

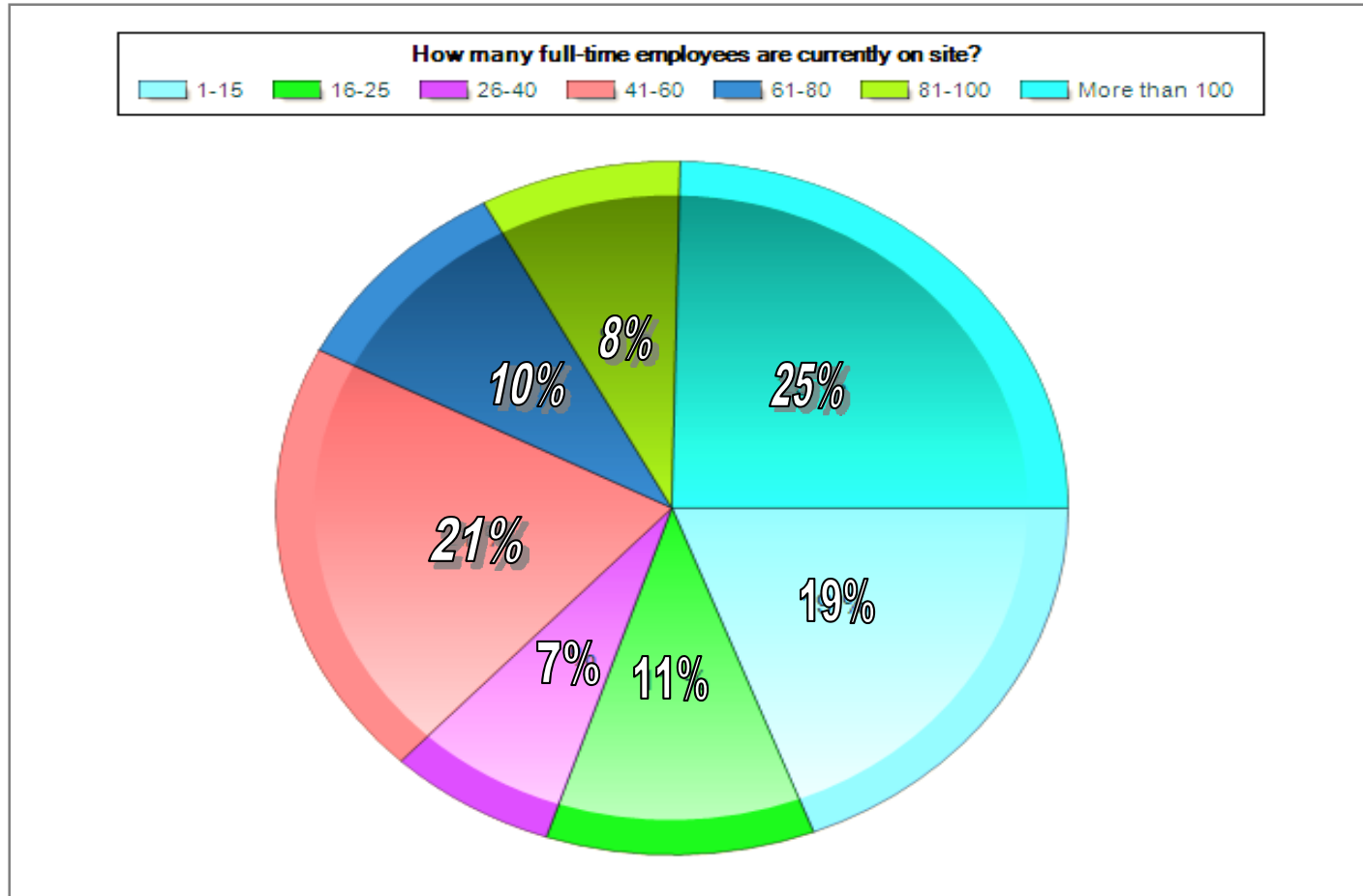
NORTHWEST KY FORWARD



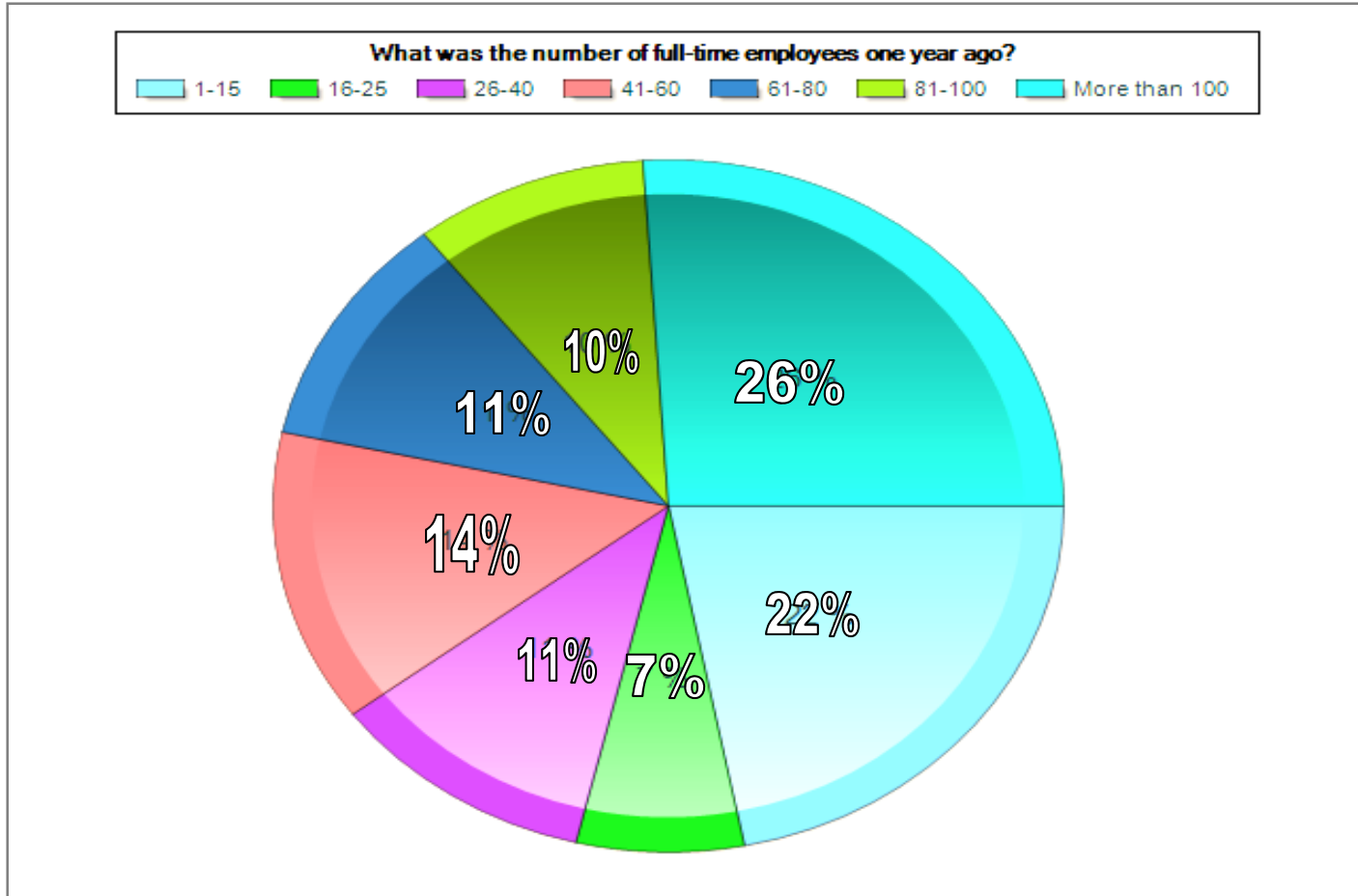
NORTHWEST KENTUCKY ECONOMIC/ EMPLOYMENT SURVEY

JANUARY, 2010

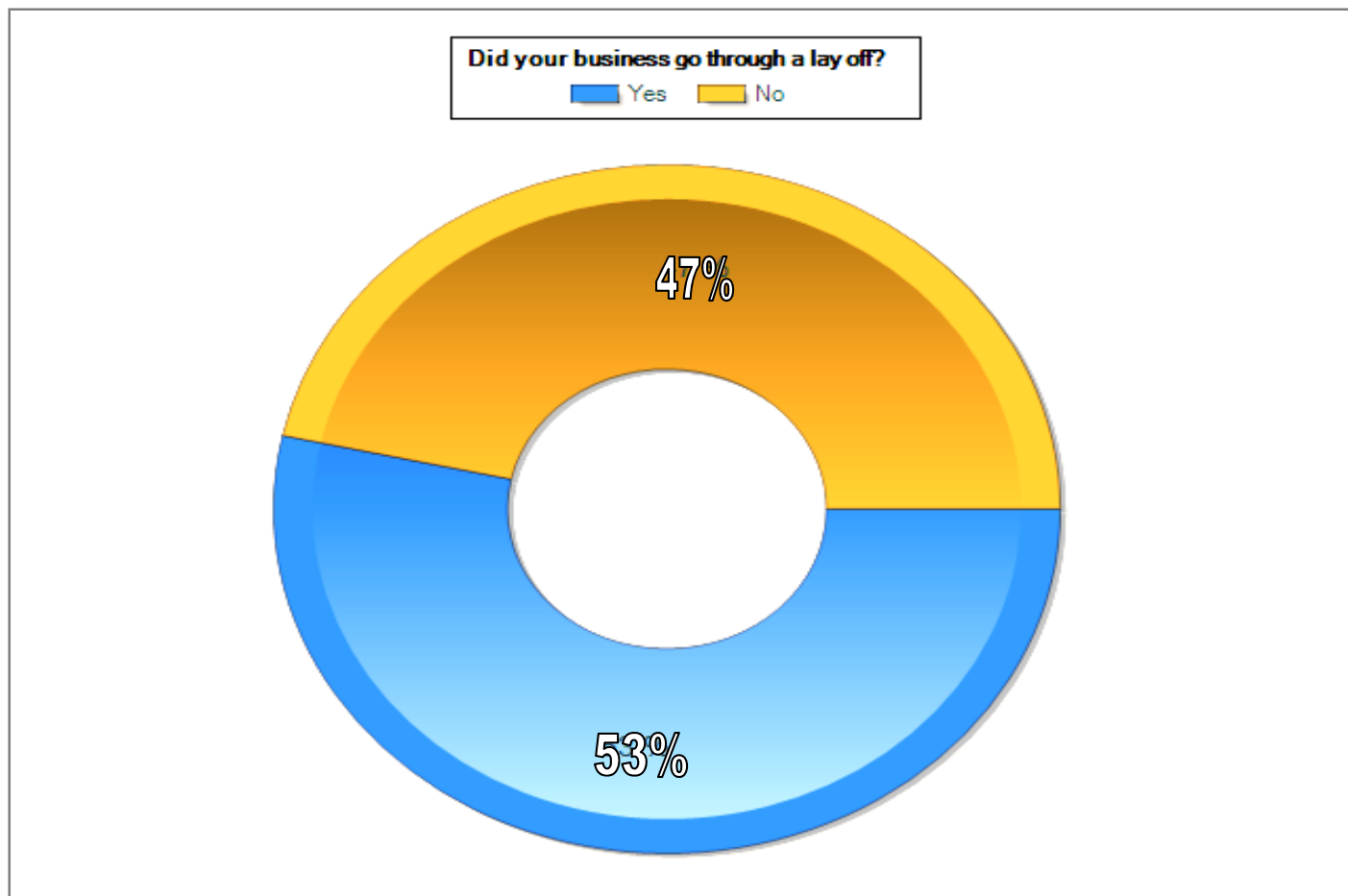
