

IPI Newsletter

December 2008

IPI Supports Charities

The teamwork of the Fort Madison and Mitchellville Textiles enabled the offenders to help children across Iowa have a more enjoyable holiday.

For the second year in a row, the project began in Fort Madison where the offenders cut and sewed the dolls as well as printed the doll faces on material. The dolls were then sent to Mitchellville to be dressed. Both boy and girl dolls were created this year. The boy dolls were dressed in jean hats, flannel shirts and jean overalls, and the girl dolls were decked out in flannel

bonnets and dresses. Even more exciting was the addition of multicultural dolls to better fulfill the wishes of the children receiving these wonderful gifts.

Over 250 dolls were produced this year, which is more than double from last year. The dolls were given to churches, family shelters and other places that help disadvantaged children. In addition, The Des Moines Register visited IPI Mitchellville this year to talk with the women about their work on this project. The women shared how happy they were



to be able to work on such a meaningful project and to give back to the community at this special time of year.

Thanks to you and those who participated in providing the hand made dolls we received in the Iowa Department of Human Services North Central Iowa Service Area - Black Hawk, Bremer, Butler, Cerro Gordo, Chickasaw, Floyd, Franklin, Grundy, Hancock, Mitchell, Winnebago and Worth Counties.

We will distribute the dolls to children who are removed from their homes this holiday season due to safety concerns. We have found the removal of a child from the family is less traumatic when we can give the child something to hold on to.

Please extend our appreciation to those who put their time and energy into this project. Their thoughtfulness will make a difference to the children we serve.

-- Evan Klenk, Service Area Manager and Jan Pratt, Service Area Social Work Administrator

Baysden's Corner

BY ROGER L. BAYSDEN
IPI DIRECTOR



Here we are into the New Year and I hope that 2009 is a good year for all of us. Much has happened since my last correspondence. IPI is the owner of three commercial lots just two blocks from the State Capitol. On December 7, 2008, the Des Moines Building and Zoning Council agreed to our ownership and to the 10,000 square foot showroom that IPI will construct. Our plan is to put this building on a fast track, and with any luck, we will occupy the facility no later than October 2009.

Now to how we got to this point. It would not have been possible for IPI to

accrue the resources necessary to build this building without the hard work and dedication of a lot of people.

Much more has occurred over the year that all of us can take pride in. We donated over 500 computers to needy people. Inmates made over 250 dolls for local charities. This small effort was the feature of over 50 Midwest newspapers. Thanks to the inmates at Fort Madison and Mitchellville for their fine work. Shawn Preston and crew delivered over eight semi-trucks of goods to charities around the state. Bob Fairfax secured over 10,000 buckets of cleaning supplies for the citizens of Cedar Rapids. Becky Munoz and team manufactured over 500 embroidered shirts for the volunteers in Cedar Rapids.

Anamosa has stepped up with a number of charitable donations, most notable the replacement of FREE street signs for the entire city of Parkersburg after their devastating tornado.

Business is good... That is all that I will say on this point. As all of you know, the IPI sales are dependent upon state government's funding to agencies. On the positive side, this is also an opportunity for us to showcase the strength of IPI. When times are difficult, agencies should give us an extra look. If they do, I know we will have customers for life!

So, I wish each of you a happy new year and most of all I am grateful for each of you and the contribution that you bring to our wonderful department.

SALES & MARKETING

Looking forward to 2009, all of us at Iowa Prison Industries would like to say "Thank You" for your past patronage and support of Iowa's inmate training programs. We look forward to providing you with Exceptional Service, Reasonable Prices and Quality Products in the future.



IPI donated a variety of items to the Iowa Veteran's Cemetery including over 500 gravemarker flags (above). Below is the cemetery reps' office built by IPI Fort Madison.



IPI staff Becky Munoz, Roger Baysden, Ann Baughman and Shawn Preston helped the Department of Corrections celebrate its 25th Anniversary.



