

# DHS Systems, Inc.

## New Manufacturing Facility in Huntsville Helping Support Soldiers

Internationally recognized for its exceptional integration of shelter, utilities, electronic communications, and tactical mobility, DHS Systems recently held a ribbon cutting event to mark the transitioning of some of its manufacturing and system integration operations to the Huntsville area.

The new 130,000 square foot state-of-the-art facility is located adjacent to Interstate 65 in the City of Huntsville in Limestone County in the 260-acre SouthPoint Business Park and manufactures and integrates the company's shelter support trailers and related equipment currently fielded to all branches of the military. The facility also supports the company's global logistics requirements and sales and manufacturing of its Deployable Command and Control Equipment (DC2E) communications system.

Currently 120 people are employed at

the facility with expectations that the number will increase to 150 people employed by summer 2008. DHS expects to manufacture more than \$100 million of military equipment during 2008.

DHS Systems purchased the building in 2005 in anticipation of increased orders for the company's Deployable Rapid Assembly Shelters (DRASH) and their accompanying support trailers. DRASH is a durable, rapidly-deployable shelter that has been used by the military and non-government agencies for more than 20 years. The systems are supported by trailers that provide electrical power and environmental control that can operate in temperatures from -50 to +131 degrees Fahrenheit.

Company CEO and Founder A. Jon Prusmack emphasized in his address that the company not only has a financial obligation, but a moral obligation as well.

"All businesses have an economic obligation to shareholders and investors. All businesses have a quality obligation to customers. But only one business has a moral obligation. Why is that? We serve the soldier. Whatever we do has to work every time, every time, all the time. Failure is not an option. We have a moral obligation to build the best, and you can only build the best when you have the best people."

Prusmack praised Huntsville Mayor Loretta Spencer and the Chamber of Commerce of Huntsville/Madison County for their roles in helping lure the company to Huntsville.

"The real secret of why we are back here is Mayor Spencer. I met her at a show and she started to talk to me, and when she started to talk, she started to sell, and when she started to sell, you couldn't say 'no'. She followed up with that with a visit to New York, and came to our facility in Orangeburg and said, 'You have to come down to Alabama.' Mayor, you did a terrific job, and we're here," Prusmack said.

"I also want to thank the work that the Chamber of Commerce of Huntsville/Madison County did for us. [Chamber Industrial Development Director] Steve Finnell, [Chamber President/CEO] Brian Hilson, they were very gracious in showing us around. Steve took me here, he took me there and in the end, this [building] popped up and we jumped at it," he said.

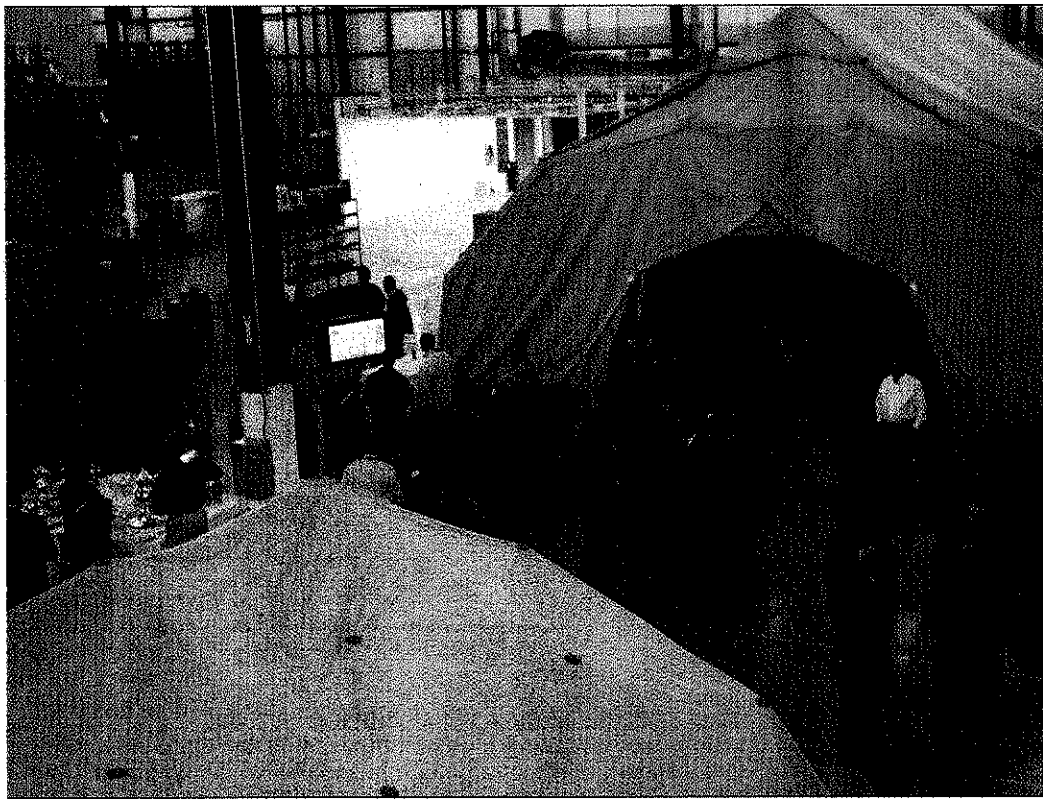
Spencer said she has long been familiar with DHS Systems and praised the commitment of company leaders focused on expanding in the community and recalls meeting with Prusmack.