NW KY ECONOMIC/EMPLOYMENT SURVEY: How many full-time employees are currently on site?



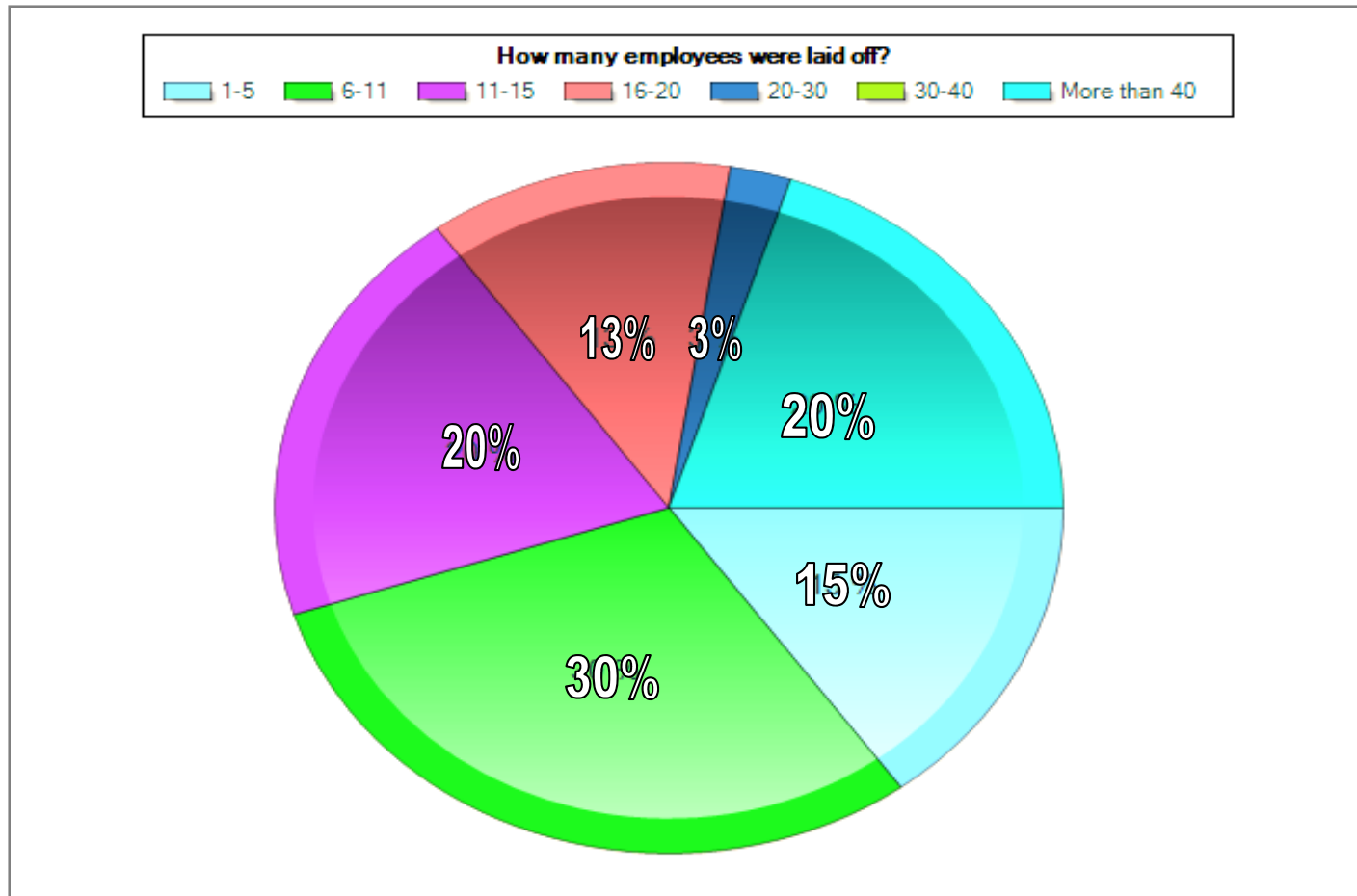
FOUR COUNTY ECONOMIC/EMPLOYMENT SURVEY: What was the number of full-time employees one year ago?



