

February 2009



January 30, 2009

Greetings to all SKB Industrial / Commercial / Military division Distributors and Dealers. As we kick off the New Year we are optimistic about the business outlook, and as excited as ever about the new products that we are launching into the marketplace. Here is a brief overview of what we have accomplished over the past few months:

- SKB launches new era in manufacturing capabilities. Starting just about 12 months ago our owners committed to taking our injection molding capabilities to the next level. Dave, Steve, and the senior leadership team put together a plan to introduce the best large size injection molded cases available. This plan included relocating some of our manufacturing equipment to our other facilities to make room for the installation of our brand new 1124 ton injection molding machine which was purchased in the spring. After the machines were relocated, we started by digging out our existing floor and removing 3 feet of dirt, installing a thick mesh of dual layer rebar, then pouring a special high strength concrete mix to create a new foundation for our new 225,000 pound machine. Next came the purchase and installation of our new overhead crane system that is capable of moving the 30,000 pound molds. Our new machine arrived and was installed in November, with start up of all systems completed in December. We began test runs of existing tooling in late December and all systems are now checked out and ready to run. The tooling for our first large case, the 3i-2918-14 was completed and test ran in late December and is arriving at SKB Orange California manufacturing plant on Monday, February 2<sup>nd</sup>.



Dave Sanderson & Steve Kottman with our newest machine addition in Orange, California

- A letter from our President:



January 20, 2009

To our valued distributors

Back in early December I was extensively interviewed over the phone by a group of lawyers for the Federal Trade Commission. Pelican and Hardigg had proposed the merger, and the concern was whether this would create a monopoly. My answer was no..... that we had the capability to compete against both of them. My feeling was that in the Military / Industrial case business this would instantly propel SKB from #3 to #2. A #2 is crucial to keep things fair and honest, and I felt that this would create opportunities for SKB.

“But what about the large injection molded cases where there is no competition?”

By sheer coincidence we had just completed the installation of the equipment and infrastructure to compete in this arena. Brand new..... super efficient..... latest technology..... the culmination of years of studying and planning..... traveling the world to see the “latest and greatest”..... and it was already on our new heavily reinforced shop floor waiting for it’s first mold.

And the first mold, our 3i-2918-14 will be here this Monday, February 2<sup>nd</sup>. We will be molding the entire case in 1 shot, unloading it with a state of the art robot and completely assembling it at the machine.

Our second mold is well underway, and should be completed in late March. We will announce the size as the completion date gets closer. I will be announcing some more big surprises in our next newsletter.

I have tremendous respect and admiration for both Pelican and Hardigg..... Lyndon Faulkner and I are friends. Certainly fair and honest competition is the American way, and good for all of us.

Thanks once again for all of your loyalty and support.

Have a great 2009!

A handwritten signature in black ink, appearing to read 'Dave Sanderson', written in a cursive style.

Dave Sanderson  
President

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- **3i-2918-14** case, this is our first in a series of large size cases. The inside dimensions are 29" by 18" by 14" (2 1/2" deep top over 11 1/2" deep base) which is about 1/2" longer, 5/8" wider, and 3 1/2" deeper than the Pelican 1650, and about 1/4" deeper than the Storm iM2975. Our case utilizes a newly developed 12" wide (two handed) lift handle on the front of the case and our cushion grip over molded 5" lift handles on each end for easy two man lifts. Any or all of the five trigger release (patent pending) latches can be retrofitted with our TSA accepted key locking latches, and our padlock holes now include stainless steel padlock protector clips. A reduced extension length pull handle places the case in nearly perfect balance with typical payloads, and the four inline skate style wheels allow the case to roll efficiently. SKB's high strength polypropylene co-polymer resin allow us to build a case that is lighter in weight than our competition and still exhibits an impact resistance that is about 2.5 times stronger. The weight on this new case is 24.8 lbs. As always, our pricing is very competitive which will allow you to notice increased profit margins. We will be providing a new product release notice in the next week or two which will include all pricing and other details. We plan to have a special offer which will be in effect during the first month of release on this new case, and you will be notified on the details soon. We expect to start shipping this new case size in mid February.



Jerry Andreas, SKB Music division, with new 3i-2918-14 case



- **3R6223-10 and 3R6218-10**, we are introducing two new sizes of 3R Military Standard style cases. The 3R6223-10 case has interior dimensions of 62 5/8" by 23 1/4" by 10" (7" deep base and 3" deep lid) and weighs 46 lbs. The 3R6218-10 case has interior dimensions of 62 5/8" by 18 1/4" by 10" (7" deep base and 3" deep lid) and weighs 36 lbs. These cases use our injection molded "trigger release" latches, like the ones that are so successful on our 3i injected molded case line. Both of these new cases sizes have edge wheels for easy transport and a 12" wide "two hand" carry handle on the latch side of the case, and carry handles on each end of the case (12" wide on the 3R6223 and 5" wide on the 3R6218). These cases include the automatic breather valve that we use on our 3i series injection molded cases and are considered "rain tight". These are great new heavy duty cases with budget conscience pricing.





