

MuCell Can Help You Stay In The Lead

As we enter 2011, the recent recession seems firmly behind us and the plastics industry is poised to enjoy a continuation of the economic expansion we all witnessed during 2010. If this expansion follows in the tradition of past economic cycles, we will see a downstream shift of leverage in the supply chain: equipment and material suppliers, as well as processors have substantially reduced their capacities in the last few years. Accelerating upstream consumer demand currently outstrips the capacity of plastics processors and machinery suppliers, who have been slow and cautious in adding resources. However, sometime during the course of the next 12 to 24 months supply and demand will find their equilibrium. At that time, leverage will shift back to the ODMs, and Tier I and contract manufacturers will again be challenged to defend their pricing and gross margins. Successful companies will be adopting differentiating technologies and cost reduction initiatives to defend their market positioning and their pricing. If you could implement an existing and proven technology which would reduce your piece cost by 20%, would you be interested?

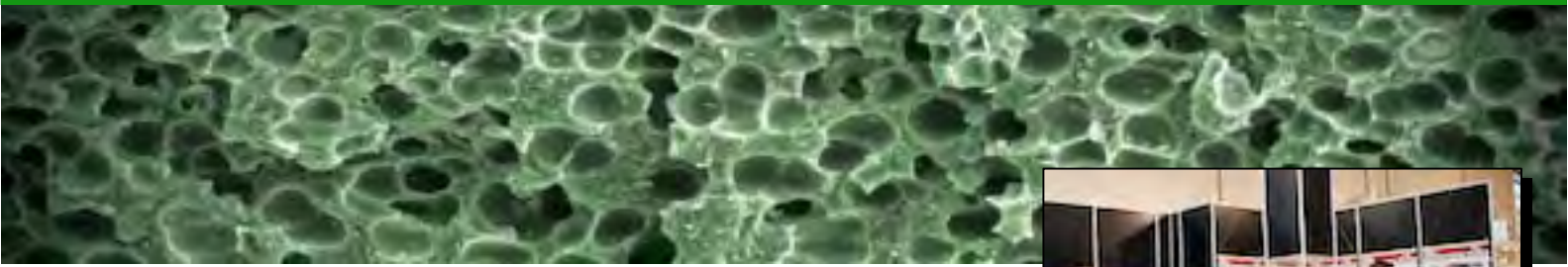
The MuCell® process typically offers 8 to 12% material reduction (twice that amount if a part is designed for the MuCell® process), about a 20% higher output through reduced cycle time, reduced clamping force requirements (smaller injection molding machine) and substantially improved dimensional stability of plastic parts.

As we continue to grow our company, we see our mission as helping our customers to maintaining their leadership position through our offer of differentiating, innovative technology, along with proven ways to reduce cost. We have been adding engineering resources and we continue to expand our know-how for different processing technologies. We have eliminated license and royalty fees, and we provide a proven, and affordable solution to the plastics injection molding industry. Don't hesitate to speak with one of our outstanding sales engineers to see how Trexel can help you stay in the lead!

Sincerely,
Steve Braig



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Trexel Tells Customers All About “Thinking in MuCell” at K2010

More than 200,000 plastics industry people from all over the world gathered in Dusseldorf, Germany for the tri-annual Kunststoffe exhibition, and Trexel was there with a display that highlighted several new innovations and applications, all promoted under the theme, “Thinking in MuCell”.

“Thinking in MuCell offers our customers a true competitive advantage in today’s global marketplace,” said Steve Braig. “At K2010, we showed many of our best and most innovative applications.”

“Today,” said Braig, “a fast-growing number of companies located around the world are taking advantage of the design flexibility offered by the MuCell® process to produce high quality, high performance applications that are much lighter in weight along with a dramatically reduced carbon footprint.”

“Much more than a slogan, “Thinking in MuCell” means true design for function, having material only where it’s needed for strength. As a consequence, many MuCell® process users are saving 20% or more in weight over conventional solid injection molded designs,” said Braig.

“We talked non-stop with technical experts from companies all over the world, from both customers and prospects,” said Braig.

“We work on the leading edge of plastics technology, but K2010 confirmed that our decade-plus track record of bringing productivity and weight savings gives our customers a strong competitive edge, and that’s what sets Trexel apart from most of the other equipment or process supplier companies that promise weight savings and productivity improvements,” he added.



Trexel's booth at K2010 was crowded for virtually the entire length of the exhibition.



Trexel's press conference drew media representatives from around the world.

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Trexel Announces Strategic Partnership with Proper Group International

Trexel officials attending this year's K 2010 event announced that the company has established a strategic partnership with Proper Group International, a major manufacturer of injection molds, headquartered in Warren, MI.

"Proper is located in the heart of the North American automotive industry," said Steve Braig, "and they're a technology leader. It makes a lot of sense for us to base our latest MuCell® Trial and Development Center here. We've installed MuCell systems on multiple machines and we're now working with our automotive customers to conduct trials and demonstration programs, as well as on new development programs.

