

May 2023

Newsletter



Z's Corner

Stellar Industries, Inc. has a long history as an ESOP company. Many times in this column, I have told the history of the Employee Stock Ownership Plan at our company. While the history of how we got to be a 100% employee-owned company is interesting, what is most important for us now and into the future is what we do with the company we own. One term that you will hear more of as we continue to grow as an employee-owned company is “act like an owner”. It is important to know what all our roles are as owners of Stellar Industries.



When we act as owners of Stellar Industries, it is our role to take responsibility for our daily actions here with the same level of care and concern as what we exhibit in our personal life away from Stellar. My task in the coming months is to work with the Stellar Management Team to make all Stellar associates aware of how their actions impact the success, or failure, of our company. What may seem like a minor issue in our respective work areas, may have major ramifications further down the line. Here are a couple of examples.

Recording transactions in our ERP system (Epicor today, but previously Fourth Shift) is sometimes overlooked or missed. What does this matter? You might be surprised to learn that it matters a lot. Recording transactions timely and accurately is key to our maintaining an accurate supply of parts needed to build our products. If the part quantity is inaccurate or is not in the location it supposed to be when it is needed, a delay in shipping will likely result. But a delay is a fail in the eyes of our customers and we don't want that. So, in the case of a manufactured part, we will create a new order for that missing part and rush it ahead of everything else in our factory. We all know how disruptive this can be. In the case of a purchased part that has been misplaced, we may resort to buying another from our supplier and utilizing a very expensive overnight shipping service to get it here. In both of these examples, we are doing what is needed to keep our promise to our customer. It is the right thing to do. But what happens when those misplaced parts are located? They eventually end up being counted in our inventory. And in many cases, providing us more inventory than we need for that particular part. Having the right amount of inventory on hand to build our products is a real science. Too little inventory and we can't meet our shipping plans. Too much inventory is held at the expense of profits. As an employee-owned business, we should all be striving to make sure we are a profitable business.

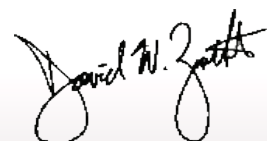
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Another area where we can all be involved is in our work standards. Built into every bill of materials are labor hours. It is important that the labor hours that are documented in our bills of materials and methods are accurate. What difference does it make? It makes a big difference in numerous ways. Let's say that our bill of materials states that a certain assembly routine should take 20 minutes, but in reality it takes us 40 minutes. We are basing our selling price off the 20 minutes. If we consistently take twice as long for the job, we are likely not charging enough for this work to be done. The end effect is making less profit than we expected or, if the difference is too great, actually losing money. A natural reaction might seem to be to raise the hours in the bill to 60 minutes to make sure we will always make a profit. This may have the opposite effect of pushing business away from our company due to our pricing the product too high compared to competition. It is critical that the labor standards that we publish in our bills of material are accurate and achievable. Too low and we lose money and too high and we lose business. If too many hours are assigned to a process inaccurately, the end result could be discontinuation of a product which could eventually have a negative impact our workforce.

We build many products here at Stellar Industries. As we are building our products, we should know if the labor hours allocated to the piece we are building or assembling is accurate or not. Imagine if you were doing the work assigned to you in your own shop. You would want to get the work done in the appropriate amount of time to make sure it was done correctly and error free, yet would still be profitable to you as an individual. This is what private business owners deal with every day in their businesses. As owners of Stellar Industries, we need to be looking at our work in the same light. This is the ownership mentality that is implied when we say "think like an owner". We are in the very early days of our being a 100% employee-owned company. As we gain future years of experience as a %100 ESOP, it will become very evident to all of us the importance of working together as owners.

By the way, a good example of another 100% employee-owned company that realized great success by acting as owners is documented in the book, "The Great Game of Business". We have a few copies of this book available for those that are interested in learning more about the power of ESOP companies. If you are interested in a copy of this book, please contact Jody Seelhammer at jseelhammer@stellarindustries.com.

