



**Labor Agreement Reached at Moncure Plywood
*Agreement at N.C. manufacturer sets stage for
partnership to strengthen business***

For Immediate Release

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The International Association of Machinists and Aerospace Workers and Moncure Plywood LLC reached agreement on a new, three-year contract covering more than 100 employees at the Moncure, N.C., mill. The agreement has been ratified by members of Local 369 of the IAM and ends a strike that began in July.

The agreement, which was negotiated by representatives of the IAM, Moncure and Moncure's owner, Atlas Holdings LLC, provides for employees to share in their health insurance premiums. It also sets forth a fair mechanism by which IAM members who were replaced while on strike may be recalled to work as positions for which they are qualified become available.

In view of the unprecedented economic challenges facing the company and the North Carolina wood products industry generally, the IAM and Moncure agreed on a plan that will provide additional operational flexibility to help Moncure Plywood remain competitive. The agreement allows the company to schedule employees with greater flexibility when necessary to meet customer demands for quick-turnaround orders.

The plywood industry in which Moncure Plywood competes has been devastated by the economic crisis. In the past decade, 31 plywood plants have permanently closed in the United States, a trend that is likely to accelerate given current market conditions. The southeast United States is the nation's largest plywood manufacturing region, and it has suffered significant and permanent job losses from this decline. At Moncure, management has aggressively driven out cost, enabling the business to survive through this period.

“This agreement is the product of good faith and determination by the IAM and Moncure Plywood to bring an end to the first strike in the history of this company and to make this mill a stronger, more agile competitor in the most challenging economic environment we have ever faced,” said Jeff Matuszak of Moncure

Plywood. “This negotiation, as challenging as it was, has helped all of us — labor, management and employees — recognize clearly that the future of this mill relies on our working together every day to provide our customers with the lowest-cost mix of specialty plywood products.”

“Over the last 10 years, Atlas Holdings has forged a strong, positive working relationship with the approximately 10 unions and 17 locals that represent employees at our businesses. Indeed, the mutually beneficial alliances we have formed with organized labor have helped us create or save hundreds of jobs in troubled businesses,” said Tim Fazio, Managing Partner of Atlas.

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