

TEAM NEWS

Volume 5 Issue 2 April 30, 2008

DLS LOWERS STOCK PRICES!

There was a movie released in November of 1963 entitled: It's a Mad, Mad, Mad, Mad World. Is there anyone as old as me who remembers that one? The label industry has proven that it is no exception to the title of that movie. For proof you only have to look at what 4 X 6s and other stock products are selling for at end users and also at the converter level. Every section of the manufacturing through distribution process have commoditized their pricing and are willing to somehow make their "profits" on other product volume.

I am a believer that every firm must show profit in order to continue to provide long term value to the marketplace. (Last time I looked, profit was not a four letter word.) I also understand that the market will only let the truly competitive survive, so DLS has decided to hold or lower its stock pricing to provide our distributors competitive pricing in our "MAD" market. Please contact our estimating group at 800-397-3013 X2 to request a copy of our latest stock pricing catalog.

LEAN IS THE WORD.

DLS has begun implementing a program of LEAN Manufacturing in order to provide continual improvement in our manufacturing and office processes. Lean was developed by the Japanese over 100 years ago to reduce "muda" or waste. In essence, to attack or eliminate any activity which absorbs resources but creates no value, mistake reduction, inventory reduction, eliminating processing or manufacturing steps which are not actual needed, etc.

We hope that the improvements we are implementing will continue to make DLS your choice for all your pressure sensitive labeling needs.

ANOTHER MATERIAL INCREASE IS COMING.

If you have been following the saga of the paper industry for the past 2 years, you will have witnessed an unprecedented consolidation of paper mills and the mothballing of their paper-making equipment. As a result we have hit a perfect storm with a shortage of pulp and the ability of the paper industry to pass on increases to their customers almost at will. Pulp prices have increased 3.5% in the first quarter alone and more increases have been announced. This combined with high prices in natural gas, oil, platinum, etc. have set the stage for continual price increases in the foreseeable future for the pressure sensitive marketplace. **RESULT: DO NOT LOCK IN LONG TERM PRICING COMMITMENTS WITH YOUR CUSTOMERS!**

You will hear from us from time to time as we have new offerings. Please contact us for a full catalog and price list of our labels and ribbons, 800-397-3013 x2 or e-mail Dominick Manzo at dmanzo@teamdlsolutions.com.

Please call us if you do not wish to be contacted in the future, 800-397-3013 x2.

DIVERSIFIED LABELING SOLUTIONS, INC. * WWW.TEAMDLSOLUTIONS.COM

1285 Hamilton Parkway * Itasca, IL 60143 * 800-397-3013 * 630-625-1225 * 630-773-9585 (fax)

6573 Warren Drive * Suite A * Norcross, GA 30093 * 888-206-6006 * 770-409-9009 * 770-409-9951 (fax)

3123 Research Way #216* Carson City, NV 89706* 800-775-5686* 775-882-5518 (fax) * Dallas, TX