



CASCADE
engineering

defining purpose

TRIPLE BOTTOM LINE REPORT 2012

defining purpose

Those of us at Cascade Engineering are proud of our commitment to the Triple Bottom Line – People, Planet, Profit – and this report details our achievements and current priorities in the pursuit of these three crucial objectives.

But it wasn't that long ago that we weren't even familiar with the term. We always embraced the vision of making a positive impact on the world around us, beyond the mere pursuit of financial success. But it was early in the new millennium that we became familiar with the TBL concept, and recognized it was an excellent application of our own philosophy.

We have found since then that there are almost no limits to how we can apply that philosophy. Whether we are focused on environmental priorities, combating racism or investing in the future of our people, the key is always to find something good to do – and then find a way to make it good business.

This year's Triple Bottom Line Report reflects on our progress, our lessons learned and our direction for what lies ahead. We invite you to join our retrospective on FY2012 – to see what we achieved to date, and to continue discovering the depth of our purpose as we move forward.





social

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environmental

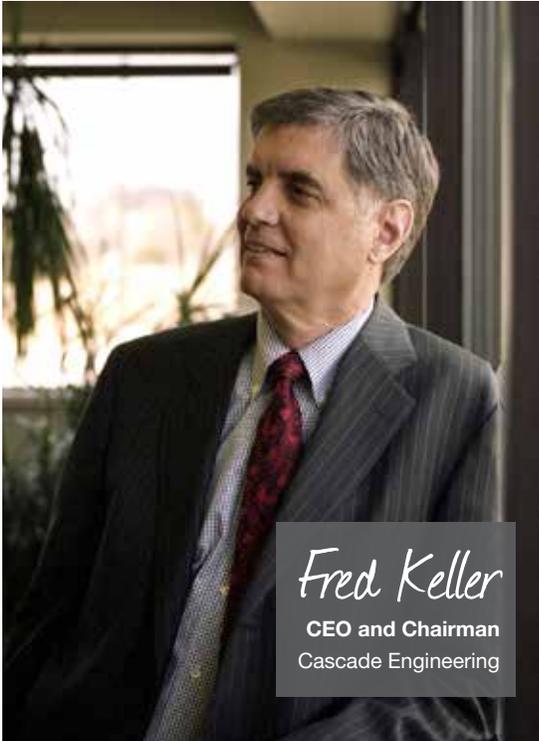
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letter

from fred keller



Fred Keller

CEO and Chairman
Cascade Engineering

Sometimes I am politely asked if our Triple Bottom Line focus on People and Planet takes away from Profits. With the release of this year's Triple Bottom Line Report, featuring the theme "Defining Purpose," we have a great opportunity to address the common misconception that these three priorities are necessarily at odds with each other.

In truth, they can be. But if you do it right, the opposite is true. Commitment to People and Planet can accelerate Profits because teams committed to such worthy endeavors tend to work harder and with greater innovation than if they were merely going through the motions of the job. Also, commitment to People and Planet introduces business value that almost always results in greater long-term rewards.

Our team at Cascade Engineering, of course, is rightfully proud of the fact that we maintain a strong commitment to these principles, and we enjoy sharing them with others. In several speaking engagements during this past year, I emphasized that Cascade Engineering likes to achieve its goals by finding something good to do, and making it good

business. The best way to make a profit is to deliver true value to others. One of the ways you do that is to do business in the right way.

That includes manufacturing products that perform well and help protect our environment. It also includes business practices that celebrate diversity and uplift people. Operating like this puts a company in a position to be more profitable because it results in excellent products, a strong work force and shared pride in the company's mission.

We should also feel encouraged by the examples contained in this report. Our Pink Cart initiative not only represented a business success for us, but it helped to raise awareness about breast cancer while generating a \$5 donation to the American Cancer Society for each cart sold. We have now donated over \$250,000 to this worthy cause. We also have over 53,000 HydrAid® BioSand water filters providing safe drinking water to over half a million people in 35 developing countries. We are proud to be making our contribution in helping to solve a crucial world-health issue.

Of course, any success takes hard work, and we often have to make adjustments. The renewable energy market is full of growth potential, but we're making adjustments to position ourselves for long-term success. That's the nature of business, but the important thing is that we remain committed to these principles – and to the idea of finding something good to do and making it good business.

We're extremely grateful to our customers, our associates, our suppliers and so many others for embracing this vision. Focusing on People, Planet, Profit ensures that we will be a robust supplier to our customers – one that is creative, hard-working and able to bring the latest thinking to whatever we take on. And we do it with integrity and determination to be the very best, while developing solutions that benefit our society and the planet. That's how we make an impact!

A handwritten signature in black ink that reads "Fred P. Keller". The signature is written in a cursive, slightly slanted style.