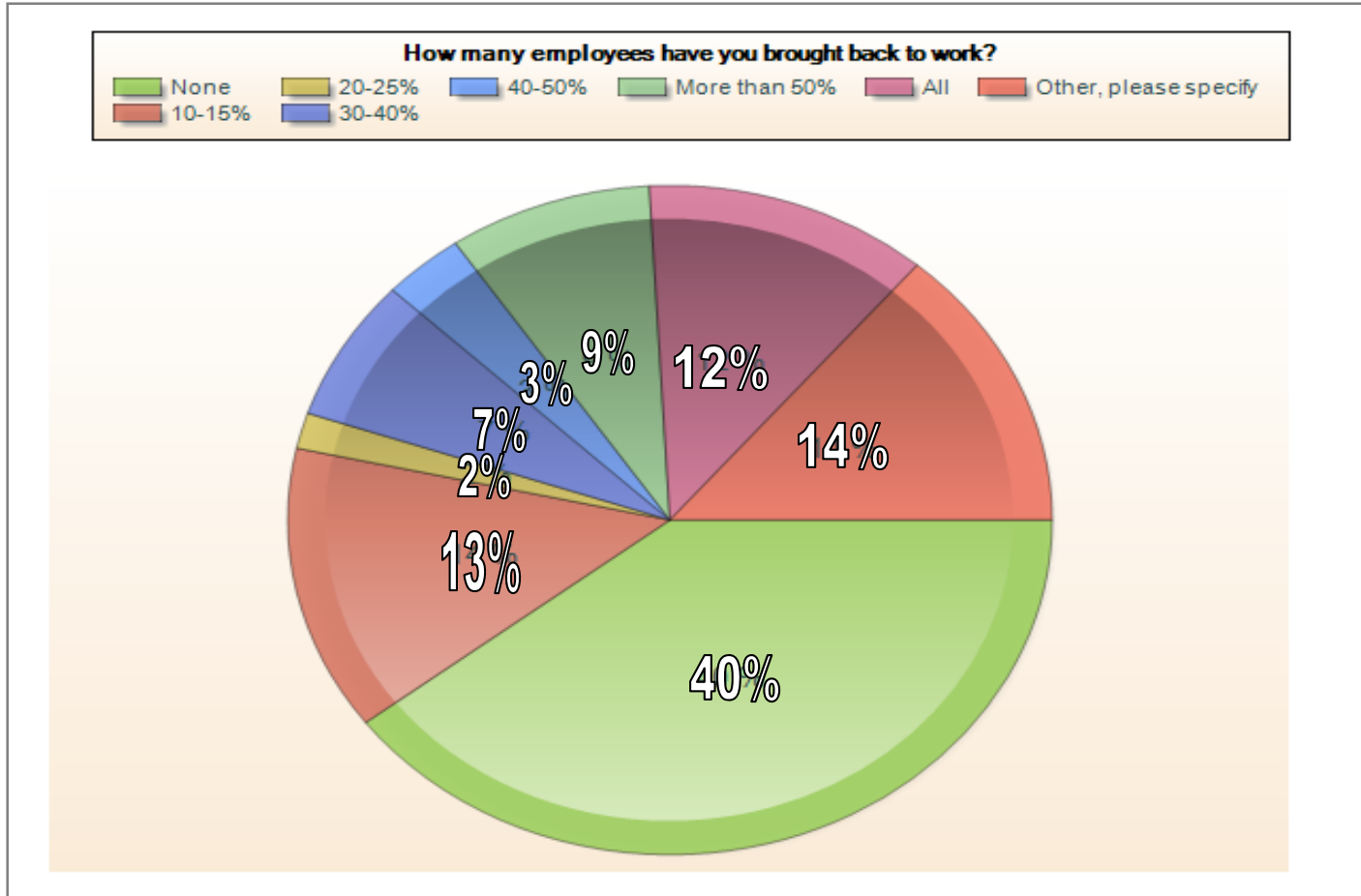
FOUR COUNTY ECONOMIC/EMPLOYMENT SURVEY: Did your business go through a lay off?