"When Jon came to Huntsville and I visited him in one of these tents, I called over to the Chamber and said, 'Get over here quick, we've got a hot one,'" she said. "I appreciate the fact that we are lucky enough to get a quality company to come here. It's not just jobs for Huntsville, it's jobs for all of

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L-R: Huntsville Mayor Loretta Spencer; DHS Systems President/CEO A. Jon Prusmack; DHS-Huntsville General Manager Brig. Gen. (Ret.) Jerry McAbee; Limestone County Commission Chair David Siebart; and Chamber Economic Development Vice Chair Don Nalley cut the ribbon on the DHS' manufacturing facility.



DHS Systems Inc. in Huntsville will manufacture the company's shelter support trailers and related equipment that is currently utilized by soldiers from all branches of the military. The facility will also support the company's global logistics requirements and sales and manufacturing of its Deployable Command and Control Equipment (DC2E) communications system.



North Alabama and Southern Tennessee. Because you don't mind driving to work for a great company, and that's what we are visiting today."

In fact, after Mayor Spencer's initial contact, the Chamber coordinated several visits in New York at the company's headquarters, including one with Mayor Spencer and another with Madison County Commission Chair Mike Gillespie on a trip that coincided with a Chamber marketing trip at the same time.

Don Nalley, the Chamber's vice chair for economic development, praised the community for its teamwork in pursuing and growing economic development opportunities.

"This is one of those examples of team Huntsville's continuous and never ending focus on economic development opportunities," he said. "The effort to close the deal by various members of the Chamber, city, county and even state representatives has been continuous since that time. We're proud to have DHS Systems in Huntsville, another great company with innovative products supporting our young men and women that are fighting to maintain our security across the world."

McAbee spoke about the facilities' employees' unique southern work ethic.

"I admire and respect the integrity and work ethic of the state and its people. We have assembled a good group of people to work in this facility. These are men and women that I would go to war with if I was still in uniform," he said. "Our people live, worship and go to school in these local communities. We're committed to being good neighbors and to making the very best products for our service men and women. All of us are mindful, every day, that our products support soldiers and Marines in Iraq and Afghanistan."

The new manufacturing facility includes a sophisticated monorail system, which takes a product from welding, washing and painting, down the line to final assembly. It also features modern, climate-controlled offices with teleconferencing, video and state-of-the-art information technology equipment. While shelter manufacturing operations will remain in DHS Systems headquarters in New York, the company began moving its trailer operations from Orangeburg to Huntsville during the first quarter of 2007.

About 145 guests and employees attended the event, including another influential person with the company, according to Prusmack.

"I want to acknowledge Tim Taets. Tim was our first employee down here. I met

Tim while he was in the Army. He retired, came here, got a job with Kess and when we came down here in 2001 and looked around and said that we thought we should follow Mayor Spencer's advice and set up an operation down here, he heard that we were looking for some people, came to me and said, 'I hear you are looking for some good guys.' I said, 'I am looking for one good guy, do you have a list?' And he said, 'I'm you're list.' The rest is history," Prusmack said. "We hired Tim. We had no office, we had nothing here. So he operated out of his car. Found the facility next to Jackson's Family restaurant and we started to build a presence here. Tim, I want to thank you because you were very instrumental."

