

ESG Dealer Newsletter

July 2011



It is hard to believe, but we are half way through 2011. Despite the difficult market conditions, I am very pleased with the progress we are making on many fronts. Our continuous improvement activities are showing results in new product introductions, improved quality, and improved efficiency of flow through our facilities. The progress has certainly been a result of our Teams working closely together, communicating across functional departments, and staying focused on

our objectives. As a payoff, the results are being noticed by our customers and by you, our Dealers.

There is no better recent example of the excitement being created by the ESG brands in the marketplace than at Waste Expo 2011 in Dallas, TX in May. It was clearly noticeable to all attendees that the traffic and level of activity our booth generated was significantly greater than that of our competitors. We had more exciting new products like the Heil Mini Rear Loader, Marathon's Eco-Safe Digester™, the Heil CNG Automated Side Loader, and the new DualLift by Heil roll-off units, along with many other products and service capabilities that we displayed from Bayne, NEXGEN, and Parts Central. I was extremely proud to be a member of the ESG Family and be one of the representatives of our Team at the show. I only wish that everyone in our company, and all

of our Dealers, could have felt the energy in the booth, seen the positive interactions, and heard the comments from our customers. It was a clear confirmation that we are on the right path and the hard work from our Team is paying off.

You may not know it, but several of the Heil RCVs we had planned to display at the show almost did not make it. As you recall, on April 27 devastating storms ripped through many Alabama communities, significantly impacting many of our team members. That was on a Wednesday and the final group of RCVs for Waste Expo needed to ship the beginning of the following week. With the Heil facility running on standby power from a portable generator, our team members went above and beyond to ensure the units shipped on time. It is a truly inspiring story of dedication and burning desire to meet our commitments and fulfill our obligations.

I frequently mention how important it is to work together as a Team. The storms that tore through the lives of our team members have given us a very clear picture of the importance of having a strong Team. I am so proud of the response displayed by our team members at each facility reaching out to help each other and to assist others in their communities, by our fellow Dover companies donating to the Tornado Relief Fund, as well as the kind letters, donations, thoughts, and prayers from our Dealers and customers.

Adversity will either tear apart a weak Team or further solidify a strong Team. We are a stronger Team today and I will end this with a quote from a well-known football coach:

“ Show me someone who has done something worthwhile, and I’ll show you someone who has overcome adversity. ” — Lou Holtz



Heil Tornado Relief Fund Update

The Heil Tornado Relief Fund has collected more than \$278,000 towards providing housing, food, clothing, and other general needs for our Heil employees who were affected by the tornados that devastated the South on April 27, 2011.

We are truly grateful for the support of our Dealers during this time. Your generous contributions, prayers, and words of encouragement are making a difference for our employees as they begin to put their lives back together.

If you would like to make a tax-deductible donation to the Heil Tornado Relief Fund, please visit www.doveresg.com or www.heil.com and click the Tornado Relief Fund icon on the home page. All donations over \$10 will receive a commemorative “Heil Blue” wristband bearing the slogan “Battered Not Broken — Team Heil, 4/27/11.” We’d love to see a photo of your team wearing their wristbands so we can share it with the employees in Fort Payne. Please e-mail your photos to jringenber@dooveresg.com.



The Heil of Texas team shows their support for our Heil employees.

Waste Expo 2011



Waste Expo 2011, continued

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Waste Expo 2011

This year's Waste Expo, held May 10-12 at the Dallas Convention Center in Dallas, TX, marked a return to the city seven years in the making and the first ever showing of a united ESG booth presence for our brands. While WASTEC reported that customer attendance for the show was flat versus prior year, our two 3,500 square foot ESG booths enjoyed heavy traffic the entire show.

Our theme for the show was "Working Together to Take the Next Step," which demonstrated ESG's commitment to helping customers take the next step in the waste stream management process, whatever that may be. Prior to the show, we hosted a productive Dealer Advisory Council (DAC) meeting for our Heil Dealers to discuss the progress we've made on key action items and to identify areas of focus for the next several months. Later that day, we held our inaugural Dealer and Booth Training Meeting, which included a review of our show strategy, a virtual tour of our two booths, and brief training overviews for each of the products on display.

