



The Business Cycle (By Chris Parrott)

It seems that everywhere one turns today, there is some sign of pending doom and gloom. There may be many reasons for this, but are times really that bad? It really depends upon whom you ask and what area you are focused on. If you focus on the gasoline prices, car sales, and home foreclosures, the outlook is dismal. However, if you take a look at this economy from a historical perspective, you get a different result.

The country wide unemployment rate is at 5.0 percent, which is just about a historic low. Michigan's rate is the highest in the nation at 7.0 percent. That sounds terrible, but by comparison to the past, it is still quite a good number. Obviously, Michigan has some issues to deal with in order to move out of last place among the states, but 93 percent employment is not a depression-like rate.

Speaking of depression, it is now common to hear talks of recession and depression. Some say that we are already in a recession. But are we? A recession is defined as two consecutive quarters (3 month periods) of negative growth. Despite what one hears in the media, we have not even had ONE quarter of negative growth in the last five years. For the record, the growth rate in 2007 was a healthy 2.5 percent, similar to the 2006 growth rate. The growth rate in the first quarter of 2008 slowed to 0.6 percent. This "slowing" was portrayed as a recession or even a depression by many media outlets, but it is not. It does indicate a reason for concern, but it is still growth.

Commodity prices are another area of concern. It is easy to place blame on the people who charge higher prices, but they are the same people that provide that commodity for our use. This issue directly affects Hatch Stamping Company as the price of steel skyrockets to record highs. While we do not like to have to deal with this issue, we have no choice but to face this reality and address pass-through price increases with our customers. In reality, much of the cause of higher prices relates to the weakness of the US dollar on the world market. The weak dollar is a function of government policy, so there are several directions to look when searching for the cause of higher prices.

2008 looks to be the first year since the 1990's that the North American Auto market will not produce at least 16,000,000 vehicles. This has resulted in pressure on automotive suppliers and OEM's alike. Many companies are reducing capacity to match the lower demand while adapting to a different mix of fuel efficient vehicles. This results in much-publicized down sizing (layoffs) at auto-related firms. While never pleasant, this is a normal part of the business cycle and is necessary for businesses to remain viable and continue to provide jobs for the employees needed to produce the 15,000,000 plus vehicles that will be sold in this down year.

Hatch Stamping Company keeps a close eye on the business cycle. Through analysis of industry data, close contacts with our customers and suppliers, and an understanding of our history, Hatch Stamping Company tries to adapt quickly to the changing environment in the automotive world. By responding to changing external factors, we are able to adjust the operation to match demand for our products. This is essential to meet the demands our lenders place on our performance, and to provide the working capital needed to grow when necessary.

It is difficult to resist the constant drum beat of pessimism about the economy that is so prevalent today. Whether real or imagined, the best approach is to objectively look at the facts and respond accordingly. That formula has worked well for Hatch Stamping Company in good and bad economies and we expect it will continue to serve us well in this current part of the business cycle, whatever it may be. ◀

Quality and Plexus (By Joe Delaney)

Our quality system has changed fairly dramatically with the full implementation of Plexus on the plant floors. We have the built in discipline of ensuring all the quality checks such as first piece, hourly and test shields are being completed at appropriate intervals. The system also now ensures the containers are properly identified with part numbers, lot numbers, operator, time of processing and the next operation step. Each container is now individually serialized. The old system relied on remembering to initial the process step and writing in the lot number on the router.

Now that the system is in place we are beginning to look at ways to improve the system and customize it to meet our unique needs. Ron Steinhorst has developed a great way to communicate recent external or internal quality issues on specific parts. It is called a non-conforming check sheet. This is visible on the control panel next to the first piece and hourly check sheets. This sheet contains photos of recent quality issues for the part being processed. This sheet is timed to be viewed twice a shift to ensure the operator is informed of the past issue. This again is timed in such a way that production cannot be reported if the check sheet is not viewed at the appropriate intervals. This system is an improvement on the quality alert that requires the document to be retrieved from the system, printed out and displayed at the work station.

We are now just beginning to implement the gage control module in Plexus, this is the last quality module to be implemented. This will allow us to eliminate gage track and link the gage system to the rest of the system. This again will allow more information to flow the plant floors. Any out of calibration condition or gages not registered in the system will be flagged and will need to be addressed before the first piece approval can be entered and production reported.