"A significant number of the Proper Group's tooling designers have already acquired the know-how to design tools maximizing the benefits of the MuCell® process. This newly adopted competency combined with multiple MuCell® technology-equipped machines installed in their tech center provides OEMs and Tier I molders with an excellent, local process development capability, said Braig.

"They are now able to design the tools to bring leading-edge MuCell® applications to fruition as quickly, efficiently and in as cost-effective a manner as possible.

"Between our two companies we're now able to work with our automotive customers on new MuCell® development programs, from initial part design, through to tooling, trials and demonstration programs," he said.

Geoff O'Brien, President of Proper Group noted that, "Trexel is a logical partner for us, as we expect to enhance our value proposition for our customers on new tools that will be designed specifically for the MuCell® process. This strategic partnership is a good way for both of our companies to work and grow together," he said.

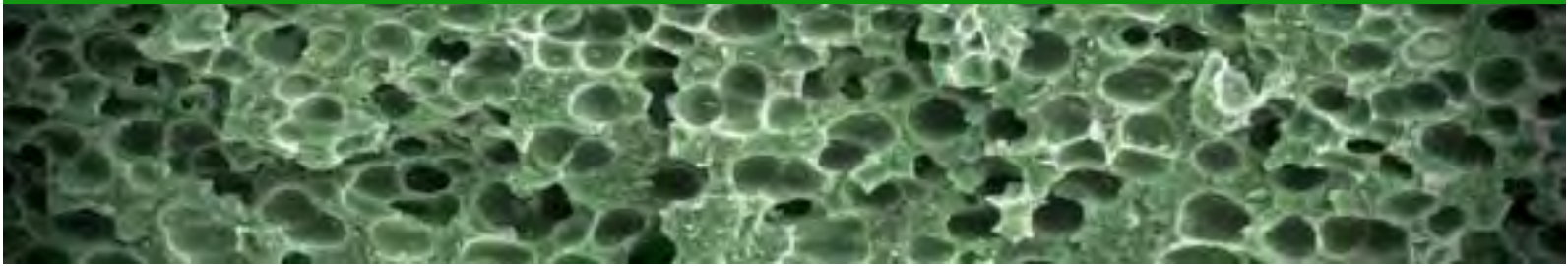
According to Braig, "we anticipate forming strategic partnerships like this around the globe. We're currently in discussions with other potential partners in Europe and Asia, and anticipate the formation of new strategic partnerships going forward in the coming months."

"More of our customers are designing applications with the MuCell® process in mind from the outset, as they stand to realize weight reductions of up to 25% or more along with many other benefits" said Braig. "We need to ensure that there are certified MuCell® tool designers available to design the tools to bring these leading-edge applications to fruition as quickly, efficiently and in as cost-effective a manner as possible."



"Trexel is a logical partner for us . . . This strategic partnership is a good way for both of our companies to work and grow together."

***Geoff O'Brien
President,
Proper Group***



Trexel Now Provides A Complete Solution for Class-A Surface/High Gloss Applications

Trexel will now provide its engineering and design know-how to offer its customers a complete MuCell® & Rapid Heat Cycle Molding (RHCM®) technology solution for the production of Class-A surface/high gloss parts.

Trexel's technology for RHCM® molding is licensed from Ono Sangyo Co. Ltd. (OSK), located in Saitama, Japan. RHCM® technology is also known in Europe and North America as Veriotherm® molding. OSK has developed an extensive global patent portfolio for RHCM® applications, particularly when combined with physical or chemical foaming. Trexel, through its new partnership and license agreement with OSK will be able to provide the combined technologies of MuCell® microcellular injection molding and RHCM® to its customers.

Trexel's customers will gain the rights to practice MuCell® and RHCM® and will also be able to source not only the MuCell® system components but also the RHCM® Steam Jet heat/cold mold control system. The Steam Jet control system is manufactured by Matsui Manufacturing Company in Osaka, Japan and is available through Trexel.

As an early adaptor of Trexel's MuCell® process, OSK has done extensive work in using RHCM® on foamed injection molded parts and has found that RHCM® can produce the same, high quality, high gloss surface characteristics that can be achieved as in solid molding, even reaching class A surface for automotive interior parts, something

previously not possible with the MuCell process. OSK has invested heavily into the development of the RHCM® process, and maintains a development lab at their headquarters in Japan. They provide training and process support to tool builders, molders and OEMs.

Commenting on the new agreement, Trexel's President & CEO Steve Braig noted, "the combination of MuCell®

advantage of the best of two world-class plastic molding technologies," he said. "We believe that the combination of these two proven technologies will be particularly useful on applications involving bioplastics where we can combine all of the design freedom, reduced cycle time, dimensional stability and lightweighting advantages of the MuCell® process with Rapid Heat Cycle Molding," said Braig.

"We can now offer our customers a single solution that combines all of the lightweighting and design freedom advantages associated with the MuCell process with the capability to produce outstanding surface appearance on virtually any part."

