



QUARTERLY UPDATE

WINTER 1983/84

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VOL 2 "BLENDING CRAFTSMANSHIP WITH TECHNOLOGY" ISSUE 1

BUILDING THE BEST

"The house praises the carpenter"

Emerson

Mastery. Expertise. Proficiency. Artistry. Excellence. No matter how it is stated, there is no substitute for craftsmanship in woodwork. The craftsman who is able to transform the finest of hardwoods into beautiful cabinetry is indeed praised by the quality of his workmanship. We are fortunate at Commercial Casework to have outstanding craftsmen, who are motivated by personal pride to do the best job possible. The quality of their work has established Commercial Casework as one of the finest fixture companies in Northern California, and has provided us with the opportunity to do work for some of the best known contractors and architects in the Bay Area.

Our craftsmen who can cut, shape, join and finish hardwoods with what appears to be a casual ease, have in many cases spent their whole lives learning how to bring the beauty of wood to the surface. With its varying grain patterns, textures, colors, and irregularities, wood can present even the most experienced individual with challenges requiring the utmost concentration and coordination. Years of experience combined with a thorough knowledge and appreciation of wood help our craftsmen transform this natural and unshaped raw material into fixtures ranging from the simple to the ornate. Turning lumber into curved mouldings, display cases, boardroom tables, paneling and just about any other type of interior fixture requires the skill of an experienced cabinetmaker. An architect translates ideas into designs; the craftsman works with wood to translate those designs into a finished product.

HIGHLIGHTS

The Summer/Fall edition of the UPDATE looked closely at the improvements we have made to plant operations. The addition of new machines and equipment, together with significant organizational changes have greatly enhanced both the productivity and overall job satisfaction of our employees. This type of modernization is the result of continuous behind-the-scenes business planning that takes place at all levels of our organization.

This issue of the QUARTERLY UPDATE focuses on the craftsmanship and business-ship behind every fixture manufactured and installed by Commercial Casework. Since our customers

demand consistent high quality and reliable service in order to meet the expectations of their customers, we are constantly searching for new ways to improve our performance both inside of the shop and on the job.

One key to Commercial's ongoing success is the very excellent and active Board of Directors who are described more fully further along in this newsletter. At their recommendation, our managers have begun work on a 3-year

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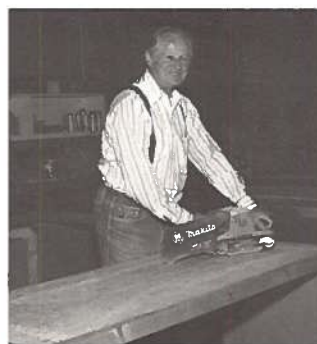


*William M. Palmer
President*

Our slogan at Commercial Casework: "BLENDING CRAFTSMANSHIP WITH TECHNOLOGY"

reflects our belief that the highest quality products come from the successful partnership of craftsmen and sophisticated machinery. The accuracy and consistency of machines, which 'see' wood in terms of width, length, thickness and so on, save the craftsman from the tedium of repetitive tasks allowing him to concentrate on the more complex processes that

build strength and beauty into each cabinet. Machines are not intended as a substitute for the hands and eyes of the skilled cabinetmaker, because there is no substitute. 'Mass produced' and 'custom made' are worlds apart. In the wood-working world of Commercial Casework the role of machines is to provide assistance. The products which we build and install have always been and will remain the proud signatures of fine craftsmen.



PROJECT HIGHLIGHTS

BUSINESSLAND STORES (completed)

Denver Houston

JOSEPH MAGNIN

Oakland

BYTE INDUSTRIES

St. Louis

BROBECK, PHLAGER & HARRISON

(completed) Palo Alto

Architect: Robinson, Mills, and Williams

Contractor: Vance Brown & Sons



With work on Apple Computer complete, we thought we'd take you on a tour past the reception counter . . .



down the hallways, and . . .



into the Law Library

INTRODUCING THE BOARD OF DIRECTORS: Council for Success

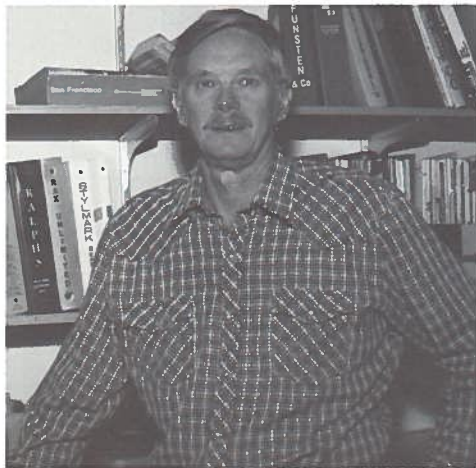
Nowhere does the phrase, "Two heads are better than one" hold more truth than in the running of a small business. Commercial Casework is fortunate to have seven individuals whose ideas and suggestions have proved invaluable. These seven constitute our Board of Directors, a tightknit team from both inside and outside of the organization. The 'inside' Directors fill key management positions within the company, and the four 'outside' directors have been selected from the business and academic communities. Together this group represents a rich array of knowledge and experience.

Since its transformation in early 1981 from an informal group of owner/employees to the current Board, Commercial Casework's Board of Directors has played an instrumental role in

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WELCOME ABOARD TO OUR NEW PURCHASING MANAGER

We are very pleased to announce that Hal Stilson has taken over the responsibilities of our Purchasing Department. Hal comes to Commercial Casework having logged over 35 years in the wood products industry. Before founding Halex Enterprises in Greensboro, N.C., Hal spent 15 years in the Pacific Northwest and Southeast in timber and wood products management roles. Prior to this his experience included purchasing, lumber sales, and production supervision for state agencies and private industry. This experience in production and purchasing will be a major asset to Commercial Casework, particularly as we move into busier times resulting in tighter schedules and heavier material requirements. Hal's goal is to make Commercial Casework's Purchasing Department function more systematically and therefore, more efficiently. In addition to his extensive purchasing and production experience, Hal has a working familiarity with many of the machines recently added to our



Hal Stilson on board as new Purchasing Manager



Todd Anderson moves to Estimating

operation. A familiarity that has already helped on several occasions, and will continue to do so.

