

E.E. Newcomer Enterprises, Inc.

2006 Corporate Report



The Genuine. The Original.

OVERHEAD DOOR®

DH PACE
COMPANY

E.E. NEWCOMER ENTERPRISES, INC.

1142 Clay • North Kansas City, Missouri 64116 • (816) 221-0543 • FAX: (816) 480-2625

To our customers, thank you for the opportunity to serve you during this past year. We pledge to continue working to deliver products and services that exceed your expectations.

To our employees, thank you for your hard work on behalf of the Organization during this past year. Your commitment to working with each other and vendor partners in serving our customers is the foundation of our success.

In 2006, sales grew over 20% to exceed \$140 million dollars for the first time in Company history. In a strong indication of healthy growth, each of our five business segments posted sales increases. Our employee family increased by 9%, to 823. While these numbers accurately measure growth, they do not get to the heart of what drives our long-term success.



First and foremost we strive to create and maintain a strong service-based culture throughout the Organization. One that focuses on exceeding customer expectations at every opportunity as well as treating every individual we encounter with respect. Our Corporate Vision/Values Statement and Corporate Ethics Program are the written expressions of that expectation and commitment.

We believe that operating as a privately-held, family-owned business provides us with the best environment to build a service organization to stand the test of time and competition. We recently formed a committee, tasked with planning our future as a family business for the next 50 years. This generation-to-generation, or "GTG", committee is currently reviewing the best practices of successful multi-generation family businesses. We are happy to report that many actions we have already undertaken have been validated as best practices. As we identify additional best practices, we will evaluate them and make the appropriate changes as part of our ongoing commitment to building an organization for long-term success.

The pace of change in the business world is accelerating. Customer service expectations are rising, new technologies continue to change the products we represent, and evolving building codes are creating new maintenance requirements for existing facilities. Our ability as an organization to rapidly adapt in this changing environment is essential to winning and retaining customers in a highly competitive marketplace. This ability is our greatest strength and best assurance of continued success in the years to come.

May God bless each of you and your loved ones this year.



Rex E. Newcomer
President & CEO
E.E. Newcomer Enterprises, Inc.



Ed E. Newcomer
Chairman of the Board
E.E. Newcomer Enterprises, Inc.

Board of Directors

Edward E. Newcomer

Chairman of the Board

E.E. Newcomer Enterprises, Inc.
North Kansas City, MO 64116

Brian C. Gillespie

Executive Vice President

E.E. Newcomer Enterprises, Inc.
North Kansas City, MO 64116

Robert C. Newcomer

Attorney

Lang Legal Group, LLC
Atlanta, GA 30345

David Bywaters

President / Treasurer

Lawrence-Leiter & Company
Prairie Village, KS 66207

Rex E. Newcomer

President - CEO

E.E. Newcomer Enterprises, Inc.
North Kansas City, MO 64116

N. Nelson Newcomer

Sr. Vice President

E.E. Newcomer Enterprises, Inc.
North Kansas City, MO 64116

Paul J. Fissel

Executive Vice President

Sky Bank
Cleveland, OH 44124

Eric Hansen

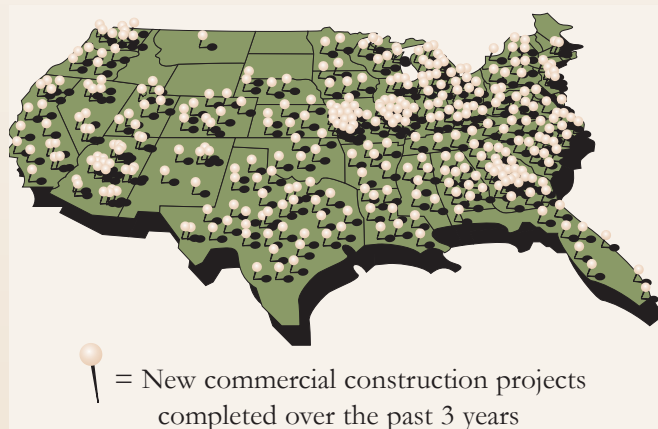
President

Holman Hansen & Colville, PC
Overland Park, KS 66211

The DH Pace Company

FAST FACTS

- Consolidated Sales in 2006 were **\$140,913,108**
- Sales increased by over 20% from prior year
- Over 200,000 customer transactions completed in 2006
- Number of employees increased by 68 to 823
- Company owned fleet grew to over 440 vehicles



The *DH Pace Company* is a wholly owned subsidiary of *E.E. Newcomer Enterprises, Inc.*, a privately held service, distribution and construction organization based on North Kansas City, Missouri with offices located in seven states covering all time zones in the continental United States. Each office includes a large service department that offers preventive maintenance programs and emergency service capability 24 hours-a-day, 7 days-a-week, 365-days-a-year. *The Company* offers a wide range of door and door related products organized into five business segments.

