DH Pace Company, Inc.

2010 Corporate Report







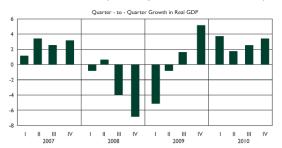


DH Pace Company, Inc.

1142 Clay • North Kansas City, Missouri 64116 • (816) 221-0543 • FAX: (816) 480-2625

The last several years have witnessed the U.S. economy go from solid growth to a sudden financial crisis and through the worst recession since the 1930's depression. The many stories of financial loss and personal hardship have touched us all. As of the end of 2010, the recovery was six quarters old and still facing many headwinds. Domestically, high unemployment, large budget deficits, increasing fuel prices, and political gridlock feed uncertainty and threaten to zap strength from the recovery.

On the international stage, the natural disaster in Japan reminds us of the power of nature, the nuclear disaster of the limits of technology, and the unrest in the Middle East of the sacrifice often necessary in forming the democratic institutions we take for granted. Yet, in the midst of disaster and hardship there are also inspirational stories of courage, perseverance, and sacrifice as people choose to take a stand



and work together in striving to make a positive difference. We should be inspired by their example.

In the DH Pace organization I have seen many examples of our employees exerting extraordinary effort in helping each other, in serving our customers, and in supporting local community causes. These individual actions have helped our company weather the recent recession, emerge a stronger organization, and provide assistance to those in need. Over the past eighteen months we held a series of workshops with managers from across the Company. Our purpose was to review and re-affirm our guiding principles as an organization. The discussions were energetic, informative and substantive. From these meetings, we developed three new statements which reflect our company's Core Values, Business Mission, and Corporate Responsibility. These new statements listed on the following page of this report capture our long-standing commitment to the principles they represent. Additionally, this year we are introducing a Corporate Responsibility Report which documents the actions we are taking and the results we are achieving in living up to the commitments we've made.

"Never doubt that a small group of thoughtful, committed citizens can change the world. Indeed, it is the only thing that ever has."

Margaret Mead

In 2010, despite the present economic uncertainty, we continued our practice of making new investments to grow our businesses, including the addition of fifty-five full time employees. An extensive physical upgrade was completed for our Atlanta, Georgia, facilities, and we purchased a new software system for our entry door systems business that will be implemented in phases throughout 2011. In September, we completed the acquisition of several Overhead Door distributorships throughout New Mexico with offices in Albuquerque, Santa Fe, and Farmington.

We are proud to be a vibrant, privately-held, family-owned business that is committed to serving our customers, building a great place to work, and supportive of our local communities. We are very thankful for blessings we have received and we remain optimistic that the best days for our Company and for our Country still lay ahead of us.

May God bless you and your loved ones throughout this year.

Rex E. Newcomer Chief Executive Officer DH Pace Company, Inc.

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DH Pace Company



DH Pace Company, Inc. is a wholly-owned subsidiary of EE Newcomer Enterprises, Inc., a privately-held, family-owned service, distribution, and construction organization based in North Kansas City, Missouri, with offices located across the continental United States.

Division Locations

Albuquerque, NM	Denver, CO	Las Vegas, NV	Santa Fe, NM
Atlanta, GA	Farmington, NM	Loveland, CO	Springfield, MC
Baltimore, MD	Gainesville, GA	Joplin, MO	St. Louis, MO
Colorado Springs, CO	Kansas City, MO	Phoenix, AZ	Wichita, KS

DH Pace Corporate Home Office
1142 Clay • North Kansas City, MO • 64116 • 816-221-0543
www.DHPace.com

OUR BUSINESS MISSION

To enhance the lives of people by improving the safety, security, convenience, and aesthetics of the buildings where they live, work, and play.

OUR CORPORATE RESPONSIBILITY

To invest a portion of our time, talent, and financial resources towards improving the lives of people in need; supporting the communities we serve; protecting the environment we share; and providing a better future for the next generation.

OUR VALUES

Honesty and Integrity

Above all else and in everything we say and do

Service to Others

Building relationships, discovering unmet needs, and solving them

Continual Learning

Constantly learning, sharing, and adapting to remain relevant in our changing world

Respect and Recognition

Being respectful to everyone and recognizing individuals for their contributions to our success

Commitment to Excellence

Continuous improvement through individual responsibility and a shared commitment to team goals



Company History

The Organization traces its roots back to the 1920's with the invention of the upward – acting garage door. Offices were established under the distinctive Overhead Door Corporation Red Ribbon logo in St. Louis (1926), Kansas City (1927), and Atlanta (1935). In 1973, the operations of these separate entities were consolidated and became divisions of DH Pace Company, Inc. In 1995, the Company began marketing certain products and services under the DH Pace Door Services and DH Pace Construction Services trade names.

