

# RiteMade

ON A ROLL SINCE 1952. 100% EMPLOYEE OWNED

January 14, 2008

Dear RiteMade Customer:

I hope you had a joyous holiday season. On behalf of all our employee owners I want you to know that we greatly appreciate your past support and look forward to working with you in 2008. The year looks to be very interesting and full of opportunity.

I think the topic foremost on everyone's mind is the outcome of current thermal paper investigation. We believe all the signs still point toward the imposition of significant duties on the Chinese finished goods being shipped into the United States. This would effectively stop the flow of this material and create substantial sales opportunities for many of you. We want you to know, we have already spoken with all of our mills and they are prepared to support us with whatever additional tonnage we need to make sure we can respond immediately to any increase in your demand.

We also think it is likely that small duties will be imposed on imports of base paper from Germany and that this will vary by grade with the smallest duties imposed on the 48 gram paper. Already the demand for this grade is surging and we foresee a further and even more rapid surge if the cost differential between 48 gram and 55 gram expands which appears likely. As you are probably aware, all the foreign and domestic producers have announced an increase on these grades in the first quarter. Within the next few weeks we will provide more specific information on the amount, timing and extent of these mill increases.

We are also pleased to formally announce that we will be moving into our new headquarters and manufacturing facility by the end of the 3<sup>rd</sup> quarter. Located only minutes from our current site, this new state-of-the-art plant will take us to the next level in terms of total, efficient slitting and printing capability. If new opportunities develop as we expect, the opening of this facility which will include the installation of two new slitters and a new printing press couldn't come at a better time. As we get nearer to moving, we will send out further information.

Finally, the demand for more environmental friendly products is on the rise and at RiteMade we are taking some important steps to meet this demand. As some of you know, after months of development, we have recently introduced a new, proprietary plain paper product, SmartChoice Bond<sup>tm</sup>. This extraordinary product is virtually indistinguishable in appearance and performance from traditional uncoated free sheet, yet contains 40% post consumer waste and costs less. We will have a further announcements regarding SmartChoice Bond<sup>tm</sup> in the very near future. We have also engaged in preliminary discussions with our thermal mill sources about the possibility of developing a "greener" thermal sheet. This is technically very challenging but a study is underway to determine if such a product could be manufactured on a cost effective basis. We will certainly keep you advised on any progress.

Sincerely,



Stephen K. Schwartz  
President, CEO