Company Business Segments

DH Pace is organized into 5 distinct business segments. These segments represent product groupings, including all of the associated services that support those products after installation in the homes and facilities they serve. These five business segments are:



Commercial Overhead Doors

Doors, Dock Equipment, High Speed Doors



Residential Overhead Doors

Doors, Openers, Entry Doors



Commercial Entry Doors

Entry Doors, Automatic Doors, Specialty Items



Integrated Security Systems

Access Control, CCTV, Intrusion Alarm



Construction Services

Carpentry Work on Construction Projects

Each of these business segments is individually profiled in this year's Corporate Report.



Company History

The Organization traces its roots back to the 1920s with the invention of the upward-acting sectional garage door. Independent Overhead Door distributorships were established using the Overhead Door trade name along with the distinctive red ribbon logo in: St. Louis (1926), Kansas City (1927), and Atlanta (1935). Over the next half century these distributorships became the leading providers of overhead door products and services in their market areas. In 1973, operations of these separate entities were consolidated and became divisions of the newly formed *DH Pace Company, Inc.* with headquarters in North Kansas City, Missouri. In 1977, a new generation of leadership joined the *Company* and re-energized it with an exciting growth-oriented vision for the future:

"To provide and maintain safe, secure, and functional openings in all types of commercial and residential facilities - which consistently exceed customer expectations."

During the 1980s, this vision became reality through: the hiring and training of exceptional employees, the addition of new product lines, the opening of new residential showroom facilities, and the expansion of the *Company's* commercial entry door (CED) business.

In 1995, the *Company* began marketing products and services to the commercial general contractor marketplace under two newly formed trade names: *DH Pace Construction Services* and *DH Pace Architectural Doors & Hardware*.

In 1998, the *EEN Advertising and Marketing Group* was formed to manage the *Company's* multi-million dollar annual investment in print and electronic media programs.

In 2003, the *Company* opened an office in Phoenix, Arizona and began offering: electronic access control, CCTV, and intrusion alarm systems to its customers under the *DH Pace Systems Integration* trade name. The *Company* also introduced the *DH Pace Door Services* trade name, replacing *Architectural Doors & Hardware*, to better communicate the complete range of commercial products and services offered to its growing base of commercial, institutional, and industrial customers.

In 2005, the *Company* entered the Denver and Las Vegas marketplaces by opening new offices to serve these growing metropolitan areas.

Today, the *DH Pace Company* continues to operate under the same growth oriented vision for the future adopted in 1977. Consolidated annual sales exceeded \$140 million in 2006 with over 823 employees dedicated to serving customers and delivering on that vision each and every day.

The Genuine. The Original.



The Company Today

Field Automation Project Underway

The *Company* operates over 440 field installation, sales, and service vehicles. In order to better serve customers, a field automation project was initiated in 2006. This project includes a global positioning system or “GPS”, a new inventory management system that includes bar-code scanning, and field automation devices that will wirelessly connect all field vehicles to the *Company's* computer network. This project will be completed in phases over the next two years by cross-functional teams from the *Company's* Information Service Group, Lean Six Sigma team and representatives from each of the *Company's* operating divisions.



New Facility Purchased and Renovated in Wichita, Kansas

In the Summer of 2006, the *Company* purchased a 28,000 square foot building in Wichita, Kansas. Renovations included: new office space, a hands-on training room, truck loading and unloading areas, and extensive warehouse modifications. This facility will enable the Wichita division to support its growing business activities in the greater Wichita area and throughout Central and Western Kansas.