In 2003, the Company acquired an office in Phoenix, and a DH Pace Systems Integration division was formed to provide access control, video surveillance, and intrusion alarm system products and services. In 2005, the Company opened an office in Denver, Colorado. In 2008, the Company acquired the largest residential garage door distributor, Ankmar, in Colorado. As a result, the Company began trading under the Ankmar trade name, which was established for the Colorado marketplace in 1956. Also in 2008, the Company consolidated its national service business into a new entity called the DH Pace Facilities Group.

The Company Today

In 2010, the Company expanded into the State of New Mexico by acquiring offices in the Albuquerque, Santa Fe, and Farmington (Four Corners) markets. Also in 2010, a new satellite office was opened in Joplin, Missouri. Today, the Company operates facilities in all times zones across the continental U. S., and provides a complete line of door and door related products and services for both commercial and residential buildings.

The Company has a long standing tradition of being a responsible member of the communities it serves, and in 2010 introduced a Corporate Responsibility Report that documents activities in support of that commitment. The Company also has a proud tradition of serving its customers for over 80 years, in both good and challenging times. This tradition continues today with over 850 employees dedicated to serving customers and delivering on the promise of our mission statement: "To enhance the lives of people by improving the safety, security, convenience, and aesthetics of the buildings where they live, work, and play."

2010 FAST FACTS

- \$172 Million in Consolidated Sales
- Over 100,000 Customer Transactions
- 850 Dedicated Employees
- More Than 400 Sales, Service, and Installation Vehicles

The Genuine. The Original.



