuinely thank them for their business."

Since its inception, the Red Carpet Team has received numerous positive comments from its guests, such as: *I have done business on five continents and have never seen anything like this... I've visited your competitors, and you have made me feel the most welcome... I plan to take this idea back to my organization and duplicate it.*

The reception begins with a brief presentation by the Red Carpet Team. The team members introduce themselves and the departments they represent, each sharing a warm "good morning" or "thank you for coming" and highlighting the products, people and services available to the customer—which are also detailed in a personalized information kit given to each guest. When a customer arrives for a machine acceptance or sales demonstration, a bright red carpet is placed in front of the machine on the plant floor.

"We try to emphasize to each customer that they are truly welcome and that we are here to help," explained team leader Paul Starr. "After the presentation, customers often feel so at ease with us that they want to tell us more about themselves, sharing information and creating an open dialog that further develops the relationship with the sales executive and with our company."

Fundamental to the program is Barry-Wehmiller's Customer Relationship Covenant, which promises that in every interaction, our customers are entitled to competent people who genuinely care about their needs and the quality of their experience with us.

"The hospitality transcends the people on the Red Carpet Team," noted Field Service Coordinator Bonnie Holl. "During a plant tour, it's not uncommon for an assembler or a stock person to greet the customer and thank them for their business. In fact, the people at Pneumatic Scale are encouraged to welcome visitors." Prior to a customer's visit, the names of each guest are placed on the marquee in the main entrance and on the numerous video monitors throughout the facility.

The Red Carpet Team, led by Inside Customer Service Reps Paul Starr and Mike Hutzler, is made up of individuals who would normally never meet a customer face to face but who are instrumental in the execution of orders behind the scenes.

"The Red Carpet Reception is designed to help our customers understand that each of our departments is committed to working together to meet their goals and exceed their expectations," said Mark Zaidan, manager of the Rapid Response Team. "We want to make sure our customers know that we're focused not just on selling them the machine, but on making sure they're happy after they've made their purchase from us."

Remarking on the importance of programs like the Red Carpet Reception, Barry-Wehmiller Chairman and CEO Bob Chapman said, "I believe that we need to focus on initiatives that enhance our ability to treat customers perceptively and proactively with insightful communication and trust. When we allow ourselves to fall into 'reactive patterns,' which is normal behavior in our industry, we miss the opportunity to differentiate our company." ■



The Red Carpet Team, front row from left: Mike O'Brien, Kathy Albright, Patty Fitzpatrick, Rob Searle and Mike Hutzler. Back row: Bonnie Holl, Greg Myer, Tom Raudonaitis, Tom Ottaviano, Mark Zaidan and Paul Starr.

Barry-Wehmiller Companies, Inc.

Corporate Headquarters

- 8020 Forsyth Boulevard
St. Louis, MO 63105 USA
Phone: 314/862-8000
Fax: 314/862-8858

E-mail: customerservice@barry-wehmiller.com

Barry-Wehmiller Companies, Inc.

International Operations

Pacific Rim

- 6111 Bollinger Canyon Rd, Suite 450
San Ramon, CA 94583 USA
Phone: 925/736-3963
Fax: 925/736-2964

E-mail: pacrim@barry-wehmiller.com

Accraply, Inc.

- 3580 Holly Lane North
Plymouth, MN 55447-1269 USA
Phone: 763/557-1313
Fax: 763/519-9656

E-mail: sales@accraply.com

Barry-Wehmiller Company

- 8020 Forsyth Boulevard
St. Louis, MO 63105 USA
Phone: 314/862-8000
Fax: 314/862-2457

E-mail: sales@barry-wehmiller-company.com

Barry-Wehmiller Design Group, Inc.

- 8020 Forsyth Boulevard
St. Louis, MO 63105 USA
Phone: 314/862-8000
Fax: 314/862-2921

E-mail: bwdg.stl@bwdesigngroup.com

Barry-Wehmiller International Resources

- 8020 Forsyth Boulevard
St. Louis, MO 63105 USA
Phone: 314/862-8000
Fax: 314/862-8858

E-mail: sales@bwir.com

Central Bottling International Ltd

- Plumtree Farm Industrial Estate
Bircotes Doncaster

South Yorkshire DN11 8EW England

Phone: +44 (0) 1302 711056
Fax: +44 (0) 1302 710802

E-mail: sales@centralbottling.com

FleetwoodGoldcoWyard, Inc.

Ambec

- 1305 Lakeview Drive
Romeoville, IL 60446 USA
Phone: 630/759-6800
Fax: 630/759-2299

E-mail: sales@fgwa.com

Hayssen Packaging Technologies

- 225 Spartangreen Boulevard
Duncan, SC 29334 USA
Phone: 864/486-4000
Fax: 864/486-4333

E-mail: sales@hayssen.com

MarquipWardUnited, Inc.

- 1300 North Airport Road
Phillips, WI 54555 USA
Phone: 715/339-2191
Fax: 715/339-4469

E-mail: sales@marquipwardunited.com

Paper Converting Machine Company

- 2300 South Ashland Ave
P.O. Box 19005
Green Bay, WI
54307-9005 USA
Phone: 920/494-5601
Fax: 920/494-8865

E-mail: pcmcweb@pcmc.com

Pneumatic Scale Corporation

- 10 Ascot Parkway
Cuyahoga Falls, OH 44223 USA
Phone: 330/923-0491
Fax: 330/923-5570

E-mail: sales@pneumaticscale.com

Thiele Technologies, Inc.

- 315 27th Avenue Northeast
Minneapolis, MN 55418-2715 USA
Phone: 612/782-1200
Fax: 612/782-1209

E-mail: sales@thieletech.com

AKRON, OH
BALTIMORE
BRAZIL
CHICAGO
CHINA
CONCORD, NH
DENVER
GERMANY
GREENVILLE, SC
HUNGARY
INDIA
IRELAND
ITALY
JAPAN
LONDON
LOS ANGELES
MINNEAPOLIS
PHILADELPHIA
PHILLIPS, WI
SACRAMENTO
SAN FRANCISCO
SAN JUAN, PUERTO RICO
SINGAPORE
SPAIN
ST. LOUIS
TAMPA
TORONTO

Barry-Wehmiller