Why Cascade Engineering is a Certified B Corporation

B certification is a new type of designation that recognizes companies that use the power of business to positively impact social and environmental change. Cascade Engineering is one of more than 600 companies that have been certified as B Corps. As part of the certification process each business is audited and benchmarked in four areas. This rigorous assessment reviews the applicant's governance structure (standards related to mission, the board of directors, and transparency), community involvement (standards related to employee practices, supply chain, and community service), environment (standards related to your overall environmental practices) and beneficial business models (standards related to how your business model serves the community and conserves the environment).

We sought B Corp certification for a number of reasons. First, it gives us the opportunity to be part of a larger community of companies with a similar focus on people, planet and profit. As a member of this community we want to learn from other B Corporations and give them the opportunity to learn from us. Second, the standard will help us create benchmarks and allow us to work on improving our systems, processes and

practices. Third, it supports our belief in open communication and transparency helping us to share our journey with all of our stakeholders.

For Cascade Engineering, this certification represents an affirmation of over a decade's worth of work creating a corporate culture and strategy focused on sustainability, and our commitment to the Triple Bottom Line philosophy.

Cascade Engineering is proud to be a Certified B Corporation, and supports all efforts to expand this excellent practice for the mutual benefit of the business community and society as a whole.



Chief Administrative Officer

Market Diversity

Transportation	Environmental Services	Commercial
 	 	 
	Custom Compounding	Agriculture
		
Water Filtration	Consulting	Renewable Energy
		

social purpose

The world's greatest renewable resource: Humanity.

At the crux of every business on Earth lies a single common element – people. There is no other reason for which we manufacture, speak out, or take action. Cascade Engineering is proud to prove that investing in people – including those seemingly out of favor or at odds with the community – is a worthy pursuit.

We strive to avoid bias and judgment with outreach, trust and returns on our investment that go beyond measure. Cascade Engineering defines purpose as extending second chances, creating options where there were none and offering hope where darkness once lived. See this year's inspiring stories that demonstrate the power of a helping hand.



Jahaun McKinley

Associate Production Supervisor

Pink Purpose

In the year that followed the debut of The Pink Cart, (brainchild of Cascade Environmental Services, Vice President, Jo-Anne Perkins), there continued to be plenty of positive “trash talk” about breast cancer awareness and support. The case for the power of community is clear: 2012 saw the U.S. program surpass \$250,000 in donations to the American Cancer Society.



pink cart

building awareness

What started as a simple idea for a modest program has continued to grow. When Vice President of Cascade Environmental Services Jo-Anne Perkins created The Pink Cart, she thought we would be able to sell a few thousand carts and send \$5 from each sale to help in the fight against breast cancer. Three years later, we're celebrating some big milestones and continuing to move the program forward.

The past two years were big ones for The Pink Cart. We renewed our contracts with the American Cancer Society® (ACS) and the Canadian Cancer Society to continue to support their breast cancer awareness and research programs, respectively; we added two new recycling products to raise additional funds; we launched our first city-wide Pink Cart program; and we surpassed \$250,000 in contributions to the American Cancer Society!

With all the accomplishments to celebrate, we thought it might be time to add a new twist to spreading the word about Pink Carts, too. In November 2011, dozens of women whose lives had been touched by breast cancer or who believed in the mission of The Pink Cart learned a dance routine and marched Pink Carts down the streets of Grand Rapids, Michigan in the "Santa Claus" parade. Jo-Anne spearheaded the group which included some of the very first people to purchase Pink Carts when the program started. This spring in Holland, Michigan the American Cancer Society® pulled together their own group who donned pink wooden shoes and great dance moves to spread the word about the program and the importance of early detection of breast cancer along the shores of Lake Michigan.

In the year ahead, we'll continue to push Pink Carts to curbs across North America. We are refocusing our efforts on empowering communities to come together and petition their haulers and cities to offer Pink Carts for trash and recycling collection. In addition to growing the program, we are also growing our online community through social media and our website, striving to be not only a source of information on Pink Carts but also a resource for those battling breast cancer and those who want to be more involved in the fight to end the disease.

Serving Its Purpose: Social Media Raises Support & Awareness

www.thepinkcart.com

Featuring information on Pink Cart partners, survivor stories, photos, events and encouragement.

the pink cart

Average Monthly Hits:
3,000

New Visitors:
Over 80%
of site visitors are new each month

Pink Cart on Facebook

Visitors engage with our stories, posts, ads, photos and events.



Fans:
51,000+

Weekly Reach:
200,000+

Monthly Reach:
800,000+

In addition to a renewal of their contract with ACS through 2014, Cascade Cart Solutions has added both 18-gallon recycle bins and 6-gallon tote bins to the awareness program. With each sale, these new products generate an additional \$1 contribution to the fight against breast cancer.

Two exciting 2012 Facebook initiatives are also generating positive results:

1 A Pink Petition, featuring a photo of our pink products, allows FB friends to let us know of retailers where they'd like to see Pink Cart products. It allows us to build opportunities for retailers based on their local customer population, while potentially opening new business opportunities for Pink Cart.

