



Company News

Thanks for your support and Happy New Year!

The GSI Group, Inc. extends it's sincere thanks for your friendship and support. We value your business and wish you and yours all the joys of the season and prosperity throughout the coming year.

Improvements for 2006...

In light of the improvements we are realizing as a company through the implementation of Lean Enterprise, we are going to begin making changes to our manufacturing footprints in our different facilities. Over the course of the next several months, there will be some significant changes occurring throughout our plants. Several of these items have been discussed in the past and will now be realized in an effort to further improve our overall efficiencies.

A few of the items we will be working on include:

- Layout changes in the Assumption facility - Shipping will be relocated to the east side of the building, and new layouts of the manufacturing areas will be implemented utilizing the concepts of "product focus" versus "process focused" work cells/areas.
- New powder coat paint line to be installed in Assumption to accommodate all products except material handling which will still be handled through the Paris, IL. facility. Approximately 60% of the product currently powder coat painted in Paris is fabricated outside of the Paris facility. By removing this demand from the Paris powder coat process, they will have the additional capacity needed for the growth and expansion of the material handling product line in Paris.
- Fabrication equipment to be relocated to appropriate manufacturing facilities. We will begin to relocate major fabrication equipment, (Finns, Lasers, Amadas, etc.) to outside facilities to improve the "value streams" for the respective product lines. Based upon pure volume of parts produced Paris and Newton plants will be the first facilities to receive the additional equipment.
- Continuous process evaluation and "value streams" improvement of all product offerings.

We will continue to update you with additional changes.

Upcoming Events!

North Dakota Dealers Association

Jan 15 - 17, 2006

Fargo, ND

www.ndgda.org

Minnesota Grain & Feed

Feb. 3 - 5, 2006

Minneapolis, MN

www.mgfa.org

National Farm Machinery Show

Feb. 15 - 18, 2006

Louisville, KY

www.farmmachineryshow.org

GEAPS

Feb. 25 - 28, 2006

Nashville, TN

www.geaps.com

Farm & Gin Show

Mar. 3 - 4, 2006

Memphis, TN

www.southerncottonginners.org

Employment Opportunities...

- **Financial Analyst**
- **Product Engineer**
- **Project Estimator**

These positions are currently available at our headquarters facility in Assumption, IL. For more information on the job qualifications and duties visit www.grainsystems.com and click the careers link.

Qualified candidates are encouraged to send their resume and salary requirements to:

The GSI Group, Inc.
Human Resources
P.O. Box 20
Assumption, IL 62510
Fax: (217) 226-6065
Email: karenf@grainsystems.com



Recent Literature & Web Updates

The following literature is now available for download from our website(s) or in printed format from our literature department:

Farm Fans Spreaders, Fans, Heaters, & Convey-Air Manuals are now available from the FFI website.

GSI Commercial Bin and Commercial Hopper Tank Literature Updates (new ladder design change added)

Product video clips taken from the previous Farm Progress Show are also now available through several websites.

Website price download pages have been MOVED to the GSI Group portal system!

If you haven't signed up yet for our internet "portal" system, you will need to do so to access our price download pages. All downloadable pricing has been moved to this new system and the previous pages are being pulled from our external website. For "portal" access contact your District Manager or Regional President.

New Style Power Sweep

We are working diligently to update literature and web pages on the new Power Sweep. The main issues of course are the new Rack & Pinion and the fact that the auger can be removed without unbolting it at the middle. Check the website later next week for updated material.

Early Season Off to a Good Start!

The Early Season is well ahead of last year at this point and storage shows the most interest so far with a strong showing from Material Handling even though there are no Early Season Discounts for that product. There's still plenty of time to get a good discount on some great products. Below are a few FAQ's concerning the Group package discounts and grain dryer early order programs:

1. Can I order a Package on the discount program and receive that product's package discount without ordering a bin? Yes, a Bin is not required.

2. Can I order accessories for an 18' dia. bin and then order a 60' dia. bin? No, the accessories to qualify for each additional columns discount must all be at least the size of the bin ordered in the package.

3. Can I order extra items once the Package requirements are met? Yes. You could, for

instance, order a 36' dia. Bin Package and then add 5 additional fans of any size, 3 Stir-ators and or 2 Floors. What ever combination you want.

4. For January, is it a 2 + 2 + 2 + 2 + 2 + 3 or a 13%? It's 13%. Take your regular discount before cash, your cash discount and a 13% discount assuming the order qualifies for it.

5. For January, can I take the 8% for ordering a Dryer and a Pneumatic System off on both the Dryer and the Pneumatic System? No, only the Dryer. But, since the Pneumatic System is in the Bin Program and exceeds the \$5,000.00 minimum it qualifies for the 3% Jan. ship discount plus the 2% Package discount for a total of 5% in discount. Yes, you can get the qualifying month's package discount plus the early Ship Discount, at the time of the order, on any ordered items in any of the Package columns.

Price Changes Coming Soon!

