

Tank Connection

E-Newsletter
2011 Year End

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Custom Built - Everyday!



President's Review

(Bill Neighbors, President & CEO)

We had quite a year-end finale at Tank Connection. Incoming orders for the 4th quarter remained strong right to the end. Additionally, we continue to see strong future activity that is growing at an accelerated pace. We are very excited about 2012 opportunities, both domestically and in the international arena.

To start off the New Year, we would like to thank all of our clients for your business.

At Tank Connection, we are a client focused company. Your business has never been taken for granted at TC. We understand that we have to earn it with continuous, consistent performance on every project. TC's internal focus is on continuous improvement in all operations. From defining our internal processes, to ISO 9001 certification, Tank Connection is committed to designing, manufacturing and installing the best storage systems available in the industry today. We don't have to be the biggest tank supplier in the World, but we do have to provide the best products and services. Anything less by our standards is simply unacceptable.

Based on your reviews of our performance, compared to other suppliers, we are proud to be recognized as the premier provider of integrated storage systems. We have set a new benchmark of quality in the storage industry because our focus is on our client's needs. We don't have conflicting priorities at TC because our customers are the priority.

As stated in our ISO 9001:2008 Tank Connection Quality Policy – *Tank Connection personnel are committed to the relentless pursuit of continuous improvement in all our business operations to fulfill the needs of our customers.*

To be very direct on this subject, our customers deserve this level of commitment in design innovation, manufactured storage products, system integration and field construction services. In 2012, we are taking our performance to the next level to serve our clients. Again, on behalf of Tank Connection, thank you for the opportunity to be your vendor of choice in storage.

TC Construction Services Expands & Moves

At Tank Connection, our office space, facilities and even the parking lots are full to capacity. This has led to moving our construction services group back into our old building where we do have space available. TC field construction services are credited in the industry for raising the bar significantly in bolted tank field construction services. We witness other “brand x” companies trying to follow our lead, but with products and field performance efforts that fall far short of the bar we have set. There are no “me too” companies that can perform at our level. None. However, we do find a number of suppliers that want to compare their products to Tank Connection. We thank you for your indirect promotion of our products and services.



For the highest quality tank field installation, we offer the following:

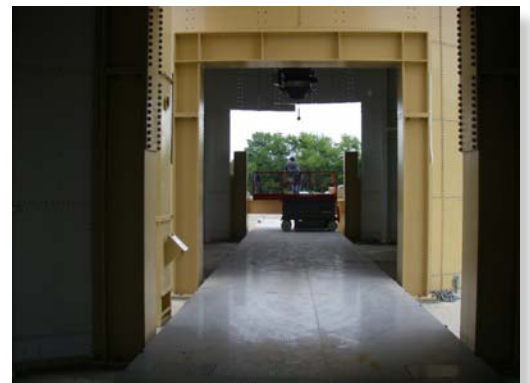
- Tank Connection Construction – Non-union field installation services for bolted RTP (rolled, tapered panel), hybrid, field-weld and shop-weld storage tanks. The TC construction services group are recognized as the top bolted tank erection services available in the domestic and global market. Larry Palmer is the General Manager.
- Alliance Constructors – Union field installation services for bolted RTP (rolled, tapered panel) and hybrid storage tank construction. This is the #1 union bolted tank field installation company available in North America. Kevin Hill is the General Manager.
- ATEC Steel – Provides premier non-union field installation services for field-weld tank construction in North America. Jeff Heck is the VP of Construction Services.

TC field construction services are the best in the industry. We have unlimited testimonies touting our field services as the safest and highest quality available.

Dry Bulk Storage

Every project is uniquely different, which has always been to our advantage in servicing clients. In dry bulk storage, we are the leading experts in the industry. We know all types of material flow. . . inside and out. We can design a storage system that will allow the tank contents to empty first-in / first-out. We can fluidize, blend, convey and gently handle stored materials to minimize product degradation. We can design storage systems to minimize particle segregation, eliminating downstream process problems. In stored bulk storage, we are the solution people and we will always provide you with the right answers. When our products are not the solution for your application, we will direct you to the right source.

