

Locker Associates, Inc.

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LOCKER ASSOCIATES is a business-consulting firm that specializes in enhancing the competitiveness of businesses and industries on behalf of corporate, union and government clients. By combining expert business and financial analysis with a sensitivity to labor issues, the firm is uniquely qualified to help clients manage change by:

- ◆ leading joint labor/management business improvement initiatives;
- ◆ facilitating ownership transitions to secure the long-term viability of a business;
- ◆ conducting strategic industry studies to identify future challenges and opportunities;
- ◆ representing unions in strategic planning and workplace reorganization;
- ◆ formulating business plans for turnaround situations; and
- ◆ performing due diligence for equity and debt investors.

Over the last 25 years, the firm has directed over 185 projects spanning manufacturing, transportation, distribution and mining industries. Typical projects involve in-depth analysis of a firm's market, financial and operating performance on behalf of a cooperative labor-management effort. Locker Associates also produces a widely read monthly newsletter, **Steel Industry Update** that circulates throughout the U.S. and Canadian steel industry.

MAJOR CLIENTS

Bank of Boston	Air Line Pilots Association/Delta Air Lines MEC
Lazard Freres	Sharpsville Quality Products
Congress Financial	IPSCO
Santander Investment Securities	International Assoc of Machinists
Trustee for Sharon Steel Bankruptcy	Armco Employees Independent Federation
Prudential Securities	United Auto Workers
US Steel Joint Labor-Mgmt Comm	Service Employees International Union
LTV Steel Joint Labor-Mgmt Committee	Cleveland State University
Carbide Graphite	Int'l Union of Electrical Workers
Bethlehem Joint Labor-Mgmt Comm	United Mine Workers
Inland Steel Joint Labor-Mgmt Comm	Algoma Steel
Northwestern Steel and Wire	North American Refractories
United Steelworkers of America	NY State Ownership Transition Services
Beldon Foundation	UNITE
American Federation of Musicians	AFL-CIO George Meany Center
USS/KOBE	Watermill Ventures
Sysco Food Services of San Francisco	Wheeling-Pittsburgh Steel
International Brotherhood of Teamsters	Canadian Steel Trade & Employment Congress
Development Bank of South Africa	Minn Gov's Task Force on Mining
J&L Structural Steel	Special Metals
Boilermakers	AEIF/AK Steel Middletown

RECENT PROJECTS

- **IUE-Pitt Brewing** (2006): advising IUE on Chapter 11 reorganization of brewery, including analysis of financial and operating issues and negotiating with other stakeholders
- **Transportation Company** (2005-2006): performing major study of U.S. iron ore and steel industries, including ten year forecast for steel demand and production, for major transportation company
- **IBT-Allied Holdings** (2005-2006): advising Teamsters on Chapter 11 reorganization of largest U.S. car-hauler, including assessing company plans, financial viability and restructuring

- **Wilcox Steel** (2005): served as investment advisor to the Boilermakers in developing a business plan, securing financing and closing a sale of the former Fort Howard Steel Green Bay cold-drawn bar plant. Mr. Locker now serves on the Board of the Directors of the re-opened company
- **MediaTEK Consulting** (2004-2006): providing ongoing management consulting services to a computer technology firm specializing in websites, product development and systems administration
- **Special Metals** (2004-2006): nominated to the Board of Directors by the United Steelworkers after this flat and long specialty steel producer emerged from bankruptcy
- **Stelco** (2004-2005): advising USWA Locals on restructuring efforts and contract negotiations, including operating improvements, capital plans, cost reductions and transaction due-diligence
- **AK Steel** (2003-2006): analyze company operations, competitive position and financial conditions for AK Steel's Middletown independent local and offer insights into the company's ongoing viability
- **UNITE-Angelica** (2004): presentation to major investors on cost and benefits of a company-wide union contract verses a long-term union organizing campaign
- **IBT-Ports** (2003-2004): working with Teamsters and a major trucking company to develop a new business model for seaport trucking operations to improve productivity, safety, security and efficiency
- **USWA-WCI** (2003): retained by labor and management in a joint effort to analyze company's business plan and restructuring strategy
- **USWA-Copperweld** (2003): assessed company restructuring plan on behalf of USWA to review economics of plant closure and to explore cost-effective alternatives
- **IUE-Fridgidaire** (2003): explored alternatives to air-conditioner plant shutdown through review of marketing opportunities, production capability and potential cost savings
- **USWA-Wheeling-Pitt** (2003): review of company plans for the installation of a new EAF to be fed by a combination of scrap and liquid iron
- **Massillon Stainless** (2002-2003): prepared sale offering memorandum for potential buyers in conjunction with union, management and government officials in Ohio
- **Beldon Fund** (2002): evaluation of the corporate campaign strategy for environmental advocates; included recommendations on resource use and coalition building
- **Hunts Point NYC Terminal Produce Market** (2001-2002): developed and presented a marketing and development plan to the Teamsters and Hunts Point Cooperative Market owners to explore fund raising for modernization, marketing and other viability needs
- **GalvPro** (2001): prepared sale offering memorandum in conjunction with a team of financial and engineering experts and identified potential buyers for a successful sale of the company
- **Institute of Scrap Recycling Industries** (2002): Presented a status report on the U.S. Steel Market before the Institute of Scrap Recycling Industries Commodities roundtable.
- **Co-Steel Lasco** (2002): USWA initiated review of major operating problems; supported by management and included recommendations for improvement
- **Trico Marine** (2001-2002): as part of an union organizing campaign, retained by various maritime unions to conduct an extensive review of the offshore transportation industry, as well as Trico, a company that transports construction materials, crews and supplies to offshore oil and gas-drilling facilities
- **USWA-CSC, Ltd.** (2001): working with management, USWA and community leaders, performed a pre-feasibility assessment of an employee-led buyout of an SBQ producer in Ohio. Offered recommendations and determined that majority ESOP was not feasible for this critical niche producer.
- **USWA-LTV Cleveland West** (2001): assessed the current technology and investigated the alternative of installing new EAFs at LTV's Cleveland West facility.

