



**Myers Container, LLC
Container Management Services, LLC
Sustainability Report**

The Company

Myers Container, LLC (Myers) and Container Management Services, LLC (CMS) were acquired by the Stavig family in October, 2007. We operate both companies today as a combined entity with multiple facilities.

Products & Services

Myers manufactures 8 – 85 gallon new steel drums produced from cold-rolled carbon steel. CMS reconditions and recycles steel drums, plastic drums, intermediate bulk containers (IBCs) and recycles industrial steel and plastic. 100% of our products are reusable and recyclable we are a true green company and everything we produce we can take back and recondition or recycle.

Our Story

The Stavigs, led by Kyle (CEO 20+ years of industry experience) and his brothers, who left the high tech world at Intel, purchased Myers/CMS. Our vision is to grow a professionally managed, innovative and sustainable company. We manage our business using the Myers/CMS business system, based on industry leading technology, human development, sustainability and lean manufacturing. We are headquartered in the Pacific Northwest where sustainability is an accepted part of doing business and as such we believe we should provide leadership for our industry.

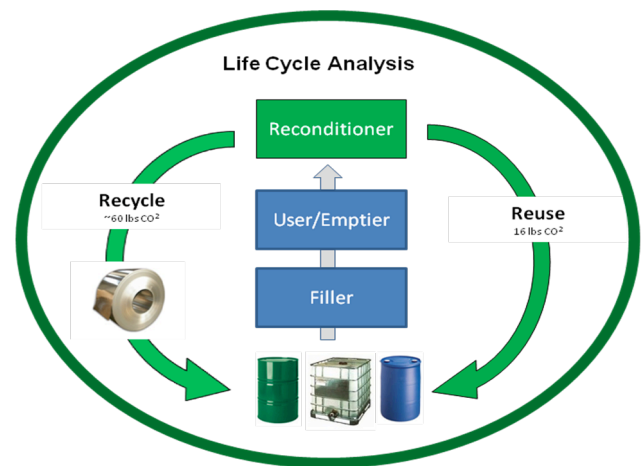
Environmental Stewardship

We believe in minimizing our environmental impact and developing a culture that eliminates wastes and promotes reuse and recycling of its

products and materials. **Our vision is to be a zero discharge community participant.**

Life Cycle Analysis (LCA)

Myers/CMS embraces sustainability and product stewardship. Stewardship extends beyond the containers we manufacture, collect and clean for reuse – it also applies to the residues left in the empty containers that are returned by our customers.



Community Involvement

Myers/CMS works in conjunction with the following entities to benchmark and drive continuous improvement utilizing best management practices (BMPs).

- Northwest High Performance Enterprise Consortium
- Southern California Lean Consortium
- Energy Trust of Oregon
- Energy Trust of California
- Reusable Industrial Packaging Association (RIPA)



Myers Container, LLC

Myers conscientiously sources cold-rolled carbon steel from domestic suppliers to protect US jobs and reduce transportation impacts.

Manufacturing Process

Steel is slit and formed into a cylinder. A head and bottom is stamped from a steel coil and mechanically attached to the cylinder. The seaming process includes adding a sealing compound in between the layers to provide leakproofness. Drums can be manufactured in sizes from 8 to 85 gallons in a variety of steel thicknesses. Myers works closely with our customers to select our preferred 1.2/.9/1.2 mm steel drums as these provide maximum reusability for hazardous and non-hazardous applications. Interior performance coatings and exterior cosmetic applications allow additional customization.



All facilities recycle 100% of our paint residue into a reformulated EnviroGray™ paint to be used on drums for customers that embrace the principles of sustainability and are looking for ways to protect the environment.

Container Management Services, LLC

CMS specializes in reconditioning steel and plastic drums, intermediate bulk containers (IBCs) and industrial container recycling services.

Drum Reconditioning Process

The process consists of interior/exterior washing. Drums that cannot be washed are processed through an industrial furnace. The process continues with shot blasting, de-denting, leakproofness testing, coating/paint and final assembly.

Plastic Drum & IBC Cleaning Process

The process consists of interior/exterior washing, component inspection, leakproofness testing and final assembly.

Recycling Process

Materials that are not reconditionable are sanitized, crushed or shredded and sent to a steel or plastic recycler.