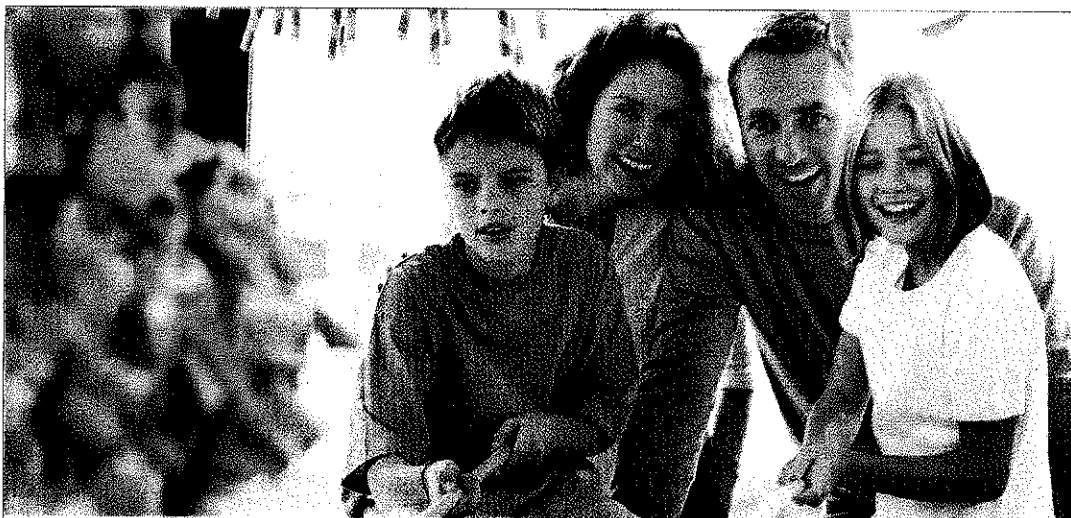
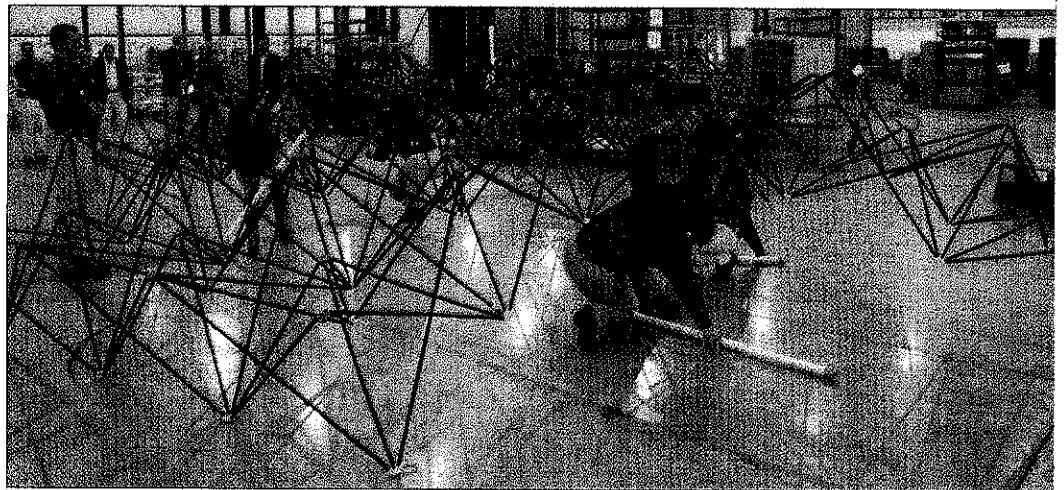
Prusmack and McAbee are both very open with their plans for growth.

"Our vision is that we will be in the next three or four years a half a billion dollar business," Prusmack said. "How are we going to do that? A combination of organic product growth. For example, our DC2E. In 2005, it was an idea. In 2007, \$14 million in sales. Absolutely terrific. Acquisitions, we have a couple of acquisitions that we are looking at. We hope that by the end of 2008 we will be one third or more on our way toward that half a billion dollar goal."

• John Southerland



Brig. Gen. (Ret.) Jerry McAbee, the general manager for the Huntsville facility, discusses the growth and future plans for DHS Systems. Below — DHS employees illustrate the ease with which the company's Deployable Rapid Assembly Shelters (DRASH) can be operational.



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