This year, Heil featured 19 RCVs at the show (a new record), four of which were on display in the ESG booths, including a Half/Pack® Sierra, a DuraPack® 7000, a MultiPack®, and a new DuraPack® 4060 Split-Body Rear Loader with an organic waste collection chamber. Parts Central hosted a parts display in the Heil booth and held a raffle for several RCV parts kits.

Bayne exhibited five mobile and commercial/industrial lifters in the booth, alongside a DuaLift™ and KwikLift™ roll-off unit. NEXGEN provided a video of the automated MRF they've installed in Conway, Arkansas, staged with full-size "faux" bales of recycled cans and cardboard. Marathon displayed a Vertical Baler, a DRC II dual recycling compactor, a Green Built® solar Pak'ntainer® with a Bayne lifter, and the brand new Eco-Safe Digester™ for processing food waste, which quickly became the star of the show. Sister companies Rotary Lift and OPW also participated in our

booth. Rotary Lift raised the KwikLift in the air during the show to highlight their vehicle lift capabilities and OPW displayed fuel line components for CNG.

Our product innovations were major draws to our booths, which in turn enabled our team to discuss other new products we were showcasing. We turned the show into a selling show, booking orders and collecting leads that will also certainly turn into orders.

ESG also had significant representation at the Environmental Research & Education Foundation (EREF) auction with products from Bayne, Marathon, and Heil up for bid. The Heil Half/Pack front loader went for a bid of \$275,000, compared to the McNeilus front loader which went for a bid of \$225,000 — a major statement of the premium value of ESG products versus competitive brands! All proceeds from the auction benefit EREF's research and education initiatives.

On Wednesday evening, we hosted a Customer Appreciation Event at the Texas Museum of Automotive History to acknowledge our customers' continued support of our ESG brands. Pat Carroll kicked off the evening by thanking the customers for their business and participation in our event, and shared some information about the effects the April tornadoes had on Heil colleagues. Then, he introduced the Heil band, "Front Loader," which played throughout the evening. Feedback from customers at this event was positive, with many repeatedly commenting on the tremendous changes they are seeing at ESG.

We have a great Team and our Dealers are integral to our success. It showed in Dallas — and there is a noticeable buzz in the market about ESG and the Bayne, DuaLift, Heil, Marathon, NEXGEN, and Parts Central brands.

HOPS™ Helps Heil's Half/Pack® Freedom Haul the Largest Legal Payloads

Heil's new Half/Pack Freedom front loader is an ideal collection unit for areas with stringent weight restrictions and for haulers who want to transport the largest legal payload without the worry of incurring overweight citations.

Based on the popular and proven Half/Pack design, the Freedom weighs only 15,000 pounds, which is 25% lighter than a standard Half/Pack and 1,700 pounds lighter than the lightweight Half/Pack Sierra. The Freedom can carry 11+ tons of legal payload in its 28 cubic yard body – the largest legal payload – and features a 12 cubic yard hopper and an arm lifting capacity of 8,000 pounds.

The Freedom also boasts an innovative load-control system called HOPS or Heil's Overweight Prevention System™. HOPS uses axle transducer scales, which are accurate to within 2%, to determine the vehicle's gross weight. When a driver is on route collecting containers and the gross vehicle weight nears the maximum legal weight (or a preset weight amount), this exclusive, patent-pending system warns the operator with audio and visual signals inside the cab.

Once the HOPS warning signals occur, the driver can collect a select number of additional containers before reaching the maximum legal gross vehicle weight. When the gross vehicle weight reaches the maximum allowable weight, HOPS prevents the operator from collecting any additional containers. Using HOPS, the driver always knows the weight of the vehicle without the worry of exceeding the specified maximum allowable weight.

HOPS is available on Heil front loader and side loader refuse collection vehicles. Take advantage of this opportunity to promote the new Half/Pack Freedom and the unique HOPS feature to your customers — one that can reduce costs and extend the life of their Heil equipment.



New 5050 Option Now Available for Heil MultiTask™ Split-Body Automated Side Loader

We are pleased to announce that a new split-body option is available for our popular Heil MultiTask unit. Called the MultiTask 5050, this new collection unit features:

- A vertical divider in the body that splits the unit into two 0.85 cubic yard hoppers, the largest hoppers available in the industry in a split-body drop frame unit
- A 38-inch wide loading sill that makes the extra-large hopper opening easy to hand load
- Independent, hydraulically controlled, dual selector doors/crusher panels that guide material to either side of the unit while loading and reduce the volume of bulky items in the hopper
- A hopper divider panel which keeps collected material from co-mingling
- Additionally, the MultiTask 5050 comes standard with curbside dual Bayne lifters, reducing the stress and strain on vehicle personnel.

