

CRANE Composites

DATE: April 25, 2023
TO: Crane Composites Associates
FROM: John O'Sullivan
RE: Organization Restructuring due to RV Market Impact

The markets we service continue to be impacted by higher interest rates, inflation, and lower growth. The RV industry has been impacted the most since RV purchases are discretionary in nature and can be reduced or postponed more quickly due to changing market conditions. The declines in RV purchases have impacted our customer orders and production levels at the Goshen, IN location for the past several months.

We have responded to the lower demand by targeting other business for share gains and reducing our spending levels across the business. These actions helped offset lower volume and orders earlier in the year but are not sufficient to address expected lower volume for the balance of the year.

After careful review of our operations and our customers' expected production levels, we have made the difficult decision to adjust the staff levels in Goshen. The adjustments, although difficult, will better align our staffing to customer orders for the balance of the year. We appreciate the hard work and dedication of our associates during their tenure with the company. Those associates impacted by the restructuring have been provided separation pay, benefit continuation, and a notification period for associates to plan for the upcoming changes.

Our business has been through these cycles in the past and successfully emerged with the support of our customers and associates. While the short-term market situation is lower than we would like, we remain optimistic about the long term prospects for our business.

Thank you for your support and dedication to our business.

Regards,



John O'Sullivan
President