- **George Tice Co., Inc.** (2001-2002): developed a business plan, financial pro forma and assisted with securing equity and debt financing for ownership transition of export services company.
- **J&L Structural** (2000-2002): Mr. Locker served as Chief Restructuring Officer under Chapter 11 bankruptcy proceedings responsible for management oversight & business sale. Restructured management, improved operations, prepared offering memorandum and identified potential buyers.
- **Carbide/Graphite Group** (2000): assessing electrode business performance and making improvement recommendations on behalf of management and unions at two plants.
- **Boxingranks** (2000): developed business plan for a multi-media firm seeking to encourage boxing reform by creating an independent writers' poll and broadcasting quality events.
- **Algoma Steel** (2000): working with management and USWA to develop new strategic plan to improve the company's profitability through the development of value-added products.
- **Wilcox Forging** (1999-2000): assessed company performance on behalf of USWA, management and State of Pennsylvania and identified buyer that acquired the business.
- **Minnesota Iron Ore Conference** (2000): presentation on steel industry trends and implications for the Iron Range to New Horizons Conference sponsored by State of Minnesota.
- **AK Steel/Armco Merger** (1999): presented analysis of AK's strategy, and its implications for labor relations following AK's merger with Armco, to union leaders from both companies.
- **Air Line Pilots Association/Delta MEC** (1999): advised the pilots union on Delta Air Lines' business strategy and performance in connection with their 2000 contract negotiations.
- **Evaluation of South African Steel Projects** (1999): led expert team that assessed feasibility of three proposed South African mills for Development Bank of South Africa.
- **Continental AG** (1999): presentation to German analysts and institutional shareholders on risk profile of Continental General Tire and its parent company, Continental AG, for the USWA.
- **Steel Survival Strategies XIV** (1999): panel presentation on "Union Management Cooperation in the 21st Century" before 800 attendees at the annual steel conference sponsored by World Steel Dynamics and American Metal Market.
- **Washington Steel/Massillon** (1999): determined that an employee-led buyout of this stainless mill slated for sale or shutdown by Bethlehem Steel was not a feasible alternative.
- **Wheeling Pittsburgh Steel** (1998-9): expert witness and advisor to WPSC on world steel prices and production costs for its trade case against Japanese and Russian steel firms.
- **Sysco Food Services of San Francisco** (1998): warehouse performance improvement effort jointly sponsored by the Teamsters and local management.
- **Overnite Transportation** (1998): conducted financial analysis and valuation for Teamster-sponsored presentation to Wall Street trucking industry analysts.
- **USWA Basic Steel Industry Conference** (1998): presented industry analysis to United Steelworker delegates at industry-wide planning conference.
- **Northwestern Steel and Wire** (1997-98): developed a strategic plan with Arthur D. Little for the company's wire division for the firm's Joint Advisory Committee.
- **Santander Investment Securities** (1997): served as industry expert to bank team seeking to finance a consortium of international steel makers bidding on the privatization of a major Latin American steel company.
- **AK Steel Middletown** (1997): presentation to the independent union at AK's Middletown plant evaluating the competitive issues confronting that plant, including the potential impact resulting from the company's new cold mill complex at Rockport, and offering strategic recommendations to enhance continued viability.

