

CROWN CRED

Since 1971

Crown International, Inc. Employee Newsletter

January 1996

Let's Give Credit Where Credit Is Due!

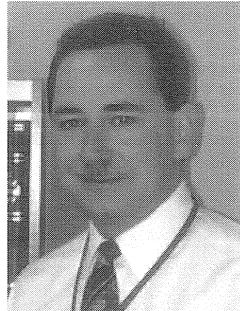
by Cindy Swald

The Crown Credit Department in Finance played a big part in making 1995 a record year for shipments. The people on the Credit team make it a strong and respected driving force in the audio electronics industry. Dave Bowers, Chief Financial Officer, noted the value of Credit's relationships with our customers. Not only do they arrange payment terms, but they often consult with customers and offer creative suggestions for meeting financial obligations.

The Credit Team

Corporate Credit Manager Preskel Gayheart

Preskel leads the team and is a leader in his field with more than 15 years experience serving Crown customers and managers. He is a long-time member of the Indiana Association of Credit Managers. With approximately 1,000 accounts to monitor, Preskel makes sure the Credit Department is on top of all credit situations. He personally handles all Techron, Broadcast and export customer accounts.



Credit Analyst Carol Fisher

We regularly see Carol at the cutting and folding machines in the Plant 1 lunch area. Processing of invoices, statements and forms has never gone faster. However, Carol does have an office, with a generous supply of M & Ms handy. Among other secretarial duties, she sets up new dealer account files, reports accounts receivable data and her favorite job which is to handle

export letters of credit. The growth in Crown's export business has increased the interface with export agents, shippers, freight forwarders and bankers to prepare extensive documentation for all export shipments.

Accounting Specialist Patricia Sellers

Some would say Pat has the fun job in the department. She handles the cash transactions. A new and life-changing force in Credit is the lock-box mail system. We no longer receive checks directly. Rather, all checks are deposited into the Crown account at Bank One in Indianapolis. Copies of the checks are delivered daily by courier to Pat. She then issues credit memos and various other reports for the financial team. Pat has been with Crown eight months after more than 14 years of accounts receivable work at other companies.

Regional Credit Managers Steve Shoemaker and Jon Simmons

Steve and Jon are on the front line with established dealers. They both assist with new dealer set-ups and analyze customers' financial statements, balance sheets and authorize orders based on credit standing.

They have the dubious reputation of being the "friendly reminder guys." At least 75% of their days are spent talking to dealers. Jon and Steve have both been entertained, hearing some of the reasons for non-payment of invoices. Jon submitted this one: "Our mail carrier got married and took a week's vacation." But his favorite was: "Our mail box got stolen."

The regional credit managers play an important role in Crown's "PR" as they establish good rapport with new customers



L to R: Jon Simmons, Carol Fisher, Patricia Sellers, David Bowers; Steve Shoemaker seated in front.

and maintain the collection aspect. Each Crown dealer receives individual attention.

As Steve so eloquently put it: "It gives me satisfaction to feel that my efforts may add, in some small part, to the good reputation that Crown enjoys with its many dealers, and the sound industry in general."

This is a team that makes it happen! ☺

"Job Security! Is There Such a Thing?" is the topic of the next HR "Brown Bag" seminar. Presented by Ben Dorsey of the Crownings Achievers Toastmasters Club, the seminar will be:

Thursday, February 15th
Plant 1 Assembly Area
12:00 until 1:00pm

All employees, their adult families and friends are welcome to attend.

Ray Patnaude HR Compensation Manager

"Compensation is a package," according to Ray Patnaude, "and Crown's compensation package is especially valuable, not only to employees, but also to the community. This is the kind of company that is valuable to the area. It functions year-round, it is a manufacturing company and it is an international business."

Ray assumed compensation administration responsibilities for Crown October 23, 1995. In addition to payroll administration, Ray's department includes compensation analysis and management of Integral, the employee data base. They do market analysis and supply corporate data used in forming Crown's compensation philosophy.



The overall program includes coordinating performance appraisal activities and merit increases. Ray also administers job descriptions, grade levels and support to the supervisors who handle wage information. "The goal is basically to acquire good employees and keep them," Ray said.

Ray grew up, attended schools, worked and has always lived in the South Bend area. He has more than twenty years of experience in the Human Resources field. Ray received BA and MA degrees from the University of Notre Dame, and an MBA in Business Administration from Indiana University at South Bend. Ray and his wife, Jan, live in South Bend and have a son and daughter in college. ☎

Vincennes is Value Added



L to R Back: Lisa Hartigan, Tammie Putz, Donna McBrier, Chris Tucker; front: Training and Development Manager Tom Brown, Irene Gunn, Dianne Yoder

They agree that Vincennes, which also offers IHETS video courses, home study or on-site instructors, is "eager to help us get to where we want to be!" Not only do they adapt class times and locations (they meet here at 5:15pm) to students' schedules, but the class zeroed-in on their personal needs and uses for their Crown jobs.