2 A Be Healthy section on the Pink Cart Facebook page supports our commitment to raising awareness about preventing and fighting breast cancer. An ACS report found that one-third of cancer deaths directly correlate to obesity. Pink Cart responded by encouraging healthy eating, exercise and building good health habits through our FB page.

Twitter, Pinterest and other emerging social networks are an ongoing focus for the Pink Cart team. Coupled with a newly designed website with more resources for our supporters, spreading the word through tweets, photos and program updates will be important tools to further the purpose of The Pink Cart.

Jahaun: Purpose, Redefined

Where to begin? Jahaun “Jay” McKinley has big plans.

Introduced to Cascade Engineering as a temporary worker in 2009, Jay became quickly recognized as an upbeat, ambitious member of the team. He was hired as a full-time, permanent employee in 2010. Today, he is a plant supervisor and that’s just the beginning of Jay’s big plans.

Take a close look at how Jay is upending societal perceptions and pursuing possibilities with purpose.

Jay is straightforward and hard-working, but as a young man, he was quite a different person. Jay McKinley spent nearly half of his 38 years behind bars. Raised by a beloved grandmother who tried to keep him on the right track, Jay veered into the wrong crowd and entered prison as a bitter, angry 18-year old. When he lost his grandmother in 2006 – his only emotional support – he says, “I took it real hard, and that’s when I knew I had to straighten up and get out.”

He was released from prison in 2009 with a GED, but knew instantly that if he were to soar, he would need additional education. Within 24 hours of his release, Jay was meeting with mentors at Hope Network to create a plan for successful living in a new world.

Today, Jay is a student at Grand Rapids Community College and Davenport University, with plans to earn a bachelor’s degree in finance. In the meantime, he’s certainly got plenty to do. In addition to his work and classes, Jay says, “I like

being an advocate of prisoners, and of prisoners’ rights. I can help change the image of what an incarcerated person is.” Jay is living proof that when given the opportunity, citizens returning to the community after serving a sentence can excel and make great things happen.

As Jay’s story demonstrates, Cascade Engineering is taking an active role in finding the right fit, the right methods and the right way to do “the right thing” – by giving everyone an opportunity to “redefine” their purpose in life.

Cascade Consulting Group

Started in 2007 as Quest Sustainable Solutions, we returned to our roots in 2012 and became Cascade Consulting Group. We realized we were hiding one of our greatest strengths – the awareness and respect of the Cascade Engineering name in our region and beyond, thanks to our TBL culture, social programs and our innovative engineering achievements.

“Since we are leading practitioners of the TBL model and known for our unique efforts, it made perfect sense to leverage existing awareness to promote our consulting services,” says Director Kelley Losey.

With the goal to be a catalyst of change, Cascade Consulting Group continues to help other companies understand and implement their own sustainable business practices, from a waste reduction program to development of a full Triple Bottom Line strategy.

Anti-Racism Journey

In 2011 we created a formal Anti-Racism Statement as part of our Anti-Racism Journey and we completed the assesment and credentialing process with the Partners for a Racism Free Community (PRFC). In 2012 we were proud to have received a Full Partner designation and will continue along our journey to become a Credentialed Partner, the highest level an organization can reach by PRFC Standards.

The Full Partner designation puts us in fine company within the Grand Rapids-area community. Other Full Partners include: Calvin College, Kent County Intermediate School District, the Grand Rapids Community Foundation and Warner Norcross & Judd. We look forward to continuing our efforts at all levels within our culture.

Cascade Engineering Anti-Racism Statement

Cascade Engineering is an anti-racism organization. We define an anti-racism organization as creating an environment where all employees regardless of race or the color of their skin know they are valued. We acknowledge that racism can be unconscious or unintentional and identifying racism as an issue does not automatically mean those involved in the act are racist or intended the negative impact. As an anti-racism organization we will purposefully identify, discuss and challenge issues of race and color and the impact(s) they have on the organization, its systems, and its people. We will also challenge ourselves to understand and correct any inequities we may discover within Cascade Engineering and gain a better understanding of ourselves during this purposeful process. Being an anti-racism organization is a journey and it is the learning along the way that makes this work worth all of our efforts.

The group also educates executives and stakeholders about the benefits of growing the human element. Losey notes: “By sharing what we’ve learned and educating others about the TBL model, we can shift thinking. Having the benefit of hindsight is helpful, too. We are transparent with clients about the lessons we learned as we transformed. Our personal growth and our profitable companies are strong motivators for organizations of all sizes.”

Cascade Enterprise System

Mike Rexford, Director of the Cascade Enterprise System, has literally gone around the world and back to learn everything there is to know about operational excellence and lean manufacturing. He has worked with major corporations in his global travels to institute lean manufacturing principles that take the path less traveled. And this year, his adventures brought him here to “re-energize lean manufacturing at Cascade.”

