



LINDSTROM

FASTENER GROUP

*The Distributor's
Ultimate Source
for Metric Fasteners*

Twenty-five years of dedicated effort and reliable service have brought the Lindstrom Fastener Group to its present preeminent position as a supplier of metric fasteners to the nation's distributors. Over the years, president and founder, Virg Lindstrom, has steadily built an impressive distributor support organization by reinvesting company earnings to expand product lines, increasing domestic inventories, adding new and larger facilities and training and encouraging a knowledgeable customer service organization.



Lindstrom's Management Team (front to back): Left: Bill Unferth, Virg Lindstrom; Right: Jerry Hancock, Mike French



developing strong ties with the leading manufacturers in Europe and, more recently, in Asia, to supply those needs. Quality and service have always been the determining factor in supplier selection. Lindstrom Q. C. labs qualify incoming parts and provide Level 3 inspection and certification in accordance with customer requirements.

PRODUCT OFFERING - STAYING AHEAD OF THE CURVE

If it's a fastener and it's metric, Lindstrom can provide it. In most cases, it will come right off the shelf at a Lindstrom facility. And, in its stocking programs, Lindstrom is sensitive to changing market trends.

The Lindstrom Group has also created an environment in which the distributor is recognized as an integral part of the Lindstrom business plan. In turn, the company considers itself an integral part of the distributor effort to serve the customer.

“The distributor is our only bridge to the OEM,” Virg Lindstrom explains. “We want that bridge strong and we support it in every way we can.”

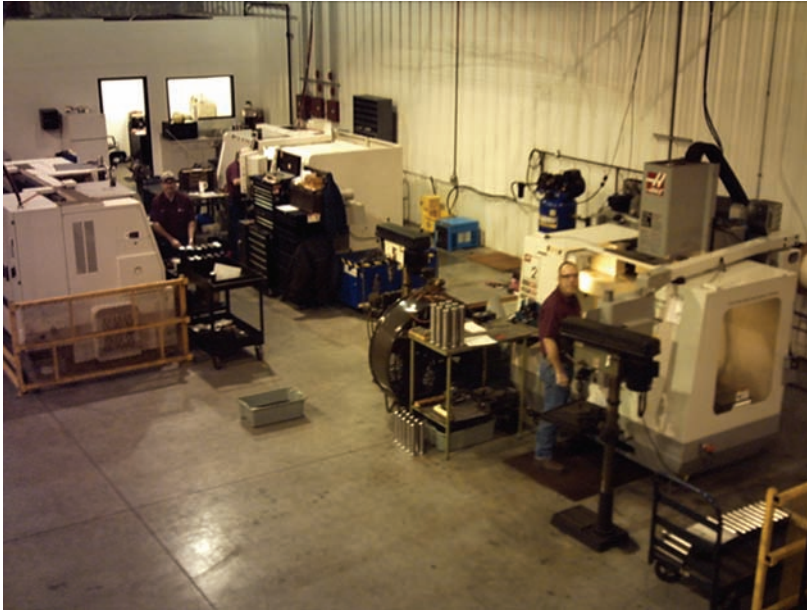
Loyalty given is loyalty returned. And Lindstrom has earned not just the loyalty but also the trust of the distributors it serves.

A lot of companies generalize about “partnering” and “support” but Lindstrom has lived it consistently for a quarter of a century and we can be very specific about the company's support programs for distributors:

FOCUS

Through the years, Lindstrom has focused specifically on **metric** fasteners, staying attuned to the growing needs of the U. S. market and

Example: Three years ago, Lindstrom sensed a growing interest in stainless steel metric fasteners in the U. S. market and responded with a typically thorough support program for distributors. Initially, 1,600 stainless steel fastener items were selected and brought into stock. Sources were carefully screened and consist of a combination of Pacific Rim and European manufacturers. The timing was right, the pricing was competitive and the distributor response was gratifying. Today, there are over 2,600 stainless steel line items in stock. This all-inclusive product offering even includes stainless steel nut and external washer assemblies, more commonly known in the inch market as Keps® nuts. These are available in A2 stainless steel in sizes M3, M4, M5, M6, M8 and M10. All the stainless steel inventory is centrally located at Lindstrom's newly expanded Chicago Distribution Center in Elgin, Illinois. Additional staff was added to support the stainless program. The goal is to ship



all orders the day they are received. Parts are available in standard packaged inventory or in 1/8 keg quantities with commensurate pricing.

Within a year of launching this ambitious program, prices for stainless steel and stainless steel parts on world markets soared to an extent that many described as unprecedented. Knowing that its distributors had made long term commitments based on the competitive prices available from Lindstrom; the company pulled in its belt and absorbed a good portion of those increases. The Lindstrom Group doesn't just talk distributor support, it lives distributor support!