All of these items we are implementing are meant to have a more consistent flow of information to the plant floor so everyone is informed and the best possible decisions can be made. ◀

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Mike Szymanski

Industrial Dr. Tool & Die Maker 1st Shift



Mike has been working at Hatch for about 2 ½ years. Being a family oriented guy, Mike loves his work schedule because he gets home early on in the day and he can spend more time with his family. Mike is a Michigan native, born in Dearborn and currently residing in Livonia. In his spare time,

when not working or running errands, he enjoys cooking all types of food (he was once on the Food Network cable channel!), playing golf and softball, and watching sports (mainly baseball, Go Tigers!). One memorable story Mike shared was when he was on vacation in Mexico. Mike tried Parasailing and thought it would be fun to cannon ball from 40 ft in the air into the ocean. Unfortunately there were complications. He dropped the 40 ft and landed on his back, which made him cough up blood for 2 days straight! Needless to say, he will never do that again and does not recommend that anyone try it (Mike is in fine health today).

When not falling from the air, Mike listens to Rap music and enjoys watching his favorite movie "The Boondock Saints". Mike lives by the motto "Work Hard & Play Hard". Way to go Mike! ◀

Interviewed by Dan Ott and written by Kerry Griffith

Employee Profiles

Paty Hernández

Receptionist Hatch De Mexico



Hello Hatch team! This time is our chance to know

more about our fabulous receptionist in Hatch México, her name is Paty Hernández, she has been working here for one year and three months and she was born in Querétaro city - "100% Queretana!!" she said. I have to tell you guys, we have an artist in our company, she sings!! She sings in a group of regional Mexican music, but she loves music in general as well as dancing, she told me she was in a group of folklore dancing. Among others, she likes reading, walking, doing aerobics and watching movies.

Her favorite food is Chiles Rellenos with cheese, yummi!!! (Chiles poblanos) and Enchiladas; and she is sharing the recipe for carrot cream; you boil the carrots, then blend them with milk, and spices, pour in a frying pan previously warm with butter and wait until boiled.

She wants to recommend to our team in US to visit México but all depends on what you want; for the first time, you should visit Acapulco. Then Chiapas State which has excellent food. To camping in our Sierra Queretana (mountains), La Peña de Bernal which is the 3rd biggest monolith in the world.

She feels happy to work in Hatch because of the activities and the schedule, so she can relax and do what she enjoys.

She admires the Pope John Paul II, because of his leadership and charisma, not only because of the religion. Her philosophy of life is doing the things in their right moment so you don't regret that you didn't take the risk; she doesn't like to think about what she could have done, even if the result is not what she expected but at least she tried.

She is closing the chat saying: "In the time that I have been here I have felt great and I want to be here long time." And she sure will!! ◀

Interviewed and written by Iliana Balderas

Future Business

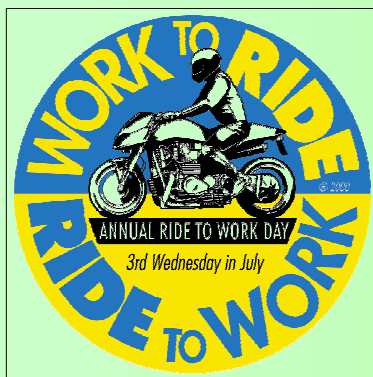
Vitec has awarded Hatch Stamping a Tank Strap Assembly which secures the fuel tank in the General Motors Camaro (GMX511/521-Zeta Program). Production will begin February 2009 at Industrial Drive, Howell and Spring Arbor Coatings, with an annual volume of 644,000. Stamping, Resistance Welding and E-Coat processes will be required. ◀



Hatch PN: 175003

Quoting

The 1st quarter 2008 was a very quiet period for estimating new jobs, followed by an April that was one of the busiest. Josh and Jess have spent the majority of their time during the slow quote period working on updating the new steel costs for all current parts produced by Hatch. April has brought new opportunities to Hatch including potential new customers not previously quoted. Karen has quoted a large quantity of take over parts and assemblies for Lear, which will hopefully result in new business. Of course, everyone knows Todd and Steve are extremely high maintenance. Each part or assembly is quoted, and re quoted, and re quoted. ◀



Hatch Email Trivia:

Over the last month Hatch has received 35,107 and sent 16,900 Emails. Over the **last week** Hatch has blocked 237,908 Spam Emails.

Anniversary of Querétaro

According to tradition, Querétaro was founded on July 25, 1531. On this date, Spanish Conquer Hernán Pérez Bocanegra y Córdoba arrived with Otomí Indian Conín, after baptism as Fernando de Tapia, the chief of Jilotepec, to found the town of Querétaro. He is said to have won without resorting to arms after seeing a vision of the Cross and Saint James the Great ("Santiago"), after whom the city was named. Santiago de Querétaro became the third colonial city of the XVIII century.