- **Bethlehem-Sparrows Point Strategic Plan** (1996-97): assisted the labor-management Joint Partnership to develop a strategic plan to enhance the mill's long-term viability, leading to a \$300 million investment in a new cold rolling mill.
- **USWA - Empire Steel** (2001): evaluated the company's strength as an on-going concern and provided recommendations to enhance the future viability of the business.
- **Carlo Steel** (2001-02): retained by the Illinois Department of Employment Security - Job Training Division to conduct a pre-feasibility assessment of an employee-led buyout at a minority-owned steel structural fabricator in Chicago.
- **USWA - WP** (2001): researched and assessed the alternatives to a reline of WP's hot-end operations and prepared a pre-feasibility analysis of an employee-led buyout to support the necessary capital investment.
- **Watermill Ventures** (1997): conducted market due diligence for this venture capital firm in connection with proposed steel industry acquisition.
- **Erie Forge and Steel** (1997): explored market feasibility of new product line in connection with proposed major capital investment.
- **Expert Witness in Corporate Lawsuit** (1997): prepared report and testimony for Wilson, Walker, Hochberg, Slopen in connection with major steel industry lawsuit in Canada.
- **NWSW's Houston Beam Mill** (1997): evaluated mill's performance and future viability for Joint Partnership in response to Northwestern Steel and Wire's decision to shut facility.
- **Steel Labor Contract Arbitrations** (1996-97): advised United Steelworkers and served as their expert witness on industry prospects during arbitration proceedings with Bethlehem, Inland, LTV, National, Republic Engineered Steels and USS/Kobe.
- **Pro Media Public Relations** (1997): assisted owner to define objectives, identify partner and negotiate terms of sale.
- **Sydney Steel** (1997-8): advise and represent United Steelworkers in connection with sale of Canadian rail producer.
- **Price Pfister Foundry** (1997): due diligence review of condition and future viability of foundry in Pacoima, CA for the International Brotherhood of Teamsters.
- **Music Industry Analysis** (1998): presentation on the structure and dynamics of the music industry for the American Federation of Musicians.
- **Ownership Succession Project** (1996-2000): under contract to Ownership Transition Services of the NYS Dept. of Economic Development to provide assistance to NYC area companies at-risk due to ownership succession problems.
- **USS/KOBE Steel** (1998, 1996): two major assessments of this joint venture's competitive position and strategic direction, including an analysis of SBQ, rod and seamless tube.
- **Leaf's U.S. Candy Operations** (1996): evaluated Leaf's performance and strategic plan, including its move to sell or close two facilities, for the International Brotherhood of Teamsters.
- **Due Diligence Review of Major Rod Producer** (1996): analyzed long-term prospects for corporate investor in connection with merger opportunity.
- **AK Steel Cold Mill Expansion** (1996): assessed impact of proposed Indiana cold mill project on AK's Middletown, Ohio facility for independent union at Middletown. Identified potential advantages of building new mill at Middletown and organized meeting in which union leaders presented findings to over 20 securities analysts.
- **U.S. Iron Ore Industry** (1996): review of current performance and future prospects for mines and pelletizing facilities, including installation of a DRI plant.