There will be some material handling equipment pricing changes effective January 30th, 2006. New price catalog pages are currently being updated and are scheduled to go out over the next couple weeks. The changes are as follows...

5% price increase on Bucket Elevators and Accessories
5% price increase on Spouting, Distributors, Elbows, Clamp Bands, etc.
10% price increase on Chain Conveyors and Accessories
10% price increase on Drives and Purchase Parts
Application specific price increase on Belt Conveyors

All quotes will expire January 28, 2006. Orders placed before January 28, 2006, to beat the price increase, will be shipped out of the factory when finished. It will be the dealer/contractor's responsibility for storage. Orders placed before January 28, 2006, and then changed to accommodate a new layout, etc. will be adjusted to reflect the price increase. This includes orders that extend beyond a 2 week approval process. No orders will be entered into the production schedule until the approval process is complete.



General Issues and Alerts.

As most all of you are aware, we are undergoing many positive changes within our organization. One of those changes includes the implementation of Lean Enterprise workshops.

One of the concepts taught and embraced within Lean is the idea of preproduction pioneering or design for manufacturability. This concept basically means that when you design a product you think not only about that products function but how to best manufacture that product as well. When you think along these lines many times the original product design will change.

This being said, Tracy Denton has been moved into a new position within our company to better help us achieve these standards. Tracy will move

from handling fabrication programming through our Amadas, Finn-Powers, and Lasers to his



Tracy Denton
Fabrication Engineer

new position, Fabrication Engineer. Tracy has over 20 years experience in fabrication and his new responsibilities will include

working with design engineering on the issues formentioned.

This move will help ensure that we meet customer expectations from the standpoint of technology, quality, cost and delivery.

New Bin Quote Version

Most of you are using the BinQuote Version available from the Portal where we keep both the program and prices up to date. But, many still use the Standalone version from time to time. There have been regular updates and the Version number is now up to 5.0.0.16. You need to check your version by:

1. Opening the BinQuote Program.
2. Clicking on the Help pull down menu
3. Then Click on Check for Program Updates

This will take you to the Program Update Web page which will tell you if you need an update and then allow you to Download and do a REPAIR /Install to update BinQuote.

There is a neat little trick if you have already downloaded the new version, but you need another copy because you think the last one was corrupted or you want to install the update on another computer which is not connected to the web. Go through the Check for Program update procedure and when you get to where it tells you that your version is currently up to date just edit the version number. Such as 5.0.0.16, remove the last couple digits to make it read 5.0.0 in the Address Bar of your Browser and hit Return. This will make the system think you have an older version and will bring up the screen to download the new version again.

Side Notes...

Dealer Surveys

Thank you to those who participated in the Dealer Survey. We appreciate the effort that you made to answer the questions and return the surveys quickly. These surveys will allow us to evaluate and improve our operations and processes to better serve you and your customers.

Inside Ladder Standoff Brackets

Yes, there are twice as many inside ladder brackets as outside brackets and it is not a mistake or over shipment. Inside Standoff Brackets are provided for every 16 inches on a 2.66 bin and every 22 inches on a 4.00 bin. In order to take the higher loads put on the ladder by the grain it is very important that these brackets be installed. You do have to drill the holes to place the brackets between the horizontal seams. In the Ladder Manual Pneg-1420 available and downloadable from our web site you will find the details on pages 30 for 2.66 & page 70 for 4.00 .

Gas Hose Kit Updates

Some of our District Managers have made mention that some of those new hoses that were supposed to be installed on heaters this past summer are still sitting around some of your shops. It is essential that these updates be put in place as soon as possible. We are keeping track of which ones have and have not been done and will be following up soon.

Bin Quote PartsInfo

BinQuote also checks the Price Database from GSI PartsInfo if you have it on your computer. If you want BinQuote to be able to quote both whole goods and parts, and be up to date on those parts prices, you must also update the PartsInfo prices. BinQuote's database only changes when our Catalog prices change, but the PartsInfo database can change at any time so it is important to keep it updated monthly if not more often.

New Hires & Changes

We are pleased to announce the following additions and changes to the company...

Mike Bond has joined us as Director of Operations with extensive operational and manufacturing experience including both domestic and international business management and a thorough knowledge of Lean Enterprising. Mike will be based in Assumption, with project management as his primary responsibility.



Mike Bond
Director of Operations

Todd Hunter recently joined our material handling sales group. Todd has an extensive management, marketing, and engineering background. His duties will be focused on sales relating to the material handling product lines.



Todd Hunter
Material Handling Sales

As part of the reorganization of the Quality Department, we are pleased to announce that Tammy Stephens will be joining Jason Luster's Team as Assumption Quality Manager.



Tammy Stephens
Assumption Plant Quality Manager

Tammy is being re-located from the Flora facility and has an extensive background in quality, project management, and human resources. In addition, Dale Hatcher will be replacing Tammy Stephens as the Flora Plant Quality Manager.



Dale Hatcher
Flora Plant Quality Manager

General Issues and Alerts Continued...