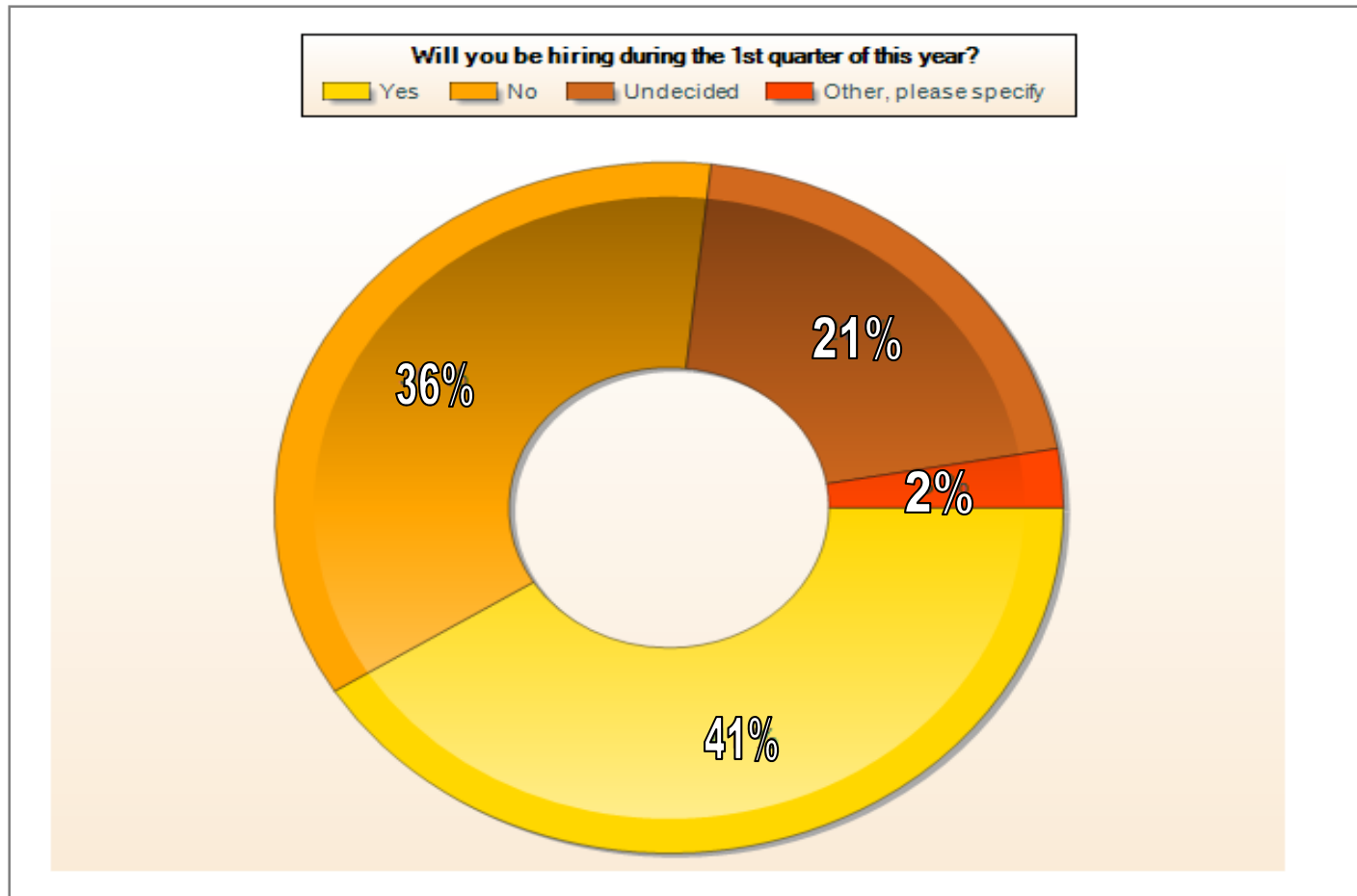
FOUR COUNTY ECONOMIC/EMPLOYMENT SURVEY: How many employees were laid off?



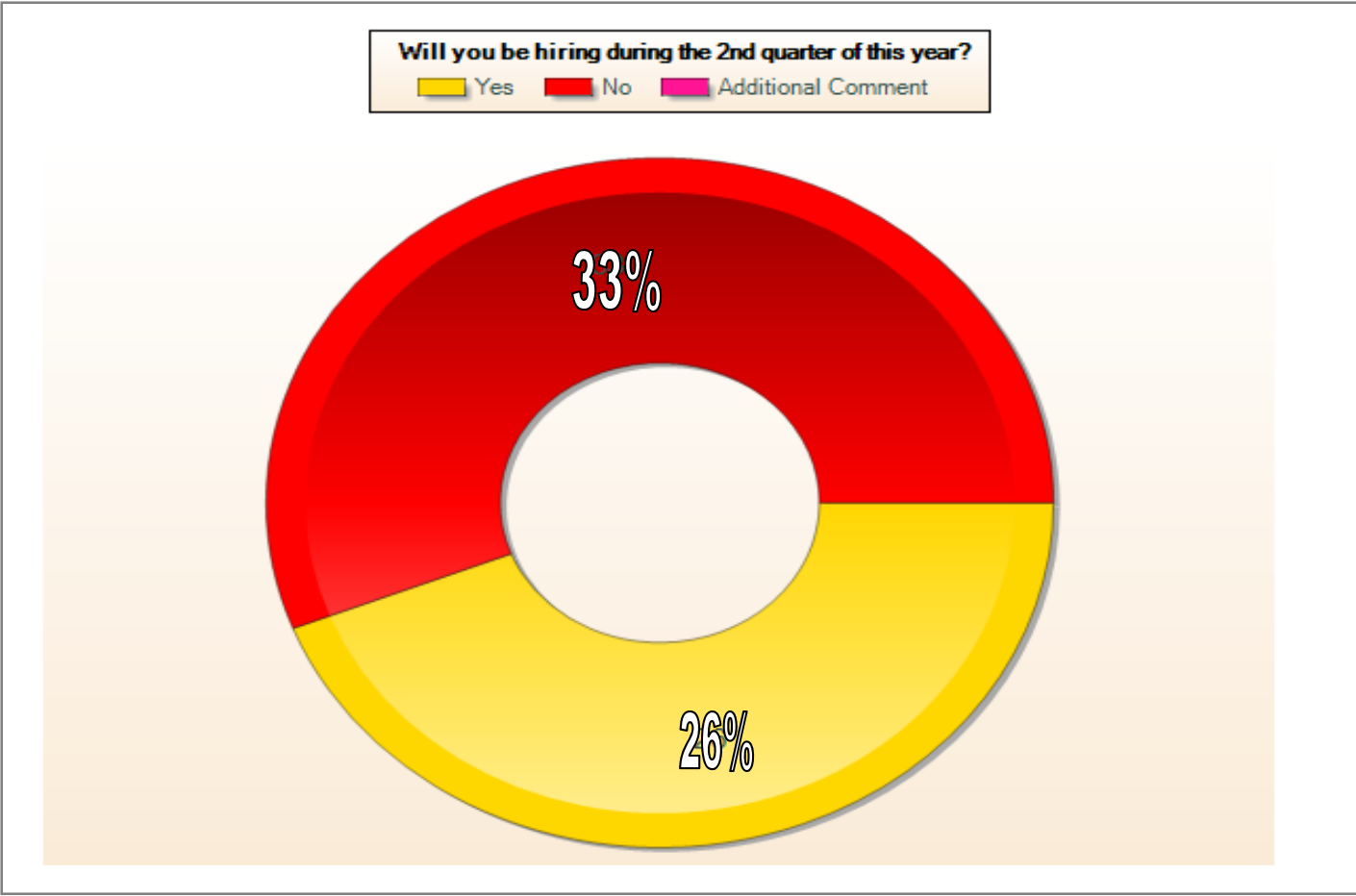
FOUR COUNTY ECONOMIC/EMPLOYMENT SURVEY: How many employees have you brought back to work?



FOUR COUNTY ECONOMIC/EMPLOYMENT SURVEY: Will you be hiring during the 1st quarter of this year?



FOUR COUNTY ECONOMIC/EMPLOYMENT SURVEY: Will you be hiring during the 2nd quarter of this year?

