



HAPPY NEW YEAR!



From

Plating Systems & Technologies, Inc. & Dynamic Systems, LLC

It has been a year or two since we did a Holiday Letter. These are challenging times for all of us and you need to know that Plating Systems & Technologies (PS&T) and Dynamic Systems (DS) are strong and well positioned to be here when you need us. We hope that we have seen the worst of the recession, but a recovery will not be quick. We are saddened by the loss of some customers and good friends, whose departure from this business was caused directly by this recession. Our hope is that those left standing will be that much stronger and positioned for good growth in the years ahead.



As many of you looked during the recession to improve your cash position and come up with new ways to do business, so did PS&T and DS.



PS&T continues to do everything possible to drive the cost of raw materials down, even though Zinc, Tin and Copper have been increasing in price since January 2009. Copper is very close to its high in mid-2008 and Tin continues to rise in price. These costs compounded by higher energy costs, shipping expenses and packaging make it tougher on all of us to be profitable. We expect that the inflationary pressure on commodity and raw materials will continue to increase in the immediate term. DS does not have the inventory or manufacturing issues that PS&T has, but has seen increases in raw goods and extended delivery schedules on spare parts. Vendors are not stocking items the way that they once did, so many items are special orders with long lead-times.



Both companies continue to develop new technologies and processes. PS&T has introduced the 326 Trivalent Passivate and DS is in the Urethane Lining Business.



If you'd like to learn more about the 326, please give PS&T a call or check out www.trivalentpassivates.com. Should you require spare parts or a urethane lining (DS also does worn lining removals and outside barrel painting), please contact Stacey at stacey@dyn-sys.net for a quotation.

We wish all of you a prosperous 2010!