While “operational excellence” has a positive ring, and one easily embraced throughout the Cascade Engineering Family of Companies, the term “lean manufacturing” suffers a less hearty welcome in most circles. The past decade has seen “lean manufacturing” take on the context of pink slips and layoffs, of hard times and a faltering economy. Mike Rexford is here to dispel the fear of the term.

“We are going to get lean by developing people, not cutting labor hours and cutting more people,” Rexford says. “This is an innovative approach. The intent is to become 400% more

productive in the future than we are today. That’s everyone, not just manufacturing. You create value for yourself by creating time, making time a commodity that cannot be wasted. That is the type of education and action we are experiencing.”

This year, the roll-out got underway – starting at the top, with the Office of the President. The plan focuses on growing the business by growing the people. The change is parsed out over five years, across all departments with increasing levels of responsibility and measurable progress checks, all of which culminate in the achievement of ambitious goals.

Rexford is quick to point out: “This is not a department, it’s a way of doing. We are facilitating the Cascade Enterprise System. We are not trying to change the culture that Cascade Engineering has worked so hard to create. We are trying to systematically bring out what our culture is about, and enhance that culture to great achievements within our TBL.”

Throughout the organization, the experience represents the activation of a deep personal experience. The steps that lead to that experience enhance each person’s capabilities within his or her position. “I am facilitating within this dynamic culture,” Rexford said. “But it is the Cascade Engineering work force, from top to bottom, that will make it happen. The people are the reason the company will grow.”





environmental purpose

Environmental Stewardship: We see every day why it matters.

As a company that deals in manufacturing and technology, we're the people who "sweat the small stuff." We have to. Perhaps that's one of the reasons we have taken such a strong stance on environmental responsibility. We understand the real-world importance of the planet's health, and its impact on our ability to do our job every day. That's why we take the opportunities before us and transform them into innovative, effective solutions for our customers. By adopting the same approach to how we do things, we can extend the benefits of our attention to detail to a healthier environment. This journey has led us to a near-zero waste campus, and has also raised individual awareness. It also inspires our Family of Companies to seek and develop eco-conscious practices for ourselves and others. We do it because we get it and we see the difference it makes every day.




Carpool


Carpool

“Cities are benefitting.

They now can develop pay-as-you-throw programs and target specific neighborhoods to increase recycling.”

— Jo-Anne Perkins
Vice President, Cascade Environmental Services



creating a better environment

one city at a time...

Cascade Engineering has supplied wheeled trash and recycling carts to the solid waste industry for more than 20 years. In that time, Cascade Engineering has grown to become not simply a cart manufacturer but also an innovator and a solutions provider to the solid waste industry. Today, three of Cascade Engineering's business units offer products specific to the waste and recycling industry – carts for residential curbside collection, RFID tags and technology to track assets, and onboard truck systems to facilitate revolutionary ways for cities and haulers to manage trash and recycling collection. Together, Cascade Cart Solutions, Xtreme RFID and Capturit have become Cascade Environmental Services, combining their products and expertise to be the industry's first one-stop total system solution.

The emergence of Cascade Environmental Services is a direct result of how the solid waste industry has continued to evolve in its approach to collection and material processing over the years. Cities continue to adopt carts in lieu of outdated bag-and-tag systems to make waste collection safer and more efficient. Carts are becoming "smart" with the addition of RFID tags and technology to track these assets and assign them to specific customers. Most recently, single stream recycling and incentive programs have been implemented in an effort to divert waste from the landfill.

In the midst of these changes, however, the way customers are charged for service has remained stagnant. Residents typically pay a monthly or quarterly flat fee for collection service, regardless of whether the resident presents material for collection each week. In this model, customers who generate one bag of trash are charged the same amount as customers who generate three, or none, creating an inequity between what the resident pays for and what they use. Cascade Environmental Services provides the equipment and technology needed to correct this disparity and establish a delivered services model where customers are charged only for the services they consume.

The City of Grand Rapids, Michigan, will be among the first in the United States to offer their residents a truly revolutionary waste and recycling collection program. In order to increase landfill diversions, improve efficiencies and financially sustain the City service into the future, the City is partnering with Cascade Environmental Services to champion the implementation of a prepaid Pay-As-You-Throw (PAYT) model, utilizing Cascade Carts, Xtreme RFID tags and Capturit onboard truck systems that will eliminate standard invoicing and billing requirements. The Pay-As-You-Throw program is a cart system that will operate using an incentive, volume-based pricing model where service charges are determined on a per-tip fee of \$2, \$4 or \$6 for a 32-, 64- or 96-gallon cart, respectively. The PAYT program will be integrated with the City's existing single stream incentivized recycling program. With Capturit systems, residents will be able to manage both their trash collection and recycling rewards accounts online from the comfort of their home, drastically reducing the customer service requirements to manage the billing and collections currently provided by City staff.