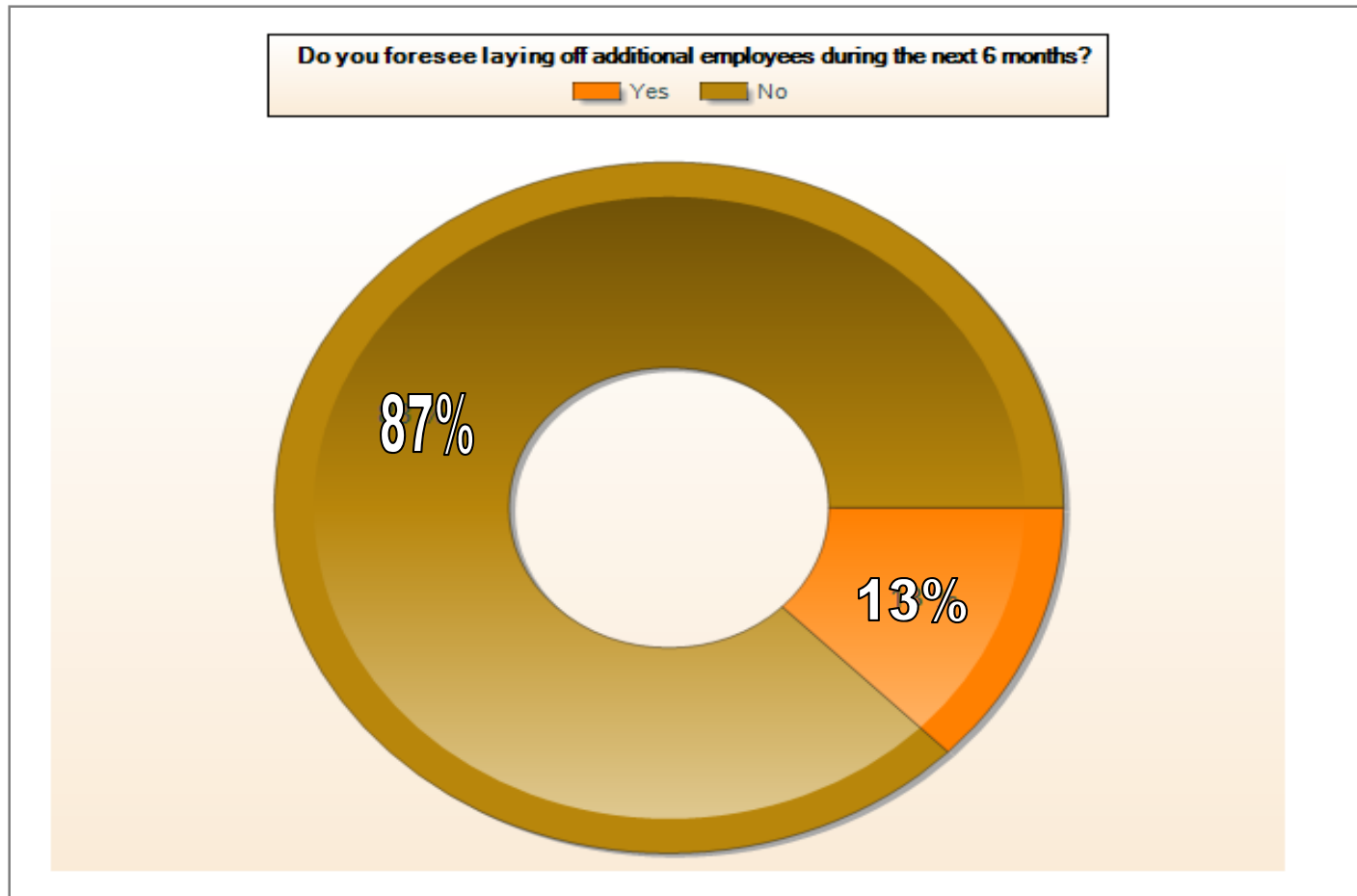


COMMENTS FOR QUESTION NO. 7

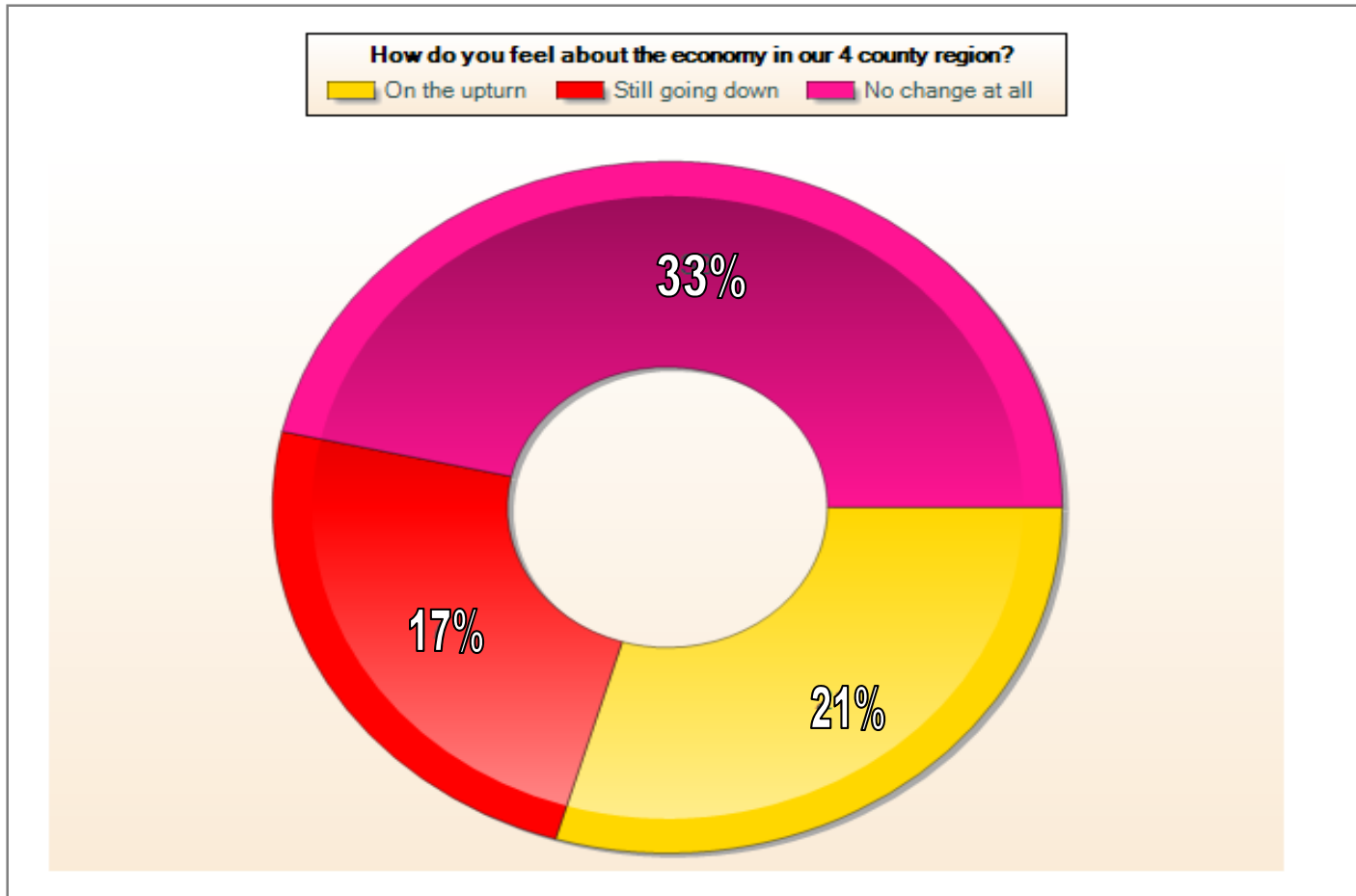
"Will you be hiring during the 2nd quarter of this year?"