Understanding material flow and integrated storage systems is where we excel. Our tank designs are conservative and our integrated storage systems are built to stand the “test of time”. This is what has made us #1 in dry bulk storage systems.





International Sales Director

Dry Bulk Storage International

At Tank Connection we lead the industry in dry bulk storage. Our clients have now requested our products and services for their global operations. Why? It is all about quality. Too many international storage products are built as cheap as possible, utilizing an erectors set of stiffeners in lieu of heavy plate design. Knowledgeable buyers know that they can procure substantially higher quality at Tank Connection, at pricing levels competitive with any supplier. While so-called competitors are trying to make their products cheaper, Tank Connection is simply making products better. ALWAYS better and ALWAYS competitive with any supplier!

Tank Connection is the largest supplier of large (XL) dry bulk storage tanks in North America. Our client base which includes the largest players in the industry, now request our products and services on a global basis. This has led to an increased demand for international dry bulk development. Currently, we have a number of storage terminals under construction and/or planned to start construction in early 2012.

If we can be of assistance to our clients on any international projects, please contact us and expect the same service level you receive on domestic projects. Please remember, based on our value-added services, TC can go to any remote international location on the planet and install tanks utilizing our specialized jacking process. We can use local labor and/or we can bring in our top erection crews. Either way, we will handle your project and meet your schedule. How remote? We currently have projects under construction in the Australian Outback, the Congo and Russky Island Vladivostok Russia. Any questions?

AluminumDomes.com – Another superior product by TC!



Currently, Tank Connection is full with aluminum dome construction. We maintain aluminum dome inventory for standard diameters and we have special extrusions for special dome applications. In the marketplace, there are a number of dome suppliers. Our avenue of success in this market is providing a superior designed dome of unmatched quality for the best price in the industry.

Dome pricing in the past was represented by mid-quality suppliers that offered their products at ridiculously high prices. It is amusing to witness consistently higher prices being charged by other dome suppliers, until Tank Connection enters the picture, at which point their pricing drops 15-20%. It is safe to say, that if you want the best dome pricing, you better include Tank Connection in the bidding process. We also offer Kynar painted domes and in 2012 we will be releasing our new pressure dome design. Architectural dome applications are right around the corner.



Typical extrusion inventory maintained for standard dome applications. Whatever size dome you need, we have it covered!



TC extrusions are unquestionably the strongest in the industry. We don't shortcut quality.

What is the Story on Distilleries?

Last quarter we featured a large international project for Jim Beam. In this release, we are featuring a high tech Wild Turkey Distillery, which was also recently featured in Popular Mechanics magazine. Evidently, our extensive sales network has distilleries adequately covered. We would have preferred that the turkey was painted on our tanks in lieu of the building, but at least our tanks made it to the front door.

As seen at:

<http://www.popularmechanics.com/technology/engineering/gonzo/5-of-the-worlds-most-high-tech-distilleries#slide-1>



Need a brochure? Paper or electronic? Just ask!

The collage displays several brochures and marketing materials for Tank Connection. Key elements include:

- Tank Connection Affiliates Group:** Dry Bulk Storage Systems Project Capabilities. Lists services like Integrated Storage Systems, Bolted RTP Storage Tanks, Field Weld Tanks, Shop-Weld Tanks, Welded Tank Designs, SIT (system installed tank) designs, Columns & Skids, ASME Pressure Vessels, Field Construction Services, and Equipment Storage Solutions.
- Liquid Containment Solutions:** A brochure featuring a large blue tank and text about 'GET CONNECTED with Unmatched Performance!'.
- AluminumDomes.com:** A website for aluminum domes, brought to you by the 'Global Leader in Storage Containment' Tank Connection Affiliates Group. It mentions that dome specifications can be downloaded from their website.
- Tank Connection Affiliates Group:** A central brochure highlighting 'FEATURING THE BEST IN CUSTOM DESIGN SHOP-WELDED STORAGE TANKS & INTEGRATED STORAGE SYSTEMS!' and 'UNMATCHED EXPERIENCE BY THE EXPERTS IN STORAGE SOLUTIONS!'. It lists services for DRY BULK STORAGE (Minerals & Aggregates, Food Products, SIT System-Installed Tanks, Mass, Fuel and Expanded Flow Designs, Petrochem & Plastic Resins, Power Applications, Blenders) and LIQUID STORAGE (Industrial Liquids, Storage, Chemical Storage, API Standard 620 & 650, ASME D150 Standard, Pressure Vessels).
- ATEC STEEL:** An industry leader in field-weld, shop-weld, specialty steel fabrication, and field construction services. It lists industries like Power Industry, Oil & Gas, Chemical & Petrochem, Minerals & Mining, and Water & Wastewater. It also features a 'FABRICATION & CONSTRUCTION' logo.
- Shop-Welded Tanks:** A brochure at the bottom right stating 'The highest quality shop and field-weld fabrication available in North America, backed by the most experienced TEAM in the industry!'.

