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Accu-tec shall be an integral part of each customer's success

September 2008

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A message from our President & Chief Operating Officer

Ownership:

Ownership implies responsibility, for actions regarding areas of responsibility. In the 21st century, we are faced with the multitude of those who shriek from being accountable for their actions. You know the ones? Those who stand in the spotlight of another's hard labor, but who are eager to point the finger away from themselves when things go awry, usually because of their mistake. Let's not forget about the messengers. The sacrificial lambs, whose only intent is to do the right thing and report the facts, somehow get punished for exposing a dilemma.

In Tom Peters book "A Passion for Excellence" © 1985 Random House, there is a case study on Rene McPherson (1968-1979 Dana Corporation) who brought Dana's business philosophy to one statement; "Turn the company back to the people who do the work." The key was radical decentralization of personnel and departments so that everyone takes full ownership of his contribution (good and bad) with the goal to not punish, but improve.

I know what you are thinking. That was way back (old school thinking) in 1985! It is amazing that this basic art of business concept continues to be the foundation on the large percentage of the Fortune 50 Companies, internationally.

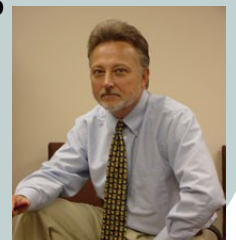
As we strive to compete on a global scale, we must not criticize our competition (domestic and international) that their success is our failure. Is it not more prudent to push the envelope and engage more value additives to what we do for a living? To be accountable and take ownership of the entire process from beginning to end? To actively take on more process and responsibility? When the finger is pointed, let it point toward "me" because I know that "I" can do something about it.

We, who are Accu-tec, have engaged our business model toward **Single-Source Responsibility**. We will always ask the question on what more can we do or provide. It is now engrained into every employee's thought process. Sure, we expect to experience some resistance from some business prospects. After all, take full responsibility? Who in their right mind would take on full accountability for anything?

We will encourage everyone to take another look at us. Our service and performance are second to none. What (more) can we do for you? Would it not be comforting to finally have someone to stand up for your business? We continue to invite you to put us to the test. After all, we work for you!

Accu-tec shall be an integral part of each customer's success!

Stephen J. Homola
President/Chief Operating Officer



We're on the web
<http://www.accu-tec.com>

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GOING GREEN the REAL DEAL from REYNOLDS

Some companies talk a good game about "going green" or having a "green initiative." Reynolds Packaging Group is doing something real. By investing the time, money, and human resources at their disposal, they have reduced the size of their overall packages. Unlike a lot of companies that use the package reduction program as a way to hide smaller amounts of product at the old price from the consumer, Reynolds has reduced the amount of packaging only and still delivers the same quantity of product to their customers. Some will say I am biased, and that this is my unsubstantiated opinion. But no, you can check it out for yourself by clicking on this link [Companies shrink packages, not prices](#). This article is from the Pittsburgh Tribune-Review by Joan Obra, McClatchy-Tribune Wednesday, August 6, 2008. At the end of the article in which Joan Obra tells of Sherry Estabrooks, a senior special investigator in the California's Division of Measurement Standards, findings she had this to say:

"Last week, Estabrooks and Woody were interested in the new "space-saving carton" from Reynolds Wrap.

Given the fact that packaging changes often mean shrinking amounts of products, the new box seemed unusual.

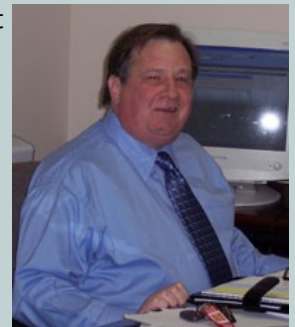
It contains 75 square feet of foil, just like the old one. Both boxes cost \$3.99 last week at Save Mart.

They weighed and unrolled two rolls of aluminum wrap -- one from the old package and one from the new one. There didn't appear to be any differences between the two rolls of foil, and each box just about contained the 75 square feet advertised on the cartons.

Reynolds spokeswoman Lauren Acosta confirms in an e-mail that "the composition of the new Reynolds Wrap Aluminum Foil remains unchanged."

The new package "increases freight efficiencies, takes up less warehouse space and allows more packs on shelf, resulting in fewer out-of-stock situations during the holiday season," she adds. It was one instance where a packaging change didn't result in loss of product.

