

ATTACHMENT II

The Phillips Plastics Precision Decorating facility opened in 1973 and is located in Medford, WI in its Industrial Park #1. Precision Decorating is a unique facility within the Phillips Plastics Corporation in that not only does it mold plastics parts and assemble parts, it has the capabilities to decorate plastic parts through laser etching and painting processes. With the laser etching process we are able to etch graphics onto painted plastic parts which allows light to transit through the part, much like the buttons on your automobile are able to at night when the dash lights are on. The painting process allow us to be able to laser etch the parts and paint parts to specific colors/glosses that customers request for complex plastic components. With these capabilities, we work with numerous markets in the manufacturing of plastic parts/components.

Precision Decoratings dedication to environmental excellence has successfully established our commitment and sustained certification to the ISO 14001 environmental management system standards since 2001. Our efforts began by educating all employees. Using the acronym "FACE"; Phillips Plastics aligned the idea of the corporation to support the efforts of employees by, Following Laws, Avoiding Pollution, Continuous Improvement and to have respect for our Environment. This education process has generated many different ideas and methods to improve our environmental performance in meeting our goals of environmental protection.

The paint process at Precision Decorating has been for years the biggest environmental challenge in that we had run under a minor source air pollution control operation permit for several years. By running under this permit we were always limited as to what paints we could use and were continually monitoring the amount of VOC's that were being omitted to ensure that we did not exceed our air permit requirements. In December 2000 Precision Decorating worked with the DNR and Anguil Environmental in developing and installing an RTO (Regenerative Thermal Oxidizer) unit that would convert the VOC's to carbon dioxide and water vapor through a high temperature process. In the fall of 2000 the RTO was installed and a new air permit was applied for that allowed us to change from a minor source of less than 100 tons per year of VOC emissions to a major source with the potential to emit over 225 tons. This system after installation and testing also measured 99% destruction rate efficiency for VOC emissions at 100 % capture which from an environmental point is excellent in reducing the amount of air pollution released to the air. In the first 6 months of operation it resulted in a net reduction of 58 tons of VOC emissions. Implementing this RTO and changing air permits also has allowed us to offer our customers a large variety of paint colors and finishes to meet our customer demands and keep us competitive with the global market.

In August 20, 2007 Precision Decorating installed a 50 gallon Little Still manufactured by Finish Thompson, Inc. to reclaim the high volume of solvents used in the painting process that were being shipped out as hazardous waste on a regular bases . The amount of hazardous waste shipped out on a monthly bases averaged 1,462 gallons based on production demands. To date, we have shipped out 0 gallons of solvent waste vs. 11,850 gallons as compared to the prior year.

By installing the Little Still we are able to reclaim an average of 1650 gallons of solvent a month and use it back in the painting process with not having to ship it out as hazardous waste. The implementation of the still resulted in a hazardous waste transporting company coming in every two weeks vs every week and resulted in a savings of \$8,964 a month. With projects such as the installation of the RTO and Little Still, Precision Decorating continually works on a regular basis to try and find alternative methods to make environmental improvements.

Today, we annually refresh our environmental training with all employees and contactors by challenging them to continually generate new ideas. Our current focus, objectives and targets, center on the following: (1) Increased Employee Awareness, (2) Reduction of Land Filled waste and Increased Recycling; and (3) Reduced Energy Consumption. Other efforts to expand the knowledge base of our employees included our annual tree/shrub giveaway in recognition of Earth Day. To date, Precision Decorating has provided over 2,272 trees and shrubs to our employees to help “green” our world.

Year	# of Plantings
2004	454
2005	454
2006	396
2007	504
2008	464

To expand our energy reduction efforts beyond our doors, Precision Decorating helped sponsor a “Change-12” light program. This program offered up to 12 compact florescent light bulbs for our employee’s homes. 1,517 light bulbs were sold through the facility in 2007 and the financial proceeds were donated to The Children’s Miracle Network. Other home energy ideas; such as free home energy audits were given away in a prize drawing to our employees at our Safety, Health, and Environmental Fair in partnership with Focus on Energy Home Performance Program. More ideas are in the works for this facility to help our people generate energy savings ideas for both on and off the job.

Recycling efforts have reduced non-renewable resources of solid waste generation. The people of Precision Decorating put a lot of effort into collecting, sorting, and recycling the following:

Recycle Stream	Amount in FY07
Paper / Cardboard	174 cu yds
Plastic Production Scrap	233,415 lbs
Metal	27,851 lbs
Spent Lamps/Bulbs	551 bulbs
Oil	300 gallons
Spent Batteries	67.2 lbs

Other successes that involve recycling include the proper recycling of electronic (computer and related equipment), the use of recycling copy machine paper, wood pallets, and recycling of printer cartridges and cell phones, Styrofoam peanuts, and more.

In cooperation with Wisconsin Focus on Energy Phillips Plastics Precision Decorating facility has implemented several energy reduction projects. These include the installation of LED exit lights, motion sensors to turn lights on & off when not in use, and replacement of metal halide lights and T-12 lights with energy efficient T-8 fluorescent fixtures. These new fixtures provide us much more illumination with substantially less energy consumption. A summary of all the completed projects and / energy saving of those projects is listed below.

Precision Decorating Lighting Project – Greenhouse Gas Reduction Table

EPA Web Page (Conversion of kWh to CO2 Reduction) <http://www.epa.gov/cleanenergy/energy-resources/calculator.html>

kWh Reduction	411,707	kWh
CO2 Reduction	320	Tons

U.S Climate Technology Cooperation Gateway (Conversion of CO2 reduction to realistic measures) <http://www.usctcgateway.net/tool/>

Equates to:

59	Passenger cars not driven for one year
36,322	Gallons of gasoline consumed
744	Barrels of oil consumed
4	Tanker trucks filled with gasoline
8,205	# of tree seedlings grown for 10 years
73	Acres of pine forest storing carbon for one year
2	Acres of forest preserved from deforestation
13,333	Propane cylinders used for home barbeques
2	Railcars of coal burned
110	Tons of waste recycled in lieu of landfilled.

Environmental planning is part of our day to day business operations. Our EMS system includes an environmental review for all new projects that come into our facility and even for each new part that we will manufacture. This ensures that a regulatory review has been conducted to ensure proper handling of any hazardous waste, air, or water emissions that could be generated.

Going forward, Precision Decorating will continue to achieve superior performance through our continuous improvement processes. Phillips Plastics’ focus will remain on reducing Precisions Decoratings’ environmental footprint and on maintaining complete compliance with the environmental standards that we are held to. We will continue to annually audit our EMS system to ensure that we are moving forward, in the right direction. We will continue to challenge our employees to provide their input and work with them to implement their ideas.

In closing, Phillips Plastics Precision Decorating recognizes that we could not do all that we do for the environment without our environmental partners. These individuals and organizations are listed in Attachment IV. Support of our partnership is enclosed.

For additional detail, please contact Mark Kind at 715-748-8961. Thank you for consideration of Phillips Plastics Precision Decorating facility in receiving the WI Green Tier, Tier I Certification.