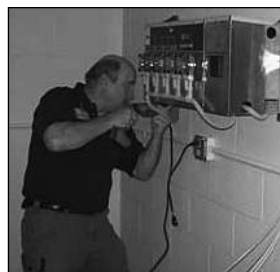
Mitchellville delivered and installed over 600 chairs to the University of Arkansas this past summer.



Dr. Melinda Lamb, Clinical Services Manager, and IPI Sales Rep Mike O'Brien are shown above in front of the custom reception desk built for the 6th Judicial Anchor Center. Below are some custom cabinets produced in Anamosa.



IPI staff promoted Fort Madison's garment printing & embroidery products to schools at the Iowa School Board Show.



IPI Sales / Service Representative Kevin Peterson installs laundry equipment at the Iowa Medical & Classification Center.



IPI & DAS became partners in "Green" converting the Capitol Complex to environmentally friendly cleaning supplies. DAS staff Bill Gartner and Bonita Lane are shown with IPI Sales / Service Representative Dino Costanzo in the Capitol.

Sales Report Card

YTD New Customer Sales By Sales Rep

(July 1, 2008 through November 30, 2008)

Dennis Barry \$14,897 Scott Klinefelter \$44,000 Michael O'Brien..... \$580,000
Kevin Peterson \$26,617 Dino Costanzo \$8,500

YTD Customer Satisfaction Card Results

(July 1, 2008 through November 30, 2008)

	Excellent	Good	Below Average
Sales Representative Knowledge	82.8%	16.8%	0.4%
Timeliness of Delivery	69.8%	26.8%	3.5%
Delivery Service	76.5%	21.5%	2.0%
Quality of Goods	82.6%	16.7%	0.8%
Value for Money	84.0%	15.4%	0.6%
Question/Problems Handled Promptly	84.2%	13.9%	1.8%
Average	79.4%	19.0%	1.6%
	Yes	No	Maybe
Would you recommend us to others?	95.7%	0.4%	4.0%

1st & 2nd Qtr New Customer / New Project Orders

(For a complete list contact the Des Moines office)

Customer	Products	Sales
Clear Creek-Amara High Sch	School Furnishings	\$111,110
Iowa Western Cmnty College	Dorm Furnishings	\$101,916
6th Judicial Anchor Center	Furnishings	\$90,701
Mt. Pleasant Middle Sch	Library Furnishings	\$29,546
Springbrook State Park	Park Products	\$22,242
Briar Cliff University	Dorm Dressers	\$22,048
Friendship Baptist Church	Church Furnishings	\$17,014
Central Lutheran Schools	Seating/Tables	\$12,288
South Tama Cmnty Schools	School Furnishings	\$10,554
Univ of Iowa Hardin Library	Shelving	\$10,400
Lutheran Interparish Schools	Desks	\$8,364
Manchester Fire Dept	Tables/Chairs	\$5,764

Salesman Receives Award

Dennis Barry received a Star Performance award for the fiscal year that ended June 30, 2008, recently at a sales and marketing meeting in Des Moines. This was the first year that the sales department recognized one of its own for outstanding achievement in the area of sales and marketing. Dennis received this award based upon a number of factors on his performance during the period of July 1, 2007 through June 30, 2008. Below are just a few factors that we would like to highlight on what Dennis did during that period:

- Eclipsed the \$2,000,000 mark in sales during the time period (\$2,348,721)
- Had an increase of 48% over previous years sales

- Made over 500 sales calls across the central part of the state
- Brought in 28 new customers to IPI during the period
- Wrote over 2,400 individual orders for customers during the FY
- Traveled over 7,000 miles in the Central Iowa Territory

Looks like Dennis has set the bar high for everyone after this performance. We want everyone to congratulate him on



The IPI Sales & Marketing Team (from left to right):
Michael O'Brien, Deb Kraft, Dino Costanzo, Dennis Barry, Ann Baughman, Kevin Peterson & Scott Klinefelter.

his success, and watch him try to top that in the years to come. When you see him, give him a "thanks" from all of us at IPI. Way to go Dennis.

