

nuts & bolts

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Mike Webster, vice president for engineering, adjusts an optional middle shelf

Product tweak becomes popular product line

Three years ago, a customer requested Tennsco stretch one of its bookcase designs to allow for deeper storage on a shelf. When the engineering staff tweaked the standard design, it basically became a storage cabinet with no doors – and a hit.

“The design has done quite well,” said Engineering head Mike Webster, even with limited sizes and options.

Now due to that success, Tennsco is offering a full line of open style storage cabinets. “A lot of offices need storage space but don’t need to lock it up. Most offices are secured and locked up at night so there’s no need for additional security,” Webster said. “If you’re not going to lock the doors, there’s no need to have them.”

Webster said traditional bookcases are 12 to 15 inches deep. The new designs come in 18- and 24-inch depths and feature widths 36 and 48 inches wide. Designers got creative with versions featuring a wardrobe with rods for hanging coats under a top shelf and a combination version with a wardrobe for coats and half shelves for smaller items.

In the Big Boxes

OfficeMax/United Stationers distribution deal broadens Tennsco's market reach

The challenge: Office customers of the big box retailers like OfficeMax and Staples want a bottom-line price when they order a bulky item to be shipped.

The problem: Tennsco separates product and freight costs and is accustomed to shipping in great numbers – not one or two products at a time.

The solution: Graft Tennsco products into the distribution system.

United Stationers is North America's largest broad-line wholesale distributor of business products – including Tennsco products – to such retailers as OfficeMax, Staples and Office Depot. Search on “Tennsco” at officemax.com, for instance, and the website offers up 368 Tennsco items across 25 pages of lockers, shelving and storage. But that's not all Tennsco sells.

So Tennsco's Director of National Accounts Chuck Kelly approached the retailers with this challenge: how can ALL of Tennsco's products be offered whether or not United Stationers stocks the products.

It led to an agreement first with Staples and now OfficeMax and it's

See BIG BOXES, page 8

nuts & bolts

The magnitude of where she is and what she's doing isn't lost on Rachel Bradley.

In January 2013, Bradley joined Tennsco as the director of marketing. She also joined the family work. She's a granddaughter of founder Les Speyer.

"I have Grandpa's phone number and his office," she said. Her best memory of him?

"He used to pit us against each other," she said with a broad smile. "He would say 'Well, Max did this' or 'Max did that,'" referring to cousin Max Speyer who shares Grandpa Les' office with her.

"One time, he bet my sister \$20 she couldn't complete a 3-D puzzle, then he gave me \$5 to tear it down!"

"Tennsco is a large company with a small company feel. Everyone wears multiple hats and everyone is in it together... working for a common goal."

For Bradley, there's an attraction to the area of marketing. "To me, it's all in how you position (the product). Marketing allows you to tell the story you want customers to know."

Bradley is married and the mother of three boys.

Max Speyer, Tennsco's new director of information technology, said following in his grandfather Les' footsteps is "daunting...with all he accomplished here and elsewhere in life."

He's "getting used to" being in Grandpa Les' office. "It's split between us (referring to cousin Rachel Bradley) and neither has to carry the full burden. It's a role we take seriously," Speyer said.

They share legacy...and an office

Bradley said the elder Speyer was very family oriented and had close relationships with his six grandchildren. Bradley is the daughter of Speyer's daughter April – a sister to Tennsco President Stuart Speyer.

Grandpa's conversations were typical. "He'd always ask about school," Bradley said.

When she was an undergraduate at Vanderbilt University in Nashville, "he kept me fed. He would take a group of my friends and me to a Wednesday evening buffet almost every week and after we ate, he'd let us go back through the buffet to fill up to-go boxes. My friends called him Grandpa Les, too."

Bradley was born and raised in Wichita, Kansas, near where her father is from.

She received a bachelor's degree in human and organizational development with a leadership effectiveness track from Vanderbilt University. After graduating, she moved to North Carolina, worked for a law firm and started a pet sitting business.