Commitment to Safety Expanded

At *DH Pace* providing a safe work place for employees and customers is a top corporate priority. A Safety Team of four full-time employees is responsible for leading the *Company's* Safety program which includes extensive new employee and skills based training, OSHA 10/30 hour training, a safe driving program and First Aid/CPR certifications. The Safety Team also works closely with management teams from each operating division and their local safety committees to improve the *Company's* safety record performance.



DH Pace 2010 Update

In 2005, *DH Pace* unveiled a new 5-year plan call Pace/2010. Its purpose is to provide employees with the resources necessary to successfully compete in the marketplace of the future by aligning these specific strategic initiatives: (1) streamlining business processes and measuring performance on written scorecards through our Lean Six Sigma program, (2) learning at the speed of change through *DH Pace University*, (3) developing our human resources through effective hiring and coaching resources, and (4) adopting appropriate mission specific technologies that improve employee productivity. In aligning these initiatives together, the effectiveness of each is multiplied. Measurable progress was accomplished in each of these areas during 2006.

Company Facilities

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Atlanta

221 Armour Drive
Atlanta, GA 30324

404-872-3667

www.ohdatl.com

Springfield

707 N. Grant Ave.
Springfield, MO 65802

417-862-9339

www.ohdspringfield.com

Kansas City

1120 Clay Street
N. Kansas City, MO 64116

816-221-0072

www.ohdkc.com

St. Louis

3924 Shrewsbury
St. Louis, MO 63119

314-781-5200

www.ohdstl.com

Wichita

3506 West Harry
Wichita, KS 67213

316-944-3667

www.ohdsck.com

Company owned Overhead Door satellite offices include:

Overhead Door Co.
of SW Illinois

Overhead Door Co.
of Blue Springs, MO

Overhead Door Co.
of Greater Hall County, GA



EEN Advertising and Marketing

EEN Advertising and Marketing is a full service agency, which handles the Organization's diverse marketing needs. From the design, production, and placement of advertising to the creation of interactive multimedia sales tools, *EEN Advertising* works

with all *DH Pace* operating entities to achieve their most efficient use of media dollars and best return on investment.

EEN Advertising also plays a key role in the operation and expansion of *PACE.NET*, an organization-wide intranet resource that enhances communication, training, and the sharing of knowledge among the employees of the Organization.

Company Facilities



www.dhpace.com

Kansas City

218 E. 11th Avenue
N. Kansas City, MO 64116
816-480-2600

Denver

4940 Paris Street
Denver, CO 80239
303-783-3667

Springfield

310 S. Union • Suite E
Springfield, MO 65802
417-831-5585

Atlanta

221 Armour Drive
Atlanta, GA 30324
404-327-5106

Phoenix

616 W. 24th Street
Tempe, AZ 85282
480-968-3667
AZ ROC: #183892 K-60

Wichita

3506 West Harry
Wichita, KS 67213
316-944-3667



www.dhpace.com

Atlanta

221 Armour Drive
Atlanta, GA 30324
404-745-7223

Las Vegas

P.O. Box 94556
Las Vegas, NV 89193
702-258-8588
Nevada Lic. #057741

Kansas City

218 E. 11th Avenue
N. Kansas City, MO 64116
816-480-2601

Phoenix

616 W. 24th Street
Tempe, AZ 85282
480-557-7223
AZ ROC: #184002 K-67



Kansas City

218 E. 11th Avenue
N. Kansas City, MO 64116
816-480-2695

Atlanta

221 Armour Drive
Atlanta, GA 30324
404-327-5106



Commercial Overhead Door

PRODUCTS AND SERVICES

The Commercial Overhead Door Group (COM) provides sales, installation, and service of all types of commercial and industrial door related products in the new construction and existing facility marketplace, including: overhead doors, dock equipment, high speed doors, and security grilles.

The COM Group offers a complete range of support services for these products, including:

- Emergency Service; 24 hours-a-day, 7 days-a-week, 365 days-a-year
- Customized Priority Service Contracts
- Preventive Maintenance Programs
- Fire Door Inspection, Testing and Certification Programs to meet NFPA-80 building code standards
- On-site Training Programs and Facility Surveys

Professional COM Group sales teams work with general contractors, architects, property managers, facility managers and business owners at all levels in the selection and maintenance of Commercial Overhead Door openings to promote safety, security and increased productivity.