In 1656 the city was re-named "The Noble and Loyal City of Santiago of Querétaro", by Viceroy the Duke of Albuquerque. The title was confirmed in 1712 by King Philip V of Spain.

Celebration consists in a popular feast, artistic and cultural representations celebrated in the Historic Downtown, considered as Heritage of Humanity. ◀

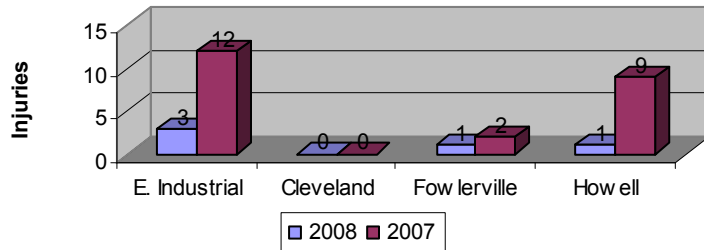
Pizza Party

Safety Always Comes First

Congratulations to the Industrial, Cleveland St. and the Howell plants for meeting their safety goals. Each facility that met their safety goal was treated with a pizza lunch the first part of April. Safety is a team effort so keep up the good safety habits. ◀



Plant Injuries by Plant YTD through April 2008 Compare to 2007



Hatch Happenings New Format

The Hatch News Letter has had a face lift

The Newsletter staff has decided we needed to do something different to our newsletter. We are going to try and publish a newsletter every other month. Each issue will be smaller and with some different articles than we have had in the past. Some of the new articles will provide more of a focus on our employees e.g. employee profile along with the business climate such as new customers, new contracts, safety, and quality. Hopefully we can add enough variety that some of the authors will only have to provide articles every six month rather than every publication. If you have any suggestions or recommendations for articles or format suggestions please let us know.

Thanks
Judi

HR Q&A

Follow these tips to avoid serious injury from a fall:

- Keep all aisles, stairs and walkways free of clutter.
- Open cabinet drawers are a tripping hazard; keep them closed when you're not using them.
- Turn on the lights before you enter a room. And report any burned-out bulbs to housekeeping as soon as possible.
- Always use handrails on the stairs, and take one step at a time.
- Broken stairs or loose stair coverings? Report them right away!
- Make wide turns around corners, so you can see who's coming.
- If you spot a spill, clean it up or report it immediately.
- Stay away from shortcuts. The route less traveled may be less safe!
- Don't overload - take only what you can carry comfortably, and make sure you can see over it.
- When walking on a wet or slippery surface, slow down, take small steps, and keep a hand free for balance.
- Make sure chains, guardrails, or warning tapes are in place around elevated areas.
- Keep all harnesses and other fall protection equipment in working order, and use them correctly.
- Wear the right shoes for the job, and keep the soles clean for better traction.

Who's at risk?

If you walk, you're at risk. Slips, trips, and falls happen in every workplace, from corporate environments to manufacturing plants. However, most fall-related injuries happen in the service industry and most fall-related deaths occur on construction sites. ◀

Hatch Cook Book



Wanted: Your Favorite Recipes

To kick off our new and improved newsletter format, we are adding a "Favorite Recipe" section. We would like to take this one step further. Since we are collecting your favorite recipes, we had a Bright Idea and thought it would be fun to put together a "Hatch Stamping Employee Recipe Book".

We have a recipe form in Plexus and copies are in the lunchrooms for your convenience. Feel free to submit as many recipes as you want.

Bon Appétit!!! ◀

HR Quote Of the Month

"Life Shrinks or expands in proportion to one's courage."

— Anais Nin

Dates to Remember

June 14th	Flag Day
June 15th	Father's Day
July 4th	Independence Day
July 16th	Ride to Work Day
July 25th	Anniversary of Querétaro

Recipe Of the Month

PICKLED BEETS

- 1 - 16 oz. can sliced beets
- 1/2 c sugar
- 1/3 c vinegar
- Dash salt
- Drain beets, reserving liquid. In a medium saucepan, combine beet liquid, sugar, vinegar and salt. Add beets.
- Bring to boiling; reduce heat and simmer for 30 minutes. Cool - Cover and refrigerate. ◀



June Birthdays

	DOB
Sutton, Howard D	1st
Rita Hernandez	3rd
Tomlinson II, Robert A	4th
Monahan, Jeffrey P	5th
Briggs, Marti L	6th
Wooten III, Arvel L	6th
Robinson, Krystle L.	7th
Dutcher, L.D.	9th
Foster, Teresa M	12th
Smith, Amy S	14th
Snead, Douglas	14th
Luis Angel de Jesus	14th
Goodin, Bruce	15th
Joyner, Sarah B	15th
Middlebrook, Elden	19th
Smith, Michael R	19th
Lagow, Jason R.	20th
Develbiss, John H	24th
Little, Thomas D	24th
Dutcher, Kurt R	25th
Kramer, Jerome R	25th
Carpenter, Shawn M	26th
Jeruzal, Martin L.	26th
Knisel, Scott J	27th
Carlos Himmelmstine	28th
Braze, Greg A	29th
Ostrowski, Roy E	29th
Brent, Johnnie L	30th
Hogbin, Ronald H	30th