Atlanta

221 Armour Drive Atlanta, GA 30324

404-872-3667

OverheadDoorAtlanta.com

Albuquerque

3820 Academy Parkway North N.E. Albuquerque, NM 87109

505-344-3667

OverheadDoorofAlbuquerque.com

New Mexico Lic. #366998

Phoenix

616 W. 24th Street Tempe, AZ 85282

480-968-3667

OverheadDoorCentralArizona.com

Arizona Lic. #183892, K-60

Springfield

707 N. Grant Ave. Springfield, MO 65802

417-862-9339

OverheadDoorSpringfield.com

Joplin

3501 W Red Iron Joplin, MO 64801

417-623-0010

OverheadDoorJoplin.com

Kansas City

I I 20 Clay Street N. Kansas City, MO 64116

816-221-0072

OverheadDoorKansasCity.com

Santa Fe

10 Bisbee Court, Unit E Santa Fe, NM 87508

505-474-2932

 ${\bf Overhead Door of Santa Fe.com}$

New Mexico Lic.#366998

Four Corners

2798 Inland Street Farmington, NM 87401

505-327-1282

OverheadDoorofFourCorners.com

New Mexico Lic. #366998

St. Louis

3924 Shrewsbury St. Louis, MO 63119

314-781-5200

OverheadDoorStLouis.com

Wichita

3506 West Harry Wichita, KS 67213

316-944-3667

OverheadDoorsWichita.com

Gainesville, GA

2171 Hilton Drive Gainesville, GA 30501

770-535-1009

OverheadDoorGainesville.com



Denver

4200 Monaco Street Denver, CO 80216 **303-321-6051**

Colorado

Springs

1935 Victor Place Colorado Springs, CO 719-572-5548

Ankmar.com

Loveland

546 S.E. 8th Street, Loveland, CO 80537

970-663-2001



DH Pace Door Services

Atlanta

221 Armour Drive Atlanta, GA 30324

404-327-5106

Kansas City

218 E. 11th Avenue N. Kansas City, MO 64116

816-480-2601

Las Vegas

7485 Dean Martin Drive, Suite #111 Las Vegas, NV 89139

702-258-8588

Nevada Lic. #0057741

Denver

4200 Monaco Street Denver, CO 80216

303-783-3667

Springfield

2146 E. Pythian Springfield MO 65802

417-831-5585

Phoenix

616 W. 24th Street Tempe, AZ 85282

480-557-7223

AZ ROC:#183892 K-60

DHPace.com

DH Pace Systems Integration

Atlanta

221 Armour Drive Atlanta, GA 30324

404-745-7223

Kansas City

N. Kansas City, MO 64116

816-480-2601

Phoenix

616 W. 24th Street Tempe, AZ 85282

480-557-7223 AZ ROC:#184002 K-67

DHPace.com

DH Pace Facilities Group

Kansas City

I I 20 Clay Street N. Kansas City, MO 64116

888-643-3667

DHPaceFacilitiesGroup.com

DH Pace Construction Services

Kansas City

218 E. 11th Avenue N. Kansas City, MO 64116

816-480-2695

DHPace.com

Complete Line of Door and Door Related Products and Services



PRODUCTS

Residential Garage Doors and Openers
Commercial Overhead Doors
Industrial and Specialty Doors
Loading Dock Equipment
Entry Door Systems and Automatic Doors
Access Control, Surveillance, and Intrusion Alarm Systems





SERVICES

Emergency Service
Repairs and Parts Sales
Preventive Maintenance Programs
Product Installation and Distribution
Inspection and Testing Services
Site Assessment Surveys



BRANDS







The Company currently operates under the Overhead Door Ribbon brand name in numerous markets across the United States. This relationship as an authorized distributor partner with Overhead Door Corporation goes back to 1926. The Company also markets certain products and services under DH Pace brand names, including: DH Pace Door Services, DH Pace Systems Integration, DH Pace Construction Services, and the DH Pace Facilities Group. In 2008, the Company acquired the largest garage door distributor in Colorado and began trading there under the Ankmar trade name, which was established for the Colorado marketplace in 1956.

Customized Facility Programs

PREVENTIVE MAINTENANCE PROGRAMS

The DH Pace Company offers a wide variety of Preventive Maintenance (PM) Programs designed to protect a facility's investment, avoid costly downtime, maximize each opening's operating life, and increase safety. Each PM Program can be customized to a facility's needs and code requirements, and are ideal for all types of structures including: healthcare, education, retail, commercial, institutional, and industrial facilities. Customized PM Programs can service any combination of:

- Commercial Overhead Doors
- Entry Door Systems
- Automatic Doors

- Loading Dock Equipment
- Gates and Gate Operators
- Security Systems

INSPECTION AND TESTING SERVICES

The Company has developed comprehensive inspection and testing services designed to ensure code compliance and the protection of customers, employees, equipment, and facilities. These Inspection and Testing Services include:

- Fire and Smoke Code (NFPA 80 and NFPA 105)
- Emergency Egress Code (NFPA 101)

- ADA Handicapped Accessibility (ANSI A117.1)
- Automatic Pedestrian Door Safety (AAADM)

SITE ASSESSMENT SURVEYS

The Company provides an array of Site Assessment Surveys designed to help our customers identify facility specific problems or issues that put their business in jeopardy. Site Assessment Surveys include recommendations that can mitigate risk, improve security and safety, and provide cost-saving solutions. Site Assessment Surveys include:

- School Safety and Security
- Standards: AIB, ICAHO, HFAP, UL 325
- Mechanical Security/Key Control

- Energy Audits
- Electronic Security Systems: Access Control, CCTV, Intrusion Alarm, Asset Tracking

FACILITY STANDARDS CONSULTING

Consulting services are provided by the Company to commercial, institutional, industrial, and government/military customers that seek standardized product selection and specifications based on a factual analysis of their current needs, future requirements, and existing facility conditions. Facility Standards Consulting includes:

- Value Engineering Options in Compliance with Specifications
- Total Cost of Ownership: Facility Standards for New Construction, Repair/Replace, and Maintenance
- Construction Specifications, Code Compliance, and Manufacturer Analysis
- End-User Training: Products, Applications, Best Practices, Codes, and Industry Standards

RESIDENTIAL PREVENTIVE MAINTENANCE PROGRAMS

The Company offers custom Preventive Maintenance Programs for Single Family Homes, Multi-Family Complexes, HOA's, and Gated Communities.





















Commercial Overhead Doors

Commercial Overhead Doors

- Sectional Doors
- Rolling Service Doors
- Rolling Counter Doors
- High Speed Doors

Loading Dock Equipment

- Dock Levelers
- Vehicle Restraints
- Seals and Shelters
- In-Plant Equipment
- Dock Accessories

Industrial and Specialty Doors

- Automated Gate Systems
- Cooler Doors
- Air Curtains
- Traffic Doors
- Bug Barriers and Screens
- Security Grilles
- Sliding Doors
- Hangar Doors
- Strip Curtain Doors
- Accordion Doors
- Large Special Application Doors

The Commercial Overhead Door Group provides sales, installation, and service for all types of commercial and industrial door related products in the new construction and existing facility marketplace.