Commercial Overhead Door products can be used in a wide variety of applications to achieve the specific user requirements for each facility opening. Among the many specialized applications for these products are doors for functions such as: security sally ports, fire protection system barriers, automated assembly lines and conveyers, exhibit halls, malls, stainless steel doors for pharmaceutical production areas, soundstages, parking decks, arenas, and concessions areas. Commercial Overhead Door openings can also be largely enclosed with wall construction in highly finished office areas to provide the necessary functionality while preserving the aesthetic design intent of the space.

Commercial Overhead Door offerings include:

- COMMERCIAL SECTIONAL DOORS
- ELECTRIC DOOR OPERATORS
- ROLLING SERVICE & FIRE DOORS
- ROLLING COUNTER DOORS
- SECURITY GATES
- HIGH-SPEED DOORS
- DOCK LEVELERS, SEALS, BUMPERS AND SHELTERS
- INDUSTRIAL DOORS
- HANGER DOORS
- TRAFFIC DOORS
- FDA BUG BARRIORS



Projects and Solutions

Overhead Doors Lend Twist to Industrial Look

What do an old gas station, a new Mexican restaurant and Overhead Doors have in common? A great deal when the old gas station is converted to a new, hip restaurant where the doors simulate the look of an industrial garage while paying homage to the building's history. Consulting with the architect, the *Company* recommended full glass aluminum garage doors, which provided a sleek and modern twist to the desired industrial feel for the restaurant. Near the completion of the project, the owner decided to also enclose the outdoor patio. For this application a solid lexan type grill was designed and installed.



Bollards Used to Secure Facility

For a highly secure facility concerned about protection against a terrorist attack, hydraulically controlled bollards were used as an effective first line of defense. Hydraulic bollards, which meet or exceed US Dept. of Defense certifications, are capable of stopping a truck traveling at 60 miles an hour. As part of a facility's access control system, the bollards are hydraulically lowered into the ground to permit authorized traffic. This system requires routine preventive maintenance to function properly, a service the *Company* provides on an ongoing basis.

Speed Essential to New Manufacturing Plant

An accelerated project schedule along with logistical concerns were just a few of the challenges faced when a major international firm broke ground on a new 1,000,000 square foot manufacturing facility. In a coordinated effort between the General Contractor, Engineers, and several suppliers, the *Company* successfully furnished and installed all of the specialty door systems. In addition to countless fire doors, service doors, sectional overhead doors, and operable walls, more than 15 high-speed doors were installed throughout the facility to manage climate control and system processes. The high-speed doors also play a central role in keeping vehicles, material and people moving quickly and safely in this fast-paced, state-of-the-art manufacturing plant.



PROGRAMS and SERVICES

- Emergency Service, 24 hours-a-day, 7 days-a-week, 365 days-a-year
- Customized Priority Service Contracts
- Preventive Maintenance Programs
- Customer training programs
- Fire Door Inspection, Testing and Certification Programs to meet NFPA-80 building code standards

A customized program can be developed to meet the specific needs of each facility and customer. Services can be structured under a time and material, membership based program, fixed bid proposal, or unit price format.





Residential Overhead Door

PRODUCTS AND SERVICES

The Residential Overhead Door Group (RES) provides sales, installation, service, and repair of residential overhead doors and entry doors to the new construction and existing home marketplace, including: traditional overhead doors, designer carriage house doors, garage door openers with transmitters and keypads, entry doors and patio/storm doors.

The RES Group offers a complete range of support services for these products, including:

- Emergency Service; 24 hours-a-day, 7 days-a-week, 365 days-a-year
- Special rates for evening and weekend service. Rates and hours vary by location
- Customized Priority Service Contracts for multi-family accounts
- Preventive Maintenance Programs
- On-site Training Programs for multi-family accounts

Professional RES Group sales teams work with home builders, developers, designers, and homeowners in the selection, installation and maintenance of Residential Overhead Door openings to promote safety, security, and increased convenience.

Over the last several years custom garage doors that combine 21st Century functionality and safety features with the look and feel of traditional old-style garages have become very popular. These doors are generically referred to as carriage house doors and are offered by the Company under the *Classic Accent Doors™* name. These doors are available in wood or steel construction with a wide range of styles to meet the specific aesthetic requirements of each application.

