



We are very pleased to announce the merger of Ryan Herco Products and Flow Solutions, which became official on December 29, 2006. Together, the newly combined company will provide customers expanded business solutions for their high-value process and clean and corrosive fluid-handling requirements. We will also have greater geographic reach and be able to offer customers additional technical expertise, enhanced systems support, and a wider array of complementary products.

The new company will be led by CEO Frank Gibbs and President Dave Patterson. Together, they have 50-years of successful distribution experience between them.

Flow Solutions and Ryan Herco share a common background. Flow Solutions has been selling in the fluid process and filtration area since 1967, with a particular emphasis on microelectronics, biopharmaceutical and industrial end-markets. Ryan Herco has served the water & waste, health, electronics and chemical industries with fluid-handling products since the late 1940s. Both companies pride themselves in marketing the best available products, listening closely to customers, and developing an enthusiastic staff that works hard to foster lasting, high-value business relationships.

Service to our customers will remain priority one as we work through the many details of combining our two organizations into a new industry leader. In an effort to assure that we continue "business as usual" we will maintain two separate teams, each with its specific customer focus. Customers will continue with established points of contact. The Flow Solutions sales team will be led by veteran VP of Sales Greg Claeys and the Ryan Herco sales team will continue under the leadership of VP of Sales Randy Beckwith.

In the next weeks and months, we will be evaluating our combined product and service offerings and will inform you of any significant changes. In the meantime, we appreciate your continued support and look forward to serving you as we move into this exciting new era for our company.

Sincerely,

Frank Gibbs  
CEO

David Patterson  
President