Increased efficiencies and reduced costs for services provided are the immediate and tangible benefits of the PAYT program. Additionally, the delivered services model will help promote changes in resident behavior. Online account management requires residents to be informed about and engaged with the City's program, creating a cost-savings incentive to reduce their trash generation and a rewards incentive to increase the amount of recycling they present at the curb, further reducing landfill costs and increasing profits from the sale of recycled materials. The City of Grand Rapids is one of the first municipalities in the U.S. to fully implement a prepaid customer managed PAYT program. More are beginning to follow suit, continuing the evolution of the solid waste industry and strengthening Cascade Environmental Services' ability to make a positive impact on the environmental bottom line.

A Noble Purpose

Noble Polymers continues to define its purpose in seeking new ways to incorporate sustainable elements into its innovative resins and custom, high-tech plastics. Noble's client base is diverse, serving a wide variety of industrial needs, such as commercial furniture, waste management and automotive.

As a custom compounder, Noble Polymers explores the options for each customer's unique specs, and designs the material to best serve the application – whatever that formula might be. Many competitors operate out of a catalog, offering only standard options that aren't ideal or adaptable for many applications. Noble Polymers' newest line of thermoplastic elastomers, Flextuff®, adds eco-conscious elements that make it much more recyclable.

As a smaller, niche company, Noble Polymers can react and turn projects around faster than the competition. Another advantage for regional customers is the personalized service Noble Polymers can provide by offering complete inventory management systems that take the worry of material management out of customers' hands, giving them more time to pursue value-added activities. Noble Polymers also offers, personalized service and a strong commitment to finding sustainable solutions that match its commitment to growing environmentally sustainable options. This is how Noble Polymers fulfills its commitment to the Cascade Engineering Triple Bottom Line.

Invisible Waste Services

After a decade of doing business, Invisible Waste Services (IWS) has gone from a single-state territory in Florida to opening its doors in Colorado this year. The expansion marks the first in a series of goals to add at least one new state each year for the next five years. Colorado (Denver area) proved to be an ideal candidate, with a large multi-family market and strong apartment associations.

A First and Only Product

IWS services benefit neighborhoods, apartment complexes and other multi-residential settings with “invisible” valet trash collection services, using a Cascade-exclusive, industry first and only product, “The Bench®.” The Bench® is the only decorative container designed specifically for trash in the industry today.

The IWS premise is simple: An IWS porter makes door-to-door collections from our attractive, durable front-porch benches. The service and The Bench® together eliminate the traditional “cart in the driveway” as well as offering effortless weekly trash management to residents – no more arguing about whose turn it is to take out the trash! For

many residential associations and gated communities, this unique service removes a maintenance headache for both management and residents.

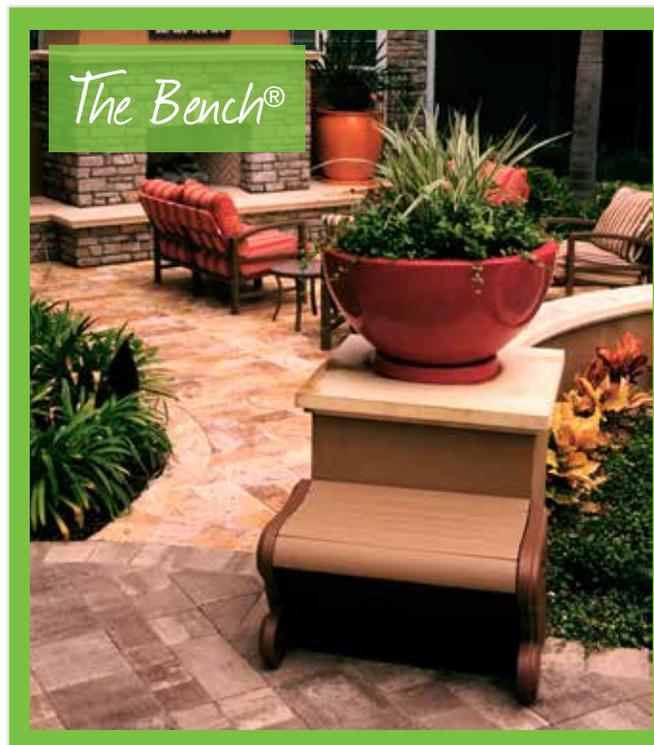
First-Class Service

IWS's purpose is defined by its unique level of customer service to every community it serves. Says James Cornell, Sales Manager, Invisible Waste Services: “We are very proud of our reputation for great customer service. We have always had fans for our product, and will always consider this our greatest purpose – to grow and keep happy customers.” As part of its commitment to the “people” quotient of the TBL, Cornell notes, “Our workforce is much more challenging to manage because they are out on the road every day and not in a plant with co-workers. We have a tremendous amount of trust in each and every employee on every level of our organization.”

