

BEHLEN WORLD

The Behlen World is published annually for our
Customers and Behlen Partners in Progress



AUGUST
2021

REACHING 85 YEARS

By Phil Raimondo, Chairman & CEO and TR Raimondo, Chairman Emeritus & Coach • Behlen Mfg. Co.



Phil Raimondo



TR Raimondo

Another major milestone has been achieved and celebrated at Behlen for 85 years

in business. We are proud of our tradition and great heritage. If you would like to see the entire 85 year celebration presentation, please use the following link: <https://fb.watch/71thNcNuWi/>

In last year's issue of Behlen World, we shared many of the actions we took to keep our operations running. Thanks to your business and orders, we are proud to announce that 2020 was a record year for shipments. Please be assured that all Partners in Progress (Behlen employees) are doing everything we can to ship your orders quickly, accurately, and right the first time. We know that you, our customers, "sign our paychecks" every time you send us orders.

Throughout this issue of Behlen World, you will read about the investments we are making in our business. Not only are we purchasing new equipment, but we are also developing our leadership team and increasing the numbers of our Partners in Progress. We presently have over 1,250 Behlen Team Members. We continue to focus on making sure our leaders are working in their areas of strength, and we recently announced two General Manager promotions:

James Ryba is the General Manager of our Joiner Systems, and Jim Snyder is the General Manager of

our Grain Systems. The Joiner Systems and Grain Systems are part of our International & Diversified (IDP) business division.

Both James and Jim share their state of the business in this issue. Every part of our business is on target to ship even more this year than last year. We will be a \$250 million company in shipments in 2021 and have a plan to ship \$300 million in 2022.

We work hard every day to strengthen our relationships with you, our customers. We also build on our great relationships with suppliers, bankers, audit firms, law firms, state and community leaders, etc. We believe that our great heritage and current successes have been built by these foundational relationships.

We are convinced that Behlen has a bright future based on living our Global Values. We are excited that we were able to celebrate 85 years in business this year. The state and local dignitaries who helped us were gracious during their presentations. TR shares highlights of their speeches next.

85 YEAR CELEBRATION

At the 85 Year Celebration, we were tremendously honored by so many, including statewide and local leaders, customers, suppliers, and the Columbus community. And in spite of the



Nebraska Governor Pete Ricketts speaking at the 85 Year Celebration.

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85 Year Celebration Photos

Behlen Mfg. Co.

100-degree weather, we were fortunate to have some incredible speakers share many accomplishments of Behlen Mfg. Co.

Governor Pete Ricketts, whose comments were simply incredible, as he brought up a recap of the many contributions Behlen has made to Columbus and the state of Nebraska. Many guests mentioned

how they learned something they didn't know or how they enjoyed the refresher from the Governor. To top it off, he presented us with a



Governor Ricketts presents Phil & TR with the
Behlen Mfg. Co. Day Proclamation.

Proclamation for Behlen Mfg. Co. Day.

Allen Beermann's poetic speech was entertaining and full of inspirational tidbits for all. For those who don't know, Allen served six four-year terms as Secretary of State of Nebraska (under five governors) before becoming the Executive Director of the Nebraska Press Association. While Secretary of State, Allen was a key leader on several international trade missions with Behlen Mfg. Co. throughout the years.

Columbus Mayor Jim Bulkley shared the importance of Behlen Mfg. Co. to the Columbus community. This has been shown time and time again throughout the years. Most recently, it was shown in the way Behlen handled the pandemic. One, they did everything they could to keep employees working safely; and two, they looked at what was needed in the health care industry and worked with the community college to help provide face shields to the health care community.

Senator Mike Moser stressed the amazing resilience of Behlen Mfg. Co. through its 85-year history. He highlighted the support Behlen has given to the Columbus community through many activities like United Way, Red Cross, Columbus Chamber, the Quality of Life Project, and most recently donating to the Kramer Pre-School project. He has also been to several of our Behlen auctions and has a "barn full of Behlen steel" he is proud to own.

Bryan Slone, President of the Nebraska State Chamber, shared strong remarks about our statewide contributions. He also gave



Columbus Partners In Progress gather for a photo to commemorate the 85th anniversary.

attention to the Nebraska Manufacturing Alliance that is working to grow the pipeline of students going into manufacturing career fields, which is important to the future success of Behlen Mfg. Co.

Dr. Matt Blomstedt, Commissioner of Education, was outstanding in recognizing our focus on STEM and helping students find great careers in the manufacturing industry. Dr. Blomstedt is a proud member of the NAMC (Nebraska Advanced Manufacturing Coalition), Dream It. Do It. Board which is part of the Nebraska Manufacturing Alliance.