The Reynolds Packaging Group deserves a lot of praise and thanks from everyone for leading the way, in doing the right thing. We at Accu-tec couldn't be prouder to be a part of the Reynolds Team.



Barry Epstein

Vice President of Business Development

Understanding the Impact of 401(k) Loans on your Retirement

Like many employers offering a 401(k) retirement savings plan, Accu-tec allows participants to take out a loan from their 401(k) retirement account. During these tough economic times brought on by the subprime mortgage mess, many Americans are finding it harder to obtain credit from traditional sources. As an alternative, many employees are turning to their 401(k) plan as a source of funds to weather their current financial crises. However, while it may seem like a great idea to borrow your own money and pay yourself interest, there are many more disadvantages of a 401(k) loan than there are advantages. Employees should consider all the rules, the advantages and disadvantages, and other funding sources available before turning to their 401(k) plan for a loan.

An employee can request a loan from their 401(k) account subject to the rules of the plan's loan



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Our plan requires an employee to borrow a minimum amount.

The loan must be repaid within 5 years unless the loan is for the purchase of a first home. If this is the case, then you can repay the loan over 15 years.

You may be charged loan origination fees.

When making a loan request, employees sign an agreement spelling out the principal, the term of the loan, the interest rate, and any other fees or terms that may apply.

While it may be easy for employees to access cash through their 401(k) retirement plan, there are many disadvantages to doing so. Disadvantages of a 401(k) plan loan include:

The loss of retirement savings due to the loss of the potential growth on the earnings from the amount borrowed, or compounding of those earnings.

The loss of retirement savings as a result of paying a lower interest rate on the loan versus the rate of earnings that could have been earned on other investments.

The loss of retirement savings due to repaying the loan with after-tax dollars.

The loss of retirement savings if an employee elects to reduce the amount they are contributing to the plan in order to make the loan payment.

There may be fees for loan origination.

The biggest pitfall is the risk an employee should lose their job. If this happens, then repayment of the loan is required. If an employee is unable to repay the loan at once, then the loan is treated as a distribution from the plan and is subject to income taxes and a 10% penalty for early withdrawal of retirement funds.

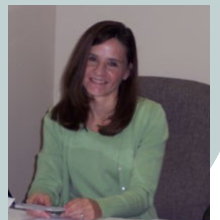
To truly understand the impact of the costs of a 401(k) loan, an example from the Principal Financial Group website is provided below that highlights the difference in retirement savings between a retirement account with a loan and one without a loan.

The demonstration assumes an employee takes a 5 year, \$5,000 loan at 5% interest and has a balance at the time of the loan of \$20,000. Before the loan, the employee contributes \$150 per paycheck (including the employer match) to the plan and was earning 8% on their retirement funds. In order to pay the loan, the employee reduces their contribution by \$44.

Description	Plan with Loan	No Loan
Loan Amount	\$5,000	
Loan Period	5 years	
Interest Rate	5%	
Loan Payment	\$44	
Regular Contributions	\$106	\$150
Account Balance at Age 65	\$607,800	\$659,800

That is a difference of \$52,000! Other sources of retirement income – such as Social Security and pensions – are drying up and the responsibility for a secure financial retirement is shifting to employees. 401(k) accounts will probably be the primary source of retirement income for many Americans. Therefore, the impact of borrowing from your 401(k) plan is risky and costly. Employees should think twice before deciding to borrow against their future with a 401(k) loan. After all, the 401(k) plan is a retirement plan, not a savings account!

Tina Mann
Controller/HR Manager



Email and Their Users



A personal note from the IT Department,

Recently I had the opportunity to attend a seminar, which covered the subject I am relaying to you below. Not too much time had gone by after that the much-anticipated notification about the company newsletter deadline was sent out. Being in the IT department there is not a lot to throw out there every month so I decided to start using this as a tool to share information gained in the hopes of making life a little easier for at least one person if not everyone that is associated in one form or another with Accu-Tec International. And by all means please understand we are not above receiving any knowledge/suggestions that may make our life easier as well as compliment our services to any customer, partner, or anyone for that matter.

I am not saying what I am passing along is the perfect solution it is just the information I have acquired through researching solutions, and believe it to be sound advice. I hope you enjoy this month's article.

