



Valterra Products, Inc.
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Thursday, June 10, 2010

Valterra Products, Inc.
Dennis Lunder, CEO
15230 San Fernando Mission Blvd., Suite 107
Mission Hills, CA 91345

To Whom It May Concern,

Valterra is a leading supplier of brand name product lines to the RV, Pool & Spa, and Plumbing industries. Presco's flexible PVC film is utilized in our drain hose manufacturing process.

As many manufacturers have done in the past decade, we explored the Chinese PVC film market in search of better pricing. After testing film from several vendors, we concluded that lower product quality resulted in slower production times, higher scrap rates and an inferior end product. Those problems, coupled with long lead times and higher inventory carrying costs were not offset by the minimal material cost savings.

Our continued relationship with Presco, and use of their PVC film, eliminates the added costs of dealing with an off shore supplier. We take advantage of the just-in-time inventory process and the quality of the film consistently meets the value requirements demanded by our customers.

I would recommend to all those in a similar situation to examine the added hidden costs when dealing with off shore suppliers. Those costs, although not readily apparent, add up quickly and eliminate any price advantage in the market.

Regards,
VALTERRA PRODUCTS, INC.

A handwritten signature in black ink, appearing to read "D. Lunder", is written over the printed name.

Dennis Lunder, CEO