Product Differentiation – We offer real value in our equation!

Tank Connection storage products are not just a step ahead of competitor products. We are miles ahead in products offered, technology and commitment to service the industry with real storage containment systems that will “stand the test of time”. The product differentiation we offer is significant compared to other brand products:

Shop-Welded Tanks

- Heavier tank designs
- Cylinder, deck & hopper welded both sides (double-butt full penetration)
- Increased coating mil thickness (both interior & exterior)
- Best engineering team & application expertise in integrated storage systems
- SIT (system installed tank) designs
- Economies of scale operation
- Midwest fabrication locations
- Competitive price leader due to company's vertical integration model

Bolted Storage Tanks

- Heavier tank designs
- Best RTP bolted tank design
- Best LIQ Fusion 7000 FBE™ & EXT Fusion 5000 FBE™ coating system by Akzo Nobel

- None of the coating problems associated with glass/vitreous enamel coatings (our system is a stronger system)
- Increased coating mil thickness (both interior & exterior)
- Best field construction process (synchronized jacking)
- Best engineering team & application expertise in integrated storage systems
- Economies of scale operation
- Newest, state-of-the-art bolted tank facility worldwide
- Easily containerized & shipped worldwide
- Competitive price leader due to company's vertical integration model
- Design, manufacture & install by one team

When you specify and procure storage tanks from TCAG, you are dealing with a company that prescribes “golden rule” customer service on every project. We lead the industry in application expertise, storage tank manufacturing technology, vertical integration of operations and field construction services. We are the #1 choice for storage containment products that are low maintenance and provide extended service life in the field.

Interested in Municipal Water Storage – Read on, pages 5 - 7

Not interested in Municipal Water Storage – Move on to page 8



Bolted Steel Water Tanks . . . What Level of Quality is Required?

In the domestic and international water markets there is a flood of “poor quality” bolted tank designs and products being promoted in the industry today, even by major suppliers. The simple facts are that manufacturers of bolted water tanks are trying to make their products as cheap as possible, to increase margins. This has led to a hodgepodge of tank construction and promotion rhetoric that simply “doesn’t hold water”. Many of today’s bolted steel storage tanks are being designed like today’s household appliances. They will provide a short, finite service life and then require replacement.

At Tank Connection, we receive continuous calls from new clients with horror stories on a “brand x” tank product that was installed in the past. In most cases, they selected a name brand product, but ended up with an installed product that did not meet their expectations.

In municipal water storage, subscribing to AWWA D103 “bolted water tank specification” is a good start, but even this specification includes a few bad ideas that have not been corrected.

In developing a water tank specification, can you protect yourself by utilizing a consultant? The answer is both “yes and no”. In the municipal water market, many consultants are tied to specific products, so objective reviews are in short supply. At TC, we recommend that you conduct your own product review. A little common sense and asking the right questions will go a long way in determining whether or not a storage tank product and service will fulfill your expectations.

As previously noted, AWWA D103 is a good start in developing a bolted tank specification tailored for your application. There are a few deficiencies in the AWWA D103 specification that should be addressed and answered to your satisfaction.

AWWA D103 “Factory Coated Bolted Tanks for Water Storage”

- ❑ Allows the use of .094” minimum thickness in tank sidewall.