- **24" – 28" – 30" Shock racks**, we have completed and are now stocking all three versions of our "Industrial / Military" duty shock racks in the 4U size. These cases have the same features as our 6U, 8U, and 10U sizes in this series that have been released for some time now. These features include black powder coated stainless steel key locking latches, push button removable 4" dual locking casters, quick removing 270 degree swing 4 1/2" deep front and rear doors, cushion grip spring loaded lift handles, and rotationally molded polyethylene construction. The 24" and 30" models have inner racks that are 24" and 30" spacing from outer face of the front rail to outer face of the rear rail. These models have 10-32 tapped rack rails and come with mounting screws that have "no mar" nylon washers pre installed. The 28" version has our patent pending "Convertible Rack Rail System" with adjustable rack rail plates that are designed to utilize square cage nuts. We also have accessory rack rail plates that are available with through holes for mounting equipment that has threaded receivers, and also standard 10-32 tapped plates. This 28" version is designed to us with the Dell Rapid or Versa rail slides, or other similar products. As with all SKB cases, these units carry our "Million Mile" lifetime warranty.



3SKB-R904U24



3SKB-R904U30

- **Shock Rack accessory kits**, we are now stocking accessory kits for all of our 20" – 24" – 28" and 30" shock rack cases. These kits include support rails (2 rails per kit plus all mounting hardware), Additional shock kit (8 elastomeric shocks and all mounting hardware) to bring your equipment payload up from 150 pounds to 300 pounds, and a load spreader bracket kit for the 24" – 28" and 30" shock racks to tie the caster track into the case side walls to keep the wheel system more stable when loads exceed 150 pounds. In addition we continue to offer wheel pouches, small and large accessory pockets, a 4U roto molded drawer, and a pull out Velcro shelf. These kits are all listed in the Shock Rack Accessory area on page 4 of our price sheet.



- **1SKB-RSF2U & 1SKB-RSF4U “Studio Flyer” cases.** The 4U version is pictured below at the top of the stack to the left, with the open laptop computer on top. This case is designed as a mobile studio and has been used by several of the major news organizations for their traveling reporters. The case has a removable hinged top (not shown in this picture) that securely holds the laptop in place during transport, and is quickly removed for full and complete access to the laptop. The lid uses our injection molded “trigger release” latches with TSA accepted key locks for security. The laptop surface has Velcro compatible carpeted foam pads with our corner cleat system to securely hold the computer. We have 3 cable pass throughs that allow the user to keep the system wired during transport. The front door is removable on the 4U version shown below, and is hinged on the 2U version. Threaded steel rack rails are located behind the door for easy mounting of communication, recording, or virtually any other type of rack mountable gear. These cases also have a full size rear access door to allow easy hookup of all the mounted gear. Both sizes have pull handles and wheels for providing a versatile mobile package, and the 2U version is airline carry on size!
- **1SKB-R4W & 1SKB-R6W Rolling rack cases.** The 4U is the middle case in the stack to the left, and it is sitting on top of the 6U version. The picture below on the right shows the 4U from the back with the pull handle extended and two 6U versions open with equipment mounted. These Cases are rotationally molded polyethylene and utilize our injection molded patent pending “trigger release” latches with TSA accepted key locks on both front and rear gasketed doors. These cases utilize threaded steel rack rails in the front of the case, and rear rack rails can easily be customer installed if necessary, and are available in a kit form with all necessary hardware for mounting. These cases are 19” deep internal and have 2” deep doors (the center of the door has a vertical stiffening bar that is about 1 ½” wide and is only about 1 ¼” deep in that area). Both cases have our injection molded two stage pull handle and easy glide inline skate type wheels.



- **Pricing**, we will continue to use our Distributor Price List dated September 1, 2008 through December 31, 2008. This price list will be valid at least through March 31, 2009. We will be publishing a new price list in the next week or two that lists all the new products but the prices on existing products will be the same as they were on the September 1, 2008 version.
- **3i-1610-5 case**, we have retooled this case and have made the following changes:
  1. Changed logo from oval metal plate centered under handle to polycarbonate rectangular label located in lower right hand corner of the lid.
  2. Changed latch so that it can accept the TSA locking latch, which will be available as a retrofit kit.
- **20" rolling shock racks**, due to what some perceive as excessive flexing of the pull handle with payloads of over 100 pounds, we have decided to suspend production on the 10U, and 12U versions of this case. We will be modifying the tooling to remove the pull handle and wheels from these three sizes. We are considering alternatives for offering removable casters, or possibly a caster board. We expect to be able to start production on these sizes again in about 90 to 120 days. We are still testing the 8U to decide if we need to change this one also.

**Final thoughts:**

As we roll into the new business year of 2009, most of us are facing uncertainties such as the US economy being in a recession, the new President and any policy changes that he might make, the financial crisis and all of the bailouts going on, the merger of companies that were bitter rivals, etc. etc. The one thing that is certain is that SKB is moving forward with investments in infrastructure, equipment, tooling, and new product development. Our staff is committed to provide the best service in the business, and we will continue to be known as the easiest company to work with. Please feel free to contact any of our staff at your convenience (contact information listed below) and you can be sure to receive total cooperation. All of us at SKB sincerely appreciate your business and the relationships that we have developed. We look forward to growing together with you in the coming years, and we feel that even in uncertain times the best will always prosper.

Thanks again for your loyalty and continued support of SKB Corporation.

Respectfully,



Robert Wilkes



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