

President Container Group The Fluted Sheet

4th EDITION / ISSUE 04 / QUARTER 1



Dear Readers,

Welcome to the 4th Edition of the "The Fluted Sheet". As 2016 has come to an end, we are pleased to announce for the 6th straight year PCG had continued growth and had record production of approximately 2.2 billion square feet. This is not an easy task and as always, the 4th quarter is very stressful where we had to manage the largest back log in the history of the company. We were able to accomplish this through the hard work and commitment from our dedicated employees and management team. The key to our continuous progress is our commitment to our customers in providing them with quality products, competitive pricing, and outstanding service which will continue into 2017.

One thing for sure is that we never stay idle and always look for ways to improve all aspects of our operation. Once again, ownership has committed a large capital investment into our production facility such as new Strappers, Conveyors and other ancillary equipment. The highlight of this investment is the purchase of a new state of the art high speed Flexo Folder Gluer known as the Martin 820. The installation is scheduled to be complete by June of 2017 and this will allow us to produce additional footage and continue to improve quality and service to our customers.

We are also pleased to announce the acquisition of Cornell Paper. Cornell is a 75 year old family owned business that will be merged with our President Industrial Product division. This acquisition will strengthen our presence in this market, add additional items to our already extensive product line, and we will now be set up to UPS orders on a daily basis.

We are very excited for the upcoming year with new opportunities and continued growth. We would like to wish everyone a Happy, Healthy, and Prosperous New Year.

Yours Truly, Larry & Richie Grossbard

AROUND PCG

2016 Year End Review (New York)

As we entered 2016 with several projects underway here in Middletown, we were fully occupied with the 24×7 machine assignments and beginning our honing process just to name a few. With the introduction of the 12 hour machines, we expanded our talent by going from 3 shifts to 4 crews.

With this expansion, many Assistant and Stacker Operators of Flexo's & Die Cutters now had the opportunity to grow into these new positions as they moved up the ladder. This took a lot of effort from our Production Manager, Brian Sizer along with his two Manufacturing Managers (Larry Gately on days and Nik Barron in the evenings).

As we progressed in 2016, our new Maintenance Manager, Shawn Parson working in conjunction with Planning Manager, George Di Iorio made a difference as our machine reliability visibly improved with their efforts. The maintenance team although not experienced in our industry except for Shawn, has shown an ability to learn how to use our equipment and gain knowledge in order to address issues as they occur in a timely manner. I applaud them for

doing this while following the motto, to be proactive in repairs and not reactive. In 2016, we also embraced the promotion of several Operators to Supervisory positions. We continue to grow internally with the promotions of Chris Cherry, Sergio Campos, Julio (Cesar Ray) Martinez, Juan Cuautle and Dan Wade from Machine Operators to Line Supervisors. We also welcomed James Eye and Dan McNamara to our team of Converting Supervisors bringing a wealth of experience from similar industries.

In addition to the achievements mentioned in 2016, we also introduced a new Poteet Ink Kitchen and support processes to insure we produce a quality product when special ink is involved. Several employees traveled to Charlotte, NC for a 3 day event throughout the year at different times for private training at Poteet's facility to ensure proper education and knowledge. As we enter into 2017, we are ready for our next challenge, 5s, which is an acronym for focusing on efficiency.

We have engaged a consulting firm, Quadrant 5, who has begun providing our Continuous Improvement (CI) team with the tools needed to work with each of our machine centers.

Quadrant 5 has also provided the mechanics allowing our employees to focus on making quality boxes in a safe and efficient environment.

Our success in 2016 is shown with improvement on quality, our machine reliability, installation of the new Poteet Ink Kitchen, growing internally and also being awarded 1st Place in AICC's 2016 Operation Safe Shop Competition for overall safety program. Clearly we made significant progress in 2016, however there is still more work to be done.

Throughout the year, we must remain focus and not complacent or else we may lose our competitive edge. Furthermore, Larry & Richie Grossbard have made a commitment to advance the factories infrastructure through investment which will be further defined in 2017. We acknowledge the trust they have placed in us.

2017 here we come, eyes wide open and walking towards excellence.

Rich Goldberg Vice President of Operations



Happy Retirement John





John Wajts, our Shipping Supervisor since we opened in 2010 in New York is retiring and we wish him happiness in his retirement and a heart felt thank you for all of his efforts.

Pictured from (L to R) Steve Testa, John Wajts, Kevin Sullivan, Thomas Corbett & Stacy Lennon.

AROUND PCG



PCG Selected "World's Greatest!.." in TV Show

On January 3, 2017, How2Media, the producers of the television show "World's Greatest!...", announced that they have recently selected President Container Group (PCG) to be a part of the popular television series.