Commercial Overhead Door products can be used in a wide variety of applications:

- Distribution Centers
- Security Sally Ports
- Fire Protection System Barriers
- Automated Assembly Lines and Conveyers
- Exhibit Halls

- Malls and Other Retail Spaces
- Pharmaceutical Production Areas
- Sound Stages
- Parking Decks
- Concession Areas
- Storage Units

Overhead Door Corporation created an exclusive line of innovative wind load garage doors fashioned to withstand nature's power and keep your family, employees, and possessions safe. Wind loading options for residential, commercial, and industrial applications provide superior craftsmanship, durability, and trouble-free performance to protect your home and business.

Commercial Overhead Door products can also be largely enclosed inside the walls in highly finished office areas to preserve the aesthetic design intent of the space, while offering the necessary functionality.

Commercial Application Solutions

Adapting Building for New Loading Dock

PROBLEM

A retail establishment lacked a loading dock, creating inefficiencies in moving product into the store, and creating an unsafe work environment for employees. The parking lot and driveway were too narrow to back in tractor trailers and other large trucks to unload merchandise. Adding to the problem of installing a loading dock was the existing finished floor level was too high for a standard dock.





SOLUTION

Cutting away a portion of the existing wall and rearranging the stairway made room for installation of a sectional door and a 5,000 lb. capacity scissor lift. The functional flexibility of the scissor lift allowed the retail store to unload trucks of varying heights. This facility modification significantly improved the safety and productivity of the employees during the unloading and loading process, while granting site access to larger commercial vehicles.

Installing Rolling Steel Doors Increases Revenue for Parking Facility

PROBLEM

An apartment complex did not have a door, gate or other means of securing the parking garage. Tenants were no longer leasing the parking spaces because of vandalism and other safety concerns.



To protect people and property, while increasing revenues, two rolling steel doors and operators - along with a combination keypad applied to the entrance lane - were installed creating both





an entrance and an exit. This solution not only increased security to the facility, but also decreased accidents by establishing a set traffic flow. Tenants have now started leasing the spaces, and ownership has projected that the increase in revenue will pay for the entire upgrade within 18 months.

Manufacturing Facility Made Energy Efficient with Specialty Door Installation

PROBLEM

A critical opening in this manufacturing facility was protected only with vertical vinyl strips, exposing employees directly to the unhealthy weather conditions. The owner was also looking to increase both energy efficiency and productivity.

SOLUTION

Installing a 62 foot wide hydraulic bi-fold hangar door in this facility was a perfect solution for this pipe coating operation. This





specialty door was installed as an integral part of the production line. When a pipe is finished, it rolls from production, triggering the door to open, then continues out to storage. The employees are now protected from the elements, the manufacturing process has been improved, and the business saves money on utilities.





Residential Overhead Doors

Products

- Sectional Doors
- Garage Door Openers
- Carriage House Style Doors
- Steel Insulated Doors
- Fiberglass Doors
- Aluminum and Glass Doors
- Carport Enclosures
- Entry, Storm, and Patio Doors
- Eco-Friendly Garage Doors
- Security Doors and Windows

Services

- Free In-Home Replacement Estimates
- Repair and Replacement of All Brands of Doors and Operators
- 24 Hour Emergency Service
- Preventive Maintenance Programs
- Multi-Family Access Control
- Remodeling Services
- Home Builder Loyalty Programs

The Residential Overhead Door Group provides sales, installation, service, and repair of residential overhead doors and entry doors to the new construction, multi-family, and existing home marketplace. Residential Overhead Doors can be used in a variety of applications to enhance the aesthetic appeal of every home. Professional sales teams work with home builders, developers, designers, property managers, remodeling contractors, and homeowners.

Over the last several years, custom garage doors that combine 21st Century functionality and safety features with the look and feel of traditional old-style garages have become very popular. These doors are generically referred to as carriage house doors and are offered by the Company under the Ranch House®, Courtyard Collection™ Manor House, and Park Hill Collection names. These doors are available in wood or steel construction, with a wide range of styles to meet the specific aesthetic requirements of any application.

Homeowners are offered 24 hour service, 7 days a week on all brands of garage doors and garage door openers. A full preventive maintenance program is offered to prolong the products in any residence and ensure their proper and safe operation.