Our celebration week was not only about Behlen Mfg. Co. making it to 85 years, it was about thanking our customers and recognizing our suppliers with a Supplier Appreciation Day; but most importantly, honoring the most important people of all – our Partners in Progress –with a steak cookout on Behlen!

Our commitment to sharing remains as strong as ever! We recognize that our customers continually say Behlen team members take better care of us than our competitors. So, we continue to be fortunate as our Partners in Progress strive to make the company better off so they can be better off. We strive to make our sharing concept one of the best in the region, state, and possibly even in the U.S.

For a company to survive 85 years is quite an accomplishment, and as most of you know, it almost didn't happen; but, thankfully in 1984, TR, Dick Casey, Steve McGill, and Bob Theilen did a leveraged buyout, and we will soon be celebrating 40 years since the return to local ownership (in 2024). Dick Casey and TR were so grateful they had Steve McGill and Bob Theilen as their partners and strong board members (both have passed away).

TR would like to mention here that throughout the decades of our return to local ownership, we had an invisible board member, Jeanne Raimondo, his wife of 59 years (Jeanne passed away in 2019). Jeanne loved Behlen and our Partners in Progress and was a friend to all. She was a great contributor to the Behlen commitment of winning with people.

From the great heritage that began with the Behlen family to the return to local ownership and our successful turnaround, it has been a very rewarding and beneficial experience for all! What is even better is the bright future we can see for all Partners in Progress - to continue to grow together!



Guests and Partners in Progress enjoying the 85 Year presentations.



Partners in Progress and retirees were treated to a steak cookout.

2021 INVESTING IN CAPACITY



By Jen Miller, President • Behlen Country



Jen Miller

If we look back to 2019, Behlen Country was achieving lead times of 12 days from the date an order was placed, until it was delivered. This last year and half so much has changed. The rapid demand for Farm and Ranch products has driven our lead times for some items up to 12-16 weeks. During this time, we have been investing in capacity for our lead times of the future. Behlen Country purchased and built many pieces of equipment in support of producing more product each day for our customers. The time it has taken was longer than we wanted or planned for, but many suppliers have seen similar lead time issues on their components needed for these projects.

Behlen has not only spent the time on equipment, but we have also invested in our people through upgrades of our facilities and adding many Partners in Progress (employees) at each location. Here at Behlen we believe in having Partners in Progress (employees) in roles that utilizes their strengths so we can be a strong supplier to our customers. Our Plant Manager for the McGregor, Texas plant, Kevin



Kevin Foss
McGregor Plant Mgr.



Patrick Raimondo
Baker City Plant Mgr.

Foss, has worked with his Partners in Progress to be creative in work schedules while increasing the number of loads shipped each month. Our Baker City, Oregon plant has

a new Plant Manager, Patrick Raimondo, who is focused on sustainable growth of production for our western customers. The Columbus, Nebraska plant has seen many Partners in Progress take on new levels of responsibility and are set on taking care of customers better than ever. This team worked with a team from our Omaha plant (Behlen Technology & Manufacturing) to move some equipment into that facility where they had space available, a higher population to recruit from, and actively hired additional Partners in Progress in a short period of time to produce more Behlen Country products!

Our teams stayed focused on these investments and today we have more tank lines producing steel stock tanks, more trailers to haul our product, additional locations producing, and in the upcoming months additional poly item capacity. 2021 is bringing new record amounts of products being produced and shipped to you, our customers. We thank you for your patience and we appreciate your business.



Columbus, Nebraska



Omaha, Nebraska



McGregor, Texas



BMCT - INVESTING TO KEEP PACE

By Shandy Hand, General Manager • BMC Transportation Company



Shandy Hand

Behlen Mfg. Co. is blessed with a healthy backlog, to say the least. In order to keep up with the strong orders and shipments, BMC Transportation had to continue increasing our fleet size. Last year, we reached a milestone I never thought we would achieve. We surpassed 100 Owner Operators and drivers for the first time in at least ten years. We continued that momentum into this year, peaking at 114. Rapid growth in our workforce comes with the need for capital investments. Electronic logging devices, straps, tarps, etc., for each truck, is a significant financial investment.

Obviously, bringing additional trucks in to cover this growing backlog was our first priority. As we brought more drivers in, it was apparent we needed to maintain a trailer count higher than our plan. We began to have a lot of issues running out of trailers mid-week to load, which brings everything to a screeching halt. To prevent ongoing shortages, we started making decisions based on what got trailers back the fastest. Investments had to be made to our current fleet of older trailers to keep them on the road. Typically, we buy a dozen trailers each year and

remove a dozen from the fleet. When our new trailers arrived last November, we opted not to remove any.

