



Attachment 2

For over 120 years Fredman Bag has been committed to maintaining our environment. In fact, the company was founded on the process of recycling. Used burlap bags were bought back from farmers and feed mills to be repaired then resold again and again. As the company has grown and evolved that same commitment has remained as a top priority.

With the transition to printed polyethylene bags came the need for capture and destruction of VOC to prevent emission to the outside air. In 1985 a catalytic incinerator was installed with a minimum overall efficiency of 70%. This was in full operation until a Regenerative Thermal Oxidizer (RTO) replaced it in 2005, which increased efficiency to a minimum of 75% with lower operating costs.

In 2006, overall production efficiencies were improved to the point where the 7-day workweek was replaced with a 5-day workweek with little to no impact on production lead times or delivery.

Other initiatives include:

- Inefficient warehouse bay lighting and older T12 fluorescent fixtures were replaced by T8 units from Orion Systems in entire west section and approximately 50% of east production area.
- Variable speed drives were installed on the overhead roof vents to be adjusted as converting bag machines were idled.
- Closed loop on chill water used on printing presses.
- Closed loop on compressed air used throughout the facility
- Reduction of scrap, recycling of scrap polyethylene.
- Ink and solvent laden rags sent out to for cleaning and reuse.
- Solvent used in clean-up operations is recycled.
- Pallets are sent out to be repaired/recycled.
- Upgraded doctor blade chambers on 6-color press to use less ink and lower fugitive VOC emissions.

We continue to look for more efficient practices in our production and ways to reduce our scrap. A separate gas meter was installed on the RTO for the purpose of determining actual gas use on this unit. Using this data, we will determine if it is more efficient to idle the unit during weekend hours or shut it down completely and start up again at the start of production. We also continue to assess our electrical needs to reduce our consumption.



By the end of 2011 we expect to do the following:

- Reduce Glycol Ether PM use by 50% (from 25000 Lbs to 12500).
- Replace 142 floor-washing solvent with water-based solvent blend.
- Add insulation to the roof underlayment.
- Replace hot water heater with higher efficiency unit.
- Replace six more light fixtures in laminator area.
- Add automatic controls on the variable speed drives for the overhead exhaust.
- Add corrugated to the recycle program.
- Add zipper string plastic spools to the recycle program.