Residential Overhead Door offerings include:

- CARRIAGE HOUSE DOORS
- STEEL INSULATED DOORS
- GARAGE DOOR OPENERS
- GATES AND GATE OPERATORS
- ENTRY DOORS
- REMODELING SERVICES
- PATIO & STORM DOORS
- IN-HOME CONSULTATIONS



Projects and Solutions

Overhead Door Lights Up Loft

Garage doors aren't just for garages anymore! Across the nation, lofts are gaining in popularity. Loft living has become a lifestyle of choice for many who want to live close to the energy of downtown. Design and architecture were important issues when the *Company* was challenged with separating two rooms while maintaining the industrial look of the loft in a new multi-use midtown development in a major metro area. A frosted glass garage door met the challenge, providing privacy while still allowing light into the adjacent space. The dividing wall was accented with a brick facade to further enhance the overall design. The homeowner is pleased with the unique visual appeal and the flexibility they have to open the door to create a single open space or to close the door when privacy is preferred.



Small Touches Appeal to Townhome Owners

Quality, aesthetics, expertise, and local building code compliance were all required to provide a garage door solution for a new townhome complex in a growing metropolitan suburb. The *Company* worked with the builder to meet the project's demanding budget and scheduling requirements. After consulting with the Builder, the doors were customized with wood trim to compliment the design of the homes. A total of 280 doors were provided on the project allowing the tenants to secure their vehicles inside the enclosed garage.

Automatic Gate Openers Provide Security

Automated Gate Systems are an increasingly popular means of providing residents with additional safety and security for single family or multi-family homes. Style, convenience, security and safety were just a few of the factors influencing a large Homeowner's Association's recent decision to gate their subdivision. The gate system was custom designed to provide a solution consistent with the architectural style of the community, the functional needs of the users, and the access control system requirements. In this subdivision, the end result was the installation of a high cycle system that allows residents to enter and exit the subdivision by use of remote control transmitters.



PROGRAMS and SERVICES

- Emergency Service, 24 hours-a-day, 7 days-a-week, 365 days-a-year
- Special rates for evening and weekend service. Rates and hours vary by location
- Preventive Maintenance Programs
- Priority Service Contracts
- Customer training programs for multi-family accounts

A customized program can be developed to meet the specific needs of each facility and customer. Services can be structured under a time and material, membership based program, fixed bid proposal, or unit price format.

Commercial Entry Door

PRODUCTS AND SERVICES

The Commercial Entry Door Group (CED) provides sales, installation, service, and repair of side-hinged commercial pedestrian doors and related products to the commercial new construction and existing facility marketplace. This family of products includes entry doors made of aluminum, hollow metal, wood, or fiberglass. The *Company* also sells special performance rated assemblies for: fire ratings, sound transmission performance, bullet and blast resistance, lead shielded openings for medical facilities, and customized openings for special applications.

To improve facility security, the *Company* can design and provide key management, electronic access control, CCTV, and intrusion alarm systems as an integrated package with entry door assemblies. Additional products include: automatic pedestrian doors, restroom partitions and accessories, lockers, roof vents, access panels, and hatches.

The CED Group offers a complete range of support services for these products, including:

- Emergency Service, 24 hours-a-day, 7 days-a-week, 365 days-a-year
- Customized Priority Service Contracts
- Preventive Maintenance Programs
- AAADM Certified Inspection Program for Automatic Doors
- Locksmith Services and Key Management Programs
- On-site Training Programs and Facility Surveys

Professional CED Group sales teams work with general contractors, architects, property managers, facility managers, and business owners at all levels in the selection, installation, and maintenance of Commercial Entry Door openings to promote safety, security, and increased productivity.

Commercial Entry Door offerings include:

- SOLID CORE WOOD DOORS
- HOLLOW METAL DOORS AND FRAMES
- FINISH HARDWARE
- ELECTRIFIED DOOR HARDWARE
- ACCESS CONTROL SYSTEMS
- AUTOMATIC PEDESTRIAN DOORS
- ADA AUTOMATIC OPERATORS
- LOCKSMITH SERVICES
- ALUMINUM STOREFRONTS



Projects and Solutions

Airport's Automatic Doors Inspected for Safety Compliance

Kansas City International Airport (KCI) serves over 10 million travelers a year. Few travelers give much thought to the automatic doors they walk through on their way to their final destination. Yet without proper inspections and maintenance, these automatic doors may not operate properly which could result in serious safety hazards. For this reason, KCI contracted with the *Company* to provide AAADM certified inspections and repair services for over 170 automatic doors throughout the airport. The *Company* uses AAADM Certified Inspectors when performing the service on automatic doors assuring the highest quality of workmanship for KCI and the travelers who use the airport facilities.