Since then, we have only removed a handful of trailers deemed not worth repairing. We also turned around and ordered our next set of trailers right away with the hopes of receiving them this May. Unfortunately, due to delays, our anticipated delivery is at the end of July. We were fortunate to make that decision. Had we waited, it may have been another year before we would have received our next trailers. The last investment we made to curb the trailer shortage was to look at the used trailer market. This was a challenging task as everyone was doing the same thing, and used trailers were not on the open market for very long. We found out quickly you don't have very much bargaining power when demand is that high. We did have some luck and good timing and were able to find five very solid used trailers.

As the backlog remains strong, we continue to invest in our Owner Operators and equipment to ensure we have the assets needed to keep pace with manufacturing and deliver to you, our valued customers, as quickly as we can.

THE PERFECT STORM: INVESTING IN GROWTH WHILE SMASHING RECORDS

By Tom Boal, President • Behlen Building Systems & Trident Building Systems



Tom Boal

Just when we thought things could not get any more hectic, the, dare I say, post-pandemic activity has hit full tilt! Unprecedented demand for buildings coupled with a limited supply of steel has created the perfect storm. This scenario is an excellent case study for the grand old economics equation of supply vs. demand equals price. Right now, the price we are paying for our raw materials is the highest it has ever been in history, while subsequently, the price our customers are paying for a building is also setting historical highs. You may have experienced this with other commodities, such as wood. The price you pay for a 2"x4" or a 4' x 8' sheet of plywood is easily three to five times what you might have paid just a year ago.

Record after record is falling by the wayside with this newfound success, so Behlen is making sure we are focused on what we do best -- converting a pound of steel into an erectable product that satisfies the form, fit, and function the building owner seeks. This is a bit of a shift from setting revenue-based goals to now measuring our performance based on tons.

So to keep pace with our newfound prosperity, we are beginning to create a vision of how growth looks. First and foremost, any investment to support growth must be justified by the assurance we are able to



New Saw/Drill Line

sustain the increase in revenue. I am proud to say we can check that box because of our reaction to the market and requisite performance as a result. Once we have assured ourselves of the previously stated conditions, we are then required to reinvest back into the company with both human and capital investments. This defines where the Buildings Division currently is and where we are headed in 2022 and beyond. Our Human Resources team continues to aggressively recruit for many positions in support of our growth. Still, even more importantly, key

New Curvet Line



decisions have been made for some major capital investments in equipment and creating a vision for future investments.

Two of the most notable capital additions for Buildings, which have recently been placed into production, are the new Curvet line and a new saw/drill line which processes hot-rolled sections much more efficiently. As a result of the latter, we also procured a software product called Tekla used for building complex models so detailing can be more efficient. We are still in the early stages of integrating this powerful tool. There are many other upgrades to existing equipment in the works and a couple of significant investments in the early planning stages, but this gives you a taste of where future growth might come from. These decisions are not taken lightly and have very aggressive paybacks or returns on the investment.

Speaking of investments, we are now eighteen months into our partnership with Trident Building Systems (TBS). Although it was a rough start due to the pandemic, we managed to make the best of it so that 2021 and beyond could be a transformational period for rapid growth at TBS. They also have set records in both new orders and shipments, which is a welcome sight. TBS also shows the same signs as BBS, which will support reinvestment back into that business for additional, incremental growth.

BBS and TBS continue to weather this perfect storm and look forward to future growth opportunities. Capital investments and focusing on our strong backlog allow Behlen to continue providing the Good Iron, Great Experience our customers expect.



New Curvet Line



GRAIN SYSTEM SOLUTIONS

By Jim Snyder, General Manager • Behlen Grain Systems



Jim Snyder

As grain storage markets continue to develop and grow, Behlen remains committed to providing solutions to you, our valued customers. As a result, Behlen Grain Systems continues to make changes to manufacturing equipment and processes necessary to meet

the needs of the marketplace, which is demanding ever-larger bin capacities. These changes include a significant shift in equipment layout to enhance product flow. In addition, Behlen Grain Systems continues to invest in new manufacturing equipment to expand our capabilities and improve efficiencies. Together, these changes have culminated in the production and sale of our first-ever two million bushel bin, which is currently being erected by our partner Elevator Services in Ohio.



First Behlen two million bushel bin under construction in Ohio.

Our improvements at Behlen have not been limited to the shop floor; our engineering team is meeting the challenges of larger bin capacities with innovative new bin designs.