Residential Application Solutions

Classic Home Meets Classic Garage Door

PROBLEM

A home designed and built by one of the area's leading, upscale custom home builders needed a garage door that would be as aesthetically impressive as the rest of the home, match the home's architectural style, provide years of trouble free service, and maintain its beauty over the years.



SOLUTION

Three custom built garage doors with a cedar overlay and up to date hardware were installed along with openers and electronics to

keep the doors functioning, secure, and safe. The hand crafted natural cedar overlay will continue to look beautiful through years of harsh weather. The I7.5 R-value insulation provides for protection against winter cold and summer heat. Rust-resistant, corrosion-resistant steel interiors, and quiet belt driven automatic garage door openers that operate quickly and smoothly complete the system.

Modern Design Incorporates Safety and Security

PROBLEM

The design of this home called for lots of glass to take advantage of scenic views and allow plenty of light to flood the interior's open floor plan. A traditional wood or steel garage door window layout would not match the design of the home's exterior.



SOLUTION

Steel framing painted to match the window trim of the house, along with satin etched glass inserts, combine to compliment the home's custom windows. The tempered glass panels provide

safety and security, while the satin etched finish creates a sleek, sophisticated look. Both materials require minimum maintenance and will continue to impress for many years.

Tight Deadline No Problem on This Multi-Family Project

PROBLEM

A large apartment project was planned for construction in 2009, but was put on hold due to market conditions. When special financing came through in early 2010, it required that the project had to be entirely completed by November of 2010.

SOLUTION

Requiring a total of 220 doors and operators to be ordered and installed, the Company worked with the general contractor on a fast-track basis to complete the projects scope of work in a

timely and professional manner. Upon completion, the contractor awarded the Company two additional projects based on their performance.



Entry Door Systems

Doors and Frames

- Hollow Metal Doors and Frames
- Wood Doors
- Aluminum Doors and Frames
- Fiberglass/Polymer Doors
- Stainless Steel Doors and Frames

Finish Hardware

- Hinges and Pivots
- Locksets and Exit Devices
- Door Closers
- Flat Goods
- Weatherstrip and Thresholds
- Cylinders, Cores, and Keys
- Electrified Hardware
 - Locks and Exit Devices
- Electromagnetic Locks
- Electric Strikes
- Loss Prevention Hardware
- Door Alarms and Delayed Egress
- Power Supplies, Switches, and Actuators

Security at the Door

- Master Key System Design and Control Services
- Access Control Systems (Stand Alone, Networked, Wireless)
- Credentials
 (Keys, Cards, FOBs, Biometrics)

Automatic Door Assemblies

- Swinging, Sliding, and Bi-fold
- Revolving Doors
- Low Energy Operators

Specialty Products

- Restroom Partitions
- Washroom Accessories
- Lockers and Mailboxes
- Operable Walls and Accordion Partitions
- Roof Vents and Access Panels
- Wall Protection

The Entry Door Systems Group provides sales, installation, service, and repair for a variety of products and applications in the commercial marketplace. Entry doors can be built from a wide range of materials to meet the performance requirements of any application. These materials include: hollow metal, wood, stainless steel, aluminum, bronze, and fiberglass. Custom openings can also be designed to meet almost any performance and specialty applications, such as the following performance rated assemblies:

- Fire—rated Openings
- Emergency Egress Openings
- Sound Rated Openings
- Bullet Resistant Openings
- X-Ray Shield (lead-lined) Openings
- Blast Resistant Openings
- Detention Application Openings
- Hurricane and Tornado Openings

On many applications, openings must also meet stringent building code requirements or industry standards. Examples of these requirements include: NFPA 80 Fire Code, NFPA101 Life Safety Code, NFPA105 Smoke Assembly Code, ICC Building Code, American Institute of Baking (AIB) Standards, JCAHO, LEED, and FSC. The Company has trained staff available to assist customers in understanding these requirements and designing compliant solutions.

Entry Door Application Solutions

Door Inspection Uncovers Serious Code Violations and Provides Solutions

PROBLEM

During an initial FireCheck® inspection at a manufacturing facility, the Company determined that the older fire-rated wood door openings failed to meet numerous NFPA 80 fire code requirements such as lack of proper fire-rated labeling, improper hardware applications and vision glass sizing. Upon a FireCheck® review with the facility owners, they indicated a desire for the new replacement openings to be both code-compliant and aesthetically pleasing, while also being durable and cost effective.