Doors on Display at Art Museum

Designing the expansion of an internationally known Art Museum to utilize natural sunlight in the exhibit areas was a major construction and artistic challenge. The *Company* worked with the Owner, Architect and Contractor to design large custom made pocket doors that can easily separate the galleries while still permitting the doors to be entirely hidden during periods of public display to permit the free flow of light onto the exhibits. With individual door sizes up to 30' wide x 13' high many of the doors had to be installed before the building exterior was enclosed. The doors, while frequently not visible to patrons visiting the museum, could be considered works of art themselves.

Fire Door Inspections Improve School Safety

Serving more than 150,000 students in nearly 100 buildings, safety and security is a primary concern of one of the largest K-12 school districts in the country. The district contracted with the *Company* to perform fire door inspection services in several district facilities to identify and correct potential fire safety problems. Over 700 openings were inspected during the project. Effective with the 2007 version of the National Fire Protection Association model code all commercial building owners will be required to conduct a written inspection of fire doors annually to identify and correct issues so that these openings will perform properly should a fire occur.



PROGRAMS and SERVICES

- Emergency Service, 24 hours-a-day, 7 days-a-week, 365 days-a-year
- Preventive Maintenance Programs
- AAADM Certified Inspections for Automatic doors
- Masterkeying System Design
- Site Assessment Surveys
- ADA, HIPAA & JCAHO compliance surveys
- Specification Writing

A customized program can be developed to meet the specific needs of each facility and customer. Services can be structured under a time and material, membership based program, fixed bid proposal, or unit price format.

Integrated Security Systems

PRODUCTS AND SERVICES

The Systems Integration Group (SI) provides sales, installation, service and repair of all types of commercial security systems in the new construction and existing facility marketplace including: electronic access control, closed-circuit television (CCTV), video monitoring, intercom, and intrusion alarm systems. These systems can be designed and installed as individual solutions or on an integrated platform, and be networked via LAN/WAN and/or IP communications to connect security systems in different physical locations into one operating unit.

The SI Group offers a complete range of support services for these products, including:

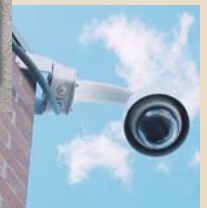
- Emergency Service, 24 hours-a-day, 7 days-a-week, 365 days-a-year
- Customized Priority Service Contracts
- Preventive Maintenance Programs
- Signal and Video Monitoring Programs
- On-Site Training Programs and Facility Surveys

The SI Group works with general contractors, architects, security directors, IT directors, property managers, facility managers, and business owners at all levels in the selection, installation, and maintenance of security systems to promote safety, security, and increased productivity.

Security systems must be properly coordinated with the pedestrian doors that they are designed to control and protect to provide effective security. The *DH Pace Company* offers through its systems integration and commercial entry door group, single source design, installation and maintenance of both pedestrian doors and security systems.

SI Group offerings include:

- | | |
|-----------------------------|--------------------------------|
| • ACCESS CONTROL SYSTEMS | • CCTV / VIDEO MONITORING |
| • INTRUSION ALARM SYSTEMS | • IP TECHNOLOGIES |
| • ELECTRIFIED DOOR HARDWARE | • WIRELESS ACCESS SOLUTIONS |
| • ID BADGING | • EMERGENCY PHONES |
| • WEB BASED SYSTEMS | • INTERCOM SYSTEMS |
| • NETWORKED SOLUTIONS | • PARKING CONTROL / TURNSTILES |



Projects and Solutions

Health Care Facility Solutions

Being a primary Trauma Center in a major metropolitan area leaves no room for error – even in facility management. The doors have to function properly and be in code, the access control and CCTV systems have to be reliable, and the security dealer must be able to offer turn-key solutions, service and installation. For a consortium of hospitals, the *Company* recently provided IP based surveillance cameras networked into a card access system that operates in numerous facilities across the state. Expanded service and security contracts now include automatic entrances and commercial door openings, providing the client with a single point of contact for all their door and security needs.