She returned to Vanderbilt and enrolled in business school where she received a master's in business administration with a focus in marketing and entrepreneurship. From there, she joined the H.J. Heinz Company in Pittsburgh, PA. Although most known for ketchup, the company produces a broad range of food products. Bradley was the brand manager for Weight Watchers® Smart Ones® and then OreIda® frozen potatoes.

Bradley can see her grandfather's familial imprint on Tennsco.



Rachel Bradley



Max Speyer

"If we can accomplish a fraction of what he did, we'll feel good about it."

Memories? "He always liked to push us," Speyer said, echoing Bradley. "He was always bragging on what the other grandkids were doing and asking why we couldn't ski as well, or why our grades weren't as good as the others. It was always in a good way."

"Due to him, I probably tried a lot of activities I wouldn't have otherwise ...tennis, airplanes, skiing. I probably went to more air shows than any kid should have to."

Speyer is the son of

James "Jim" Speyer, Les Speyer's oldest son and older brother to Stuart. Max grew up in Pittsburgh but always attended big family gatherings in Nashville with Grandpa Les hosting. James died tragically in an airplane crash in 1991. Max was 12. After his father's death, Max said Grandpa Les and Uncle Stuart always helped bridge the gap between his mother and father's families.

Speyer is a self-avowed tech nerd. "I was always a tinkerer much like my dad and grandfather." He said he was coding by the age of 10 and figuring how to tap into the phone line at home.

He has undergraduate and graduate degrees in computer science from Georgia Tech. Out of college, Speyer went to work for CISCO, the networking/security hardware and software giant. He worked in consulting and sales in Raleigh, NC, and Denver, CO, before joining Tennsco in February 2013.

Speyer is married and the father of two girls.

401k payroll deductions ease saving for retirement

Most everyone recognizes the need to be setting aside money for a retirement "nest egg." Unfortunately for a lot of people, they have not taken any action. I recently read that 45% of American households have nothing saved for retirement. Among those nearing retirement, three quarters have less than \$28,000 saved.

The estimate is that Americans are short \$6.8 trillion needed to retire with a comfortable standard of living. The Social Security trust fund is also woefully underfunded which our elected officials will need to address soon. Most solutions call for a later retirement age and lower benefits. As the baby boom generation starts to retire, we will see a real strain on society.

The good news for Tennsco employees, you have available a great 401k retirement plan. The Tennsco plan matches dollar for dollar of the first 6% of your contribution. Less than 13% of plans match as high a percentage and only about 1/3 of the plans will match as much as 6%.

Therefore, it is surprising that less than 60% of Tennsco employees have chosen to participate. In addition to the Tennsco contribution, there are tax advantages to the retirement plan.

You will not pay taxes on your contribution, Tennsco's contribution or the earnings on your savings until you withdraw your savings during retirement (assuming you wait until retirement to make withdrawals). Additionally, because of compounding interest, any money you save now will be worth significantly more when you retire.

For example, if starting at age 30, you contribute \$100 every month to your retirement plan which Tennsco matches, your 401k will be worth approximately \$450,000 when you turn 65 assuming an 8% annual return. Keep in mind, your personal contribution to reach \$450,000 was only \$42,000.

Quite frankly, if you haven't joined the plan, you will regret it down the road.

For those in the plan, there is a large and perhaps confusing array of investment options.

A significant number of you have chosen to invest in the conservative fixed income fund. While this strategy was great during the crash back in 2008, currently the 5-year fixed rate is only returning .68% for the 12 months ending 2/28/14. It is hard to predict which investment will

By Stuart Speyer
Tennsco President

do the best going forward, but over the long haul, taking some risk in your portfolio will improve your returns.

For those uncomfortable with selecting which funds to invest, you should consider one of the LifeTime funds offered by Principal. The fund managers will select an investment mix based upon your estimated retirement date. The mix will become more conservative over time as you get closer to your retirement date. It makes it very simple.

The key to a financially comfortable retirement is to start early and contribute as much as you can. Payroll deduction makes it easy.

