



Introduction to Eagle Ottawa

October 17, 2011



Overview

Eagle Ottawa is part of the Everett Smith Group and is a leading global manufacturer of high quality automotive upholstery leather with a vision to build value in its products through lean, high tech operations while providing high quality products to the automotive industry. The company is headquartered in Auburn Hills, MI with the Global R & D Center located in Rochester Hills, MI.

***Total Company Sales Are Approaching \$600 Million With
4,000 Employees Worldwide in Various Locations:***

North America

Asia

Europe

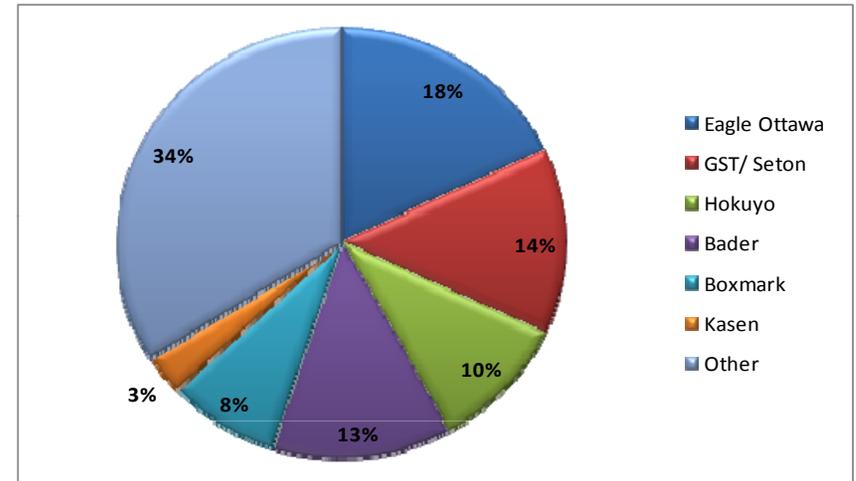
South America



Eagle Ottawa, LLC

“Premium Supplier of Automotive Leather Solutions”

- **Leading Supplier** – Automotive Leather & Leather Solutions
- **Global Footprint - Manufacturing & Supply**
 - South America Raw Material
 - Local Finish & Cut
- **Focused Investment in Product & Services Technology**
 - Designs/Surface Effects
 - In-house Leather Development
 - Value Add Services
 - Innovation/New Products





Eagle Ottawa Global Locations



Rochester Hills Facility
 Building: owned by Eagle Ottawa
 Size: approximately 120,000 sq. ft.
 Staffing: 54 employees
 (16 Scientists / Engineers / Designers)
 Occupancy: over 25 years

- Sales Offices (8)
- Manufacturing Locations (9)
- ▲ Design/Development Centers (6)



EAGLE OTTAWA



prepare leather



sew cover



rework substrate



wrap substrate

Integrated Value Add Services



Concept Development

- In-house design and mock-up capabilities.
- Substrate Development
- Leather Pattern Development
- Specification Development

Seat Cover Sewing

- Production of sewn covers in;
 - Shanghai, China
 - Cascavel, Brazil
- Integrated supply chain provides;
 - Improved quality
 - Reduced logistics
 - Improved mat'l utilization

Component Wrapping

- Production of wrapped components in;
 - Shanghai, China
- Integrated supply chain provides;
 - Improved quality
 - Reduced logistics
 - Improved mat'l utilization
 - Optimum design/cost

Seat Cover Validation / Warranty Analyst

- 6-Axis robot is used to;
 - Validate new systems
 - Predict Life Cycle Wear
 - Evaluate Seat designs
 - Root Cause Analysis for field failures



Complete Leather Solutions Product Portfolio



Instrument Panel

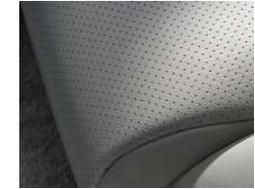


Headrest

“Natalle” –
70% Recycled Leather
Content



Tipping



Perforation



Steering Wheel



Embossing



Embroidery

“Performance”

Instrument panel

- < 5% shrink
- UV stable

Steering wheel

- Light weight leather
- 10% Mass Savings

Anti-soiling technology

- 40% improvement in stain resistance & cleanability

“Value”

Upgraded Leathers

- Base level vehicles

Split leather

- Headrests
- Door panels

“Sustainable”

Natalle

- 70% Recycled content
- Up 40% Weight Reduction
- Color match w/ Leather

- Chrome free leather

- Low VOC products

“Design Features”

Industry leading design innovations

- Tipping
- Custom Perforation
- Digital Printing
- Embossing
- Embroidery

Premium Automotive Leathers

- Automotive Analine
- Luxury Leathers



Rochester Hills Facility



- **Industry Leader – Prototyping Capability**
 - 17 process operations
 - Production simulation
 - Crust & Finish development
- **Extensive Testing Capabilities**
 - 400 + physical tests
 - Performance testing – Ingress/Egress
- **Design Support**
 - Co-creation & Innovation
- **16 Engineers & 34 Technicians**





Why we are applying for tax relief

- **Significant investment for a new process line**
- **Improve cost competitiveness with global units**
- **Enhance our partnership with Rochester Hills**



How will tax relief funds be utilized

- **Add new process technology in RH facility**
- **Continue development of new products/processes**
- **Evolution of product development into production reality at RH facility**
- **Addition of 2 – 5 new engineering positions**
- **Upgrades to RH facility – technology/capability**
- **Potential for RH production growth**



Benefits to the Community

- **Plan to add 2 – 5 professional engineering positions**
- **Greater commitment to Rochester Hills**
- **Additional potential growth at the RH facility**
- **Higher level technology and product line growth**
- **Expand opportunities with local Automotive OEM's**
- **Maintain technology innovation in Rochester Hills**

Thank You