BUSINESS OFFICE

The Business Office is keeping current with a number of projects including:

- Development of new graphical analysis reports
- Continuation of internal control project
- Review of all policies and procedures
- Implementation of new travel reimbursement program

Two staff in the Business Office were awarded Service Certificates:

- Ann Noska - 15 years
- Cathy Benedict - 30 years

FARMS



Bill Gehl (right), Farm Director, receives his 20-year award certificate from Roger Baysden.

IPI Sales Comparison FY09 vs FY08

(July 1, 2008 through November 30, 2008)

	FY 09	FY 08	\$ Change	% Change
Anamosa				
License Plates	\$435,465	\$469,067	(33,602)	-7.2%
Sign	\$1,323,937	\$1,027,586	296,351	28.8%
Graphic Arts	\$486,858	\$359,458	127,400	35.4%
Housekeeping	\$327,627	\$470,545	(142,918)	-30.4%
Filters	\$84,342	\$50,804	33,538	66.0%
Metal Furniture	\$1,470,909	\$1,433,834	37,075	2.6%
Custom Wood	\$402,588	\$293,073	109,515	37.4%
Braille	\$108,002	\$133,248	(25,246)	-18.9%
Fort Madison				
Furniture	\$1,779,578	\$1,016,176	763,402	75.1%
Recycled Wood	\$4,258	\$5,614	(1,356)	-24.2%
Textile	\$324,734	\$304,432	20,302	6.7%
Tourism/Call Center	\$68,384	\$43,744	24,640	56.3%
Mitchellville				
MV Panels & Seating	\$659,108	\$1,118,654	(459,546)	-41.1%
CD Rom	\$94,835	\$99,455	(4,620)	-4.6%
MV Hskg/Chem	\$276,547	\$0	276,547	
MV Textile	\$117,507	\$0	117,507	
Plastics	\$430,404	\$346,837	83,567	24.1%
Des Moines				
State Surplus	\$87,670	\$89,630	(1,960)	-2.2%
Federal Surplus	\$12,199	\$7,697	4,502	58.5%
Moving & Install	\$219,954	\$165,538	54,416	32.9%
Newton				
Canteen	\$1,946,671	\$1,941,230	5,441	0.3%
Total	\$10,661,577	\$9,513,205	1,148,372	12.1%

Shop Spotlight: Sales Office

Since we last met the Anamosa Sales Office Team, some changes have taken place. Diane Hughes was hired in June and is the lead person for sales processing and coordinating Custom Wood and Metal Furniture orders. Diane has worked in the Jones County Engineers office and most recently with J & P Cycles.



The Anamosa Sales Office (from left to right): Darcy Austin, Diane Hughes, Tammy Diesburg, Teresa Engelbart & Al Reiter.

All of the staff in the sales office have increased their ability to serve as backup for each other. Many times a customer will call in with a question and we are now better equipped to provide an answer.

Tammy Diesburg works with the majority of sign orders and backs up the license plate processing. Tammy also is the main person for engraving orders. Teresa Engelbart works with the Graphic Arts, Soap, Filter and Braille orders. Darcy Austin work mainly with License Plate orders, Sign Bids and backs up some of the Graphic Arts sales duties. Darcy also completes the Interdepartmental Accounting functions for all divisions statewide.

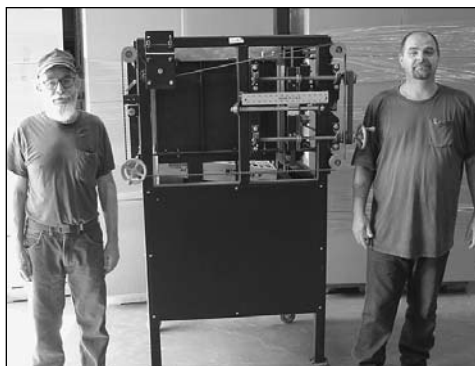
Sales orders can be as simple as taking a completed order form and inputting a stock item, but the majority of orders

are working directly with the customer. This involves explaining services offered, choices of colors and patterns, providing layouts and sometimes several revisions. Once the order is sent to the shop, that does not end the sales team's work. Follow-up coordinating of deliveries or installs, changes in what the customer needs and job site meetings are part of the duties. All of our staff meet with customers through conferences, working booths at trade shows and bringing tours through the shops.