RoundTrip™ Empty Container Collection

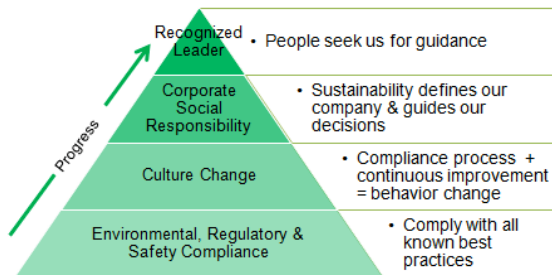
For proper handling, storage and disposal of containers once they are emptied visit: www.myerscontainer.com/roundtrip



Management approach to sustainability

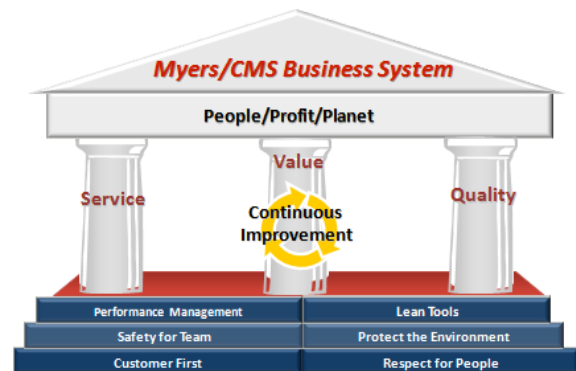
Sustainability

“Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”¹



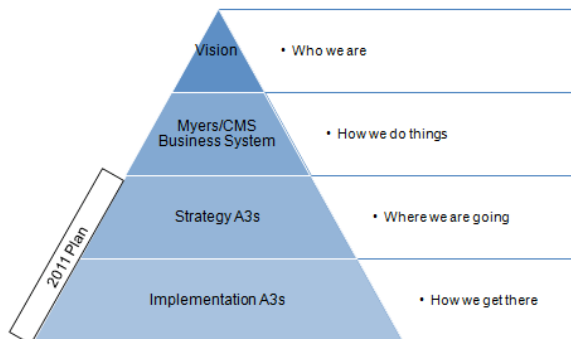
Myers/CMS Business System

This house represents our business system based on our study on the principles of lean manufacturing (the Toyota Production System).



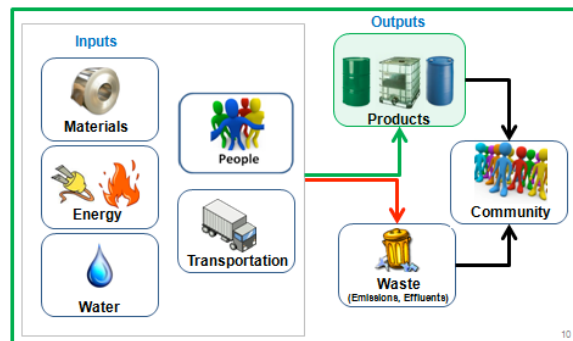
Corporate Policy Deployment

We use this model to set the vision for Myers/CMS



Continuous Improvement

We use a standardized assessment tool to chart our progress towards sustainability measuring these critical areas of impact.



¹ Defined by the [Brundtland Commission](#) of the [United Nations](#) on March 20, 1987



Environmental Management System

Mission

A zero discharge community participant. All team members are incentivized to drive sustainability initiatives across the company.



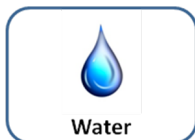
We have developed the FailSafe™ system to monitor all areas of Environmental, Regulatory and Safety compliance in coordination with all stakeholders (government, communities, customer, ownership, team members, etc.) FailSafe™ generates a dashboard for the managers of the company.

Myers/CMS Sustainability Scorecard						
	Baseline	Goal				Long Term Aspirations
Inputs	2007	2011	2012	2013	2014	
Energy						
Electricity						100% Climate neutral
Gas (therms)						100% Climate neutral
Water						100% Reclaimed water



Energy

We collaborate with the Energy Trusts in our regions to develop action plans for continuous reduction. We promote reuse of waste heat recovery for ovens, plant heat, boiler supplement, and overall energy consumption reduction.