As we look ahead, Behlen Grain Systems' culture of continuous improvement is reflected in our plans for ongoing process improvements and investments on the shop floor, including upgrades to the roof production line. These are exciting times at Behlen and our Grain Systems division as we continue developing new products and improving processes to serve you, our customers, and partners better here at home and around the globe.

COMBINING RESOURCES TO SERVE YOU BETTER

By Heather Macholan, General Manager • Behlen Custom Fabrication and Behlen Technology & Manufacturing



Heather Macholan

Wow! What a difference a year can make! Last year, at this time, while other business units were seeing an increase in their orders, Custom Fab (Behlen Custom Fabrication) and BTM (Behlen Technology & Manufacturing) were still seeing soft orders. Over the course of the past year, a lot has changed between Custom Fab and BTM, including record-setting orders!

During the soft markets, we continued the journey of creating common practices and processes at both locations for the ease of our Partners in Progress and you, our customers. We discovered that you, our customers frankly, didn't care which location the parts were made. You just wanted a seamless process. We have made some changes to both business units through this journey providing a great framework for growth and change. As we have grown, we have seen some opportunities to grow our team.

We believe these changes will continue to set the foundation for future growth by looking at our business units as one and leveraging both the human and machine resources for our customers. As we look ahead to 2022, we know we have the right team and desire to grow together.

ENGINEERING



ED HANZEL, Assistant GM, with more than 30 years of experience focused on steel needs and quotations.



JIM RECEK has 47 years of experience with a focus on quotations and manufacturing systems. Jim has announced that he will be retiring in 2022.



BRIAN JELINEK, Engineering, has more than 27 years experience with a focus on quotations and programming optimization of our tube lasers.



RANDY SORENSEN has 38 years of experience focusing on quotations for all products and expertise in dies.



AUSTIN JESZ has more than 7 years engineering experience. Austin's focus is on quotations and partnering with manufacturing.



AUSTEN NICHOLS is currently completing his Capstone at the University of Nebraska Lincoln. Austen has been with BTM for over a year. He started as an intern and is now working in our Quality/Engineering teams while attending school.

SALES



DAN HATCHER joined the Custom Fab and BTM team in late 2019 as our Sales Manager. With his experience, he has grown our customer base and provided real solutions for our customers.



JIMMY CHISM, while no stranger to our customers Jimmy will now be focused on Inside Sales and outside processing.

MANUFACTURING SYSTEMS AND SCHEDULING



Amy Chamberlain has led Custom Fab for nearly five years with scheduling. As demand for orders skyrockets, her ability to partner with Team Leaders help provide solutions for our customers in a timely manner.



Jamie Sherman has joined the Custom Fab team this year. She has spent several years leading some of our key production departments, and her knowledge will help us grow even further.



Caitlin Broekemeier joined BTM this summer after graduating from Nebraska Wesleyan University. Caitlin has spent several summers as an intern at Behlen and has hit the ground running in Omaha. Her focus is on inventory and scheduling production orders.

HUMAN RESOURCES



SARAH STANG, a recent Wayne State College graduate, has joined the BTM team this summer. With our projected growth plan, we look forward to her ability to network and recruit new Partners in Progress for the BTM facility.

LEADERSHIP

HEATHER MACHOLAN, with more than 27 years of manufacturing experience, has taken on the challenge to lead both the Custom Fab and BTM teams.



JEROMY SMITH, recently joined the BTM team as Plant Manager. His leadership skills and manufacturing knowledge have already proven invaluable for both BTM and Custom Fab.



JULIAN ORTIZ, Senior Team Leader, partners with scheduling and production to help meet customer needs.

PRIDE QUALITY SYSTEM

By Trevor Hill, Safety & Quality Manager • Behlen Mfg. Co.



Trevor Hill

Behlen, where PRIDE (Partners Responsible in Demonstrating Excellence) and Continuous Improvement make customers and employees better off! Over the past year, you, our customers, have blessed us with orders

which have significantly increased our backlog. We have added more Partners in Progress and invested in more capital projects to care for you, our great customers. To make either one of these successful, it takes a team effort, which is our forté.

Many actions take place when going through a capital project, one of which is quality. The quality team is here to lead and assist our business units as needed. When new equipment comes in, we have an equipment asset process that needs to be complete before the new equipment can be fully released to production. This is where teamwork comes into play. Recently, the asset process was converted to an electronic format versus a paper form. This streamlined the asset process making it more efficient and visible for the entire team. Now the whole team, safety, quality, manufacturing, maintenance, and facilities can track milestones in the process easily. The intention of this asset process is to ensure each facet of safety, quality, and functionality is as it should be to ensure a good quality product is produced safely and efficiently.