- **Hudson Bay Mining & Smelting Co** (1996): assessed profitability and future prospects of Canadian copper subsidiary of Minorco for USWA and Association of Flin Flon Trade Unions.
- **Analysis of IPSCO Strategy** (1996): analyzed potential impact of IPSCO's new Iowa minimill on its Regina facility for USWA in connection with upcoming labor contract negotiations.
- **Steel in Western Canada** (1996): presentation to the United Steelworkers 1996 Western Rolling Mills Conference on Canadian steel trends and challenges.
- **Brooklyn Early Warning Project** (1995-6): in partnership with the Midwest Center for Labor Research, developed early warning system for the Ownership Transition Services program of the NYS Dept. of Economic Development to identify and assist Brooklyn manufacturing firms at-risk of moving or closing.
- **Minimill Study** (1995-96): comprehensive study of new steel minimill projects for USWA, including analysis of technology, products, capacity, location, ownership and capitalization.
- **North American Refractories Co/Womelsdorf** (1995): in connection with labor contract negotiations, engaged jointly by the company and the United Steelworkers to analyze the cost position and competitiveness of the Womelsdorf plant.
- **Steel Survival Strategies X** (1995): panel presentation on the "New Era for North American Major Mills" before 800 attendees at the annual steel conference sponsored by World Steel Dynamics and American Metal Market.
- **Gulf States Steel** (1995): opinion letter for Hancock Venture Partners and CMS Cos. on proposed acquisition and financing, including review of operating, market and capital expenditure assumptions.
- **Resina Automatic Machinery** (1995): developed the business plan and secured equity and debt financing for investor group acquiring the operating assets from the bankruptcy court for this packaging equipment manufacturer in Brooklyn, NY.
- **Caparo Steel** (1995): assessed the business plan assumptions for Congress Financial in connection with the Caparo Group acquisition of Sharon Steel.
- **BRW Steel** (1994): opinion letter for Congress Financial on Veritas Capital acquisition of Bethlehem Steel's Bar, Rod & Wire Division. Reviewed business plan, including sales and marketing strategy, production costs and capital expenditures for revolving credit facility.
- **American Steel Corp.** (1993-94): feasibility report prepared for the employees and the United Steelworkers of America in connection with an employee buyout.
- **United We Stand, Divided We Fall** (1993-94): report on the current state and future prospects for U.S. integrated steel producers; presented to Joint Labor-Management Committee meetings at US Steel, LTV Steel, Bethlehem Steel and Inland Steel.
- **American Welding Corp.** (1993-94): prepared the pre-feasibility report, negotiated with the seller (Freedom Forge) and potential investors for an employee buyout sponsored by the United Steelworkers and the Buyout Committee.
- **Sharpville Quality Products**; (1993-94): prepared feasibility study and business plan for Buyout Committee and the United Steelworkers in connection with an ESOP.
- **ITC Testimony on Coke Imports** (1993): prepared and delivered testimony before the U.S. International Trade Commission on coke imports for the United Steelworkers.
- **Shenango Group** (1993): performed due diligence on the competitive position and cost reductions for the United Steelworkers of America.
- **North American Iron Ore Industry: Future Prospects** (1993): report and presentation to the Minnesota Governor's Task Force on Mining and Minerals.
- **Bethlehem Steel's Trackwork Division** (1992): feasibility report for the Employee Buyout Committee and the United Steelworkers of America.

- **McLouth Steel** (1992): performed due diligence on market and operating performance for Congress Financial, a major lender to McLouth.
- **Cytemp Specialty Steel: Titusville Plant** (1992): report analyzing management's Business Plan for United Steelworkers of America.
- **Entering the Finned Tube Market** (1992): pre-feasibility report to the International Brotherhood of Teamsters on the start-up of a new facility.
- **The Minimill Sector: Future Directions** (1992): presentation to the Executive Board of the United Steelworkers of America.
- **Ansonia Copper and Brass** (1990): prepared feasibility report for the Employee Buyout Committee of this 400 plus facility. Directed a complete review of the company's performance and future potential.
- **Republic Engineered Steels**: (1989): performed the due diligence on the Business Plan for Bank of Boston in connection with term and revolver financing.
- **Sharon Steel Corp.** (1989-1990): prepared reports for the Trustee appointed under U.S. bankruptcy court proceedings. Directed a major report identifying the firm's problems which was presented to the Trustee, management, labor and the creditors.
- **Assessing the Feasibility of an Independent National Forge-Erie** (1989): retained by the United Steelworkers and the Employee Buyout Committee to perform a full-scale feasibility report for an employee buyout. Subsequently retained by Lazard Freres & Co. to advise them during negotiations with the seller and lending institutions.
- **Pittsburgh Forgings Company** (1987-88): retained by the United Steelworkers and the Employee Buyout Committee to conduct the feasibility analysis, serve as an investment advisor and secure financing in the employee purchase from Ampco-Pittsburgh.
- **Financial Analysis of Eastern Airlines** (1983-1984): an extensive joint review of Eastern's problems and prospects, in cooperation with the New York investment firm, Lazard Freres & Co. The study served as the basis for a historic labor-management agreement that helped save the company from bankruptcy, initiated labor participation in decision-making, improved productivity and strengthened management.
- **Financial Review of Avtex Fibers** (1985-1986): a study of the largest rayon producer in the United States for the Amalgamated Clothing and Textile Workers Union, whose members were facing concessionary demands.

References Available Upon Request

2/14/06