

# Alliance News



A periodic report to  
our ESOP participants



# NEWS

## Alliance Welcomes the Employees of Accord Industries, Southern Manufacturing and Universal 100 Products!



Alliance Holdings is pleased to announce the addition of Accord Industries, Southern Manufacturing, and Universal 100 Products to its portfolio of subsidiary companies.

The addition of Accord, Southern, and Universal further reinforces Alliance's designation as one of the largest 100 percent ESOP-owned diversified holding companies in the United States. Other members of the Alliance family include Trachte Building Systems, Inc., Alexander Marketing Services, Inc., and The Sharon Companies, Ltd.

### *Accord Industries*

Since its establishment in 1963, Accord Industries, headquartered in Winter Park, Florida, has become a recognized leader as a manufacturer of concrete poles designed for transmission, distribution, lighting and communication.

As Accord Industries continued to evolve over the years, it expanded its product line in the Concrete Products Division, and in 1985 began producing centrifugally spun cast poles. Accord now offers the most comprehensive line of concrete poles, and associated products, in the industry – allowing for a more streamlined installation process.

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### David Fenkell Wins Entrepreneur of the Year Award



David B. Fenkell, Founder and President of Alliance Holdings, was recently selected to receive an Entrepreneur of the Year award from Ernst & Young.

Ernst & Young created the Ernst & Young Entrepreneur of the Year Awards nineteen years ago as a way to identify, honor, and support outstanding business leaders in the community. These leaders are honored for their imagination, determination and hard work.

Fenkell, a regional winner in the Business Services Category, was among a small number of entrepreneurs selected to receive an award from the nationwide program, which had more than 3,500 entries. Fenkell earned recognition for his development of the first 100 percent ESOP-owned diversified holding company with the establishment of Alliance Holdings. Under Fenkell's strong leadership Alliance is currently in the top third of ESOP companies (as measured by number of participants).

Mr. Fenkell has over 21 years of experience in structuring the financing of and acquisition of small to medium sized businesses. He also holds a J.D. degree from the University of Michigan School of Law and a B.S. in Economics from the Wharton School of the University of Pennsylvania.

## Alliance Welcomes the Employees of Accord Industries, Southern Manufacturing and Universal 100 Products! ...continued

What's more, all of Accord's poles are specifically designed to meet standards adopted by the American Association of State Highway and Transportation Officials (AASHTO), the Southern Building Code Congress International (SBC), the National Electric Safety Codes (NESC), and the Pre-stressed Concrete Institute (PCI), as well as many of the standards developed by power companies.

### ***Southern Manufacturing***

Southern Manufacturing began producing lighting fixtures and sheet metal products in 1939. Over the years the company has become a highly regarded leader in standard and custom metal fabrication, specializing in the fabrication of metal cabinets for traffic signal controls, LED illuminated street signs, lane control signs, decorative streetscapes, variable message signs, and pedestrian signals. Recently, Southern Manufacturing also introduced a new "thin line" LED illuminated street sign. Today, they are the largest manufacturer of traffic enclosures in the U.S.

### ***Universal 100***

Universal 100 Products began operations producing PVC pipe in 1972. Since its establishment the company has become a very well-respected manufacturer of quality extruded rigid PVC pipe. The Company's piping is used in many different types of applications including agriculture, residential and commercial plumbing and water reclamation. Universal manufactures up to 200 different products, many of which have been on the leading edge of innovation. For instance, they are the only manufacturer of 40 P.E.P. (Purple Environmental Pipe) in the Southeastern United States. P.E.P plays a major role in supporting water reclamation projects.

Bill Weir, CEO of Accord Industries, indicated that the company's success is due, in a large part, to its structure and its people. He said, "We have very good people who were given the opportunity, and the room, to do a great job."

Weir also noted that the company's decision to join Alliance "will help to further reinforce the continuity that our employees need in order to continue Accord's profitable growth."

# Profile



**Tony Maresco**  
**Division Manager**  
**Universal 100**

Since joining Universal 100 in 1979, Tony Maresco has played a key role in the company's evolution from a shop that had only four production lines and produced 750,000 pounds of PVC product per month, into a major manufacturer that now has seven production lines and generates 3,000,000 pounds of PVC product per month.