The Principal Financial Group manages the retirement account. They manage more than \$400 billion in assets with more than 18 million customers and have an A+ rating by A.M. Best and Standard & Poor's. If you need advice, they are a phone call away.

2nd Quarter 2013
Attendance Bonus

Employees
get 2nd
quarter
rewards

Plant 1
Michael Murphy
Howard Walker

Plant 2
Gene Aldridge
Michael Bowker
Kevin Brandon
Charles Curtis
Gregory Curtis
Ben Lee
Don Luckett

Plant 3
Fern Arnold
Brenda Capps
Anthony Gunn
David Long
Dean Proctor

Plant 5
Robert Haynes
James Tate



NEW EMPLOYEES & NEW ASSIGNMENTS ■ Tennsco has welcomed several new employees to the team and marked some new assignments for others. Pictured above (from L to R, in front) are: Jarad Johnson, IT systems specialist; Timmy Glenn, who moved from Plant 2 warehouse to Plant 6 scheduling assistant; Belinda Dunn, order entry department; Michael Dudley, promoted from a Plant 5 packer in the warehouse to Plant 5 assembly supervisor; and standing (behind) Brett Bumgarner, operations project manager.

10 Years

Timothy Glenn (Plant 6) received a 10-year service award



20 Years

Pictured (L to R) are Stephen Church (Plant 1), Daniel Heathco (Plant 2), Michael Fleet (Plant 2), Eric Brake (Plant 2), Phillip Underhill (Plant 2), Mike Webster (VP Engineering) and Greg Salley (Plant 2)



Employees honored for tenure

Tennsco honored employment milestones at an awards ceremony in December. At the gathering President Stuart Speyer lauded the honorees for their service, their dedication and their longevity with the company.

Honorees were treated to dinner at The Renaissance Center and the show *A Christmas Carol*.

Plant managers thanked the honorees and awarded them plaques for their service.

25 Years

Pictured (L to R) are Plant 2 employees Don Brazzell, Jeff Chandler, Gerald Curtis and Terry Ferebee.



25 Years

Pictured (L to R) are Keith Womble (Plant 5), David Styles (Plant 5), Butch Durham (Plant 3), Kenny Stone (Plant 5) and Kim Morris (Main Office)



30 Years



Pictured (L to R) are Gerald Adcock (Plant 1), Mike Grant (Plant 2), Steve McClurkan (Plant 2) and Hensley Perkins (Plant 3 Manager)

35 Years



Pictured (L to R) are Robert Donegan (Plant 1) and Ora Turner (Main Office)

40 Years



Pictured (L to R) are James Carpenter (Plant 1) and Ralph Martin (Plant 2)

45 Years



Pictured (L to R) are Roy Stinson (VP Manufacturing), Phyllis Jones (VP of Purchasing) and Jerry Estes (VP of Manufacturing)

RETIREMENT ARRIVES ■ Employees in the tool and die department said goodbye to long-time employee Gene Sanders (center) who completed 30 years of service on Jan. 17. Pictured with Sanders are (at left) Chief Tool and Die Engineer Bob Brake and (at right) Tool Room Supervisor William Lane.



3rd Quarter 2013
Attendance Bonus

Employees get 3rd quarter rewards

Plant 1
Roberto Juarez

Plant 2
Jeremy Baker
Raymond Boone
Dowell Jones
Richard Morris
Albert Primm
Frances Pullum
Cindy Ross

Plant 3
Kenneth Baker
Shannon Griffin
James Oliphant

Plant 4
Howard Clemons
Mark Powers

Plant 5
Jacob Adcock

EMPLOYEE ANNIVERSARIES ■
This listing of employee anniversaries includes those celebrating a five-year interval, starting at 10 years.