SOLUTION

The Company recommended, furnished, and installed a door, frame and hardware solution that met all the openings' requirements for code compliance, aesthetics, and functionality, while still remaining within the customers budget. An annual FireCheck® inspection schedule was then established to keep the facility current within NFPA 80 code guidelines.

Glass Wall and Door System Opens Way for Efficient Use of Space

PROBLEM

A healthcare provider had a small conference room toward the back of their office space that needed an extension and face-lift. Additionally, small offices along a dark corridor were under utilized. The customer wanted to make better use of the space by enlarging the conference room area, making the offices more user-friendly, and creating an open feel to the area.





SOLUTION

The Company - working with the customer and developer's architect - opened up the entire area, making it both more appealing and functional, through the use of a 1/2" tempered glass wall system finished in stainless steel.

DH Pace Brings Code Knowledge to University Project

PROBLEM

To provide a traffic-flow pattern from an existing library to an adjoining building, university officials needed a new opening cut and installed into an existing fire-wall. They called upon the Company to navigate them through the project's code implications, construction intricacies, and product/installation details.





SOLUTION

The Company partnered with the university's facilities group to properly define the scope of work, design and specify the proper materials, control costs, and get the new opening installed. University personnel cut the wall and framed the opening, allowing the university to save money while the Company focused on meeting fire code requirements and product installation.



DH Pace Systems Integration

Products

- Access Control Systems
- CCTV Systems
- Intrusion Alarms
- Emergency Phones
- Intercom Systems
- Security Solutions
- Wireless and IP Products
- Parking Revenue Systems
- Electrified Door Hardware
- Gates and Barriers
- PoE and Edge of Network Devices
- Fiber Optics and IFS
- Electronic Key Systems

Services

- 24/7 Emergency Service
- Alarm and Video Monitoring
- Remote Systems Administration
- Security System Software Service Plans
- Preventive Maintenance Programs
- Video Verification of Alarms
- Integrated Security System Design
- Identification Badging Systems
- Client Consultation and Site Surveys
- Installation, Repair, and Maintenance Service
- NFPA-72 Compliant Specifications

The DH Pace Systems Integration Group works with general contractors, architects, security directors, IT directors, property managers, facility managers, and business owners at all levels in the selection, installation, and maintenance of security systems including: electronic access control, video surveillance, intrusion detection, parking revenue/control, automated gate systems, emergency phones, and intercom systems. These systems can be designed and installed as individual site solutions or networked via LAN/WAN and/or IP communications to connect security systems in different physical locations into one integrated system.

A wide variety of related physical security products, systems and applications are also offered, such as: Power over Ethernet (PoE) and edge-of-network devices; infant abduction and patient wandering systems; smart card and biometric solutions; and networked video management software. Providing the proper design and connectivity of these products and solutions into the customer's existing security network and physical structure is a strong component of the DH Pace Systems Integration Group's method of operation.

The Company offers commercial, institutional, and industrial customers true systems integration through the coordinated support and expertise of our Systems Integration Group working in conjunction with our Entry Door Systems team. Single-source design, installation, maintenance, and monitoring of all door hardware and access control devices, along with related security systems and operating platforms, lowers the total cost of ownership for customers and security projects of all types.

System Integration Application Solutions

Partnership Allows for More Efficient Use of Hospital Resources

PROBLEM

Numerous construction projects were overwhelming a growing healthcare provider, and they were not adequately staffed to handle the onslaught of related security work. Ensuring a safe and secure environment for their patients and employees was critical, causing their management team to look 'outside' for a security provider that was in-tune with their high standards.



SOLUTION

Through an extensive interview and evaluation process the customer chose the Company as their preferred security vendor for multiple construction projects. Utilizing the technical expertise, project management skills, and installation manpower that the Company provided allowed this customer to shift their in-house resources to service existing equipment and operations.

Consolidated Card Access Control System Not A Problem

PROBLEM

A medical device manufacturer wanted to install a card access system in two existing local buildings, as well as in another location in a different state. They needed all locations to be on the same access control system, and to share common database credentialing and administration.



SOLUTION

The Company determined that one customer location already had an installed card access system that met their needs and standards. By upgrading the existing systems software and moving it to a different server, the Company was able to add the customers two other locations to greate a segment detabase managed through one server. The Company's sense

locations to create a common database managed through one server. The Company's consultive approach lead to a robust and cost effective solution for the customer going forward.