Tony began his career at Universal 100 as a Shift Supervisor, and steadily moved up in the ranks to serve as a Blending Supervisor, Quality Control Supervisor, Production Manager, and Plant Manager prior to his current position as a Division Manager. Tony attributes his decision to stay with the company for more than a quarter of a century - 26 years to be exact - to the many "special people" he works with, as well as "the challenges of manufacturing and the room for advancement that my career at Universal 100 has offered."

As a Manager, Tony is in charge of keeping the plant running smoothly on a day-to-day basis. In addition to taking care of production, ordering raw materials, human resource issues, and mentoring other staff members, he also serves as a member of Accord Industries' Executive Team.

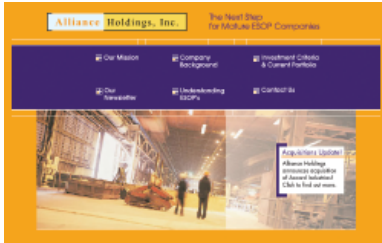
Tony noted that the company's effort to diversify itself into different divisions has contributed to the company's success. "With the wider spectrum of products that we make, something is always hot. If one product line is slow, typically the others have been able to carry the company that year", he observed. Tony has high aspirations for the company, and said that he hopes to "see the company continue to grow with the hopes of doubling in size by 2008."

Outside of work, Tony and his wife Darlene "don't let the grass grow under their feet." The couple enjoys taking long walks and spending time with their kids and grandkids. Tony also enjoys losing golf balls, working in the yard, watching the Jets and Mets (because "winning isn't everything"), and he "loves to cook and eat."

# ESOP *Insights...*



## New Interactive Web Tutorial Under Development



In the first quarter of 2006 we will be introducing a new web tutorial on the Alliance website, [www.alliance-holdings.com](http://www.alliance-holdings.com). The tutorial will be designed

to make sure that potential, and existing, Alliance operating companies and their employees all have up-to-the-minute access to the details and benefits of our ESOP program.

Segmented into three different tracks, Alliance's interactive tool addresses the many different perspectives of those considering or involved in our ESOP, in a format that's easy to understand and use. The viewer is able to navigate through each track on their own or with the help of the navigational tool.

The first track of the tutorial is specifically designed for existing employee owners in the Alliance family of companies. The track provides insightful answers to questions relating to

the unique structure of Alliance Holdings, the definition of a holding company, who is eligible to participate in the Alliance ESOP, annual allocations, and employee vesting.

The second and third tracks of the tutorial speak to employers who are looking to partner with Alliance. Companies who currently have ESOP's as well as companies who do not currently have an ESOP will find the interactive tool very helpful. These companies will be able to see the myriad of benefits that being a part of the Alliance ESOP would offer.

The introduction of this tutorial was especially important in Alliance's case, because our ESOP program is so uniquely designed that general information available about other types of ESOP programs is sometimes not applicable. Unlike other ESOP's, we offer a diversified ESOP, allowing members to participate in the ownership of all of the Alliance companies.

Current employee owners, in addition to companies who are considering partnering with Alliance Holdings, can view this new feature on our website very soon!



## Trachte's Pamela Klute Knows *ESOP*

All Alliance companies are encouraged to communicate and promote the benefits of Alliance's ESOP program to their employees, and at Trachte Building Systems, Pamela Klute has elevated this initiative to a new level.

Since joining Trachte 11 years ago, Klute has been a strong proponent of ESOP programs both within Trachte and throughout Wisconsin. One of Pam's primary responsibilities as the Vice President of Human Resources at Trachte is to increase the communication of Alliance's ESOP program within the company. As an advisory member of Trachte's Communication Committee, Pam works with representatives from 17 other departments to keep employees

informed of the company's current ESOP initiatives and to facilitate open communication with employees regarding imperative issues. According to Pam, "The Trachte environment has always been one of encouraging communication between departments and understanding your role within the company. We invite employees to ask questions, offer ideas, talk to other departments, and get involved in the change process. We want everyone to understand that no matter what their position is within the company, it affects everyone."

