



300 American Blvd., Haleyville, AL 35565

Overview of Exxel's Alabama Factory

The Only Major Sleeping Bag Factory in America

- 250,000 square foot facility in Haleyville, Alabama
- Approx 65 Haleyville employees, with 25 Los Angeles support staff
- Capacity to Produce 2 to 4 million family style sleeping bags per year
- All competitors have moved to China

How We Started

- Purchased the facility in 2000 from the Brunswick Corporation
- Factory was slated for closure
- Original plan to take customer list and ship equipment to our Mexico plant.
- Decided to re-open Haleyville and close Mexico factory
- Hired back most of the workers
- Long-term investment approach

Bringing Jobs Back to America

- Gradually closing down China operations
- Expanded Haleyville operations
- Added 20 % more jobs in 2008

A Very Good Place to Work

- Large employer in a rural region with 18% unemployment
- Employee wages on the high end of Alabama industry standards
- Provide affordable healthcare coverage for employees and families
- General employee satisfaction



300 American Blvd., Halyville, AL 35565

Rapid Growth in Bangladesh Market Share of Sleeping Bag Imports to the United States from 2009 - 2010

- **Market Share Increased from 1.7 % to 7.3 % in Just Nine Months**

	Jan. - Dec. 2009	Jan. - Sept. 2010
Bangladesh Imports in Units	119,015	432,396
China Imports in Units	6,772,474	5,888,818



300 American Blvd., Haleyville, AL 35565

Domestic Companies and Entities That Will Be Hurt If GSP Duty-Free Treatment On Sleeping Bags Continues



- Martex Fiber
- Smurfit-Stone Container Corp.
- Bertner Thread
- Consolidated Fibers
- Rusken Packaging
- Stein Fibers
- Royal Slide
- The City of Haleyville



300 American Blvd., Halyville, AL 35565

Consequences of USTR GSP Subcommittee Decision

If Duty-Free Treatment For Sleeping Bags Continues...

- Bangladesh sleeping bag factories will draw more business away from China and America, with No Duty, PLUS all their other attractive features: low labor wage rates, minimal industry regulation, free-zone benefits.
- Exxel's Alabama sleeping bag factory will be forced to close down.

If Duty-Free Treatment For Sleeping Bags is Discontinued...

- Bangladesh sleeping bag factories will continue to draw more business away from China, with all their other attractive features: low labor wage rates, minimal industry regulation, and free-zone benefits.
- Exxel's Alabama sleeping bag factory will once again be able to compete on a level playing field with Bangladesh.



300 American Blvd., Halyville, AL 35565

An Example of Significant Import-Growth of a Bangladesh-Made Product That Carries The U.S. MFN Duty Rate

U.S. Tent Imports from Bangladesh in comparison with China, went from 6.4% in 2007, to 7.8% in 2008, to 12.6% in 2009.

U.S. Imports of Tents	2007	2008	2009
Bangladesh	6,742,452 (6.4%)	8,123,695 (7.8%)	10,467,017 (12.6%)
China	98,263,574	94,746,189	72,178,614



Exxel Alabama Factory in the News

Exxel has received extensive attention for its Alabama factory and its Made-in-America program in the following media outlets.

Television

CNBC – *Street Signs*, Live with Erin Burnett
CNN - *Lou Dobbs Tonight*
Fox Business News - Live with Louise Pennell
Fox Business News – *Top 5 Made-in America Products*
The Sportsman Channel – *Factory to Field* entire episode
KNBC News Los Angeles

Print

Bloomberg News
Forbes.com
Washington Post
Washington Times
Minneapolis StarTribune
Birmingham News
Los Angeles Business Journal
SportsOneSource.com
Outdoor Retailer Daily
Outdoor Industry Association Web News
National Journal – Congress Daily
Inside U.S. Trade
ShopFloor – National Association of Manufacturers Blog

Speaking Engagements

Exxel CEO Harry Kazazian and President Armen Kouleyan were guest speakers at the following conferences and panels:

Making It in America, Press Conference of House Majority Leader Steny Hoyer, Washington, DC

Conference on the Renaissance of American Manufacturing, National Press Club, Washington, DC

Returning Manufacturing to America, Outdoor Retailer Summer Market, Salt Lake City, UT