Danny Williams
IT Manager

"You can only make sound decisions from information at hand"

Anyone of you that has had their laptop stolen or computer hard drive fail knows the pain of losing their archived email. What several people do not realize is by default Microsoft Outlook turns on auto archive and also directs the files to be placed on their local machine. In just about every case these archived files are never backed up. Hence when there is a disaster you have lost all your valuable records. Now let's reverse the scenario. For those of you that have turned off auto archive, you have the fuzzy feeling of being secure by keeping your mail located on the exchange server, which is backed up every night. There are several problems with this scenario. Without getting too technical here are some of issues that the end user will experience. Mailboxes will grow and grow out of control to the point file corruption can occur. Or the IT department may have placed quotas on mailboxes limiting the size of your mailbox which will ultimately shut you down and force you to clean up your emails. And let's not forget those of you that rely on email as much as oxygen, food, and water will or has experienced the dreaded IT person coming to your office telling you to clean up your mail or they will.

Let's face the reality; no one has the time to maintain/manage thousands of emails the way it needs to be. All everyone wants is to be able to find the right information when the time arises. The good news is there are solutions out there. We here at Accu-Tec International have recently acquired an inexpensive solution "[Archive Attender](#)" designed by [Sherpa Software](#) that can support the smallest business all the way up to your largest corporations. This solution runs in the background based on specific criteria that you set. The criteria allows for a vast range of options like age of message, attachments, size, specific email addresses, quotas, and on and on. The beauty of it is that it archives to any location you specify which can be backed up with normal backup procedures. The user will still see a message stub in the mailbox listing the subject, sender, date, and attachment names if any which can be retrieved by clicking a special link placed in the stub. The user also has the ability to search their entire archive based on any criteria of the message; subject, contents, attachments, sender, date ranges, etc. All in all this is a very user-friendly program which is what everyone is looking for.

From an IT standpoint this is a great tool to have in the arsenal. No other software is required (no SQL database, it is all HTML based so no proprietary software is needed). It falls in the category of "set it and forget it". Once you have all the initial configurations set, it does the rest. The only thing to plan for is Backups and space availability. Where will you dump all the archives? Will your backup solution handle the extra data being added?

Just the return in your time will outweigh the cost of the software, which is inexpensive compared to the constant monitoring/maintaining of an exchange server. If this might be something for you and your organization I would encourage you to look at it and compare it with other solutions out there.

Microsoft Exchange Products
Archive Attender®
Mailbox, PST File and Public Folder Archiving



Archive Attender is an administrator-driven solution designed to selectively move or copy messages from Exchange mailboxes, the journal mailbox, PST files and public folders to any storage device visible to the application via the network. Archive Attender assists companies with storage and compliance requirements while offering a flexible archiving architecture that does not require a SQL database or proprietary hardware.

"You can only make sound decisions from information at hand"

Danny Williams
IT Manager
Accu-Tec International
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Update on the Mexico trip in August

Paul Holsen Director-Latin American Sales and I went back to Mexico the week of August 18th exploring new business opportunities with our Mexico Rep. Mario Guzman from Optimum Packaging Solutions de Mexico. We started our trip in the city of Aguascalientes visiting a Juice Drink manufacturer, Automotive parts manufacturer, and a Filter manufacturer all expressing interest in Accu-tec doing either bottling, warehousing, material consolidation, and distribution for them in the US side of the border for distribution to the States. The Automotive parts manufacturer was also interested in us to do some outsourced packaging for them in Mexico.

We then went to the city of Arandas, Jalisco where we meet several of the Tequila manufacturers that all express interest in shipping tanker trucks to the States to save freight and have Accu-tec to bottle, warehouse, and handle distribution of their products to their customer here in the southern states. They were also interested in Accu-tec doing the assemblies of their on-packs and giveaways in the Louisville location for distribution in the States.

After a week of visits and plant tours I headed home leaving Paul to travel to Guadalajara, Jalisco and Toluca the next week.



From Left to Right: Mario Guzman, and Paul Holsen.



Roy Kraemer
Vice President / General Manager

A CYCLE COUNTING UPDATE

We continue to complete our cycle counting process at least once a week. We find a "down" time when there is little or no activity involving the inventory and use on hand inventory reports after all shipping, receiving and production transactions have been completed in our inventory software system, Axapta, and the Reynolds' system, Oracle.