As part of the show, How2Media sent a film crew to spend time at our "Super Plant" facility in Middletown, NY to get the story behind what makes PCG a unique and amazing company and to show the "World's Greatest!..." viewers why we were selected as the best in Corrugated Packaging and Point of Purchase Displays, and therefore featured on the show.

"President Container Group is a multiple award winning, 69 year old company that has innovated its way to becoming one of the largest independent corrugated manufacturers in the country. Using the latest in technology and machinery, and while running a 24/7 operation, nothing leaves their super plant building with a negative impact on the environment.....nothing. They also now have the largest privately owned Solar Farm in the state of New York. We think their story will be meaningful as well as very educational to our viewers" said Gordon Freeman, Executive Producer of the show.

We are thrilled about the exposure and possibilities this platform may bring.

The show, Episode 238 aired on Monday, January 9th and January 23rd at 6:00AM Eastern Time on Satellite Television (DirecTV ch. 305, Dish ch. 250), Cable (Comcast WPXN, Optimum WPXN, Time Warner WPXN, Verizon Fios, Check Local Listing).

"World's Greatest!..." is a thirty minute show dedicated to highlighting the world's greatest companies, products, places, and people. Each show is a fast paced tour around the world featuring behind the scenes footage, informative interviews, and exciting visuals. Visit http://worldsgreatesttelevision. com for additional information on the Show.

A copy of Episode 238 featuring PCG is placed on our website, http://www.presidentcontainergroup and on our YouTube Channel, President Container Group.









In an effort to foster team building and some friendly competition between the crews and shifts, PCG waved the flags and started the "Race" to see who is the BEST in combination of Production, Quality, and Safety. In the Race system, you gain points based upon production and lose points for quality and/or safety violation.

Each of our 12 hour shifts A, B, C, D have been competing against one another for the past few months. The final results of the year can be seen by the employees on the "Off to the Races" board in the plant. Prizes are given out quarterly. Below are the results as of December 2016. Congratulations to all the winners.

	<u> Mantie</u>																
Machines	January	February	March	QT1	April	May	June	QT2	July	August	September	QT3	October	November	December	Qt4	End-of- Year
618	A	C	C	C		A	•	C	•	8		В	A	A	C	C	C
924	D	D	D	D	D	D	8	D	A	A	A	A	A	A	A	A	D
122BA	D	D	A	D	•	A	•	c	A	c	A	C		A	C		C
1535	19	2nd	2md	2md	2nd	2md	14	2nd	311	2nd	3rd	310	2nd	2nd	2nd	2nd	2nd
1229B	D		В	8			8	B	C	A	A	C	D	D	D	D	
1224	В		В	8	A			A		B		В	A	A .	C	A	
167E	C	C	C	C				C		C		В	C	C	C	C	C
1677	В		В	8	В	A		8		D		В		D		В	
Satura	A	D	В	D	D	A	D	D	D	D	D	D	D	C		c	D
Strappers	A	A	В	A	A	A	A	A	A	A		A	A	A	A	A	A
Corrugator	D	D	D	D	8	A	D	c	C	A		D	C	A	D	D	D
Support				C				B				В				c	
Shipping				8				8				В				C	
T-Car								c				В				C	



Larry Grossbard & Kemar Gordon, Saturn Operator on A Crew, formerly D crew.

Total Points for the Year

- A: 1/
- B: 1,069.00
- C 1,01850
- D: 1,001.00

PCG Supervisors & Managers Graduate After Taking Courses at RCC

Growing our future through training, President Container's recent graduating class of supervisors and managers successfully completed 9 classes hosted at the State University of NY Rockland sponsored by the Orange County Council of Industry. The courses focused on various aspects of manu-

facturing from efficiencies to best practices in building team work.

Congratulations to our graduates, Leroy Pryce, Robert Finch, Sal DeVito, Cindy Yerkes, Josue Huerta, James Hagerty, Matt Krenski, Brian Senor, and Joseph Forestire.



Pictured L (to) R, Leroy Pryce, Robert Finch, Sal DeVito, Cindy Yerkes, Josue Huerta, James Hagerty, Matt Krenski, Brian Senor, & Joseph Forestire.



2016 In Review

The Quality Department at President Container had a very productive year in 2016. I am quite proud of our accomplishments and team efforts.

We had four Quality Checkers that inspected orders as they were manufactured during every production shift. This endeavor combined with Operator and Supervisor inspections reduced our customer quality complaints each month throughout the year.

We have two interns from the local High School working with us, checking orders and testing our combined boards. One of the students will pursue studies at the Paper Science Technology School.

Two major accomplishments I am most proud of are, passing our Certification for the new 2015-2019 Standard for SFI and Certification for FSC Standard. By passing these certifications, our employees where trained about the importance of the SFI and FSC initiatives. This year, we are striving to become SQF certified. As part of this process, we have begun updating our internal records for more productive work flow.