Custom Gate Adds Security and an Artistic Touch to New Building

PROBLEM

A newly constructed condominium complex required a security gate large enough to accommodate a tenant commuter bus. A very tight area with little headroom would not allow for a standard slide or swing gate. A custom designed and fabricated solution would need to be installed to fulfill this project's unique requirements.



SOLUTION

Working from an architect's sketch, the Company designed and installed a custom gate system that incorporated low profile arms, specialized control wiring between modified operators, and specialty concrete work to achieve the performance results needed.

Additionally, all elements of the gate system were simultaneously fabricated to meet project timeframe demands, while a new RAL on-line powder coat color technology was employed to keep the project within budget.



DH Pace Construction Services

The Construction Services Group offers a complete line of Construction Specifications Institute (CSI) Division 6, 8, 10, and 11 products under a single contract for commercial new construction and major existing facility projects. Installation of these products can also be provided under an installation services contract.

The Construction Services Group operates on a national basis and has completed projects in: Arizona, Florida, Georgia, Illinois, Iowa, Kansas, Missouri, Pennsylvania, South Carolina, Tennessee, Virginia, and Washington, D. C. Project types include: hotels, resorts, convention centers, art museums, detention facilities, arenas, educational campuses, manufacturing plants, hospitals, office buildings, and wastewater treatment plants.

The Construction Services Group provides a broad range of products and services, including: millwork, carpentry, overhead doors, entry door systems, and integrated security systems. Division 10 specialty products, such as: restroom partitions and accessories, lockers, and mailboxes are also available. The Construction Services Group also works with owners and end-users on the coordination of multi-year, multi-phase building upgrade and renovation projects.

The Construction Services Group achieves professional project management through industry leading software to deliver projects that are on-time, under budget, and consistently exceed customer expectations.

Construction Services Group Projects Include:

- Marriott Star Pass Resort Tucson, AZ
- Washington Convention Center Washington, D. C.
- Federal Express World Headquarters Memphis, TN
- Nelson-Atkins Museum Kansas City, MO
- Progress West Healthcare Center St. Louis, MO
- Arrowhead Stadium Kansas City, MO

- Kauffman Stadium Kansas City, MO
- Federal Reserve Bank Atlanta, GA
- AOL Online Data Center Manassas, VA
- Kansas City Municipal Auditorium-Historical Door Replacement Kansas City, MO
- HCA Independence Regional Hospital Independence, MO
- Georgia State University Science Building Atlanta, GA

DH Pace Facilities Group

NATIONWIDE FACILITY COVERAGE



To Meet All Your Door and Dock Needs
NEW CONSTRUCTION - REMODEL - SERVICE

The DH Pace Facilities Group provides multi-location customers with a full range of door related products and services on a regional and nationwide basis. Consistent coverage, performance, and response times, along with centralized services such as dispatch, reporting and invoicing, are some of the hallmarks of the Facilities Group's customized customer solutions. Whether a project calls for new facility construction, existing facility repair/replacement or emergency repair services, the Facilities Group has the capacity and expertise to professionally handle each customer transaction – anywhere, anytime.

Services That Reduce Downtime and Total Cost of Ownership

- Preventive Maintenance Programs
- Fire Door Inspection and Testing
- Automatic Door ANSI Inspections
- Building Code Inspection Programs
- Sales and Product Installation
- Service Calls
- New Construction Product Supply
- Remodel Projects

Every Door & Dock in Your Facility...Every Facility in the Nation

The DH Pace Facilities Group provides product, installation, and repair / replacement services for all of the leading brands in the door and hardware, dock, security and related industries, including:

Entry Doors

- Automatic Doors
- Hollow Metal and Wood Doors
- Storefront and Glass
- Impact Doors

Doors and Docks

- Overhead Doors
- Dock Equipment
- Rolling Steel Fire Doors
- High Speed Doors

Security Solutions

- Key Systems
- Alarmed Exits
- Security Shutters/Grilles
- Emergency Board-Ups

Related Products

- Restroom Equipment
- · Parking Lot Gates and Bollards
- Door Hardware and Parts Sales
- Code/Security Solutions



Corporate Responsibility Report

CEO Statement

At DH Pace we feel a deep responsibility to build a strong company for our customers, our employees, our shareholders, and for the communities we serve. In 2010, we re-energized our long-standing tradition of community involvement by reaffirming our commitment to investing a portion of our resources towards making a positive difference in the lives of others. This commitment is reflected in our new Business Responsibility Commitment:

"To invest a portion of our time, talent, and financial resources towards improving the lives of people in need; supporting the communities we serve; protecting the environment we share; and providing a better future for the next generation."