Plant	Name	Years	Plant	Name	Years
Office	Jarrett Proctor	10	5	Darryl Kimmons	20
6	Joseph Durard	10	3	Billy Hodges	20
5	Jacob Adcock	10	5	Alvin Jones	20
3	Matthew UpChurch	10	5	Wendell Gordon	25
2	Todd Castenholz	10	1	Charles Agy	30
2	Glenn Hanner	15	1	John Breeden	30
7	Quentin Modena	15	1	William Lane	30
6	Denise Rochelle	15	2	Robert Holloway	30
2	Arista Crants	15	3	Joe Estes	30
1	Clint Herndon	15	4	Ricky Vaughn	30
2	Jerry Hooper, Sr.	20	Office	Mark Murrell	30
				Noel Choate	30
				Larry Jackson	30
				Matt Parish	35
				Tony Roberts	35
				Phillip Manley	35
				Rickey Story	35

Save the date...
Tennsco family picnic
September 20

4th Quarter 2013
Attendance Bonus

Employees get 4th quarter rewards

Plant 1
David Adams
Gerald Adcock
Kenneth Morris
Jeffrey Vaughn
Jimmy Winters

Plant 2
Robin Brake
James Bruce
Gerald Curtis
William Deloach
Michael Fleet
Jimmy Glenn
Milton Harris
Billy Lane
Virgil Mann
Martika McClurkan
Griselda Meza
Rosa Mota
Brenda Rockey
Robert Russell
Sandra Sanker
Eugene Sensing
Daniel Smith
Adam Sullivan
Jason Wills

Plant 3
Bennie Davidson
Darrell Davis
Dan Fussell
Roger Hollis
Corey Madden
Betty Spann
Juan Valdez

Plant 5
Kurt Louis
Ronnie Myatt
Bruce Strang
Garry Sugg



HOLIDAY CHEER ■ Tennsco families gave and received during the Christmas holiday season. Picture above are main office employees who donated toys to the Dickson Firefighters for Kids annual drive. The annual Tennsco family Christmas dinner featured a visit from Santa, toys for the kids (below, left) and food and treats for all (below, right).





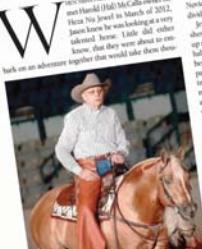
Heza Nu Jewel
OWNED BY HUBER & MCCALLA A WHITE REINING TENNIS
BRED BY JESS & KAREN PROFESSIONAL INC. OF TUTTLE, PRESTONETON, KENTUCKY
BRED BY JOAN SEDivec, CUMMING, NORTH DAKOTA

2009 PALOMINO STALLION BY SU CHEX O CASH AND OUT OF SHEZA ZAN DANDY

2013 NRHA NOVICE HORSE OPEN LEVEL 2 EARNINGS \$6,738.85

2013 NRHA NOVICE HORSE OPEN LEVEL LEARNINGS \$6,370.51

BY TORI THOMAS



When you ride around the arena, arriving to the end as the last horse, rider and owner, it's not every day that you're the one to win both the Novice Horse Open and the Level 2 and Level 1 since the rule change. In 2013, Hal McCalla, owner of Heza Nu Jewel, did just that. "I think I was a little bit older when I started my career in reining," he says. "I had a few shows with my previous partners and owners. He tacked up many more horses, training, reining and performance shows during that period of time. I think I probably would have won the Novice Horse Open back then when he bought his palomino stallion, Su Chez O Cash, and put him in the NRHA arena." Before 2012, McCalla never won much as a partner in the arena, so he never saw anything as an achievement or an award. "It is amazing though, especially something like this," he says. "I've been showing for 10 years now, and I've had some really good experiences, but this is probably one of the best ones I've had. I really enjoyed working with Jewel. I think he's prepared really well," says Speyer. "I really like what he does, and I think he's a bit to my taste. I think he's a horse that would be very competitive in the NRHA arena."

"In February 2013 I took Jewel to Tampa, Florida, to show him at the Tampa Horse Show. It was the Novice Horse Open show, and I had a really nice experience there. We had progressed to a really good place to test him out. I think he had a really good show. I had no idea where it might go from running sideways to showing. I had no idea what it was going to get for any titles and certainly not how many titles we were going to get. I think he did great, but I don't know if we were going to get any titles, but we thought it was a good competition."