Lindstrom's overall metric product offering includes 48 basic fastener categories from metric hex head and socket head cap screws to thread forming screws, nylon insert lock nuts, lock washers and groove pins. Most products are available in steel, plain finish, steel, zinc plated and steel yellow zinc plated, as well as stainless steel

and brass all in a complete range of sizes.

We can't talk size range without acknowledging the extent to which that size range is expanded by Lindstrom's unique subsidiary, **Mega Metrics, Inc.**, located in Greer, South Carolina. Mega makes the big stuff, and makes it to close tolerances. You can measure these bolts and double end studs with a yardstick. We're talking diameters up to M72 and beyond and lengths up to a thousand millimeters. Mega has about two million pounds of finished goods inventory and over a half million

pounds of inventory in headed metric blanks and unthreaded studs. Its recently expanded machine shop includes CNC lathes, and other milling, cutting, drilling, tapping and thread forming machines that make it possible to turn those blanks into custom finished bolts and studs in 24 to 48 hours. Mega has responded to distributors' unique emergency needs by buying large diameter rod to inch dimensions, cutting it, shaving it to a finely finished metric dimension, chamfering the ends and cutting metric threads, all within a day's time. That's what they mean about supporting their distributors.

INVENTORY SUPPORT

With over \$15 million worth of metric fastener inventory in five locations with a total of 360,000 square feet of space, Lindstrom picks up much of the inventory burden for its distributors. The company makes it possible for distributors to reduce carrying costs, improve cash flow and better utilize available space while still providing prompt, reliable service. This makes for healthier distributors and, in turn, a healthier Lindstrom.



A distributor “Stock and Release” program has been developed that enables distributors to reserve inventory at current prices on repeat, high-volume items. Distributors have all the benefits of an acquired inventory but pay for it as released. There is no tie-up of cash or space. This is typical of the many flexible programs developed by Lindstrom in response to distributor needs.

PEOPLE

The right combination of policies, products and people make truly successful companies. That’s what Lindstrom has put together. While they are gaining in popularity, metrics are still something of a mystery to many in the fastener distribution business. Distributors want to work with people that understand what they need and can guide them through the metric terminology. The management team at Lindstrom, including Virg Lindstrom, President; Mike French,

Senior Vice President of Sales; Bill Unferth, Vice President of Sales and the four managers of the sales service centers, have a total of 168 years in metric fastener sales, 186 years in the fastener industry and 153 years working with distributors. They know the challenges distributors face and they know their metrics!

That knowledge is shared by 25 capable inside sales people that are ready to answer questions on metric options, prices, and product availability. They work with distributors to develop cost-saving strategies relative to ordering and shipping. Each sales person works with specific distributors as an account manager. A bond quickly develops and that account manager becomes the distributor’s representative at Lindstrom. Distributors don’t have to re-introduce themselves and the unique needs of their company to a stranger every time they call.

FROM EUROPE TO YOUR DOCK - IN 7-10 WORKING DAYS!

Why do important customers so often have an immediate need for those special “C” and “D” supply items that are so tough to get and impossible to get quickly? Well, it’s not impossible anymore thanks to another support program Lindstrom has developed in response to the needs of its distributors. As a result of its close, long-term relationships with key metric fastener manufacturers and stockists in Europe, Lindstrom has computer on-line access to their live inventory data and can usually locate those special items. Best of all, orders placed with Lindstrom by Wednesday are forwarded to the manufacturer *and shipped airfreight by Friday*. They are at the Lindstrom New York facility by the following Tuesday and on to the distributor either that same day or on Wednesday!

Wednesday is the cutoff date for order placement so orders placed at the beginning of the week may take, at the most, nine or ten working days. The much broader inventory selection of the European manufacturers and stockists in support of their customers' greater usage becomes an immediately accessible extension of Lindstrom's domestic inventories!

FACILITIES

We have referred to Lindstrom's policy of keeping pace with its own growth by reinvesting in equipment and facilities to support that growth. This is particularly evident when we realize that all but one of the company's facilities is less than four years old and, in each case, two to three times the size of the previous facility. The plans for that one facility, by the way, have been finalized and construction is expected to begin soon.



The Minnesota Sales Team left to right (back row): Bernie Longen, Branch Manager; Jody Hanson; Mike Lindstrom; Derek Knott (front row): Dusty Esler; Pat Engen; Marty Marchio; Dan Herrmann

Let's take a closer look at the individual operations that make up the Lindstrom Fastener Group:

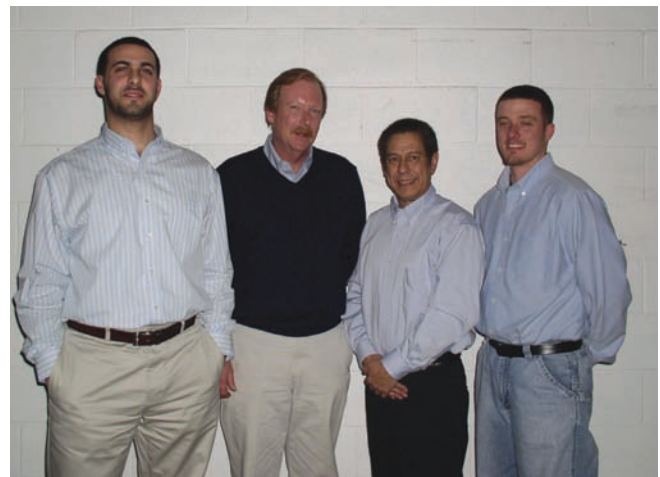
BLAINE, MINNESOTA

This is the corporate home as well as the sales service center for the Central and Western states.

