



Executive Office
25600 S.W. Parkway Center Drive
Wilsonville, Oregon 97070
(503) 682-3222

Mr. Edward F. Morrison
President
TMC Management Engineers
333 South State Street, #102
Lake Oswego, OR 97034

Dear Ed,

Our Management Engineering Program that your firm has implemented in the warehouse is now complete. I would like to express my thanks to you for a job well done.

Your individual management training is paying off for us just as you promised, and productivity has increased an average of 49.9% since you began to work with our managers. In addition, our managers are using the tools you have designed for them to control labor costs better than they ever have before.

The annual savings to our company is over 2-1/2 times the fees you charged. Your firm has accomplished this without any customer service problems or difficulties.

I am particularly pleased with the focus you have helped us bring to management effectiveness. The productivity review meetings and the open communication about productivity have helped keep morale high. Our management team is now managing their departments better than ever before.

Again, thank you for a very successful program.

Sincerely,

SMITH'S HOME FURNISHINGS, INC.

A handwritten signature in blue ink, appearing to read "W. Mulvey", is written over the company name.

Walt Mulvey
Chief Operating Officer

WM:cmf