The company is also committed to environmental stewardship, offering single-stream recycling as part of their standard trash service. Residents put recyclables into special blue bags that can be placed in the bench with regular trash. IWS porters put the blue bags in the recycle container and the trash in the compactor, both of which are on site.

Decade: Purpose in Plastic

In business, a year can bring a lot of change. Decade Products President and CEO Ralph Harris is pleased with how the year turned out. Harris reports: “Our pallet is a certified cradle-



to-cradle product. We've just had that certification renewed for the third year. All the pallets are made of 100-percent recycled, reground material, which earned us the Silver Award from the Cradle to Cradle Product Institute."

The culmination of a joint partnership with fellow industry-innovator Dolav Plastics in southern Israel, Decade Products offers maintenance-free, longer-life products with value-enhancing advantages.

See It and Believe It.

Decade Products manufactures plastic pallets and bins for produce. Because of the plastic, Harris notes that there is skepticism about any environmental claims related to his company's goods.

"We used 6 million pounds of food-grade plastic in our bins and 700,000 pounds in our pallets," Harris says. "It's a difficult game to play because people say plastics are non-renewable, but we offer many benefits. Wood products are sustainable in a way, but they are twice as heavy as ours, which adds significant transportation cost, fuel consumption and greenhouse gas pollution. They also have a much shorter life span. With those considerations, and the fact that they end up in the landfill or incinerated so quickly, are they better?" Harris also defends the recyclable plastic products for their superior design – including ventilated designs that cool produce faster and more evenly.

Decade bins are designed to protect crops and save energy in processing and transportation. Produce loaded in

traditional bins has a rate of attrition – which includes uneven cooling and damage that can quickly spread rot – of at least 10 percent.

Harris says: "Our bins not only outlast wood or metal bins, but they allow 100% of the product to be used, avoiding spoilage – and they require less energy by cooling down faster. Isn't that good stewardship and an excellent outcome? We are proud of the sustainability of our product line. We are succeeding because our company takes a good idea and makes it good business. Ours is more expensive, but when a farmer says, 'I can buy a wood bin for \$50,' we must make a sustainable case."

Profits in Plastic, in Spite of the Weather

Harris reports that 2012 financials show Decade's best performance ever, breaking its record and exceeding plans, in spite of wild weather patterns in southwest Texas that affected key crops. How did Decade overcome the challenge? "We kept looking for new opportunities," Harris explains. "The situation in Texas gave us more impetus to do so. Our efforts allowed other locations to exceed projections and ultimately made up the difference."

One initiative that has helped support growth by providing steady revenue is Decade's bin and pallet rental service for commercial produce and farmers. Because of the longevity of the Decade bins, there is less maintenance, which is good for both buyers and renters. He is pleased to note that the Texas rental facility still has fully functioning rentals that went into service on opening day, more than nine years ago.



A Social Enterprise Purpose

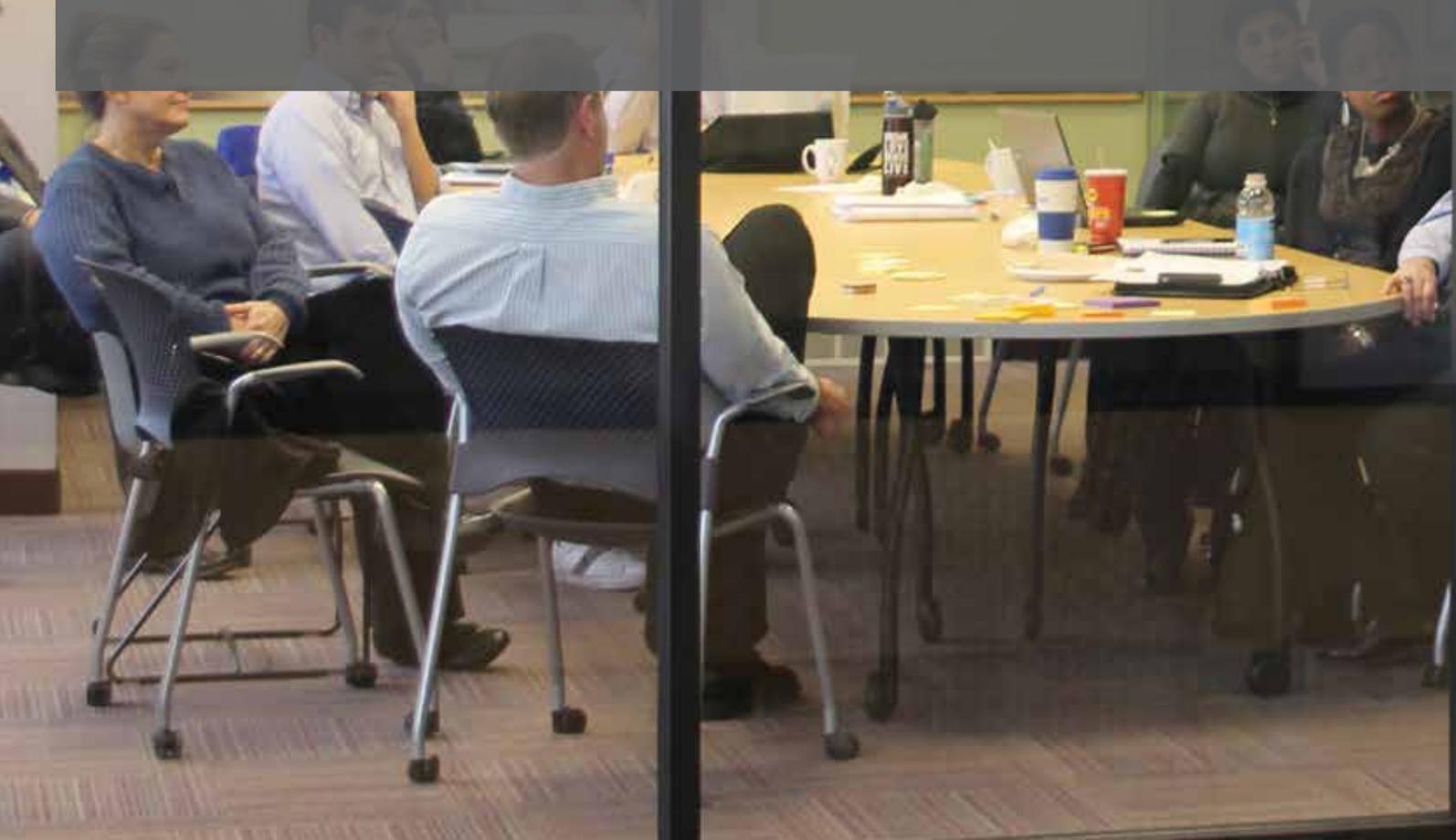
Triple Quest sells more than a water filter. We provide hope, education and health to families living in poverty around the world. The Hydraid BioSand Water Filter has changed the lives of over half a million people in over 35 developing countries.