Our customer satisfaction cards serve as one of the best testimonials to the work the sales office does. Often customers respond with great comments that help us to better understand how they view IPI and the people that work in it.

Filter Production To Double Thanks To Inmate Innovation

As sales continue to grow in the Filters Division, staff and offenders saw the need for additional production equipment. Due to the ingenuity of some offenders, they were able to make an additional ram table that will double the production in that area. This saved IPI approximately \$15,000 over purchasing new. It would have been much simpler to order a new unit but, by making our own, we have created new inmate work that helps instill pride and ownership in a common goal. It also allows the shop to continue



Inmates Hendricks and Freeborn are shown with the ram table they built.

providing products in an efficient, cost effective manner.

Anamosa Financials Looking Positive

The financial update for the Anamosa Division is looking up. Sales are up approximately 11% compared to the same time last year and sustainable income is ahead of last year. Most impressive is that each division is operating in the black. With the diverse product line that we offer, it is a tribute to the talents and dedication of the staff and offenders in the program.



Greg Hart (left) presents Bill Janssen with his 20-year service award.

Recent Customer Testimonial:

Custom Home Furnishings

"Please note my sincere appreciation for all the courtesies you extended to facilitate design and building the furnishings shown in this picture. Also please advise the inmate craftsman who worked on this what great work they perform. My sincere appreciation to you all.

-- Don Tietz, Past Board Member,
Iowa Department of Corrections



FM Seeks Out-Of-State Dorm Business

Fort Madison Furniture is working with several out-of-state entities to provide dorm furniture. We are in the process of manufacturing a new laminate (melamine) dorm line for the University of Arkansas to evaluate for their upcoming bid for dormitory furniture for next summer delivery. We supplied dorm samples to Columbia University-New York; we are in the process of bidding a project for next summer.



Sales Up In Fort Madison Shops

The first quarter of FY09 has started well for Fort Madison Furniture. Sales are up 75%, and we already have orders from University of Iowa and Iowa Western for dorm furniture for summer of 2009. Increases in sales can also be found in both Textiles and Tourism.

Welcome New Textiles & Tourism Staff

Fort Madison's Textiles and Tourism Shops have gone through several changes over the past three months with new staff and changing product lines.

Ray Reyes and Mark Meinhardt both retired on September 30th. State Industries Technicians Steve Anderson and Jackie Copeland were hired for the Textile/Tourism operation as a team concept; both come to us with extensive manufacturing background and will be an asset to our operation. Please welcome them aboard.



IPI Fort Madison welcomes Jackie Copeland and Steve Anderson to the team.

The jeans operation was moved from the Fort Madison location, and all of the jeans are now manufactured at IPI-Mitchellville. This has allowed us to expand our on-hand inventory of flat goods, mattresses and inmate clothing for quicker deliveries. In the place of the jeans operation we have added a new line – our Office and School Apparel which includes embroidery and now garment

printing. This new operation has taken off very nicely. We just completed a large shirt order for the Des Moines Public School District and the West Des Moines Public School District, besides several smaller orders for various customers. This operation is a very nice addition to Fort Madison's work programs. Please visit our web site to view the variety of clothing offered and pricing.

Mt. Pleasant Enjoys Food Feast

To show our appreciation for all of their hard work with the summer "crunch" orders and with this plant just opening in March for production, IPI-Mt. Pleasant had a small "cook in" feast consisting of hamburgers, brats and all of the trimmings. Warden Mathes and Deb Moeller from Mt. Pleasant graciously helped Becky serve while Jeff and Laurie made the ice cream. Pete Quackenbush was there working on the computers and also pitched in to help. Great job!