Water

We've discontinued our permitted discharging of process water into the Publicly Owned Treatment Works (POTW), instead developing strategies to reuse the water. We are developing rainwater collection systems that will reduce our consumption of fresh water.



Emissions (Air)

Emissions are monitored with our E5 system to maintain compliance within our operating permits. We are developing new technologies that will dramatically reduce our emissions.

Container Residues

CMS operates as a reconditioner approved to process drip-dry empty containers. Even with a tight adherence to the rules, containers still have some residue from emptiers. We take the utmost care to protect the residue for our customers. We collect and separate residues and work with forward thinking fillers of drums who are concerned with ultimate product stewardship (often not the person who empties the drum) to collect and return the good, unused material that makes up the residue.

Paint Residue

We recycle all paint residues into an EnviroGray™ paint for use on drums for customers that embrace the principles of sustainability and reuse – waste into food.

Trash/Dunnage (Cardboard/Pallets/Film)

We have programs in place and incentives for shop-floor team members to reduce the amount of refuse shipped off our property. Strategies range from source reduction, to reuse, to upsourcing (re-using for shipments to protect load).





People

Respect for people is our guiding principle and our strategic advantage as we

develop our team members. Using the principles of lean manufacturing to drive continuous improvement creates our Championship Culture.

Championship Culture

- ✓ Inspire our people
- ✓ Take informed risks
- ✓ Not satisfied with status quo
- ✓ Process matters
- ✓ Results orientation
- ✓ Accountability
- ✓ Develop our team
- ✓ Diffuse leadership
- ✓ Communicate broadly/frequently
- ✓ Balance corporate needs with values of a family business
- ✓ Promote diversity

Safety is #1

Variable pay is predicated on safety and protecting the environment. We use our FailSafe™ audit system and regular *invitations* to Occupational Safety and Health Administration (OSHA) into our facilities to improve workplace safety.

Performance Management

All team members are part of a performance management system which provides monthly tangible feedback sessions and quarterly rewards. Focus areas include: safety & environment, operational excellence, continuous

improvement, human development, sustainability, etc.

Training

We never stop developing our team. Each team member is actively developed. We expect team members to engage in continuous improvement. Using our lean manufacturing consortiums we provide continuous training in:

- ✓ Problem solving/A3 process
- ✓ Leadership standard work
- ✓ Training within industry (TWI)
- ✓ OSHA/Safety leadership
- ✓ Hoshin/Strategy deployment
- ✓ Lean/Green (Sustainability)
- ✓ Lean tools (TPM, Kaizen, SMED, 6S)

Via our consortiums we enable our team members to participate in learning activities at other member world class organizations as a form of adult learning.



Community Development

We develop the local workforce with strong internship programs with local universities. This has

proven to be a rewarding development opportunity for the students and academics with many interns landing full time jobs with Myers/CMS. Recent projects:

- ✓ Supply chain & transportation
- ✓ Standard work/TWI
- ✓ Sustainability assessment
- ✓ Lean accounting
- ✓ Business development
- ✓ Job Safety Analysis
- ✓ Engineering projects



Accomplishments

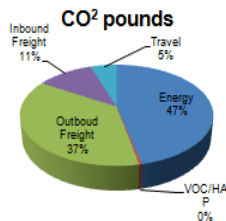


Landfill Diversion – Reuse and Recycling

Steel	59,000,000 pounds ~ 1,600,000 drums
Plastic	20,000,000 pounds ~ 900,000 drums
Total	79,000,000 pounds diverted from landfill by Myers/CMS

Carbon Footprint

- ✓ Calculated for entire company
- ✓ Calculated for entire product line
- ✓ Reduced company footprint by 20%



Zero Discharge

- ✓ Reduced effluent emissions by 65% at the St. Helens facility.
- ✓ New painting strategy reduces materials by 30% and energy by 65%
- ✓ Storm water project at Marx Street reduces runoff by 50%



People

- ✓ Health Benefits offered to all team members
- ✓ Consultative OSHA Audits
- ✓ \$100k of Lean/workplace training
- ✓ Developed FailSafe™ Audit System



Community

- ✓ Used 100% recycled paint collected from City of Portland Household Hazardous Waste System to paint Oregon facilities.





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A Customer Driven Company

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