We embrace both the challenge and opportunity that this commitment represents. In this, our first Corporate Responsibility Report, we will share with you our results for 2010. While we are proud of this list of accomplishments, we also recognize there are still many needs left unfulfilled and much work left to be done in the years ahead.

Rex Newcomer, Chief Executive Officer

Serving Our Customers

Education: The Company invests significant resources providing training for employees, customers, and end-users, through its DH Pace University training events and programs. In 2010, over 1,000 individuals attended training sessions that totaled 2,650 classroom hours.

Building Safety: The Company offers extensive maintenance, inspection, testing, and certification programs to assist customers in improving the safety of their facilities. The Company currently manages over 2,500 customized programs relating to building safety.

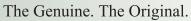
Customer Surveys: New software was purchased this year to expand the number of survey delivery options and to improve reporting capabilities. Over 36,000 surveys were sent with results routinely shared with employees. Customers are contacted directly to resolve any issues discovered in the surveys.

Supporting Our Employees

Wellness: Annual Employee wellness fairs were conducted with over 70% of the Company's employees participating. These events included a free biometric screening, a health risk assessment evaluation, and the opportunity for a private health consultation with a medical professional. Employees can also utilize an ongoing health coach to assist in establishing wellness goals, measure progress, and encourage a healthier lifestyle.

Communications: An all employee survey was completed in the fall. Subsequently, town hall forums were held at all division locations. The Company's Human Resource Group is working with management to identify and track action items for implementation. A longstanding quarterly newsletter is also mailed to every employee at their home. An expanded Employee Internet site offers employees direct and remote access to company information. This site includes a section that features employee announcements and company related updates.

Benefit Programs: The Company made several improvements to its benefit programs, including: 100% coverage of all routine preventative care services for our employees and their covered family members; ability to participate in medical and/or dental only coverage; an expanded in-network provider system; and a new voluntary vision insurance program.







Community Service

Newcomer Family Foundation: The Company has a longstanding tradition of support for charitable causes. In 1995, the Company formalized much of this activity into a qualified charitable organization that currently operates as the Newcomer Family Foundation. The Foundation provides financial grants and develops partnerships with community organizations serving the less fortunate, the disadvantaged, and those in crisis. In recent years the Foundation has supported such causes as:

- Emergency Food Assistance
- Educational Scholarships for Inner-city Youth
- Urban Healthcare Clinics
- College Scholarships for Lower-income Students

TeamIMPACT: The Company empowers and supports local employee teams, called TeamIMPACT, that encourage co-workers to get involved in charitable activities, wellness events, and participate in employee focused activities. This year over 300 employees participated in events company-wide. These events resulted in the donation of food, toys, money, and time to support the individual causes chosen by each local team. Examples of individual events held include: providing food to feed 293 families; cooking meals for families and raising money for much needed supplies; a blood drive; and several Habitat for Humanity volunteer workdays.

Promoting Environmental Sustainability

Green Building Movement: The Company supports the green building movement by investing in the necessary knowledge, training, and certifications to support sustainable construction practices. The Company is certified in a number of its locations by the Forest Stewardship Council, and supports the work of the U.S. Green Building Council (USGBC) by participating in their LEED green building certification system.

Recycling: The Company is actively involved with recycling activities. Specific initiatives include:

- Field recycling of metal and cardboard/packaging materials on door replacement projects.
- · Office recycling programs for paper, aluminum, plastics, printer cartridges, batteries, and cell phones.
- Vehicle maintenance facilities recycling of their petroleum waste products.

Waste Reduction: DH Pace is reducing waste in its business activities. Specific initiatives include:

- Investing in information technology by sharing information electronically reducing paper reports.
- · Increasing use of programmable thermostats for heating and cooling, and motion sensors for lighting.
- Utilizing Global Positioning Systems (GPS) technology in service and sales vehicles to reduce fuel usage.



Governance Practices

EE Newcomer Enterprises, Inc. is the parent company of DH Pace Company, Inc. and is family-owned and privately-held. Its eight member board of directors meet quarterly, and currently consists of five outside directors and three management directors. The current directors are:

Eric Hansen Chairman of the Board Martin, Pringle, Oliver, Wallace & Bauer, L. L. P. Overland Park, KS 66211

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E. E. Newcomer Enterprises, Inc.
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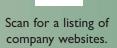
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