Service Anniversaries



Roger Baysden & Becky Munoz present Ray Miller (center) with a certificate for 25 years of employment with the DOC on October 1, 2008. Ray began working for IPI before the DOC was its own state agency, so he's actually worked for IPI for 32 years.



Aaron Lofthus celebrated 10 years with the State of Iowa on October 30, 2008.



IPI Textiles Goes to College!

November was an exciting and incredibly busy month for our women in the textiles department. We completed our largest project to date for Iowa State University making wardrobe curtains for the remainder of the dormitory closets. We made 1,640 curtains over seven weeks while maintaining our customer orders for jeans. Over the summer we made 1,300 curtains for ISU which they felt were "awesome." We were proud to complete this project.

The entire operation of jeans production is fully up and running. We are producing approximately 1,600 pair of jeans per month. Our goal is to produce 150 pair a day to reach a monthly goal



Offenders in the Mitchellville Textiles Shop are shown sewing curtains for Iowa State University.

of 3,000 pair. We are gradually working our way there with the addition of a new computerized tacker to reinforce the stress points. We should be receiving this new piece of equipment in the next week and expect to meet our goal soon!

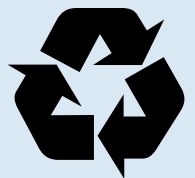
Housekeeping Developing New Products

Mitchellville Housekeeping and Chemicals Department ladies are busy designing some new products! Updated products to look for will be a new and improved version of our liquid hand soap, a new shampoo and a new updated version of our 3-in-1. We have exciting new fragrances, gentler raw materials and even some new dye colors in the works. We feel these products will give us a competitive edge to further our customer base and to service our current customers more effectively. We will be adding our own Green Seal Certified product line next year as this is the wave of the future. A lot of research is taking place to make these things happen. We are doing well with the original product lines and are enjoying watching this department grow and develop as we make it our own! Watch for these exciting new products which will be available in the near future!

Holiday Breakfast Feast at Mitchellville



BLACK & GREEN?



As part of IPI Plastics Division's ongoing campaign to promote biodegradable plastics, we have developed two sizes of black biodegradable bags for Waterloo Community Schools.

"If you work just for money, you'll never make it, but if you love what you're doing and you always put the customer first, success will be yours."

Central Canteen Celebrates With Barbecue

The annual Employee appreciation barbecue was a great success this year with grilled chicken, monster hamburgers, and an impressive array of chips, snacks, and sweets. Roger Baysden was in attendance and chose to mark the occasion by addressing the staff and their commitment to excellence. Chad Squires, Deanna Cross, Dale Schwickerath and Jim Pinegar were awarded plaques commemorating their outstanding service.



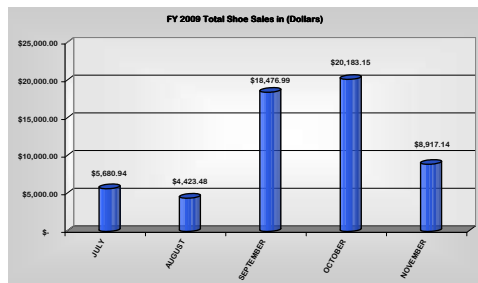
Holiday Bags Given To Offenders

It's the most wonderful time of the year! Central Canteen shows its appreciation for its customers by providing a special gift for the holidays. The gift bag will be provided to each inmate free of charge and will consist of a Ramen Noodle Soup, a

Chico-Stick, a Mint Flavored Candy Cane and Cool-Off Drink Mix. It's a great way to help spread the holiday cheer and to give back a little to our customers. The Central Canteen continues its dedication to exceptional customer service.

Increased Shoe Selection

The customers have spoken and the Central Canteen has answered. Three new shoe offerings are now available for purchase through the Central Canteen. The *Nike Triple Clutch*, the *Sketcher Energy 2* and the *Aikman Regent* have all been added to the catalog. Each shoe meets all of the Central Canteens standards for quality and durability. These offerings were added to help fill the needs of the Canteen's customers, and as you can see



from the graph of shoe sales the customers have been pleased with the new product.