Major Theater Chain Installs Access Control

A large chain of movie theaters selected the *Company* to install an access control system in all new theater locations to increase security and reduce ongoing mechanical re-keying costs. New Construction contracts with the *Company* were expanded to include intrusion alarm systems and central station alarm monitoring services, along with commercial entry doors and hardware. These products and systems heightened security, while significantly reducing maintenance expenses and disruptions to the business, resulting in an additional contract with the *Company* to provide monitoring services for all existing theater locations.

Nationwide Security Solutions for Multi-Office Client

A nationally known Software Developer with branch offices located across the United States has used the *Company* for over seven years as their sole source provider for security systems, including access control, CCTV, intrusion alarm, monitoring, and ADA automatic operators. Services provided include design, field installation and service, and networking/systems support. The *Company's* relationship with the client has expanded from their Corporate Headquarters throughout all U.S. operations, and now includes additional services such as technology upgrades, project management, customer support and cost efficiency analysis.



PROGRAMS and SERVICES

- Emergency Service, 24 hours-a-day, 7 days-a-week, 365 days-a-year
- Alarm and Video Monitoring
- Remote Systems Administration
- Software Service Plans
- Preventive Maintenance Programs
- Video Verification of Alarms
- Security System Design Consultations

A customized program can be developed to meet the specific needs of each facility and customer. Services can be structured under a time and material, membership based program, fixed bid proposal, or unit price format.

Construction Services

The Construction Services Group (CS) offers a complete line of Construction Specifications Institute (CSI) Division 6, 8, 10, and 11 products under a single contract for commercial new construction and major existing facility projects. Installation of these products can also be provided under an installation services contract.

The CS Group operates on a regional basis and has completed projects in: Arizona, Florida, Georgia, Illinois, Iowa, Kansas, Missouri, Pennsylvania, South Carolina, Tennessee, Virginia, and Washington D.C. Project types include: hotels, resorts, convention centers, art museums, detention facilities, arenas, educational campuses, manufacturing, hospitals, office buildings, and wastewater treatment plants.

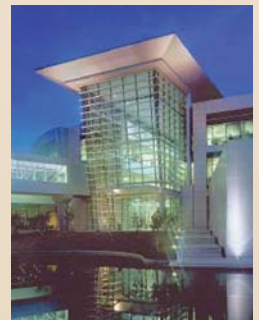
The CS Group provides a broad range of products and services, including: millwork, carpentry, overhead and commercial entry doors, integrated security systems. Division 10 specialty products such as restroom partitions and accessories, lockers, and mailboxes are also available. The CS Group also works with owners and end-users on the coordination of multi-year, multi-phase building upgrade and renovation projects.

The CS Group achieves professional project management through industry leading software to deliver projects that are on-time, under budget, and that consistently exceed customer expectations.

Completed projects of the CS Group include:

- **Marriott Star Pass Resort**
Tucson, AZ
- **Washington Convention Center**
Washington, D.C.
- **Federal Express World Headquarters**
Memphis, TN
- **Nelson-Atkins Museum**
Kansas City, MO
- **Progress West Healthcare Center**
St. Louis, MO
- **Federal Reserve Bank**
Atlanta, GA
- **AOL - OnLine Data Center**
Manassas, VA
- **Platte County Detention Center**
Platte City, MO
- **HCA Independence Regional Hospital**
Independence, MO
- **Kilde Hall-Iowa State University**
Ames, IA

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Corporate Support

DH Pace University

DH Pace University (DHPU) is responsible for organizing and delivering business knowledge that supports the strategic objectives of the *Company* and results in more effective employee performance. Delivery methods include: traditional Classroom, e-Learning, on-Demand/on-the-Fly Technologies, Web Portals, and Reference materials that are generated both in-house and in conjunction with our vendor partners. DHPU course offerings continued to grow in 2006 to encompass Commercial Service Sales, Commercial Project Segments, Safety, Lean Six Sigma, Code Training, Information Systems, and “Soft Skills” Training.



Lean Six Sigma

Lean Six Sigma was adopted by the *Company* in 2004 for the purpose of: reducing costs by eliminating wasted time and effort, increasing speed to market by leaning business processes, and establishing performance measurements for all key business processes. Numerous projects and scorecards were successfully completed over the past year by the *Company's* two full-time Black Belts, resulting in significant hard-dollar savings for the *Organization*.