All of the items have been ranked according to their level of activity. Those that have daily movement are always included in the weekly count, and the rest counted either bi-monthly or monthly. The items are periodically evaluated and given a new ranking if their movement levels change. Changes usually happen because of seasonal sales, store promotions, or if items become obsolete.

Other items counted weekly, and sometimes daily, are ones that are becoming obsolete because they are being replaced with a new package design. This results in new item numbers that are used in the ordering and shipping processes. For example, the "old" item number is GBN06054-1, and the "new" item number is GBN06054-16. They are 2 different items, but the "old" item needs to be sold completely, so when its inventory level is minimal, we make sure the quantity showing in the computer matches what is here to sell.

This cycle counting process has increased our confidence in our computer inventory levels when we are evaluating production capabilities and our customers' shipping requirements.

Gary Klass

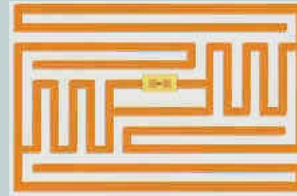
Inventory and Purchasing Manager



RFID testing comes to Accu-tec International Inc.

(Radio Frequency Identification)

On Friday August 22nd I was given the opportunity to participate in testing of the new RFID labels for Reynolds metals and Sam's club DC's. Mr. Mark Kee from Reynolds metals was on site at Accu-tec to test the sensitivity and measure distances from four of the main products that Accu-tec ships to the Sam's club DC's on Reynolds behalf.



The products tested were 18" foil, 12" foil, half and full size steam table pans. The testing went relatively well with all products showing up on the RFID scanners from a respectable one foot to 10-foot range. I was greatly impressed with the sensitivity of a tiny computer chip that was integrated into a sticker. Try as I may, I could not fool the scanner.

Accu-tec will begin with the implementation of labeling these four products with one of the Sam's DC's (Desoto, TX) hopefully as soon as this week. If all goes well, the plan is to have all Sam's DC's on RFID labels for these four products by the end of January 2009.

The photos below show what the RFID labels will look like on the pallets and the placement that will make them show up best on the scanners. Yes, there is a computer chip under the white label.



Charles (Rusty) Green
Warehouse Manager



Carpal Tunnel Syndrome

As an Industrial Engineer a major area of interest is productivity. And one area that is a factor in this is **Ergonomics**. Ergonomics is to develop the best fit of the workplace to the person, i.e. posture, movement, reaching, lifting, and lighting for the benefits of safety, comfort, and productivity. As my daily tasks may often require extended times on the computer, I find myself needing an ergonomics check-up on occasion. And your job may prove the same experience and need.

One topic in this area that may be of interest to most of us is **Carpal Tunnel Syndrome**, as CTS

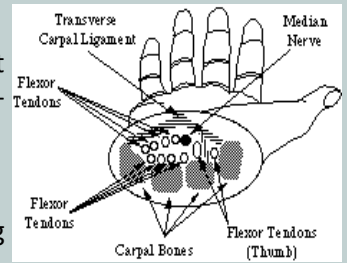
CTS involves the median nerve and the flexor tendons that extend from the forearm into the hand through a "tunnel" made up of the wrist bones, or carpals, and the transverse carpal ligament.

As you move your hand and fingers, the flexor tendons rub against the sides of the tunnel. This rubbing can cause irritation of the tendons, causing them to swell.

When the tendons swell they apply pressure to the median nerve.

The result can be tingling, numbness, and eventually debilitating pain.

CTS can be treated with steroids, anti-inflammatory, or physical therapy, or with surgery to loosen the transverse carpal ligament.



CTS, like many skeleton-muscular disorders, has a variety of causes. It may be the result of a combination of factors including:

Genetic predisposition. The amount of natural lubrication of the flexor tendons varies from person to person. Certain tunnel geometries are more susceptible to tendon irritation.

Health and lifestyle. People with diabetes, and rheumatoid arthritis are more prone than others to develop CTS. Job stress has also been linked to an increased likelihood of CTS.

Trauma. A blow to the wrist or forearm can make the tendons swell and cause or encourage the onset of CTS.