-Dave Zrostlik, President



PTO Updates

This April, with the assistance of application engineers from Parker/Chelsea & Force America, who supply many of the hydraulics installed on our equipment, the training team conducted PTO installation and concept of PTO operation training with key members of Stellar responsible for PTO installation. Training sessions were held on site in Garner with team members from STT/ Stellar Mason City in attendance and again on site at one of our newer dealers, TP trailers in Limerick, PA in conjunction with our team from Stellar Pottstown.

As we continue to ramp up our efforts on training bringing outside experts in the industry to our facilities is a great way to provide a better understanding of the components we purchase. Proper installation of key components like a PTO is vital to the life and overall quality of the products our customers have come to know and expect from Stellar Industries. Improper installation leads to costly repairs and downtime that cannot be recouped. Warranty dollars spent is one piece of this, but our reputation is priceless when it comes to our mission of being the premier supplier of truck mounted hydraulic equipment.



Career Fair / OEM Open House

GHV Career Fair



OEM Truck Equipment Open House



Historical Share Price



Historical Share Price



Engineering

At the end of April, several people from Stellar attended the first Engineering Career Fest put on by the ISU Engineering Career Services office. This event was held outside on the greens spaces by the engineering buildings, and allowed students to stop by and visit with Stellar representatives to learn more about the products that Stellar builds and what engineering disciplines are involved in the development and manufacturing of them. Stellar was one of 17 companies selected to be a part of the first-time event. The Stellar team was able to talk to a lot of students and faculty during the day and inform a lot of people about Stellar Industries.

The Stellar attendees this year were:

Brad Sierens
Gabe Kramer
Abby Juhl
Ashley Brones



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3 Essentials to Understanding Stellar® Hooklift Hoists

At first glance, a hooklift is easy to understand. It's all right there in the name. A hook lift assembly is used to lift containers and other bodies onto and off the truck for easy, secure transport. Yet there's so much more that makes Stellar® Hooklifts the most versatile equipment you can own, separates them from cable hoists, and makes them the high productivity choice in industries such as waste recycling, construction, demolition, rental, landscaping, government and municipalities, and more.

While Stellar makes a wide range of productivity solutions, hooklifts are near and dear to our hearts. Our company was established in 1990 as the first US corporation to design and manufacture a domestic hydraulic hooklift hoist. We've since created more than 40 different hooklift hoist models featuring single-pivot, double-pivot and sliding jib designs, including the NXT Series, Shuttle Series and Slider Series. No matter what weight capacity or hook height you need, Stellar has you covered.

Hooklift Hoists are Great for Business

Whether you've been using a dump truck or a roll-off cable hoist, or if you're simply looking for a way to get more productivity out of one truck, check out these three things to know about heavy-duty Stellar Hooklift Hoists:

1. Unmatched Versatility

When a business adds a hooklift hoist, productivity rises. In a single day, a construction company might use a hooklift as a flatbed to haul equipment, with a dump body to haul rock or dirt, to move containers with demolition refuse or jobsite scrap, as a platform to stage material loads for delivery and more. A municipality may use a hooklift for recycling and waste collection, for mosquito spraying, with a leaf vacuum body, as a salt spreader, as an asphalt hot box, even to set up a portable office or classroom.

The list goes on and on for a wide range of industries. In fact, more than 100 different uses for a hooklift have already been established, and the list gets longer every day. Need to haul a concrete mixer? Use a hooklift. Want to transport a skid steer? Use a hooklift. With its incredible versatility, a Stellar Hooklift offers an outstanding return on investment because you can do more with one truck.

2. It's the "Yes You Can" Truck

You probably know a guy who always seems to figure out a way to get something done. A hooklift is the truck version of that guy. In addition to the wide range of containers, bodies, platforms and more that give hooklifts their versatility, they're also the truck of choice when a new project comes along.

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For instance, if there's a load that needs hauled and you don't already have a body for it, you can mount it on a skid or sled and pull it right onto your hooklift. If you've been hiring someone to haul away debris containers from a jobsite, a hooklift lets you handle it yourself without investing in a specialized truck. Need to transport a wood chip box? Use a hooklift. Have a job come up where you need a mixer for curb work? Just rent a body for a morning and use your hooklift. The only limit is your imagination.