Anchor Bolts and Tall NSL & WSL Bins

We all know that you divide the diameter of a bin by 3 to determine the number of sheets in a ring and therefore how many anchor bolts we will need for a non-stiffened bin. That still works, with the exception of our taller non-stiffened bins. Because of the height and resultant wind loads they have to survive, the number of anchor bolts and brackets are doubled. Here are the tanks involved.

Grain Bins requiring Double Anchors:

- NSL 2.66 Bins 13 rings and taller.
- WSL 4.00 Bins 10 rings and taller (except The WSL48-9 Bin which will also get double anchors)

You also need to know that the extra brackets will be shipped with the bins. But, you will have to order double the normal number of anchors and drill the holes in the sheets for those located at the middle of each sheet. This means extra labor will have to be figured in to cover this effort.

Stiffener Seal Kits

There are presently two Stiffener Seal Kits available. These kits are used to seal around FC or Commercial Stiffeners. **You need to remember to order them as they do not automatically come up on BinQuote.**

1. TR-7067 Universal Stiffener Kit - Is used for Commercial Stiffeners (NCL and WCL lines).
2. The updated TR-5062 F-C Transition Stiffener Seal Kit - Is used for FC Stiffeners with the **Oval transition and the 20-30 hp 1750 RPM (TR-6207) transition.**

Of course the TR-7048 Farm/Commercial Tank Transition fits between the FC Stiffeners and does not require a Stiffener Seal Kit. For all fans that it will fit (see page 5-13 of the catalogue) the TR-7048 transition should be sold with the FCDL tank, rather than the oval transition.

Drying Corner

Moisture Control Sensors in Stack Dryers

There is a set of sensors in each of the bottom two Modules of any 2 or 3 Module Stack Dryer. A few years ago we moved the one in the second module from the middle of the module to as low as we could in the column (just before where the grain goes into the bottom module). This was to accommodate the new Grain Column Inverters which disrupt the grain in the column inverting it such that sensors cannot be located below. **In actuality we have found that this location actually works better, with or without, the Grain Inverters.** But, it does mean that instead of setting the Grain Temp between **125** and **130** degrees, as you did when you used the sensors in the bottom module and as stated in the Manual, you will now be setting it for between **90** and **95**

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Drying Corner Continued...

degrees. **Do not let this confuse you or your Customer. It works well you just have to get used to the change.**

If you do not have Grain Inverters and you want to use the bottom set of sensors, for whatever reason, it is easy to do. Just remove the two wires coming to the left side of the upper control box terminal strip to the **J6-8** and **J6-11** terminals from the upper sensors. Then add jumper wires from the lower sensor terminals **J6-6** and **J6-9** to where they were. Simple as 1,2,3...

1. Take out left side wires to **J6-8 & J6-11**
2. Jump **J6-6** to **J6-8**
3. Jump **J6-9** to **J6-11**

This will make the system use the lower set of sensors no matter which set the computer tries to use.

Do not do this if you have Grain Column Inverters in the Dryer as the Moisture Control will not work if the sensors are below the Inverters.

Dryer Changes Coming!

As part of our new Lean Enterprise process many of our Employees have been going through a series of Lean Workshops. Lean Enterprise centers around Quality, Efficiency & Simplicity. There is too much to go into here, but if you keep it simple, work efficiently and make quality and lack of defects the number one goal, things go well and everyone benefits. One of the ways to improve quality and eliminate mistakes is to keep things simple. Simple means as few parts as possible. Confusion can be reduced by reducing complexity. Reduced confusion means less mistakes. But you can't just remove complexity if it affects sales volume or the ability to do business. Every change has to be thoroughly looked into and justified to make sure it makes sense before doing it. As a result of a recent **Portable Dryer Rationalization Workshop**, there will be a series of changes coming to the GSI and Farm Fans dryer lines to improve quality and simplicity of this product line. If you haven't yet received the memo on these changes, expect to see it in your mailbox soon.



Once again we wish everyone a very happy and prosperous New Year and a safe holiday weekend.

Famous quotes to ring in the new year.

"An optimist stays up until midnight to see the new year in. A pessimist stays up to make sure the old year leaves."

- Bill Vaughan

"New Year's resolution: To tolerate fools more gladly, provided this does not encourage them to take up more of my time."

- James Agate

"Now there are more overweight people in America than average-weight people. So overweight people are now average. Which means you've met your New Year's resolution."

- Jay Leno

"Human history becomes more and more a race between education and catastrophe."

- H.G. Wells

"Some cause happiness wherever they go; others, whenever they go."

- Oscar Wilde

"Whether you think that you can, or that you can't, you are usually right."

- Henry Ford

"We didn't lose the game; we just ran out of time."

- Vince Lombardi

"I am not young enough to know everything."

- Oscar Wilde

"Youth is when you're allowed to stay up late on New Year's Eve."

Middle age is when you're forced to.

- Bill Vaughan

"I've had a wonderful time, but this wasn't it."

- Groucho Marx

Send your comments to:

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