In 2016, we also maintained a clear work floor area in order to retain production flow and reduce waste build up. There was also constant training for employees to improve productivity and quality.

The quality checkers expanded into the corrugator area which was very helpful for the supervisors. Moving the Checkers into the corrugated area controlled data recording and process improvements.

Thank you everyone for your hard work and continue to perform your best work.

Cindy Kuebler, Quality Control Manager



As a result of the continuous efforts, improvements in house-keeping, and attentiveness towards safety coming from all of the departments; Converting, Corrugator, Shipping, and a strong commitment from our Maintenance team – we have been fortunate enough to sustain 851,841 Man Hours worked without the impact of a Loss Time incident. I would like to thank everyone for the effort put forth towards eliminating any and all hazards documented in my daily observations reports.

The Daily Safety Observation reports are submitted in an attempt to reduce all existing hazards in order to achieve the ultimate goal of zero harm. The collaboration of all de-

partments has resulted in a track record of 396 consecutive SAFE WORKING days, which also marks 1 recorded Loss Time incident in the last 898 Safe Working Days.

President Container was awarded 1st place in AICC's 2016 Operation Safe Shop Competition.

I look forward to what 2017 brings and I would like to congratulate EVERYONE here at the Middletown location for a JOB WELL DONE in 2016!

Andrew Santiago, Safety Manager

Sales Meeting

A very important Sales Meeting was held on Wednesday, September 21, 2016 at The Holiday Inn in Hackensack, New Jersey.

Larry and Richard Grossbard spoke about the current paper price increase, projects that have been successfully implemented by the Marketing Department, including a launch of the new Company Websites, Social Media Platforms and future projects underway. VP of Operations, Rich Goldberg spoke about accomplishments at the Production Plant while Quality Manager, Cindy Kuebler talked about our recent FSC certification and other Quality Control procedures.



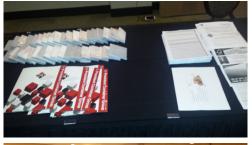




























PCG Holiday Party 2016



President Container Group held its biannual Holiday Party on Friday, December 9, 2016 at the very elegant Seasons Catering Event Facility in Washington Township.

The 260 plus guest included employees, customers and friends. When they arrive, guest nibbled on a variety of hors d'oeuvres as a Live Band played Holiday Tunes and Oldies but Goodies music.

The night continued with a gratifying message to the staff and customers from Richard and Larry Grossbard. John Kasztan gave a heartfelt toast to Marvin Grossbard and the Grossbard family for their vision, dedication and years of service.

As the night progressed, guest took pictures along the photo wall as others danced throughout the night.

During dinner, guests enjoyed a massive and delicious buffet filled with various dishes including American cuisine, Asian Fusion, Italian, and my favorite, Seafood, and so much more. Guest filled the dance floor as the DJ played tunes from every decade. The night was fun and festive.

Thank you to everyone who came out and we look forward to a great 2017 year. See you at our next Biannual Holiday Party in 2018.



























PCG Holiday Party 2016



(Continues)







































PCG Holiday Party 2016



































COMMUNITY

As PCG continues its involvement with the local schools, here is an example of our participation at Chester Elementary.

We partnered with Odyssey of the Mind; a program to inspire imagination in learning through projects in 1st, 4th and 5th grade tied to mathematics and measurements.

With our assistance, the students designed and built model trains with a display of Christmas Trains housed in the main foyer at Chester Elementary.





11th & 12th grade students from the Junior Engineering Technology Class at Valley Central High School toured our Production Plant in October with Rich Goldberg as part of a mentorship program.

PCG Donates Boxes to Brooklyn Art Show

In September, President Container donated about 150 RSC cartons and 2 piece file boxes to BRIC, a nonprofit arts and media organization located in Brooklyn, New York. The boxes were used in an artist showcase of spoken word, video, and music called The Spinning Wheel. The show production required corrugated boxes to be used as the backdrop and video screen which we were happy to donate.

Lauren Testa, the daughter of Steve Testa is an Operations Manager for BRIC. Below are some pictures of the stage before and after the boxes were setup. The photos were taken by Photographer, David Andrako for BRIC. BRIC was founded in 1979 and its original name was "Fund for the Borough of Brooklyn".







OFFICE FESTIVITIES

Spreading Holiday Cheer!

For the past six years, President Container employees have held a Food Drive in Middletown where employees donate food to PCG families who need a little helping hand during the Thanksgiving Holiday.

Last year, 4 families were the recipients of the generous donations from their coworkers as well as gift cards to the local grocery store from President Container.

Pictured (L to R), Kelly Gannon, Mariebelle Fernandez and Heather Palmer from Human Resources coordinated and distributed the Holiday Packages.