The MultiTask 5050 will be officially launched in July via a national advertising and PR campaign. Watch your mail in the coming weeks for MultiTask 5050 launch materials you can use to update your existing MultiTask SL Launch Binder. If you do not have a MultiTask SL Launch Binder or need to request additional copies, please e-mail jbonelli@doveresg.com.



DuraPack® 4060 Split-Body Rear Loader Collects Attention

In March we announced the transition of the Formula® 4060 split-body rear loader to the DuraPack body platform. We featured this new collection vehicle in the Heil booth at Waste Expo in May and got a great response from customers and Dealers alike.

The DuraPack 4060 is the ideal vehicle for customers manually collecting multiple commodities on a single route. It has the compaction power to handle bulky ferrous waste like used appliances and sheet metal scraps, and the sealing ability to handle wet waste like organics or food scraps. Additionally, by outfitting the vehicle with single or dual Bayne premium mobile lifters, you can reduce the lifting requirements for vehicle personnel.

The new DuraPack 4060 offers the following features:

- More durable hopper, with longer life
- More ergonomic, simpler controls enable control of both tailgate sides
- Fully welded, interlaced ladder subframe
- Full width floor keeps mud, snow, and debris from collecting between the side walls and the subframe
- Smooth DuraPack body is more durable and great for signage
- Side door is 7" taller and provides easier access
- Ejector tracks provide additional support for body side walls and better wear surface
- Improved wiring for better diagnostics and troubleshooting

You will be receiving Launch Binders on this unit in the coming weeks, as well a brand new product brochure. Until then, don't miss an opportunity to promote this innovative unit to your customers and grow your sales!

Heil Demo Program Update

We all have seen the benefits of putting equipment directly in the hands of users, and Heil Dealers have made effective use of the Demo Program this year by ordering 18 demo units so far. Many of you also took advantage of the special pricing we offered during June to help sell our factory demo stock units. Given the success of this promotional program, we will be offering pricing incentives throughout the month of July. Watch your e-mail for details.

To supplement our Demo Program, we are pleased to announce that we've added a STARR® System unit to the Program and will be adding a second (tandem) unit to the Program in July. Also, please say hello to Jim Blanchard, our new demo driver, when you see him. Jim will be in the field showing the DualLift by Heil products in the coming weeks.



Jim Blanchard

For assistance with Heil's Demo Program, please contact your Regional Manager or send an e-mail to Neal Williams at nwilliams@doveresg.com.

Heil News and Dealer Success



Heil Offers Special Summer Promotions on Ready Trucks and Demo Fleet Units

Heil is offering special promotional pricing on select Ready Trucks and Demo Units in July and August.

All Heil Dealers should be receiving regular e-mail communications from Larry Angel about these promotions. In addition, the monthly specials will be advertised on the Heil website and in full-page ads the industry trade magazines. Because the monthly available inventory will change, please refer to the Heil website for the most current list of available units.

To find out more, contact Ready Truck Program Manager, Larry Angel, at langel@doveresg.com or 423.242.2967.

Heil of Texas Completes First NEXGEN Synergy Sale



Heil of Texas in Houston recently completed the sale of a NEXGEN Atlas® ET manual-tie horizontal baler to Allstar Recycling in Pinehurst, TX. The baler will be used to process non-ferrous scrap, including aluminum cans, extrusions, sheet aluminum, radiators, and copper.

This was Heil of Texas' first NEXGEN sale and it has helped them build the confidence to pursue other projects. One of the key differentiators on this sale is that Heil of Texas is located right in the customer's backyard and can provide the quality product and a level of service that no other baler manufacturer offers.

Allstar Recycling services Tomball, Magnolia, The Woodlands, Spring, and the surrounding communities of Montgomery County and northwest Houston. They have been family owned and operated for nearly 20 years.



Carolina Environmental Services Celebrates Their Expansion

Carolina Environmental Services recently held an Open House to celebrate the opening of their new facility in Greenville, South Carolina. Congratulations!