As a collaborative venture involving Cascade Engineering and The Windquest Group, a West Michigan based private investment fund, we believe in the power of collaboration to bring together and build strong relationships with those who share our global vision of providing clean, safe drinking water for those in need.

financial purpose

The world's greatest money-maker: The TBL.

We would be remiss to show our social and environmental efforts without giving equal credence to our economic picture. We are, after all, a for-profit company. And just as we hold fast to our social and environmental values, we focus on creating profit. The world of business is not what it was 20, 10, or even five years ago. Through our continuous analysis of how we spend our time and resources, we have prospered in a volatile habitat where change is the primary constant.





“We could not be more committed

to offering sustainable, innovative solutions and creative technologies to help our customers gain advantages in the marketplace.”

— Mark Miller
President, CK Technologies



collaborative culture

means business

Automotive Americas found purpose in its new relationship with Honda – and leveraged the expertise of other Cascade Engineering companies in forging the bond. Honda began incorporating Automotive Americas dash mat systems into upcoming model designs, as the company returns its focus to core technologies and acoustics innovation.

The programs will partner Cascade Engineering-developed technology with our own Noble Polymers Ecobarrier® material. Bringing Ecobarrier into the equation adds the environmental element of recycled material, while also enhancing acoustics and reducing the weight of the final product. The combination of innovative benefits will also help meet new Corporate Average Fuel Economy (CAFE) standards now and going forward. These combined capabilities earned the winning contract for many reasons, including the benefits of Ecobarrier, Lean Six Sigma principles and a competitive price.

As Senior Vice President Bob Rosenbach explains, “We are very happy about this opportunity with Honda. Honda believes in long-term suppliers. Their mindset is supportive of working together to resolve glitches or technical issues. They look more at a bigger picture than just the best price – they’re here to make a difference, which is what Cascade Engineering is all about.”

Rosenbach believes one of the benefits Honda saw in choosing Automotive Americas as its partner was the philosophical alignment with Honda’s practice of growing with its suppliers. “The Japanese philosophy defines purpose as efficiency, consistency and cost-effectiveness,” Rosenbach says. “They understand ‘if you succeed, I succeed’ – and if we work through a problem, we both come out better. That goes right along with the ideas of our Triple Bottom Line. The fact that they value existing suppliers, which lays a foundation for more business, is our incentive to perform well.”

Cascade Commercial Products

For the precision-thinking engineers and manufacturing experts of Cascade Commercial Products, hanging out with artsy furniture designers might sound more like a cause for concern than kudos. But in 2012, the Commercial Products division once again proved that art, design, science and engineering can indeed play well together. Cascade has served as a major player in the development of Herman Miller's three most recent "Chairs of the Decade" – the Equa, Aeron and Setu chairs – as acknowledged by Industrial Society of America Awards. Cascade Engineering provided custom molding expertise as well as custom materials alternatives for non-recyclable materials identified in the original specs.