During the Holiday Season in Moonachie, we celebrate and indulge with delicious food and Holiday treats like cakes, brownies, cookies and endless candy. Pictured are just a few of the dishes and sweets we devoured during the Holidays.













The staff in Middletown & Moonachie would like to extend a sincere Thank You to the Sales Team for once again hosting a Holiday Luncheon for us. Your kind gesture is immensely appreciated.

OFFICE FESTIVITIES

It's Halloween - Moonachie Celebrates







Account Executive, Michael Edelman dresses up as Kurt Kohere for Halloween.







Design Manager, Dave Distel created this Mr. Softee Ice Cream Truck Halloween costume for Assistant Traffic Manager, Kevin Sullivan's friend Debbie Buseck Wade.

Beware It's A Haunted House

For the past 33 years, Billing Manager, Carl Castaldo and his family have been transforming their home into a house of horror on Halloween Day. This past Halloween, they invited us into the house of terror, fright, and spook-tacular findings.



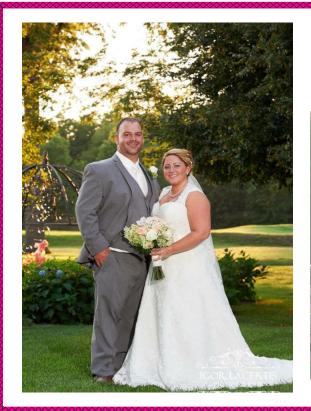






Wedding Bliss







Congratulations to Human Resource Coordinator, Kelly Cantiello and her husband Michael on their recent nuptials. They got married on September 4, 2016 at West Hills Country Club in Middletown, NY.



Happy Anniversary

Shipping Manager, Steve Testa and his wife Cheryl, recently celebrated their 35th Wedding Anniversary on October 4, 2016. Congratulations and we wish you another 35 plus years.

BIRTHDAY CELEBRATION





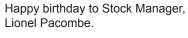


Maria Frometa & Kurt Kohere celebrated their birthday in August.



Kim Trinity & Hector Mendez celebrated their birthdays in September.

Happy birthday Jennifer Minervini, who's absent from a picture of her cake at the August birthday celebration.





Giovanni Rodriguez pictured celebrated his birthday in September with the Accounting Department.



Efraim Ramos, Liza Tehawkha, Annette Gershowitz & Janice Muller celebrated their birthdays in October.



Alex Ortiz also celebrated her birthday in October with cake.



Joe Nicoletti, Chrissy Torres & Nina Miller are November birthday celebrants.



Damaris Perez & Larry Grossbard celebrated their birthdays in November.





Cindy Argudo, Samir Joshi, Michelle Cabanilla, and Ruben Lazo celebrated their birthdays in December.



Kareem Emanuel Munayyer pictured with his Dad, Yousef (L) & his Grand Dad (R), Account Executive, Emanuel Munayyer celebrated his 3rd birthday on May 23, 2016.



Ava Valenti, the daughter of Stephanie Valenti, celebrated her 4th birthday with family & friends at Chuck E Cheeses. Ava turned 4 years old on December 1, 2016.

BIRTH ANNOUNCEMENT

We welcome babies Aria Skye, Daniel Luis Ruiz Jr., Daphane Felter, and Yousuf Yamin Sarwar to the PCG family. Congratulations to Shipping Office employee, Eddie Correa, Customer Service Representative, Daniel Luis Ruiz, Sr., Truck Maintenance employee, Devin Felter, Corrugator Stacker, Shahria Sarwar and their families.



Alberto (Eddie) Correa & his family welcomes his granddaughter, Aria Skye born on March 21, 2016. Eddie's son, Michael Merced is the happy father.





Daniel Luis Ruiz Jr., born on December 4, 2016, weighed 8lbs. 2oz. 20 1/2 in. His dad, Daniel Luis Ruiz, Sr. is a new Customer Service Representative. Congratulations to the family and welcome to PCG.





Corrugator Stacker on A crew, Shahria Sarwar and his wife celebrated the birth of their son, Yousuf Yamin Sarwar born on December 16, 2016. Congratulations to the parents.

Devin Felter, from Truck Maintenance and his girlfriend Emily welcomed their daughter, Daphane born on December 8, 2016 weighing 6lb 9oz. Congratulations to the family.

Customer Review!

Good morning Larry,

I want to thank you for an outstanding job your people did to get me the 4 different prints of boxes last Friday morning.

They arrived bright and early and we were able to ship what our customer needed so they could fulfill their obligation. Their e-mail letter of appreciation was heart felt but I could not have done it without your help.

Thank you.

It was a great way to end the old year and to begin successfully the new year. I hope you had a wonderful New Year and my sincere wishes for continued good health and success in the coming year.

Denis Panza Lanco York





Giovanni Rodriguez, Accounts Payable, PIP.



Daniel Luis Ruiz, Sr., Customer Service Representative.



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