

Jim Gitney CEO

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2/11/2009 - Letter from the CEO of Champion-Arrowhead LLC.....

Well, the financial markets, businesses and consumers are uncertain about how to react to Obama administration's attempt to stimulate the economy. As a small business in the US, we don't have the luxury of allowing all of this to settle out, so we aren't going to sit idly by. Over the last 30 years, I have watched as my peers have taken the easy way out, off shoring most of the strength that brought us our great wealth through value added activities such as manufacturing. The difference today is that our collective efforts are required to bring our nation back to its preeminence in the world financial markets. It is obvious to us in the trenches that government actions alone aren't going to solve this one. We need to work together to help.

This open letter to you, our customers is meant to provide you with some thoughts on what we at Champion-Arrowhead, in partnership with you, our customers, can do about this. Our team is committed to continue employing Americans in manufacturing and to doing everything in our power to add jobs in America. We have all heard about how tough it is to have a brass foundry and plating operations in California, certainly not the lowest cost place to manufacture. But we have been doing it successfully since 1936, and we are damned proud of it. The American worker has proven time and time again that temporary swings in the economy can and will be overcome. Our company has been through a dozen of these cycles and we are still here. Our position is that *we can be competitive in America* and we intend on continuing to prove that. It's a lot of hard work and we, like everyone else, have had to deal with the impacts of the downturn in the economy.

We are getting calls every day about supplying "*Made in America*" products and over 90% of our sales are. With your help, and focus on keeping jobs here in this great country, we can demonstrate that "*Made In America*" is very feasible, very cost effective and provides higher margins to our distributors/retailers and a key selling feature to our customers: Plumbing and irrigation contractors. "*Made in America*" helps solve many economic issues facing our customers. We:

- don't require that our customers carry months of inventory
- can deliver anything they want in a few days
- can immediately respond to any issue
- stand behind our product with a 3 year warranty

Our customers and our workers are our priority and we have the history to prove it. The time is right for all of us to pitch in and support Americans and American manufacturing. In today's environment, it is much easier to proudly proclaim that each of us is doing our part to help our nation get back on its feet. Promote "*Made in America*" to your customers. Don't be afraid to engage them in the conversation. I am not going to be afraid to have this conversation with as many people as possible. The more we discuss it at the grass roots level, the quicker we get going again. I think you will be pleasantly surprised at how willing everyone is to help out.

Sincerely,

Jim Gitney