- Only to replace employees that may have quit or been dismissed in the first quarter
- (8) Undecided/Unsure/Maybe
- I can't say for sure we won't, but it's very doubtful
- If everything with adding our new line goes as planned
- Business is still on the decline
- If the growth plan we are using comes into reality
- It is not in our plan to increase headcount unless a substantial increase occurs in business volume
- I don't really know, if it gets worse, we could cut more
- Depends on production
- Possibly – depends on continued customer demands
- We need a larger land, manufacturing facility and office
- It's possible

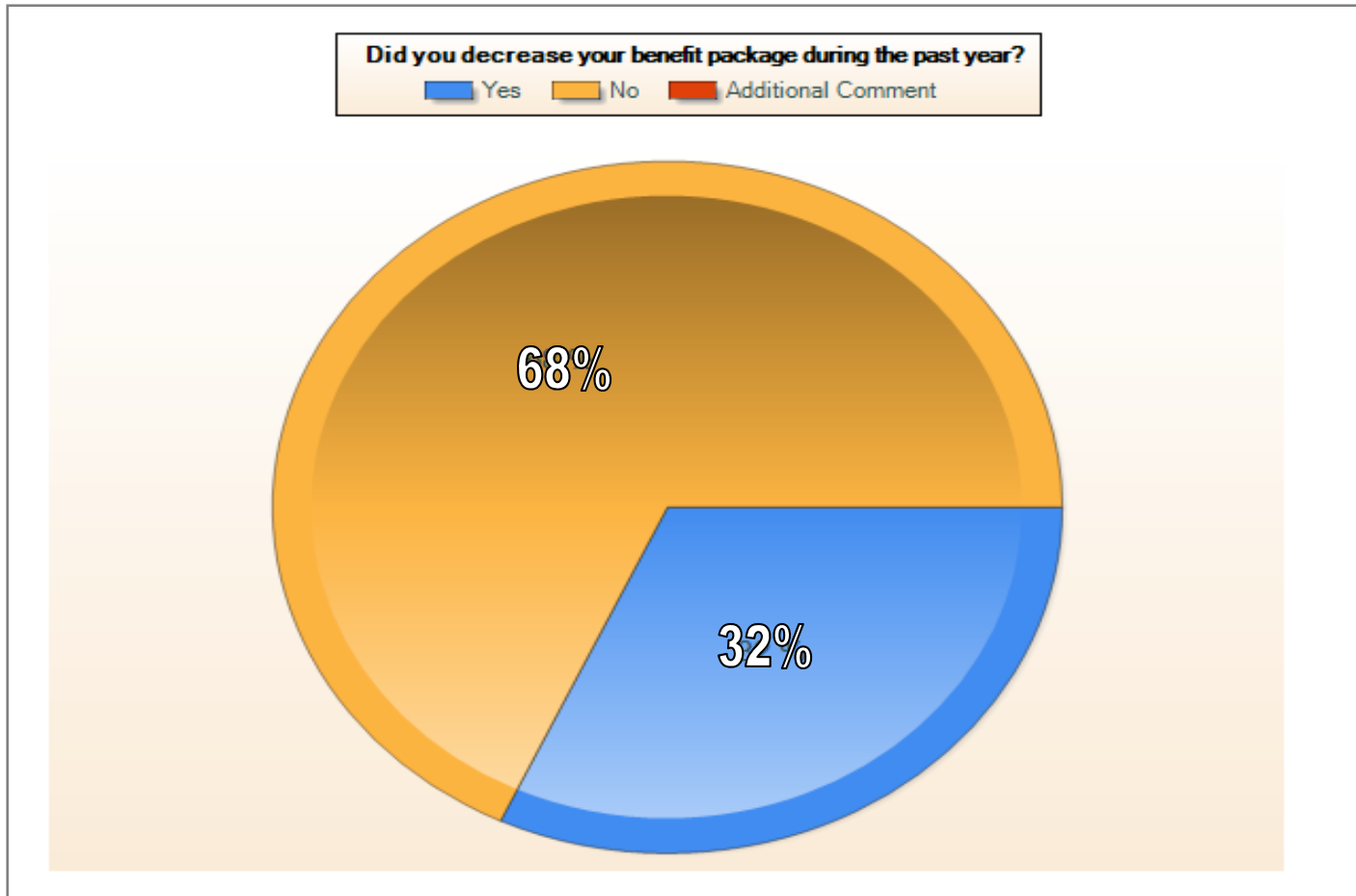
FOUR COUNTY ECONOMIC/EMPLOYMENT SURVEY: Do you foresee laying off additional employees during the next 6 months?



FOUR COUNTY ECONOMIC/EMPLOYMENT SURVEY: How do you feel about the economy in our 4 county region?



FOUR COUNTY ECONOMIC/EMPLOYMENT SURVEY: Did you decrease your benefit package during the past year?