Commentary: It is interesting to note that AWWA D100 (the welded water tank specification) allows a minimum thickness of .1875” for the tank sidewall, but D103 allows a minimum thickness of .094” for the tank sidewall (basically, half the thickness). To be specific, the use of .094” material will fulfill design parameters. Since it is allowed, .094” or common 12 gauge (.1046”) material will be utilized by all bolted tank manufacturers.

Fact: If you specify AWWA D103 without a minimum design thickness, you will receive .094” material on select tank sizes.

TC Position: A design minimum of .094” is too light for a municipal water tank application. Municipal water storage should be installed as a major infrastructure investment. The minimum material thickness should be 10 gauge (.1345”) material.

Customer Question: Is the use of .094” material acceptable for your application and will it fulfill the expectations of your client for decades to come?

- ❑ Allows the use of web stiffeners, also called web supports, web truss and/or webbies. Webbies are an “erectors set” of bolted together stiffeners that go on the outside of a bolted tank.

Commentary: Again, it is interesting to note that AWWA D100 does not allow the use of web stiffeners. Webbies are utilized on the cheapest water storage tank designs offered in the global market place today including corrugated.

Fact: The usage of web stiffeners in previous years was limited to a few horizontal web stiffeners on larger tank sizes. The use of web stiffeners is currently out of control in the industry. Some tank manufacturers are utilizing web stiffeners on every ring.

TC Position: For “A” quality storage, web stiffeners should not be allowed, except for use on 304 or 316 stainless steel tanks. You can’t replace plate thickness with stiffeners and call it high quality storage containment.

Customer Question: Are web stiffeners acceptable for your application or is increased plate thickness preferred?

- ❑ Allows the use of 5/16” plate in API 12B flanged panel tank construction.

Fact: The original API 12B specification never intended the use of 5/16” plate material, but rather was limited to 3/16” plate material. The problem created with the use of 5/16” material is that the panel flange break has a history of inconsistency (i.e., over and under break). If the flange break is not precision at 90 degrees, a leak proof tank cannot be guaranteed.

TC Position: API 12B flanged panels should be limited to ¼” plate material. The use of this product is outdated with today’s precision RTP (rolled, tapered panel) bolted tank technology.

Customer Question: Is API 12B tank construction acceptable for your application?

- ❑ Allows the use of API 12B flanged panel tanks for standpipe applications.

Fact: Flanged panel tanks have a history of continuous leaking due to hydrostat loads and excessive head pressure in standpipe applications.

TC Position: API 12B tanks utilized in water standpipe applications are a misapplication. It is being phased out by API 12B tank manufacturers. The only reason it is still offered in standpipe applications, is that it allows subcontracted field installation crews to use archaic field construction equipment (gin pole and scaffolding) to erect the tank. There is no merit in the selection of an outdated product for a water standpipe application.

Customer Question: Is API 12B tank construction acceptable for your application?

Bolted Steel Water Tanks - *The Correct Equation!*

To install a quality bolted steel water tank, there are three major component assemblies to review. This includes the DECK (top of tank), TANK SIDEWALL and TANK BOTTOM. The correct selection of these major components will determine the level of “component quality” available for field construction.

- ❑ Specify latest revision AWWA D103 specification
- ❑ Specify BSR (base setting ring) in concrete or steel bottom
- ❑ Specify aluminum dome cover or conical sloped steel deck design
- ❑ Specify 10 ga. minimum design or default to .094” minimum (per AWWA)
- ❑ Specify that no web stiffeners will be allowed
- ❑ Specify “factory certified” field installation crews

Specify the level of “component quality” required for your project:

- ✓ A product quality – RTP (rolled, tapered panel) design, LIQ Fusion 7000 FBE, no webbies & aluminum dome
- ✓ A product quality – RTP design, stainless steel, minimal webbies & aluminum dome

- ✓ B product quality – RTP design, LIQ Fusion 7000 FBE, minimal webbies, aluminum dome or steel conical sloped deck
- ✓ B product quality – Glass tanks with 2 fire process, no webbies & aluminum dome

- ✓ C product quality – Glass tanks with minimal webbies & aluminum dome or steel conical sloped deck
- ✓ C product quality – API flanged panel design, factory epoxy coated & aluminum dome or steel conical sloped deck

- ✓ D product quality – API flanged panel design, galvanized, steel conical sloped deck
- ✓ D product quality – Glass tanks with 1 fire process, excessive webbies and other stiffeners, steel conical sloped deck

Today’s product quality consists of an unlimited list of steel panel designs and available coating systems. Although the “component quality” review may be considered subjective, it is based on factual data. Additionally, there is an entire spectrum of alternative products that offer even lower quality standards than those shown. This includes trough roof designs, membrane covers, corrugated tanks and the list continues.