More than 15 years have passed since some of these ladies took a class. Tammie Putz, Mail Room Specialist, who is a member of the Michiana Postal Customer Council (PCC), said, "It makes it possible for people with families to further their educations."

Donna, who started as a Stockroom Receiver five years ago, is now a buyer in Purchasing. She has a seventeen-year-old son who doesn't like to be told to study. She is finding that he notices her interest in the courses and in self-improvement as well as the effort she puts forth.

Their next courses, Principles of Business Management and Speech, began January 22 and end April 16th. Where will these lead? Some of them are looking at an Associate of Science degree in Business Management, while Business Administration is another two-year, transferable option for others. Vincennes can offer academic credit for some business work experience. ☎

Cilla Meachem Earns ATM

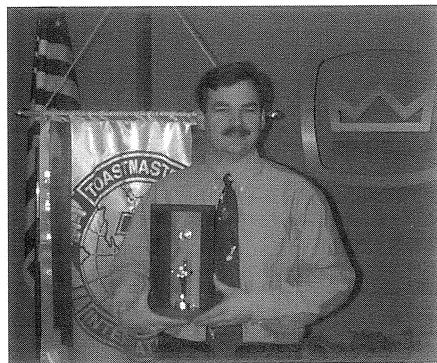


Cilla Meachem achieved a longtime goal of becoming an "Able Toastmaster" (ATM) when she gave her last speech to the Crownings Achievers Toastmasters Club in September. She completed a series of challenging projects designed to enhance communication skills in professional and community environments.

Cilla and Roger Meachem were organizers and charter members of Crownings Achievers in 1989. Roger is also an ATM.

TOASTMASTER NEWS

Bob Sproston Wins !



Bob Sproston, ATM, was judged best evaluator when he competed at the Toastmasters District 11 contest in Indianapolis January 20. Seven contestants represented clubs from Indiana and northern Kentucky. The contest was not about who gave the best speech, but rather, who gave the best evaluation of a target speaker. Bob won at the club, area and division levels to qualify.

Daniel Enns
Satellite Network
Communications Manager



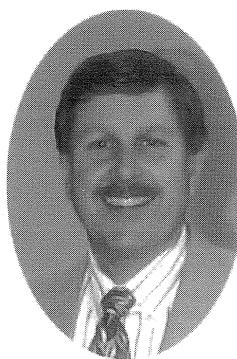
Daniel manages the research and development of new satellite network communications business in the Communications Division. He moved to Elkhart with his wife, Vangie, and three daughters from Quito, Ecuador. Daniel served HCJB as Director of Engineering in Quito. He has a Bachelor of Science degree in Electrical Engineering from the University of Manitoba in Canada and speaks fluent Spanish, German, Portuguese and English.

Mike Hoffman
Techron Materials Manager



In December, 1995, Mike assumed responsibility for developing and implementing materials strategies for the division, working closely with other Techron managers and the Administrative Resources Team. Mike brings us many years of relevant experience at CTS Corporation in Elkhart. He has a BS Degree in Business Administration from Valparaiso University and an MS in Business Administration from Indiana University. He has been certified in Production and Inventory Management (CPIM) by the American Production and Inventory Control Society (APICS). Mike, his wife, Kathy, and their three children live in Elkhart.

Mike Romero
Audio Quality Engineering Manager

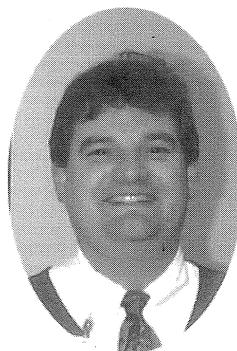


Mike joined the Audio team in December 1995 after 29 years in the Navy. An Aircraft Maintenance Officer, Mike was last based in San Diego where he was head of a 950-person organization which repaired components for jets and helicopters.

Mike supervises a newly realigned department which consists of Sustaining Engineering and Factory Service. They will oversee quality systems issues for Audio products. Goals include responsiveness to all customers, reviewing standards and specifications, and conducting planning for improvement of yield and reduction of quality costs with a quality improvement team.

Mike lives with his wife, Nancy, in Granger. They have three grown children and two grandchildren.

Gordon Scott
Broadcast Manufacturing Manager



Broadcast welcomed Gordon in July, 1995 from Teledyne Casting Services in LaPorte, Indiana, where he served as Information Systems Manager and Production Inventory Control Manager. Prior to Teledyne, he was with Miles Laboratories for nine years. Altogether Gordon brings to the table 16 years of management and manufacturing experience. He has a Bachelor of Science degree in Industrial Engineering from Purdue University. Gordon, his wife, Kristin, and their three daughters are living in the Elkhart area.