Grow Your Business with Parts Central Summer Service Promotions

Parts Central is offering two Summer Service Promotions to help you grow sales of certified OEM replacement parts.

Filter Kit Promo

Did you know that not all 3-micron filters are created equal? Heil's Certified OEM 3-micron filters have 56% more dirt-holding capacity and last 50% longer than competitive 3-micron filters. This enables customers to get the best protection, longest life, and lowest total cost of ownership on their Heil RCV.

Help your customers protect their equipment investment with Heil Certified OEM filters.

Python® Arm Promo

To support the launch of Heil's new Standard Two-Year Limited Structural Warranty on the Python automated arm (see below), Parts Central is offering special pricing for a limited time on the purchase of all Heil Certified OEM Python lifts and replacement part kits during the Parts Central Summer Service Promotion.

Don't miss this opportunity to provide your customers with the best arm in the business and the industry's best warranty. For more information about the current Parts Central Summer Service Promotions, please contact your Heil Regional Manager.

Heil Announces New Two-Year Warranty Program for Python® Automated Arms

Heil constantly evaluates automated side loader arms for productivity and reliability, and we continuously strive to improve our products. This philosophy prompted product design enhancements for the Python lift arm that were implemented in 2009 and continued with the release of the standard tandem vane pump hydraulic system in 2010.

Because these product design improvements significantly enhanced the performance and increased the lifecycle of the Python automated arm, we are pleased to announce that, effective June 15, 2011, all new Heil automated side loader units equipped with the Python automated arm include a Standard Two-Year Limited Structural Warranty on the arm.

This new warranty policy applies to new purchases of the DuraPack® Python, CP Python, and MultiPack® units and is subject to the following terms:

- Warranty applies to structural, non-wear components only; pins/bushings, hydraulics, and wiring harnesses are excluded.
- Warranty is null and void in the event any non-OEM parts are used to service the lift.
- Lift must be maintained per the Heil recommended service schedule.

In addition, special pricing applies on the purchase of Heil Certified OEM Python lifts during the Parts Central Summer Service Promotion. Two-year structural warranty on Parts Central lifts applies only to non-HOC configurations that are installed by a Heil Certified Dealer on a tandem vane pump system.

The best arm in the business — backed by the industry's best warranty — and the most knowledgeable Dealer Network; now that's Heil Quality.



Marathon Launches New Eco-Safe Digester™

Marathon officially launched their new Eco-Safe Digester at Waste Expo 2011 in Dallas. This new product is an innovative breakthrough in confronting the growing problem of organic waste processing and disposal.

The new Eco-Safe Digester is a food waste decomposition system that diverts waste from landfills while delivering multiple environmental benefits and measurable cost savings. Using a highly refined formula of microorganisms, it breaks down organic waste into a liquid that can be safely washed down the drain, enabling the effluent to eventually return to the ecosystem as water. Within 24 hours, the Eco-Safe Digester can safely and quickly decompose virtually all organic food waste, including meat, poultry, fish, fruits, vegetables, rice, pasta, bread, coffee grounds, grains, eggshells and dairy products.

In our commitment to help customers reduce the costs associated with managing solid waste, Marathon is marketing this new product in cooperation with Allendale, NJ-based BioHitech America. BioHitech has worked with the product's inventor, Mr. Chun Il Koh, and his company, BioHitech International, to bring this cutting edge technology to the United States.

The Digester is an innovative, "green," solution that addresses unmet customer needs in organic waste stream handling and provides new sales opportunities for Marathon dealers. It is an ideal solution for high-volume food waste generators, like hotels, hospitals, schools, prisons, food retailers, and restaurants, where waste hauling and disposal costs could be reduced from 20% to 50% – or more – per month, depending upon their individual waste stream composition.

Estimates show that, over a 12-month period, a single 1200-lb. capacity unit operating at full capacity yields benefits equal to taking 40 cars off the road and planting approximately 100 trees, reducing greenhouse gases, and CO₂ emissions. It also cuts down on the use of trash bags and rodent control systems.

To find out more about this exciting new product, contact your Marathon Sales Manager. We are putting together a Launch Packet for this new product, which contains training material, a copy of the product brochure, an operations manual, a list of FAQs, and more. Packets will be sent to all Marathon Dealers in early July.