Based on proper maintenance, “A” product quality can provide unlimited service life. “B” product quality can provide a 30-40 year service life. “C” product quality can provide a 20-30 year service life. “D” product quality will provide a questionable service life.

In water storage applications, come to Tank Connection for the facts and correct specifications for factory coated, bolted steel tanks. We always welcome the opportunity to specify a storage tank of unmatched quality that will “stand the test of time”. *Get it right the first time!*



Quality Newsletter - from the desk of Matt Hamilton

Review

It is obvious that over the year of 2011 our organization has been very successful. Over the past year, this organization has accomplished a long list of important achievements throughout the spectrum of our operations. Most of us are already aware that any momentum gained must not be allowed to fade. Improvements put in place, one after another, provide fresh opportunities. One simple improvement is often the catalyst that opens the door for the next series of improvements. The improvements that the TC team have put in place over previous years can provide us with a solid foundation that we can build on in the future. 2012 will see TC with a solid position that will allow our organization to be even more focused, driven and

successful than ever before, as we focus on the challenges of a new year.

The path forward

TC is raising the bar once again as we head into 2012. There is an excitement as we push the envelope in every area of our operations. We have just released our continuous training initiative or "CTI". This innovative training tool is taking training to a whole new level. We are moving toward methods that provide proactive solutions that focus on prevention, rather than just being responsive. We will remain focused on the fundamental processes and activities that add value to our business. While continuing to work together to provide our customers the value and quality that they have come to expect from TC. Existing improvements will help us gain even more momentum in the coming year. The "Continuous Improvement" model is alive and well at Tank Connection as we head into 2012!

Enjoy the journey!

FSRC is Tank Connection's National Ag Dealer

Although Palin may have her bus, Ron and his Team at FSRC have their trailers. Even in an era of divided politics in the U.S., they are doing their part to bolt America back together. You've got our vote!



News from ATEC – “Beyond Busy!”

These are large shop-built ASME pressure vessels that utilize 1¼” plate in the sidewall. When you move into special pressure vessel sizes that require up to 2” rolled plate, the field of players in the industry narrows. The tanks shown weigh over 127,000 lbs. each. Multiple units were loaded on ATEC’s new rail spur and shipped to the client. If you are looking for heavy plate special fab, call ATEC Steel or Tank Connection Affiliate Group. We will exceed your expectations.



American Samoa

Yes . . . we can blend in, if preferred.

Jungle construction - The way this works is that you scrape a road into the jungle, then dig out and level a location on the side of a hill. Install a tank... pump in water ... and walk away. A few days later, when you can't find the road or the tank, just ask for directions and the locals will get you there. As commented by our construction supervisor, the people of Samoa were some of the nicest people he had encountered, anywhere.



The Client Finally Got it Right!

- On the left, in the background, nice corroded blue color – Horizontal glass panel tank.
- On the right in the background, vertical flat panel – A VFP tank is a poorly conceived storage tank design. There is no market for this product except uninformed and unsuspecting buyers.
- Up front – Bolted RTP tank by Tank Connection under construction. The premier product of choice available in the industry.



BIG² Hopper Bottom Tanks

We build the largest hopper bottom tanks in North America. Bolted RTP tank construction is limited to under 50' diameter. In a field-weld design, we typically limit hopper tank construction under 65' diameter range. Proprietary hybrid hopper applications utilizing a composite hopper design can be built even larger, but the economics and installed cost rarely justify this approach compared to an optimum number of tanks in a battery arrangement.