In fact, Stellar Hooklifts are popular with rental companies for that very reason. They can keep several bodies on the lot while just buying one truck chassis, so when a customer calls asking if they can do something, the rental company can say, "Yes you can," put on the proper body or platform, and serve the customer to perfection. Or the rental company can use the hooklift to deliver equipment or haul containers packed with materials for events. Again, the list goes on and on.

3. Higher Productivity. Lower Expenses.

Because Stellar Hooklifts are so versatile, one truck can do the work of three. That means your initial capital expenditure is a third of what it would be with three trucks. You're also saving by not paying insurance for three trucks. You only have to pay for one driver, too, which not only saves money but also saves headaches that can come with today's shortage of CDL drivers.

Uptime is essential, and hooklifts provide easier maintenance schedules. You won't have three different truck types to take care of. Plus, if you have more than one hooklift, you can keep operating with one whenever the second is in the shop. That makes it a breeze to schedule routine maintenance as well as handle any emergencies.

The savings are big in the long term, too. Rather than having the major expense of completely replacing an aging truck, you can replace the chassis and still use the bodies you've already paid for. You'll have a lower capital expense, and you can get right back to work without time lost for setting up a new truck.

Getting Started is Easy

The extreme versatility combined with the long service life of both the trucks and the different body types ensures that a Stellar Hooklift will be a great addition to your business. Plus, unlike specialized truck purchases, you don't have to pay for everything up front. Start by getting your hooklift and the body type needed for what you'll be hauling right away. Then simply add containers and other body types whenever more needs arise. You'll just have one truck, but it will feel like a fleet.

Our knowledgeable team is here to help you find the perfect hooklift your needs. For more information or to talk about your vision for hooklift use in your business, visit our hooklift section, contact us or find a distributor.

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FAQ

What is the difference between a hook lift and cable hoist?

A roll-off cable hoist uses a cable that is manually connected to a container for loading and unloading onto a truck using a hydraulically operated reeving system. A hooklift uses a hook assembly to connect to containers, from the cab of the chassis, to load and unload on the truck. With a hooklift, the driver can also stay in the truck during the loading and unloading operation for increased safety and efficiency.

What are the hooklift sizes?

A hooklift is usually measured in load capacity, and Stellar offers a complete range of hooklift hoist sizes from 16,000 to 65,000 lbs. You should also keep hook height in mind. A taller hook height offers more lift and dump capacity.



Happy Birthday!

John Allen	May 1	Dana Kraft	May 13
Michael Allie	May 1	Paiten Kraft	May 14
Joseph Anderson	May 2	Gabriel Kramer	May 15
Braxton Barney	May 2	Anthony Krutsinger	May 15
Nathan Barney	May 3	Samantha Maass	May 15
Allison Bell	May 3	Geral Marsolek	May 17
Alexander Benitez	May 4	Michelle Miller	May 17
Dawn Beyer	May 4	Seth Millslagle	May 17
Chad Billings	May 5	Christopher Nelson	May 18
Jay Campbell	May 5	Kelli Owens	May 19
Ashton Chapin	May 5	Randall Paulsen	May 19
Kevin Collen	May 6	Aaron Peterson	May 20
Nicholas Dahl	May 7	Daelynn Putney	May 20
Taylor Dale	May 8	Dennis Rea	May 20
Kenneth Dedor	May 8	Ruku Reis	May 21
Andy DeRoos	May 8	Nathan Roberts	May 21
Rhett Dhondt	May 9	Thomas Rorex	May 23
Chat Duckert	May 10	Antonio Schmidt	May 23
CJ Eggerth	May 11	Robert Searcy	May 24
Marty Field	May 11	Dustin Snider	May 25
Kevin Ganseveld	May 11	Scott Somers	May 25
Wayne Hanson	May 12	Joshua Thompson	May 25
Tammy Heginger	May 12	Xavier Torres	May 26
Andrew Heyer	May 12	Jaron Townsend	May 27
Stacey Hippen	May 12	Samara Trenary	May 28
Samantha Jergenson	May 12	Shannon Tusler	May 30
Alan Juhl	May 13	James Voortmann	May 30
		Tyler Warnke	May 30
		Brett Zieman	May 31
		David Zrostlik	May 31





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