Fred Sims
Audio Director of Materials



Fred came to Crown with over thirty years of experience in materials management and related assignments. He spent the last several years consulting in public and private businesses, and conducting seminars on various business and management subjects. He is a doctoral candidate at Pacific Western University, writing his dissertation on Cross-Cultural Employee assignments.

His major assignments at Crown are to help design and implement a world-class configuration management program, formalize make-vs.-buy decisions for detail parts, sponsor the expansion of Crown's supplier certification program, assist in defining and documenting the demand flow manufacturing system, and enhance material and parts availability.

Fred's wife, Cynthia, is Materials Manager for Phillips Industries in Syracuse, Indiana. Their children are grown.

Everett (Bud) Robbins
Fab 2nd Shift Supervisor



Bud Robbins thought about working at Crown for about six years, while his son Scott was Regional Sales Manager for Audio. In November, 1995, he made the transfer from Polygon to Crown. Bud got most of his ten-years' experience as supervisor of the machine shop at LaLabour Pump. He said, "I love it here at Crown!" So far, so good!

The President's Memo...

1996 at a Glance!

We are off and running into a brand new year. We have great plans and high hopes for 1996, but know that hard work and diligent attention to details will be required of every Crown employee for us to have a successful year. In this first 1996 issue of the Crown Crier, I wish to share with you some of the plans and the outlook for 1996.

First, we anticipate continued strong growth in sales. The final 1995 sales figures are not yet available, but the preliminary estimate indicates that sales were about 20% more than our 1994 sales level. From 1995 to 1996 we anticipate about a 40% sales growth, primarily resulting from a dramatic increase in General Electric business. In terms of pure dollar increase in sales from one year to the next, 1996 should represent a record year for Crown International.

Second, 1996 represents a year of increasing cost as well as increasing sales. A 40% sales growth will not only require more people to build the products but also some increase in support staff. We must balance our planned increases to generate the planned profit improvement.

Profit is the third, and most important point. That is the necessary ingredient for a viable and healthy business. Our 1996 profit level is expected to increase well above our 1995 profit levels. As our profits grow, so do the dollars allocated to our employees through our bonus profit-sharing program. Both our profits and profit-sharing bonuses increased substantially from 1994 to 1995. If our 1996 sales increase as expected, and we do a good job of cost control, our profits and bonuses should increase again in 1996.

Once again I emphasize that we need to exercise good self-discipline and hard work to take advantage of the excellent opportunity we seem to have before us in 1996. We need everyone's help to really make this a team effort.

There are several other significant events taking place in 1996 that are worth noting:

- A major building expansion will connect Plant 2A assembly with Plant 3 Fabcom.
- This expansion will make possible a major rearrangement of manufacturing groups to improve material flow. Be prepared!
- We are in the early stages of planning for a new computerized corporate information system which will dramatically improve our business efficiency.
- Several significant new product designs are in process, and should result in strong sales and profit growth for the corporation.
- We will continue to evaluate and change our organizational structure to help us achieve our 1996 objectives and move us closer to our end customers. We must strive for high levels of customer satisfaction.

We made good progress in 1995, and are encouraged with the opportunities that await us in 1996. Your continued loyalty and support of these efforts will be greatly appreciated. As I have commented in previous editions, when we improve Crown International's overall performance,

EVERYBODY WINS!

Terry Hammond

The CROWN CRIER is published monthly to inform employees of customer, corporate, departmental and employee news and progress. News and ideas are always welcome!

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Terry Hammond

You have a "Direct Line" to President Terry Hammond!

Put your concerns in the boxes provided and they will be picked up every Friday. Boxes, note paper and addressed envelopes (for faster delivery) are placed in the following locations:

- Plant 1 near vending machines
- Plant 2A over ice cream freezer
- Plant 3 next to water fountain

Envelopes can be mailed in any department's "out basket" for twice daily pick-up.

Employee Committee Financial Report

| | |
|------------------------|------------|
| Balance as of 1/22/96: | |
| Savings | \$1,728.83 |
| Checking | 1,386.88 |
| Total | \$3,115.71 |

Product Knowledge Expanded

Sharon Arnold, who is Techron Line 1 Coordinator, saw 8607s in action in the magnetic resonance imaging (MRI) systems at Elkhart General Hospital on December 28th. It was a thrill to know that her line had made them. A "super nice" technician took the front and back covers off the cabinets so she could see the amps. She told him, "I wish the girls [Line 1] could see this!" He said, "Just call the Public Relations Department and they will set up a time."