Left to right: Mr. Koh, inventor of the Eco-Safe Digester; Geoff Apthorp, ESG VP of Engineering and New Business Development; Mike Franco, BioHitech Sales; Michael Buonanno, BioHitech Operations; Bill Wilkerson, ESG VP of Sales; and Randy Brown, ESG VP of Sales and Marketing



Neiman Marcus Hosts Unusual Retirement Party

In December 2010, national retailer, Neiman Marcus, held a retirement party for a trusted member of their team. However, this was no typical retirement party. They weren't saying goodbye to a fellow employee, they were saying so long to their Marathon vertical baler.

The baler, which was first installed in January 1994 in Neiman Marcus Direct's Los Angeles, CA, warehouse, was used to bale corrugated cardboard. The warehouse staff estimates that, over its 17-year service life, the baler processed 8,854 tons of corrugate, filled 482 trailers with cardboard bales, and generated \$664,250 in revenue.

The retired baler was replaced with a new Marathon vertical baler which is expected to enjoy the same lengthy service life.

Marathon Secures Deal to Provide Union Pacific with Special Compactor

Union Pacific has agreed to work with Marathon on a specialized compactor design that will de-liquefy old oil filters from their locomotive engines. Marathon will be equipping 14 Union Pacific locations with this new compactor, a contract worth over \$750,000.

Union Pacific operates North America's premier railroad franchise, covering 23 states in the western two-thirds of the United States.

ESG Announces Launch of Two New Brand Websites

We are pleased to announce the launch of the new Dualift website (www.dualift.com) and phase one of the new Heil website (www.heil.com).

Both sites have been designed with the following key features:

- New design look and feel
- Consistent navigational menus across both sites
- One- or two-click access to all product, service, and company information
- Focus on innovation, applications, and solutions
- Customer success stories about key products
- Easy access to current product brochures in PDF format
- Prominent placement of the Dealer Locator
- Clear visual branding for ESG and the ESG family of brands

Dealer Locator

We have made every effort to ensure the Dealer Locator is accurate, but we ask that you review the information listed for your company to verify. If it is incorrect, please e-mail your corrections to jbonelli@doveresg.com.

Heil Library

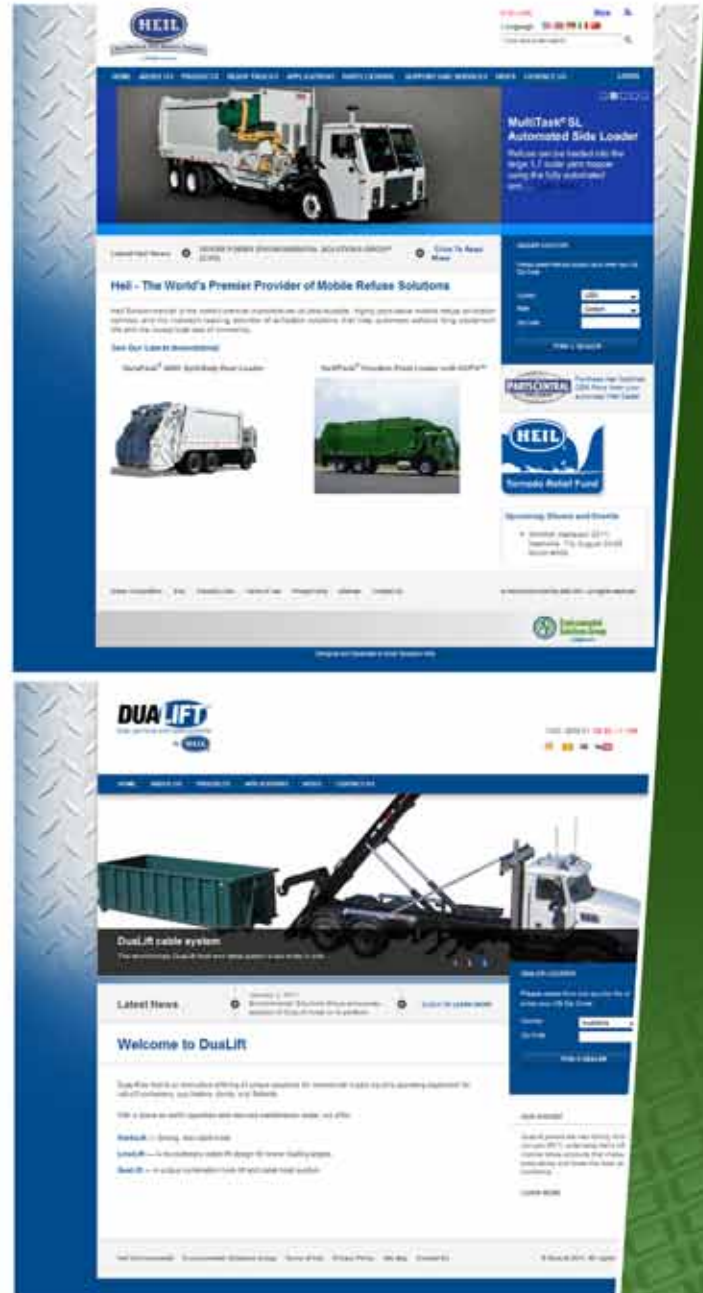
Phase one of the Heil website includes all public-facing content. Phase two, which will include the newly redesigned Dealer Portal and password-protected Library, is scheduled to launch in just a few weeks.