June Anniversaries

	YOS
Head Jr, Ernest L	18
McAlister, David W	18
Swetland, Tammy L	15
Craig, Daniel P	14
Craig, Albert J.	14
Shanks, Cheryl L	13
Wooten, Judi	12
Jeruzal, Martin L.	8
Hatch, Ray J	7
Peltier, Shawn W	5
Chedid, Elie R.	5
Alvarado, Ruben	4
Kerby, Shaun R	4
Townsend, Huda H	4
Bloom, Maryann T	3
Baker, Dennis M	2
Larson, Clinton O	2
Prater, Todd J	2
Lorts, Scott L.	1
Barto, Brian K.	1
Bensinger, Anthony A.	1
Sider, Steven G.	1
Werth, Michael J.	1
Mitchell, Karen N	1
Cole, Mark W.	1
Mitchell, Katie M.	1
Norma Hernandez Alvarez	1
Enrique Cuellar MAnquilla	1
Gisela de Jesus Lopez	1

march of dimes

Hatch Stamping is teaming up with March of Dimes this year to fund-raise through "Blue Jeans for Babies". We will be designating the last Friday of every month as a Jean Day in which you can wear jeans to work for a small donation of \$5 (minimum). Anyone can donate (even without wearing jeans) and will receive a button to wear showing their pride in helping others. **ALL** funds collected will be donated to March of Dimes. We will continue this through October in the hopes of reaching the goal of \$1,850 donated.

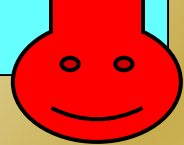
Hatch will be contributing to their mission of "improving the health of babies by preventing birth defects, premature birth, and infant mortality. We carry out this mission through research, community services, education and advocacy to save babies' lives. March of Dimes researchers, volunteers, educators, outreach workers and advocates work together to give all babies a fighting chance against the threats to their health: prematurity, birth defects, low birth weight." ◀

\$1850 -

\$925 -

\$110 -

GOAL



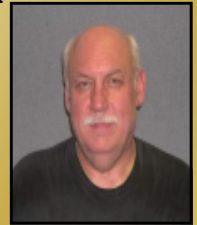
Emilito & Melencia Viray

from the Fowlerville Plant: Are the Proud Parents of a new Baby Boy, Phillip Angelo, weighing 5lbs 9oz. at 1:29 PM on April 10, 2008. ◀



Steven L. Harper

passed away unexpectedly on February 1, 2008 due to a heart attack. Mr. Harper had worked at our Cleveland Street location since May 31, 2005 as a Tool and Die maker. His hard work, dedication, and kindness will be greatly missed by all who knew him. ◀



2008 Graduates



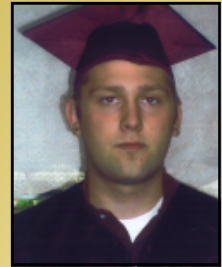
Hanna Zimmerman
Daughter of Tina Zimmerman

Angel Antrim
Daughter of Holly Antrim



Maliyah Spiker (Preschool)

Nicholas Spiker
Son of Susette Spiker



Matthew Timothy Burtle
Son of Kathleen Burtle

Cassie Glover
Granddaughter of Dorothy Broom

Frank Herbert
Son of Jamie Herbert

Promotion:

Rocio Ugalde Pérez, promotion from Mfg associate to Quality inspector Mexico

Anniversary

Fowlerville's Linda LaLonde and her Husband Carl celebrated their 30th wedding anniversary on 5-19-08.

New Employees

Melissa Helm Office Administrator at Howell
Susan Murray Quality Engineer at Industriail
Armando Elizalde Accounting auxiliary at Mexico
Iliana Balderas HR Generalist at Mexico
Francisco J Vazquez Die Setter at Mexico
Omar Gonzaga Material Handler at Mexico
Omar Martinez Mfg Associate at Mexico
Alejandro Hernandez Mfg Associate at Mexico
Ma Claudia Orta Mfg Associate at Mexico
Reyna Elizabeth Cerón Mfg Associate at Mexico
Angel González Mfg Associate at Mexico
Janeth Mata Mfg Associate at Mexico