



"Lowell Reed"
<lreed@btwestern.com>
11/05/2007 10:16 AM

To <Michael_Collinsworth@Toyota.com>
cc <cyd_miyamoto@toyota.com>, <mark_akita@toyota.com>, "Doug Anderson" <DAnderson@btwestern.com>, "Kevin Fry" <KFry@nuestrollc.com>, "Jeff Wyatt" <jwyatt@venchurs.com>, <tony@thermoflexcorp.com>, <rprice@thermoflexcorp.com>, "Debbie Price" <dprice@thermoflexcorp.com>, "Mike Negus" <mike@thermoflexcorp.com>, <rick@thermoflexcorp.com>, <rgraham@thermoflexcorp.com>, "Karl Mazur" <Karl@thermoflexcorp.com>

bcc

Subject Rework for Toyota Inventory of ES and Camry All Weather Mats

Michael,

Per our many discussions last week, please find following preliminary quotations for the rework of the Camry and ES All Weather Mats in both TMS inventory (approx 17,000) and Thermoflex inventory (approx. 2,000).

The operation would be sourced by Thermoflex to Venchurs, an approved Toyota vendor. The parts would be shipped to Venchurs facilities in Adrian, MI for rework and then returned to Hebron by TMS arranged shipping.

The rework quotation includes:

- Receipt of the inventory product by Venchurs from TMS and Thermoflex
- Receipt of the new front mats by Venchurs from Thermoflex.
- Unpacking of all products.
- Removal of the header card and staples
- Separation and quarantine of the front driver's mat
- Inclusion of the new front drivers mat with the 3 remaining mats.
- Insertion of the 4 pieces into a polybag
- Sealing of polybag
- Affixing both warning label and part number label to each individual polybag
- Repacking in the current master cartons and pallets.
- Preparing for shipment to Hebron
- Issuing the ASN for the shipment.

Preliminary Quotations:

- **ES350**
 - o Left Front Mat \$9.35
 - o Rework \$2.00
 - o TOTAL **\$11.35**

- Camry:
 - o Left Front Mat \$10.29
 - o Rework \$2.00
 - o TOTAL **\$12.29**

There may be opportunities for slight reductions in the rework cost. We need to investigate certain areas such as the front mat quotation includes it being in a polybag. Depending on shipping requirements, we may be able to eliminate this bag, providing a savings. Please allow us to review the components in greater detail before providing a final cost. After TMS's review of this program, and any additional requirements you may deem necessary, we will provide that final quotation to Cyd Miyamoto.

Also please note that the above costing does not include new master cartons or pallets. It is our hope that we will receive the inventory from TMS in master cartons and pallets that are reusable. There will be approx. 1200 master cartons returned with the inventory. In addition, there will be approx. 300 master cartons from Thermoflex that will contain the new front driver's mats. Between these, we should be able to get by without any new packaging. If it becomes discovered that new cartons and / or pallets are required, these will be billed separately.

Thermoflex will handle all communications with TMS, including the transmission of the ASN and the invoicing. Venchurs will be second tier to Thermoflex.

Michael, we appreciate Toyota's support and team efforts in this entire project. I will happy to discuss the details of this preliminary quotation with you at your convenience.

Best regards,

Lowell J. Reed

B/T Western Corp.

Phone: 949-870-3420

Mobile: 949-689-9503

Fax: 949-476-1224