Please take some time to peruse both sites and feel free to provide suggestions for ways in which we can further enhance these sites to better serve customer needs.

We appreciate your input and support as we developed these sites over the past several months, and look forward to continuing our efforts to make these sites reflect the premier position the Heil brand proudly holds in the marketplace.

New Websites Coming Soon

Our marketing team is working diligently on updated versions of the Bayne, Marathon, and NEXGEN brand websites. Watch your e-mail for exciting launch announcements coming this summer!



ISRI Convention and Exposition 2011



In April, NEXGEN participated in this year's Institute of Scrap Recycling Industries (ISRI) Convention and Expo held in Los Angeles, CA. This three-day show, which is the world's largest annual scrap recycling industry trade show, was highly successful with over 5000 attendees from

30 different countries. Though younger than some brands in the industry, NEXGEN had plenty of booth traffic each day of the show. The booth was 20' x 20' and featured four faux bales made to look like recycled bales of aluminum, OCC, MOP, and ferrous materials. In addition to the faux bales, NEXGEN also displayed a video of the MRF which they have installed in Conway, AR along with a miniature MRF model.

NEXGEN team members collected many leads and plans are already under way for next year's bigger, better, show-stopping performance in Las Vegas, NV.



SWANA WASTECON®



In August, ESG will participate in its second largest show of the year, SWANA's WASTECON®! This year, WASTECON® is hosted in Nashville, TN at Gaylord Opryland Hotel, August 23-25. ESG will be represented in both the Heil/ Marathon booth (#400) and the Bayne booth (#401). The Heil/ Marathon booth will feature the Heil DuraPack® 4060 Split-Body Rear Loader, the Marathon Eco-Safe Digester™, the Marathon Vertical Baler, and a model of the NEXGEN Material Recovery Facility (MRF). The Bayne booth will feature three Mobile Refuse Lifters and one C/I Lifter. The theme for this year's WASTECON show will be a continuation of our theme from Waste Expo. We will encourage show attendees to join ESG in "Working Together to Take the Next Step."

A limited quantity of free show passes is available. If you would like to request passes for your customers, please contact Jennifer Ringenberg at jringenberg@doveresg.com. Passes are available on a first-come, first-served basis.

Upcoming Shows and Events for 2011:

June 25 - Northern Tier Marcellus Business Expo - Troy, PA - **Eagle Equipment**

August 17 - Resource Recycling Conference - Indianapolis, IN - **NEXGEN** - Booth #201

August 23 - SWANA Wastecon - Nashville, TN - **Heil/ Marathon** - Booth #400

August 23 - SWANA Wastecon - Nashville, TN - **Bayne** - Booth #401

September 26 - Association for the Healthcare Environment - Kissimmee, FL - **Bayne** - Booth #1019

September 27 - Corporate Recycling & Waste Conference - Orlando, FL - **ESG** - Booth #312

October 23 - Paper Recycling Conference - Chicago, IL - **NEXGEN** - Booth #43

November 9 - Canadian Waste and Recycling Expo - Montreal, QC, Canada - **ESG** - Booth #1509

November 15 - NJLOM - Atlantic City, NJ - **Mid-Atlantic Waste** - Booth #310

**If you have a show you're participating in this year,
we'd like to hear about it!**