



Dear Valued Customer,

With 2010 coming fast to a close, it's time to reflect back on what we have learned, review industry trends, and look ahead to the future. Below are a few thoughts we would like to share with you as we finish off another great year.

INDUSTRIAL PROJECTS GAIN MOMENTUM

2010 has been a bounce back year for awarded projects in sectors like energy, mining and industrial. Because of our competitive prices and lead times, we had the privilege of working on a variety of projects that allowed us to showcase our custom cable expertise. Here are a few examples of special requests made by our customers:

- o Manufactured cables with tight maximum OD requirements
- o Utilized color codes and numbered marker tapes for easy identification
- o Cabled Up to 50 Pairs (AWG 24/7) plenum
- o Cut cables into 153 exact lengths and re-spooled to consolidate reels
- o Included TFE SKIV tape under jacket making it easier to strip

PTFE SHORTAGE? TRY FEP!

Since Q3, there has been a massive shortage of PTFE. Thus, making all cables and hook up wire such as TYPE E / EE or M16878/4/5 very expensive. Lead times were also affected as a result. Because of the shortage, we started recommending M16878 / 11 – 12 Type K / KK insulated with FEP. FEP shares many of the physical characteristics and electrical properties of PTFE, but with several key benefits:

- o Current leads time are considerably shorter:
 - 3 weeks vs. 8 – 10 weeks (depending on quantity)
- o Ability to purchase guaranteed continuous lengths
- o More cost efficient
- o Manufacturing with FEP is friendlier on the environment

BUY WHAT YOU NEED - WHEN YOU NEED IT

Lead-time was an important component to our success in 2010. With distribution inventory levels still stabilizing from the de-stocking that occurred in 2009, many customers called on Aerospace Wire & Cable to fulfill JIT (Just In Time) orders. For most of 2010, our lead times remained between 2 – 3 weeks and minimums at 1,000 FT. Under special circumstance, we were able to expedite and push orders out the door in as little as 2 days. To sweeten the deal, there are never fees to drop ship and shipping blind is never a problem. So next time your customer is in a pinch, tell them not to worry – you have it covered.

CLOSING THOUGHTS

2010 was another challenging year, but if we learned one thing it's this. We are happy **NOT** to be the largest manufacturer of wire and cable. We are and will always be a **CUSTOMER FIRST, HONEST, EFFICIENT, FLEXIBLE** company. Ready and able to meet our customer's needs by innovating through smart engineering. A special attribute that has made us great partners to work with for the last 25 years.

It has been a pleasure to work with all of our customers this year and we look forward to another successful year together in 2011. Have a wonderful Holiday and New Year.

Best Regards,
Dick Chen