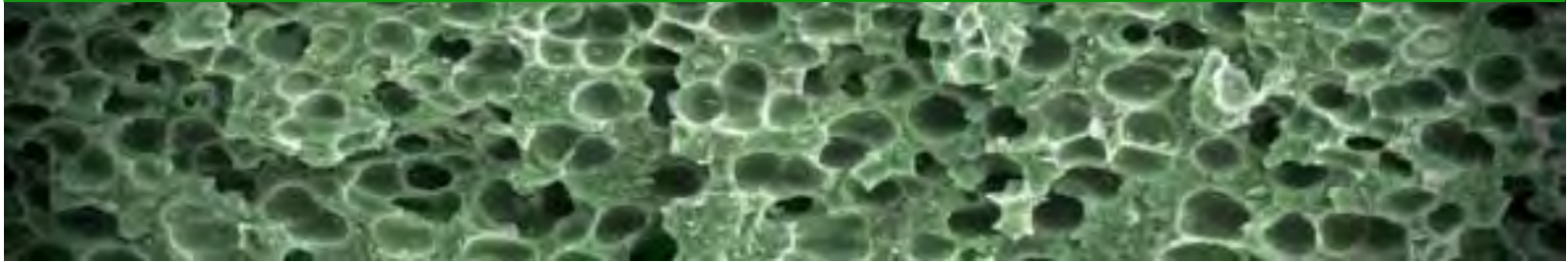
with RHCM® is extremely powerful in that we can now offer our customers a single solution that combines all of the lightweighting and design freedom advantages associated with the MuCell process with the capability to produce outstanding surface appearance on virtually any part.

OSK's RHCM® technology is proven, with patents issued or applied for around the globe, and we can now offer our customers a low-risk, cost-effective solution for extremely high gloss lightweight parts that take

What is Rapid Heat Cycle Molding?

RHCM® consists of:

- The RHCM® mold design technology, the RHCM® mold temperature control technology and the total integration know-how, which consists of mold design know-how based on conventional block design and optimum facilitation of heating and cooling channels near the cavity.
- Precision control of repeated heat cycles assisted by steam and cooling water.
- Integrated know-how to achieve quality, cost and productivity excellence.



Trexel Adds New Expertise to Commercial Team: Introducing Lisa Shaheen and Brent Strawbridge

Please welcome Brent Strawbridge and Lisa Shaheen to Trexel's commercial team. Brent now serves as Vice President, Sales, for North America, and Lisa Shaheen is now Trexel's Manager of Sales Support.

"I've worked with both Brent and Lisa before and their strong commercial skills and business acumen will make a significant difference for our customers in the way we serve them," said Steve Braig, Trexel's President & CEO.

In his newly created position, Strawbridge will build and lead an expanded and reinvigorated sales organization for Trexel in the US, Mexico and Canada.

"I'm excited about joining the Trexel team and I look forward to growing Trexel's business in North America," said Strawbridge. "I believe in the MuCell® process and the benefits it brings to the plastic processing industries. I'm convinced there is no other plastic processing innovation in the last couple of decades which has revolutionized thermoplastic part design as much as the MuCell® process," he said.

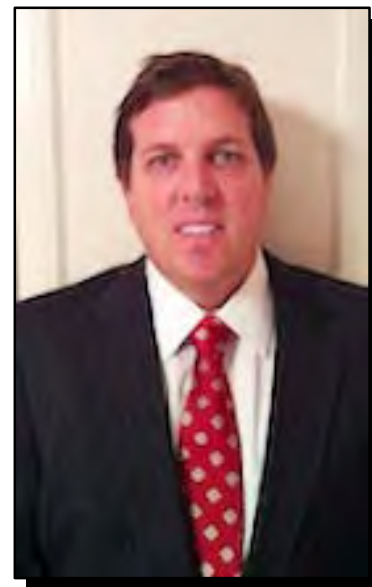
Strawbridge is a plastics equipment industry veteran, and served most recently as Director of Automation at Engel Machinery, the injection molding machine and automation supplier in York, PA. Prior to his leading the automation group in 2009, Brent served as Regional Sales Manager for several years. He joined Engel in 2000 as Technical Sales Manager.

Prior to joining Engel, Brent was with Wittmann USA for 7 years, serving in positions of progressively increasing responsibility, and was Regional Sales and Service Manager when he left Wittmann in 2000.

In her new role as Manager, Sales Support, Shaheen will work with Trexel's global team to both drive new commercial initiatives and support Trexel's marketing and sales efforts on a global basis. Prior to joining Trexel, Shaheen served in a variety of commercial leadership roles, including National Sales Manager, at Europackaging, LLC, in Salem, NH. Prior to Euopackaging, Shaheen served as Market Manager at Vernon Plastics in Haverhill, MA.

"A major part of my job," said Shaheen, "will be to streamline our commercial processes so that we successfully balance the evolving needs of our global customers with Trexel's ability to serve them in the most effective way possible."

"Lisa is a resourceful and innovative problem solver and she also brings a significant level of market knowledge in packaging, as well in other consumer markets. We're glad she's decided to join the Trexel team," said Braig.



Brent Strawbridge



Lisa Shaheen