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## Trachte's Pamela Klute Knows *ESOP*

Pam works hard to continue growing in her knowledge of and experience with ESOPs. For the past few years she has been an active member of the Wisconsin chapter of the ESOP Association; a national organization of ESOP companies and service providers with a professional commitment to ESOPs. Her participation in this organization proves to be beneficial. Klute states, "My involvement with the program has given me a great opportunity to assist in the planning of various events and learn more about the ESOP community."

Her involvement has led to her role in the ESOP Association continually becoming more prominent. In 2004, she was named to the Executive Committee for the Wisconsin Chapter and in April of 2005 she became Vice President. Most recently, in July of 2005, she took on the role of President. In this position, Pam has many aspirations for the ESOP groups this upcoming year. She hopes to grow the association's membership and provide opportunities to its members. Most importantly, she would like to see members getting more involved in helping others.

## Welcome Ken Wanko



Kenneth J. Wanko has joined Alliance Holdings as Director, Acquisitions. Prior to becoming a member of the Alliance team earlier this year, Ken was a founding member of the ESOP corporate finance group in the investment banking group of Houlihan Lokey Howard and Zukin. During his tenure at Houlihan Lokey, Mr. Wanko advised on some of the largest and most innovative employee buyouts in history, including the 100% employee buyouts of Appleton Papers and IIT Research Institute.

Prior to Houlihan Lokey, Mr. Wanko was Vice President for Century Capital Group, a mergers and acquisition advisory firm, where he provided M&A advice to privately-held enterprises. While at Century, Mr. Wanko opened and led the firm's Chicago office.

"We couldn't be more pleased to have someone like Ken on board," said David Fenkell, the Founder and President of Alliance Holdings, Inc. "His depth of knowledge and experience with ESOP's will certainly be an asset to our organization," he added.

Mr. Wanko holds an MBA from Duke University's Fuqua School of Business and a B.S. in aerospace engineering from The University of Michigan.

### Corporate Offices

#### Alliance Holdings, Inc.

Corporate Headquarters  
711 York Road, 2nd Floor  
Willow Grove, PA 19090  
**Telephone:** 215-706-0873  
**Fax:** 215-706-0877  
**Web Site:** www.allianceholdings.com

### Portfolio Companies

#### Accord Industries

4001 Forsyth Road  
Winter Park, FL 32792  
**Telephone:** 407-671-5200  
**Fax:** 407-679-2297  
**Web Site:** www.accordindustries.com  
Founded in 1963, Accord Industries has become a recognized leading manufacturer of concrete poles, and centrifugally spun cast poles, designed for transmission, distribution, lighting, and communication.

#### Alexander Marketing Services

277 Crahen Ave. NE  
Grand Rapids, MI 49525  
**Telephone:** 616-957-2000  
**Fax:** 616-957-3514  
**Web Site:** www.alexandermarketing.com  
Founded in 1965, Alexander Marketing Services (AMS) is one of the oldest, largest and most successful marketing agencies in the business-to-business communications niche.

#### The Sharon Companies, Ltd.

959 Lake Road  
Medina, OH 44256-2498  
**Telephone:** 330-723-3225  
**Fax:** 330-723-2350  
**Web Site:** www.sharonstair.com  
The Sharon Companies, Ltd. designs and produces steel stair and railing systems used in commercial, high rise residential and industrial construction projects.

#### Southern Manufacturing

501 Herndon Avenue  
Orlando, FL 32803  
**Telephone:** 800-866-5699  
**Web Site:** www.southern-manufacturing.com  
In 1939, Southern Manufacturing began operations as a light fixture and sheet metal producer. Today, they are also the largest manufacturer of traffic enclosures in the U.S.

#### Trachte Building Systems, Inc.

314 Wilburn Road  
Sun Prairie, WI 53590  
**Telephone:** 800-356-5824  
**Fax:** 800-981-9014  
**Web Site:** www.trachte.com  
Founded in 1901, Trachte Building Systems is the leading manufacturer and supplier of pre-engineered steel building systems for the self-storage industry.

#### Universal 100 Products

4001 Forsyth Road  
Winter Park, FL 32792  
**Telephone:** 800-876-6989  
**Fax:** 407-671-1133  
**Web Site:** www.universal100.com  
Since 1972, Universal 100 has been producing PVC pipe. Today, Universal manufactures up to 200 different products, and they are the only manufacturer of 40 P.E.P (Purple Environmental Pipe) in the Southeastern United States.