

THE highwood® POST

NATURE'S CLOSEST RIVAL

HIGHWOOD-USA, LLC

WWW.HIGHWOOD-USA.COM

QUARTER II 2010

Our mission is to exceed customers' expectations with innovative products and exceptional service.

Highwood Dedicated to Spa Industry

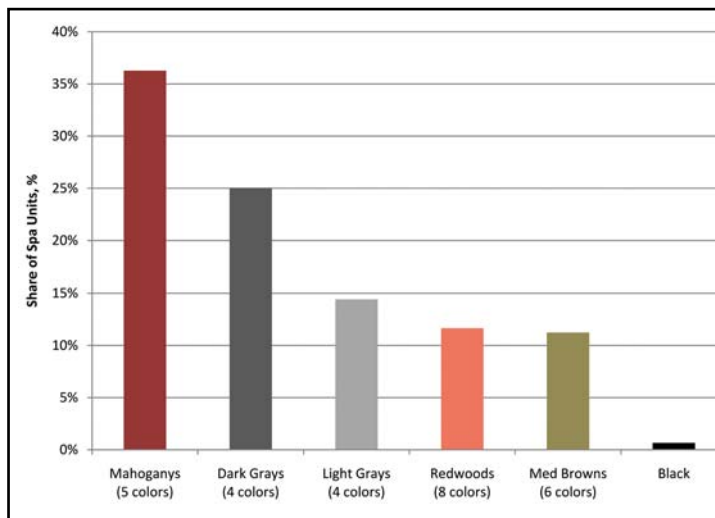
The North American spa market is very important for Highwood. "We generate a significant portion of our sales from the spa market" notes John Quarmley, Highwood's President, "and we intend to continue serving this market for many years."

Highwood is estimated to serve 65% of the spa producers in the U.S. and Canada — as well as a few in Europe. The company has also introduced new profiles and colors for the spa market to keep pace with the ever-

changing fashion trends in this market. "Deep, rich mahogany colors are becoming more popular, and we've developed 3 new ones this year for our customers," commented Colin Jones, Quality Coordinator.

"Three of our top 5 selling colors are in the mahogany group" notes Colin (see chart).

Highwood strives to maintain short lead times— no more than 3 weeks— for spa customers, and has added additional production



capacity in 2010 to ensure this level of service. The company also installed a dedicated R&D line to test new products ideas for the spa market, and introduce features our customers tell us they value, including lower gloss parts; deeper

embossing; better scratch and mar resistance; and increased recycle content. Projects focused on each of these areas are slated for the R&D line and new developments will be introduced for coming seasons.

New Highwood Furniture Collection



We proudly announce the launch of our Adirondack collection – the first furniture product designed and created by Highwood USA. Available in white & toffee, pieces include both Adult and Child size Adirondack chairs along with an ottoman and side table. All items fold for easy storage and are made with high grade stainless steel hardware. Chairs are reclining and feature curved backs for extra comfort.

For more information, please email inquiries@highwood-usa.com or call Craig Smith on 262-501-2580.

Highwood Goes Live on IQMS

On May 3, 2010, we “went live” on a fully integrated ERP system called IQMS. IQMS was selected as the software provider due to their extensive knowledge and experience in the plastics industry. This ERP system eliminates the need for multiple systems which we had used in the past to manage different areas of the business. IQMS integrates every aspect of the business from Sales order to Manufacturing/scheduling, Inventory, Shipping, General Ledger, and Financial Statements.

Since Go live, we have been focused on getting trained and comfortable with every day transactions, including processing sales orders, preparing pick tickets, generating invoices, reporting production, and managing inventory. As the every day transactions become second nature, we can begin to focus on productivity improvements and ways the new ERP system can add value to the customer.

We’re very excited about the expanded capabilities we’ll be able to offer our customers as we move into 2011 and beyond. The Customer Web Portal will allow customers to check inventory, shipping information, place orders, and check status of orders. All by logging into their own customer portal from any web browser.



An enhanced Customers Service Module will consolidate all customer related activities. Our CSR will be able to process sales orders, check inventory availability, log customer contacts, questions, or concerns, record information regarding customer complaints, complete RMAs, and assign corrective actions associated with customer complaints, all from a single integrated interface.

New Highwood Web Site Launches



For those of you that have not visited our www.highwood-usa.com recently, please stop by and take a look around. We have completely overhauled the site... adding information and resources that we hope will be useful for our customers and consumers. We do not want the website to be static, so please let us know if you have any suggestions for improvements.

One outstanding website project is to add galleries of products made with *highwood*[®] material – so if you have any imagery of your product that you would like us to include, please email as a high resolution jpeg attachment to inquiries@highwood-usa.com.



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Highwood – Fall 2010 Exhibitions & Events

American Society of Landscape Architects (ASLA) EXPO

Walter E. Washington
Convention Center
Washington, DC.

September 11-12

Booth #3008

International Casual Furniture and Accessory Market

The Merchandise Mart
Chicago, IL.

September 21-24

Showroom 8-1063

Please stop by and see us.