Repetitive motion. The most common cause of CTS that's been attributed to the workplace is repetitive motion. If you allow your hand time to recover, the rubbing is not likely to lead to irritation. The amount of recovery time you need varies from fractions of a second to minutes, depending on many circumstances, those mentioned above, as well as the intensity of the flexing, the weight of any objects in your hand, and the extent to which you bend your wrist during flexing.

Variety is the key. CTS occurs most frequently in persons whose motions are not only repetitive but are kept up for hours at a time. If you use a keyboard, structure your workdays to include a mix of activities each hour. For example, instead of typing all morning and filing all afternoon, mix typing and filing throughout the day.

Early symptoms include a tingling in the fingers, often beginning several hours after work activity has stopped. Because of this delay, many CTS sufferers don't make the connection between their work activities and the pain they feel until it's too late. The tingling can lead, over time, to stiffness and numbness in the fingers and hand, and then to severe wrist and hand pain.

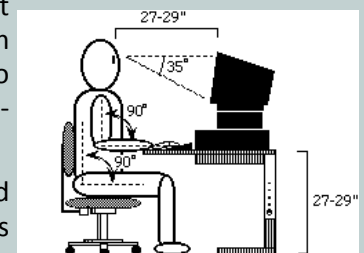
At the first sign of CTS, visit a doctor who specializes in hand and wrist disorders. The doctor can perform a number of simple tests to detect CTS, and can prescribe specific steps for avoiding the problem.

Computer keyboard users can take several steps to lower their chances of developing CTS. Some of those center around the configuration of the workplace, or "ergonomics." Others have to do with human factors.

With proper ergonomics and attention to the work routine you can prevent CTS.

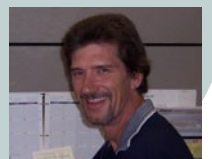
October is National Ergonomics Safety month.

Next month we will review specific ergonomics, human factors, and additional preventive measures to best ensure everyone's safety at their workplace.



Larry Leopold

Production/Quality Engineer



Changes at Accu-tec International Inc.

Please join us in welcoming our new additions

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Introducing Jeana Hillerich as our new Customer Service Manager and Heather Warrick our new Customer Service Representative.

Jeana has over twenty years of Customer Service experience. Jeana began her journey with Accu-tec May 12, 2008. She will be taking over the Customer Service Responsibilities of Susan Browning. Jeana will continue to provide the excellent service that our customers deserve.

jhillerich@accu-tec.com

Heather Warrick has an extensive background in Customer Service. Heather joined our staff August 18, 2008. She will be the primary contact for Reynolds Customer Service and assist Jeana Hillerich in servicing other customers also.

hwarrick@accu-tec.com

Please join us in welcoming our New Customer Service Champions!

ACCU-TEC PERSONNEL NOTES

September Birthdays

Chris Depp	9/01
Surjit Kainth	9/05
Stephen Homola	9/12
Sheldon Suckoo	9/23
Jerry Martin	9/28

August Anniversaries

Chris Depp	2 years
Tommy Fink	2 years
Jim Fleming	2 years
Bridgett Todd	2 years
Eddie Vest	2 years



September in Kentucky

Join Kentucky in Celebrating "Bourbon Heritage Month"

Kentucky Governor Steve Brashear recognizes September 2008 as "Bourbon Heritage Month"

The people of Bardstown Kentucky have been making Bourbon since 1776. Several distilleries operate in or near Bardstown, including Jim Beam, Maker's Mark and Heaven Hill. Sixty-five percent of the world's bourbon supply is made in and around Nelson County, giving Bardstown the title of "Bourbon Capital of the World".

Most people who are from this area have some roots back to the distilleries. My grandmother retired from Maker's Mark over twenty years ago.

Kentucky Bourbon Festival - September 16 - 21, 2008 Bardstown, Kentucky

The Kentucky Bourbon Festival last for six days, with activities for the whole family. Black Tie Galas, Balloon glow to historical tours, there is something of interest for all ages. The weekend is full of smooth bourbon, great entertainment, fabulous food and plenty of warm Kentucky hospitality.

The festival began in 1992 as a tasting and dinner and quickly grew into something much more.

At the 2007 Kentucky Bourbon Festival approximately 50,000 people attended from 40 states and 14 countries.

Hope to see you there!

Susan L. Browning
Plant Manager