HORSING AROUND ■ Hal, McCalla, retired Tennsco vice president of sales, continues to rack up the awards in the horse world. His horse, Heza Nu Jewel, picked up more than 30 trophies around the country in 2013, was named World Champion in two categories and was featured in the March issue of *NRHA Reiner* magazine, a publication of the National Reining Horse Association. To see the article, go to <http://digitaleditions.sheridan.com/publication/?i=199263> and flip to page 102.

Big Boxes

Continued from page 1

working, said Mike Chapman, Tennsco's vice president of sales.

Tennsco negotiated bottom line prices – which include the product cost and shipping – with the big boxers. That set prices for hundreds of Tennsco items not stocked by United Stationers or in their catalog.

Tennsco Marketing Director Rachel Bradley joined the work with a marketing program directed toward OfficeMax sales reps. What resulted was a six category Tennsco/OfficeMax product set that comes with quick ship (it's in United Stationers' inventory and ships in one day) or extended shipping (a non-stocked product that is ordered from Tennsco). The catalog is uploaded to the OffceMax website as a flipbook...the pages flip like a real book.

Tennsco acquires Direct Line

Two neighbors have become one.

At the end of January, Tennsco Corp. bought the Direct Line company, a distributor of Tennsco products for more than 20 years.

Direct Line's offices and distribution center are within walking distance of Tennsco headquarters on Tennsco Drive in Dickson, TN.

In a joint statement, Tennsco President Stuart Speyer and David Downs of Direct Line called the merger "a natural progression for our two companies that will provide many benefits to...our important customers."

For many years, Direct Line has been a key distributor of L & T four-post shelving as well as other storage and filing products. Becoming part of a larger organization will provide Direct Line with additional sales, marketing, operational and financial resources to serve customers better, said the joint statement.

In 2011, Direct Line received the Best of Sterling Award from the U.S. Commerce Association. Direct Line was honored in the Distributing Service category.

Tennsco is a leader in steel storage and filing solutions with a breadth of produce lines including shelving, office furniture, lockers, filing units, cabinets, bookcases, shop equipment and library shelving. "The addition of a quality mobile carriage system to this wide array of storage products will provide great opportunities for our distributors," the two leaders stated.

Direct Line helps customers squeeze more capacity out of their space by putting storage units on tracks. Their clients have ranged from the professional football team Baltimore Ravens to hospitals, law firms and a weapons storage facility on a military base.

For now, all Direct Line orders and customer service issues will continue to be handled in the usual manner. Orders will be processed and shipped out of the Direct Line facility. Customer service can still be reached at 800.822.4000. Greg Wilson (Direct Line vice president of sales) is at 334.798.1616 and Mike Chapman (Tennsco vice president of sales) can be reached at 615.326.0622.

Downs will stay on as a consultant, but will not have any ongoing operational responsibilities.

Now, sales persons for Staples or OfficeMax can give customers what's called a "landed" price – a total, final price with freight cost built in.

Chapman and Kelly delivered a webinar and trained OfficeMax sales staffers and customer support personnel around the country. Kelly followed up with a podcast to about 1,500 representatives.

Tennsco gets around the inefficiency of shipping one and two items at a time by including "less than truckload" orders with regular stock shipments to United Stationers. Those Staples- and OfficeMax-destined pallets get cross-docked at the United Distribution Centers and re-shipped to the appropriate OfficeMax or Staples Regional Fulfillment Centers.

An added bonus? Shipping in bulk greatly reduces freight damage, Chapman said. "It's a win-win situation."

In November 2013, the U.S. Federal

Trade Commission cleared the way for a merger of Office Depot and OfficeMax, the second and third largest office-supply chains in the U.S. to merge. Company officials said the combined company would have more than 2,100 stores and combined revenues of about \$18 billion, compared to more than \$24 billion in sales for Staples, the largest office-supplies chain.

nuts & bolts

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