Quality's role is to develop documents in accordance with our Quality Management System (QMS). Our QMS is built on PRIDE. The Behlen QMS is the base for all of the accreditations we hold. Through developing documents, we can create a 'Red Book' for different departments. This includes corrective action guides, inspection instructions, and work instructions. This gives us a strong foundation and the five whys to get our customers quality products.

ELECTRIC POWER DEMAND DRIVING GROWTH

By Tony Raimondo Jr., CEO • Hilton International Industries



Tony Raimondo Jr.

Like most of our business units at Behlen, Hilton's backlog is strong and growing. Hilton's core business is making winding machines for film/foil capacitors. These capacitors are used primarily in power transmission lines, defense weaponry and other special applications where large amounts of power are needed quickly. Capacitors store electrical energy similar to batteries but they are unique in that they charge and discharge in a fraction of the time.

There has been much in the news about the need for significant upgrades for the power grid in the U.S. and worldwide. With the growth of electric vehicles and the overall electrification of our energy resources, there is an urgent need to increase the capacity of our power grid.

The adoption of renewable energy is also forcing large additions to the power grid. Many solar and wind farms are located away from population centers and require large sections of new transmission lines to facilitate connection to the main grid.

Defense weapons also require large capacitors in their power supplies, especially pulsed power weapons that include lasers, rail guns and electromagnetic field disruptors that protect against enemy radar. These weapon systems are getting more sophisticated and need vast amounts of power that only high voltage capacitors can supply. This is an area that will continue to grow in their need for capacitors.

Hilton also has several battery customers. These customers rely on Hilton to design and manufacture winding machines that make the electrode roll for lithium and lithium-ion batteries. This is a very competitive but fast-growing market. Battery companies often seek out Hilton when they have a particularly challenging application requiring our expertise in designing precision winding machines.

Hilton is growing and increasing our capacity to take care of our customers. We have invested in two new CNC machines in the past year – a HAAS CNC vertical machining center and a Doosan CNC lathe. We can now make most of our own critical machine



Robert Callaway on the new CNC Mill



Russ Wiegman working on the new CNC Lathe

parts instead of relying on outside manufacturers. We now control our delivery time, quality and cost for these parts. In addition, if a customer needs a part for their existing Hilton machine, we are able to respond quickly to get them back in production fast.

Hilton's markets are growing and we are investing in our company to take care of our customers' growing needs. The future is very exciting and bright for the capacitor and battery markets. We are positioning ourselves for growth and making sure we help you, our customers, drive growth and profitability in these changing times.

REDUCE YOUR CYCLE TIMES!

By James Ryba, General Manager • Behlen Joiner Systems



James Ryba

As the slow-down of the steel industry is behind us, it is time for the coil joining industry to begin repairing existing tooling and invest in new product lines to match the surge in demand. Behlen Joiner Systems is prepared to help with those needs.

There are several design options available with lowering production costs and improving cycle times in mind. The hydraulic valve drive option lowers the electrical demands of the press and provides operational and control options that will reduce cycle time when making multiple rows of stitches. This is available on new presses as well as being able to retrofit older models. When joining thin and soft materials like aluminium, the Tapered "T" punch design is desirable as it will greatly reduce burrs and fines that can lead to scrap due to indentations on the coil material. We have also been designing custom punches / dies to handle materials such as titanium or thicknesses greater than 1/4".

Behlen Joiner manufactured our largest model press this past year. This press can handle up to 120" wide material and utilizes a 150 HP motor.

With a focus on continued excellence in customer service and superior product performance, Behlen Joiner has made several capital investments in 2021. A new CNC lathe was acquired to improve manufacturing cycle times and expand machining capabilities. Two new welders were brought on board to upgrade the press frame welding process.

There have also been changes to Behlen Joiner's management team. I have taken the role of General Manager (along side my Manufacturing Manager duties) to develop action plans related to business growth while focusing on taking care of customers. With his many years of experience and in-depth product/manufacturing knowledge, Russ Bartling is now in the role of Senior Product Engineer focusing on technical assistance with customers, developing new product enhancements, and improving manufacturing processes.



We thank you for your business! Please get in touch with us for your coil joining needs. We are confident Behlen Joiners has the products and technical knowledge that will help you meet your requirements.



120" The Largest Model Press



New CNC Lathe



Behlen branch facilities gather for photos to commemorate the 85th anniversary.



Behlen Country • Baker City, Oregon



Behlen Country • McGregor, Texas



Behlen Technology & Manufacturing • Omaha, Nebraska



Hilton International Industries • Sarasota, Florida



Trident Building Systems • Sarasota, Florida



Trident Building Systems • Sarasota, Florida