"We pushed ourselves as a company, and in doing so, we discovered things that we may not have otherwise discovered," said Jim Gingrich, General Manager of Cascade Commercial Products. "We've been able to apply this expanded knowledge to other areas in the business. Staying ahead of new technologies and techniques not only assures long-term sustainability for us, it offers our customers a unique value they aren't likely to find anywhere else."

Being recognized alongside an organization of Herman Miller's stature has enhanced Cascade Engineering's reputation as an industry leader. Gingrich adds: "By stepping forward and embracing challenging opportunities, we're seeing other companies come to us for help in solving their unique challenges. It's rewarding to be building a good track record for ourselves and expanding our horizons as we do."

CK Technologies

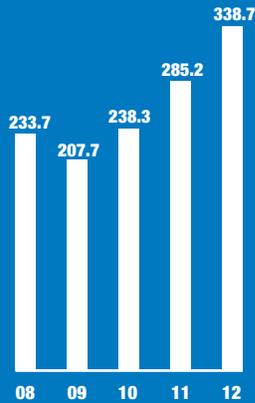
When asked what two words best describe 2012 at CK Technologies, the response is instant and exciting: Amazing growth. With its singular focus on the commercial truck and bus industry, CKT's escalating sales and demand make the case for finding your purpose and sticking to it. With a reputation bolstered by a number of industry firsts, CKT continues to "wow" the world in product innovations and the distinction of leading-edge product cost and weight reductions through its engineering solutions.

At the start of 2012, CKT was a three-plant operation. By the end of the year, it boasted five locations, with a new plant in Fort Worth, Texas and a 300,000-square-foot facility in Brownsville, Texas. The company also more than doubled its work force, starting the year with 228 associates and closing it out with 500. The Montpelier, Ohio and Mt. Airy, North Carolina plants also significantly upped production, adding the equivalent of more than five full-time shifts between the two locations. Brownsville was chosen as the new facility location for a number of reasons, not the least of which was that CKT was bursting at the seams. Its market and product operations would be constrained without adding capacity. Brownsville also presented an ideal fit with CKT's strategic marketing footprint. A key element of its plans called for a location as close to the source of orders as possible. Offering operations in Brownsville and Fort Worth allowed CKT to support its customer base both with human resources and strategically located manufacturing facilities.

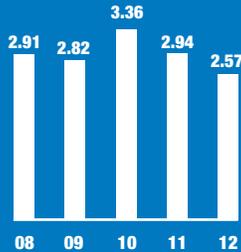


annual scorecard

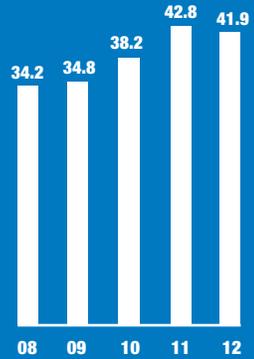
Fiscal Year Sales
(dollars in millions)



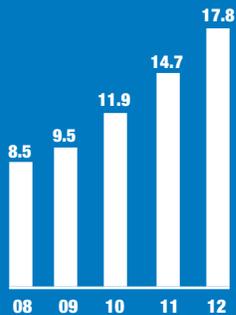
Energy Consumption
(sales dollars per kilowatt hour)



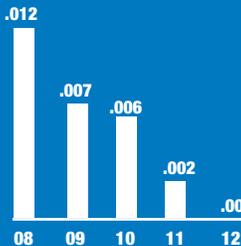
Greenhouse Gas Emissions
(metric tons of CO₂ equivalent in thousands)



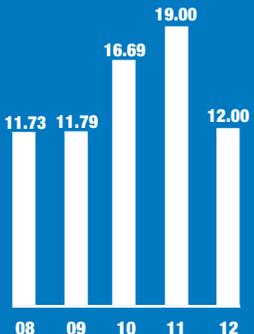
Use of Recycled Material
(pounds in millions)



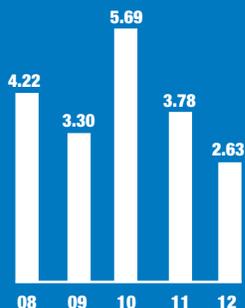
Landfill Costs
(percentage of sales)



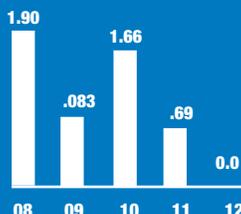
Employee Training
(hours per employee)



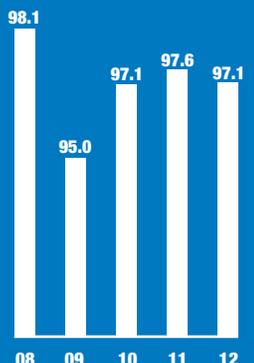
Incident Rate
(rates per 200,000 hours worked)



Lost/ Restricted Workday Rate
(rates per 200,000 hours worked)



Welfare to Career Retention Rate





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