An exciting challenge for Hal will be mastering the IBM PC, which he intends to use as part of his plan to streamline Purchasing. He, along with several other managers, will be involved in a special training program to familiarize each with both the computer and the software programs available to them. With his specific knowledge of Purchasing, Operations, machine technology, and the wood industry in general, Hal has already made himself an indispensable member of the Commercial Casework team.

With Hal assuming the responsibilities of our Purchasing Department, Todd Anderson will be dividing his time between operations and learning the fine art of estimating under the guidance of our Estimating Manager, Bill Palmer, Sr.

Commercial Casework is very fortunate to have two fine individuals on the team, and looks forward to expanded capabilities in both Purchasing and Estimating.

INTRODUCING THE BOARD OF DIRECTORS CONTINUED

guiding the development of the company. Weighing various options in the context of a Board meeting gives Commercial Casework a dual advantage. Ideas can be evaluated using the collective expertise of board members and can either be modified before they are implemented or implemented with contingencies. Because Commercial Casework's Board of Directors plays such a crucial role in the success of this company, individual members were carefully selected for their specific areas of expertise.

Albert Bruno, Chairman of the Marketing Department at the University of Santa Clara, was the first 'outside' Director selected to sit on the Board. His knowledge of the academic and business communities plus his expertise in marketing and business planning resulted in the selection of other top-notch individuals. Three more outside directors were selected to sit on the Board including Tate Miller, president of Cathedralite, Inc., a private manufacturer of prefabricated geodesic homes; James Unruh, Chief Financial Officer for Burroughs Corporation; and Larry Vosti, President of Vosti Properties. In addition to the four 'outside' Directors, three members of Commercial's management team also have seats on the Board.

COMMERCIAL CASEWORK JOINS THE AIA AT IBM

Commercial Casework was represented at the recent AIA/IBM conference on MASTER PLANNING FOR CORPORATE FACILITIES held in San Jose. The conference was designed for architects in industry and private practice to provide an in depth understanding of the process of master planning for major corporate facilities such as IBM. The three days included presentations by some of the architectural firms that have been instrumental in the development of IBM's San Jose and Santa Teresa facilities, most notably Bolles Associates who have been involved with IBM San Jose since the original site selection. In addition to these presentations, IBM conducted tours of both facilities, and participants were treated to several speaker's luncheons and a closing dinner at the San Jose Athletic Club.

For us as a manufacturer of wood products, the conference was important for several reasons. Outside of the obvious opportunity it provided for meeting and exchanging ideas with many of the architects and facilities planners present, there were numerous intangible advantages. For example, we gained a great deal of insight into the thought process of the design professional, particularly regarding the layout of office areas and the use of built-in furnishings. One gratifying sidelight came as we toured the cafeteria at IBM's Santa Teresa site where seven years ago Commercial Casework installed the plastic laminate servery. It looks as attractive today as it did the day it was installed which is a credit not only to Commercial Casework, but also the planners and designers responsible for IBM's facility planning.

HIGHLIGHTS CONTINUED

business plan, and have recently completed an operating plan for 1984, an important, yet unusual exercise for a woodworking operation. We believe that planning ahead, encouraging excellence in craftsmanship, rewarding outstanding performance and keeping up to date on both machine technologies and business practices are central to our continued growth.

Commercial Casework has not been immune to the problems commonly faced by small companies, but we have learned a great deal from our Board of Directors, our customers, and our employees. Tuning into information from many different sources has helped broaden our perspective adding to our knowledge where it counts the most — in the building and installing of interior fixtures. Our goal in 1984 is a simple one: To offer fine quality interiors backed by outstanding service.

We at Commercial Casework want to thank you for your support in 1983 and send our warmest wishes for a safe and pleasant holiday season.

OFFICES SHOW OFF CCI'S FINE WOODWORKING CAPABILITIES

This group has evolved into a dynamic, effective leadership team and will continue to provide Commercial Casework with the guidelines necessary for success in a rapidly changing marketplace and business environment.

The recently completed offices for the law firm of Brobeck, Phlager & Harrison is an excellent example of Commercial Casework's capacity to "blend craftsmanship with technology." It is also a project that blended diverse components and materials of architectural woodwork to form an efficient, attractive working environment.

The offices are divided into four separate work areas comprised of individual offices around a central support area. The walls, doors, and cabinets of the 'support area' are of "flitch-matched" ash panelling and ash framed windows for 'borrowed light'. In contrast to, and enhancing the repetitive natural grain pattern of the ash panelling are neutral plastic laminate work stations positioned around a multi-use work/storage cabinet, also made from plastic laminate. Scattered throughout the office interior are various custom cabinets for storage, coffee areas, and other specialized uses.

Our expertise was exercised in several ways. First as fine woodworkers and cabinetmakers, and next as project coordinators for our portion where, due to the extremely tight schedule, efficient project management was critical to avoid unnecessary construction delays. This project designed by **Robinson, Mills, and Williams** and managed by **Vance Brown and Sons** provided Commercial Casework with an opportunity to pull together all of its areas of expertise resulting in a beautiful working environment for the principals, employees and clients of Brobeck, Phlager and Harrison.

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