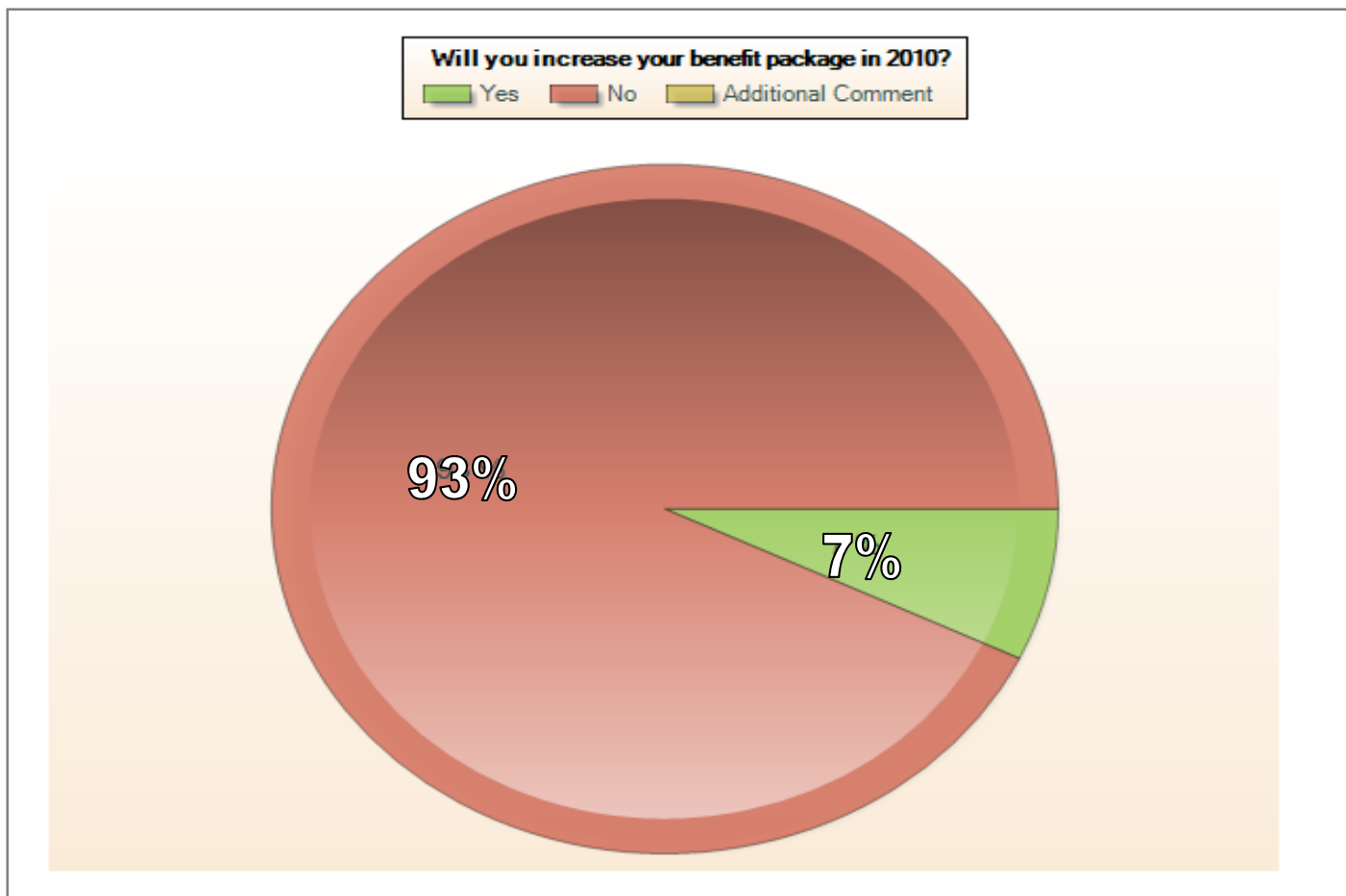


COMMENTS FOR QUESTION NO. 11

“Did you decrease your benefit package during the past year?”

- **Wages**
- **Increases in deductibles in the medical plan, the employee match on 401(k) was eliminated**
- **No pay increases**
- **Changed some of the retirement formulas**
- **We increased our benefit package**
- **Employee has to pay a larger portion of healthcare costs**
- **Eliminated the traditional pension plan, suspended the 401(k) match and eliminated the tuition assistance program**
- **Company 401(k) was reduced; team member contributions for insurance was increased**
- **Reduced 401(k) company contribution**

FOUR COUNTY ECONOMIC/EMPLOYMENT SURVEY: Will you increase your benefit package in 2010?

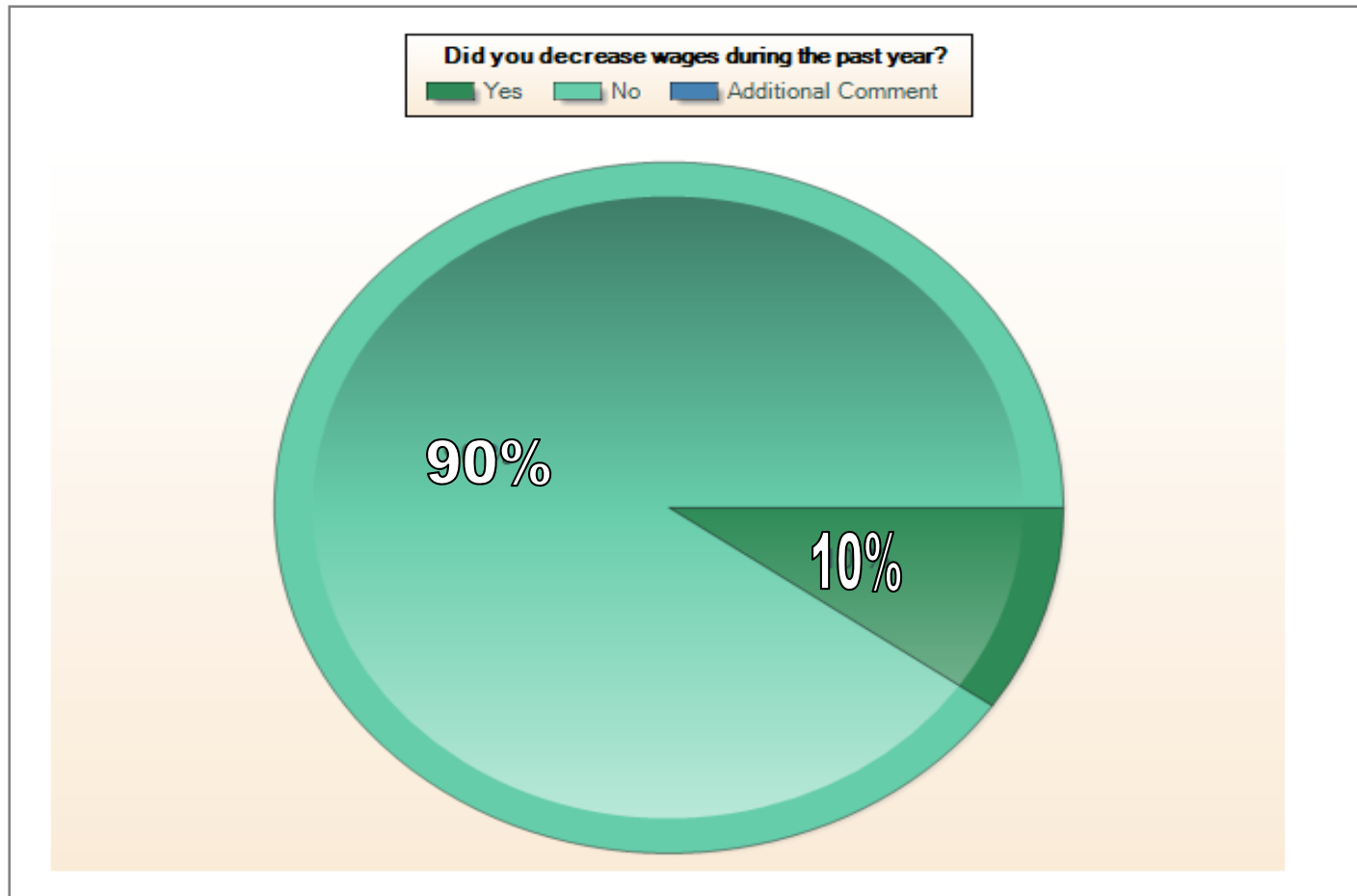


COMMENTS FOR QUESTION NO. 12

“Will you increase your benefit package in 2010?”

- **Don't know**
- **Hopefully**
- **More preventative programs**
- **Our benefits will cost the company more for the same coverage**
- **Not likely**
- **Current benefit package is excellent**
- **Unlikely to be any improvements**

FOUR COUNTY ECONOMIC/EMPLOYMENT SURVEY: Did you decrease wages during the past year?