Bernie Longen, a fifteen-year Lindstrom veteran, is manager of the Blaine sales branch. The company moved into this new 88,000 square foot office and warehouse facility in 2001.

CHICAGO DISTRIBUTION CENTER, ELGIN, ILLINOIS

Centrally located in the Midwest, the Distribution Center just moved from a 30,000 square foot warehouse into a new 95,000 square foot warehouse. This operation provides domestic inventory support for all of the sales branches. The stainless steel metric fastener inventories - all 2,600 line items - are centrally located here to provide maximum control and fast response.



The New York Sales Team (left to right): Robert Palazza; Mark Logan, Branch Manager; Roy Fowler; Michael Kaiser

BEACON, NEW YORK

Lindstrom's New York facility is the newest member of the Lindstrom team and its 22,000 square foot plant has already been outgrown. Plans are being evaluated for a new 60,000 square foot building to house the metric inventory needed to support the northeastern market. Branch Manager Mark Logan has been with the Lindstrom Group for a little over three years.

GREER, SOUTH CAROLINA

The Lindstrom Fastener Group has two operations in Greer. One is the previously mentioned Mega Metric, Inc. The other is the Sales Service Center for the southeastern region. Until a few months ago, each had a 40,000 square foot facility. They have now moved into separate facilities under one roof in a new 170,000 square foot building. With its unique manufacturing capabilities, Mega's physical needs are distinctly different than those of the Lindstrom service center. Both required larger warehouse space to accommodate the growth that Lindstrom is experiencing. This is apparent when we realize that, to support the Lindstrom and Mega operations in South Carolina, five to six ocean freight containers are received each week. The manager of Mega Metric is Wayne Hancock who has been with Lindstrom for 12 years and has been selling metric fasteners for 40 years. Rick English, who has also been with Lindstrom for 12 years, is manager of the Sales Service Center in Greer.

Lindstrom's is the classic story of success through understanding and responding to the needs of customers. Lindstrom has never been merely an

order filler. The company recognizes that each distributor has its particular needs and ways of doing business. It is flexible enough to accommodate those needs and it respects the role the distributor plays in the total picture. Lindstrom identifies market trends, anticipates changes in metric product usage and builds inventories that enable distributors to respond to those changes without tying up their own cash for long periods of time.



The Mega Metric Sales Team (left to right): Danny Griffin; Bill Kelly; Scotty Simpson; Wayne Hancock, Branch Manager; David Ogle



The South Carolina Sales Team left to right (back row): Paul Kelley; Rick English, Branch Manager; Steve Welch; Jon Newman (front row): Stephen Tillotson; Paxton Cox; Pete Thalassinios

The world-wide integration of manufacturing and component assembly involves everything from autos and agricultural machinery to power tools, appliances and electronics equipment. The world is metrically oriented and that integration drives the steady, inevitable growth in U.S. usage of metric fasteners. Change is always a challenge. The mutual trust and loyalty that has evolved between Lindstrom Metric and the distributor, with each building on the strength of the other, has produced a supply team ideally suited to respond to that challenge and grow with this expanding market.

LINDSTROM FASTENER GROUP

FIVE LOCATIONS TO SERVE YOU



LINDSTROM METRIC, INC. - CORPORATE HEADQUARTERS
2950 100TH COURT NE • BLAINE, MINNESOTA 55449
763-780-4200 • 1-800-328-2430 • FAX: 763-780-0554



LINDSTROM METRIC, INC.
18 WEST MAIN ST. • BEACON, NY 12508
845-838-1100 • 1-800-838-1565
FAX: 845-838-1163



LINDSTROM METRIC, INC.
6 SHELTER DRIVE, SUITE C • GREER, SC 29650
864-877-3120 • 1-800-572-5550
FAX: 864-877-3121



LINDSTROM METRIC, INC.
CHICAGO DISTRIBUTION CENTER
2750 GALVIN DRIVE • ELGIN, IL 60123
847-836-7980 • FAX: 847-836-7985



MEGA METRIC, INC.
SUBSIDIARY OF LINDSTROM METRIC, INC.
6 SHELTER DRIVE, SUITE A • GREER, SC 29650
864-877-7200 • 1-800-697-1010
FAX 864-877-6010