New Newton Division Staff



The Central Canteen welcomes our newest staff member, Brian Sickels! Brian is our new transport driver. Brian comes to us from the

Alcoholic Beverages Division, where he had been since 2006. He is married to Teresa and has two children, Matthew (age 8) and Levi (age 4 months).

Holiday Ice Cream Shoppe at Canteen



New Focus On Expanding Federal Surplus

It will soon be 2009 and it is out with the old and in with the new... and new things are happening in IPI! IPI State Surplus closed on September 30, 2008, and our new focus is on expanding our Federal Surplus program and moving crews.

We are working to take the guess work out of Federal Surplus. We have reduced our stores of items in stock and are working with our customers on new ways to obtain the federal property that they need. Customers can now access the federal web site directly and request just the item(s) that they need. We are also working with them to reduce shipping charges.

The IPI Federal Surplus Program works with the Federal General Services Administration to identify surplus vehicles and equipment and make them available to qualified entities throughout the state of Iowa. We currently have a fire truck available that is targeted to provide fire protection services to one of our smaller cities in Iowa. We also have a 44-passenger school bus available that can provide

needed transportation services to an institution, church or qualified non-profit agency. Each of these vehicles can be obtained through IPI at a fraction of the cost of new. In these times of tight budgets we are providing viable solutions to our customers and saving precious tax dollars. Visit our web site at www.iaprisoinind.com for a complete listing of what is available.

Hundreds of inmates have worked in the Surplus program and on IPI moving crews over the years. As they passed through our programs they have learned several "soft skills" such as customer interaction and sales, inventory, supply and demand, customer service and problem solving, and learning and finding what the customers wanted or did not want. Some of these skills are ones that cannot be taught in a classroom or in other venues but are important skills that can always be used in their lives. Some of these inmates have gone on to college



Production Coordinator Bob Mesecher examines the fire truck Federal Surplus has available.

getting computer or business degrees, started their own businesses or got into a career field that made their chances of returning to the system less likely.

Truly a WIN-WIN, our IPI programs continue to change and to grow to meet our customer's needs and provide learning and job opportunities for inmates. During this season of joy, we at IPI would like to wish you and yours a Happy Holiday and a Prosperous New Year!

Miki, Bob, Dan & Clint

ON THE LIGHTER SIDE



Birthdays

Make sure you jot down these upcoming birthdays so you can make sure they have a great day!

December

- 1 – Wayne Schilling (AN)
- 7 – Dave London (RW)
- 15 – Dave Reidner (FM)
- 16 – Al Reiter (AN)
- 21 – Roger Baysden (DM)
- 22 – Shawn Preston (MV)
- 30 – Bob McGrew (AN)

January

- 5 – Bob Manka (FM)
- 5 – Bill Whitaker (FM)
- 16 – Deanna Cross (NW)
- 22 – Dale Schwickerath (NW)

26 – Scott Klinefelter (DM)

- 27 – Mike Lynch (Farms)
- 30 – Kevin Peterson (DM)
- 31 – Lennie Miller (AN)

February

- 1 – Kim Zimmerman (AN)
- 2 – Cindy Reck (AN)
- 7 – Ruthie Weideman (AN)
- 15 – Dan Crook (DM)
- 19 – Peter Quackenbush (AN)
- 21 – Jed Kinion (Farms)
- 28 – Maria Contreras (DM)

March

- 4 – Steve Anderson (FM)
- 9 – Sandy Bunce (AN)
- 11 – Scott Darr (MV)
- 22 – Russ Behrends (AN)
- 23 – Darcy Austin (AN)
- 23 – Tammy Luchtenburg (AN)

April

- 1 – Becky Munoz (FM)
- 4 – Mike Kuper (AN)
- 10 – Ray Miller (FM)
- 14 – Gary Sievers (AN)
- 22 – Mark Merfeld (AN)

Please submit any personal news you would like included in the IPI Newsletter to your plant manager or to Ann Baughman at the Sales Office.