Information Management

Technology continues to fundamentally change the way we learn, communicate, and organize ourselves in our personal and professional lives. The *Company* is investing significant dollars in new projects and the enhancement of existing systems to meet this challenge. The IT Department plays a vital role in the development and deployment of mission critical systems. In 2006, a record number of new projects were initiated, including field workforce automation, automated performance scorecards, a new Intranet system, and the integration of a variety third-party software systems.



Human Resources

The key to any successful organization is the quality and commitment of their employees. The *DH Pace Company* has been fortunate to have an abundance of very talented employees over the years. In 2006, the *Company* added 68 new employees, to reach a total of 823. The Human Resources Department performs numerous critical functions in support of our employees including: managing the in-house recruiting staff, administration of employee benefit and management development programs, conducting compliance audits, employee communications, as well as other employee related responsibilities.

Legal Services

Managing risk is an important function in any organization. The *DH Pace Company* maintains a full-time in-house Legal counsel with staff to assist in the drafting and reviewing of contracts and documents, conducting compliance audits, participating in dispute resolution, and litigation management.



E.E. Newcomer Enterprises Foundation

In 1977, Ed Newcomer joined the *Company* and brought with him a clear vision for the future of the *Organization* and a strong commitment to giving back to the community by helping those less fortunate. This Corporate commitment is documented, communicated, and reinforced in a variety of ways, including:

- *E.E. Newcomer Enterprises Foundation*
- Corporate Vision Statement
- Corporate Values Statement
- Corporate Ethics Policy

From community involvement roots that were established in the 1980s, the Foundation was formally established as a separate not-for-profit corporation in 1995 for the purpose of providing grants to and developing partnerships with those community organizations that serve the less fortunate, the disadvantaged and individuals in crisis. A central theme of these partnerships is supporting organizations “which we view as a “helping hand - not a hand out”. In recent years the Foundation has provided grants for numerous causes, including:

- Educational scholarships for inner-city youth to attend parochial schools
- Christian social service organizations
- Urban health care clinics for the working poor that lack insurance coverage
- Community-based volunteer programs that assist low income neighborhoods

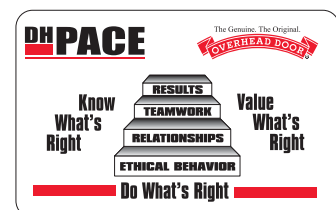
Good corporate citizenship includes a responsibility to give back to the community through the sharing of time, talent, and resources. *E.E. Newcomer Enterprises* will continue to invest a portion of its corporate profits back into the community through the work of the Foundation. Employees are also encouraged to share their time and talents by volunteering in the organization of their choice.

CORPORATE ETHICS

The *DH Pace Company* strives to instill in each of its employees a fundamental understanding and commitment to...

“Know What’s Right”,
“Value What’s Right”, and
“Do What’s Right”

based on the Organization’s
long standing Vision, Values,
and Ethics Statements.



E.E. Newcomer Enterprises, Inc. and its Family of Companies

- CORPORATE VISION -

Continue to broaden the range of products and services we offer to the marketplace.

Provide products and services to our customers with the highest possible level of quality, ethics, and integrity.

Produce a solid level of profits that will enable us to maintain a financially strong organization.

Provide a corporate caring family environment for our employees that creates job security, job satisfaction, and opportunities for growing responsibilities.

Meet our community responsibilities, especially to those less fortunate than we are, with an active participation on the part of both our family of companies and our employees.

CORPORATE VALUES

We believe in providing a safe and secure environment with challenging opportunities for every employee in the Organization.

We believe in providing an environment that encourages openness, self-discipline, and personal growth for every employee in the organization.

We believe in respecting the value every employee contributes to all our corporate objectives every day.

We believe that meeting our customers' needs by providing timely and superior service, the best product and the utmost respect for each customer must be our number one objective every hour of every day.

We believe each of us throughout the Organization must "care about each other and respect each other" for our company to live each day by the beliefs set out above.

We believe our company can achieve its profit objectives and operate day-by-day with a very high standard of ethical and moral values, and that these will be in harmony, one with the other, day-by-day, week-by-week, month-by-month, and year-by-year.