Shop Welded Tanks

Every type of storage tank TC offers has its application. The shop-welded tanks shown are custom fabricated in the shop and shipped to the field as one piece construction. When they arrive, they can be picked with a crane and immediately set into place or staged for installation at a later date.

When shop-welded tanks are utilized, field installation timeframes can be greatly reduced. The only negative in utilizing shop welded tanks are the limitations of capacity. Typically, these units are limited to a maximum capacity of ~8500 cubic feet of storage, as a one piece unit.



KidzLocal.com Update

The Kidzlocal.com outreach touches many kids throughout the Midwest. This is just one update of many received. At KidzLocal.com, we don't subscribe to talk and rhetoric on what is broken in the system, we initiate actions that make a difference. If we don't step up to the plate, then who will?

"Through your generous donation, we have been able to meet the needs of several of our students here at Garfield.

Over the last few weeks, we have had some of the coldest weather of the winter. We had several students show up at school without winter coats. These students come from families living in poverty and can't afford to buy some of the essential needs for their children. We were able to purchase winter coats for 18 students. Through your donation we are also being able to purchase a pair of glasses for one of our second grade students.

Thank you so much for what you do for our children."

- Stephen Bowman, Principal, Garfield Elementary School -

Thank YOU Folks!

From the Tank Connection Affiliate Group Family, we thank you for the opportunity to serve your company in 2011. Count on us in 2012 to be your total solution company, as we continue to advance innovation in storage products and services far beyond other suppliers. We recognize that we are here to service the markets and the markets are ever-changing. A simple fact, we offer 2-3 times the number of storage products compared to any other supplier. Our premier storage products are the best available in the industry today on a global basis.

In the TCAG family, we maintain 5 facilities and have grown to over 450 employees that are solely focused on storage containment products, systems and services. We review every dry bulk or liquid application as a set of variables which requires the best option in storage. Not just a good option, but the best option. Our industry experience in storage applications is unmatched, which allows us to prescribe, design, manufacture and install the right type of storage for your application. Every type of product we offer has its application. Being extremely diversified in the products and services offered is our advantage, that translates into your advantage. Our clients deserve the absolute best, so we are honored to be your preferred vendor, fulfilling our part of the equation as we move into 2012.

Want To Be Featured In Our Newsletter? or Would You Like to Include One of Our Articles in Your Newsletter?

Send us your pictures and stories and we will include them in our next newsletter. This newsletter is designed for all TCAG Employees, TCAG Reps, TCAG Dealers, House Accounts, TCAG Clients and Specifying Engineers. It is our intent to keep you informed on the latest happenings at TC. Our people are motivated and our storage products are at the forefront of the industry. We are excited to lead the storage industry and we are excited when you provide us with information that depicts our tanks interfaced with your system. It is our intent to provide exposure for your companies. Our newsletter has a global readership and as you already know our web network is unmatched.

So...send us your information. This newsletter is released quarterly. The next release is scheduled for early April.

Alternatively, as many have already requested, we will gladly allow you to reprint the information contained in each issue of the newsletter. Just ask and I will provide a document for your use!

Kenton Jarman
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Customer Testimonies

quasar energy group is proud to announce two more anaerobic digester renewable energy facilities in Cleveland and Haviland, Ohio. Each facility will process 40,000 wet tons of organic waste per year and produce 1 MW of electricity as well as compressed natural gas (CNG) to fuel vehicles.

Investing in a green industry strengthens our communities by creating jobs, sparking economic development, and improving our environment. Today, the most common methods for disposing organic wastes are landfilling and incineration. quasar systems improve the regional environment by diverting organic waste from landfills and incinerators and converting them to energy. The waste is processed naturally through anaerobic digestion producing clean, renewable energy used for electricity, compressed natural gas (CNG), and renewable natural gas.

"We are pleased to work with Tank Connection on the design, fabrication and installation of digester tanks in Haviland and Cleveland as well as our other projects in Ohio and across the country," said quasar President, Mel Kurtz. "Each facility consists of, at a minimum, two tanks with a total capacity of 980,000 gallons. quasar's success could not have been achieved without Tank Connection's collaborative efforts, phenomenal customer service, and superior product."



Collinwood BioEnergy



Haviland Energy

As always... our best to the BEST!



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