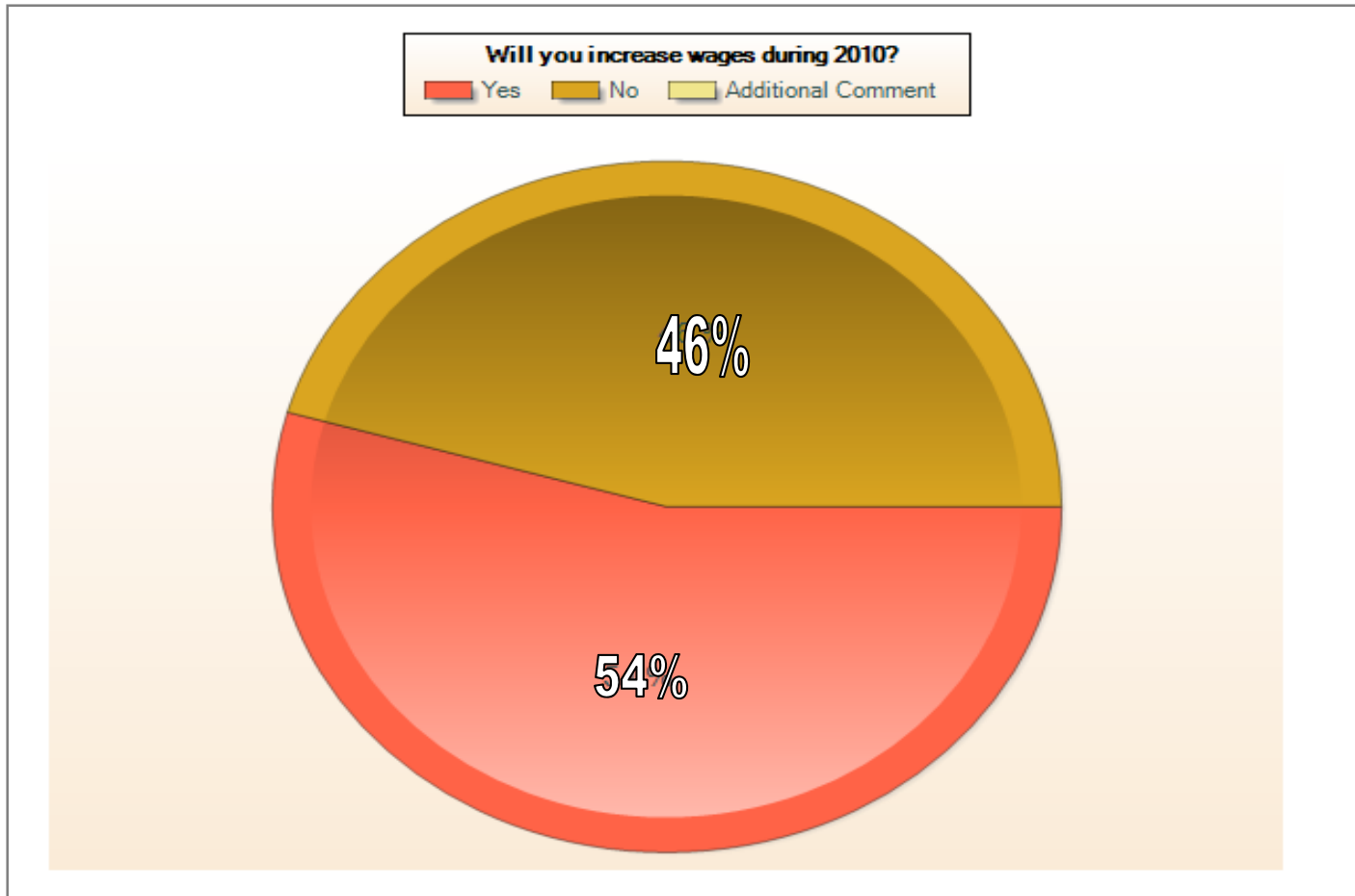


COMMENTS FOR QUESTION NO. 13

“Did you decrease wages during the past year?”

- **Salary exempt did not receive any yearly increases but not decreased. All others received increases**
- **No decrease is expected and a slight raise**
- **Unchanged**
- **3% reduction for hourly and 5% reduction for salaried effective March, 2009**
- **Salary employees took a temporary pay reduction early in the year – later reinstated to full pay**
- **Actually we got raises**

FOUR COUNTY ECONOMIC/EMPLOYMENT SURVEY: Will you increase wages during 2010?



COMMENTS TO QUESTION

NO. 14

“Will you increase wages during 2010?”

- **I don't know**
- **Hopefully**
- **For sure with our hourly workforce since they are under a union contract covering wage increases**
- **We will continue employee increases as intended when they were hired, base on reviews and production**
- **Very small**
- **Possibly through merit increases an/or contractual obligations for hourly workers**
- **Reduced merit increases**
- **(3) Depends/Not sure**
- **Wages will increase as a correction for those employees who are far below where they should be for their job duties**
- **Unknown at this time**
- **On merit reviews only**
- **All wages are on hold**
- **Some market adjustments will be made. Skilled trades pay structure has been modified**
- **Delayed 2009 increases until sometime in 2010**
- **Key people**
- **Depending on future orders**

ADDITIONAL COMMENTS ABOUT BUSINESS, FROM BUSINESSES, THAT MAY BE BENEFICIAL TO SUM UP THE SURVEY

- I'm not complaining but I wish it was better for everyone. We are doing things we would not have done 3 years ago to try and make it.
- We need to keep the work in the USA not China
- Overall our plant is doing very well, the demand for our product is steady and the overall outlook for the year is good
- In dealing mostly with the mining sector, we have not experienced a significant downturn in the economy; however I realize we are very fortunate
- We are in a construction related business
- Sales are sluggish. We are surviving on profits made during the past two years. Companies are slow to purchase new equipment even though they probably have the money
- Most of our business is done outside of the 4 county area. However we are seeing an upturn in orders and quote inquiries. We believe the economy in the automated processing and testing equipment area is on the upturn
- Very large funding decreases in drug education from the Federal government as well as other state cuts
- We began and currently are working a reduced hourly work week (32 hour current) to prevent laying off employees

EXECUTIVE SUMMARY

Our survey produced a 64% response. In review of the statistical information received from the four county existing businesses, it is interesting to note the following positive feedback:

- ❑ The number of full time employees on site now increased from last year to this year for those with 16-25 employees by 4%; for those with 41-60 employees the increase was 7%
- ❑ 53% of the existing businesses did not go through a lay off
- ❑ Of the existing businesses that had a layoff, 40% of those have brought back more than 50% of their laid off employees
- ❑ 41% of the existing businesses have said they will be hiring during the 1st quarter of this year
- ❑ 88% of the existing businesses said they will NOT be laying off additional employees during the next 6 months
- ❑ 90% of the existing businesses said they did NOT decrease wages during the past year
- ❑ 68% of the existing businesses noted they did NOT decrease their benefit package during the past year
- ❑ 54% of the existing businesses said they would be increasing wages during 2010