

MESSAGE

FROM CHARLES SMITH,
PRESIDENT & CEO

This fall, General Shale reached a significant milestone—our 90th anniversary. If you haven't already received our "Foundations of Success" commemorative edition newsletter, be on the lookout. You'll want to learn more about our company's growth over the past nine decades and how those years molded and shaped us into one of North America's largest providers of masonry materials for residential and commercial projects. Of particular note is the high percentage of employees, past and present, who have attained 30, 40, and 50 years of service with General Shale—and the substantial number who have spent their entire careers here. It is also inspiring to consider the vast number who began working in production or sales and then moved into areas of increased responsibility—including senior management and top executive posts.

From 1928 to 2018, General Shale's company culture has been defined by our employees—a team of highly dedicated individuals who understand our industry and devote themselves to delivering added value to our customers. We do this better than any of our competitors, and we remain committed to supporting this philosophy through the recruitment of top talent and the provision of advancement opportunities. Building together, we have achieved nine decades of growth and excellence. It is because of your daily commitment to quality products and customer service that General Shale has emerged as the industry leader we are today. And that commitment will continue to distinguish our company as we head into 2019—and our next period of success.

Sincerely,



Charles Smith
President & CEO
General Shale



GENERAL SHALE CELEBRATED 90 YEARS ON SEPTEMBER 1, 2018! P 2



PIPELIFE JET STREAM NEWS P 6



DISTRIBUTOR APPRECIATION P 9

- P 7 LEADING BY EXAMPLE FOR PROFESSIONAL WOMEN
- P 8 GOLF CHAMPIONSHIP SCRAMBLE
- P 10 WHAT'S NEW THIS FLU SEASON?
- P 11 AWARDS AND RECOGNITION
- P 12 PEOPLE ON THE MOVE



General Shale

90 Years of **GENERAL SHALE**

90 years ago, on September 1, 1928, General Shale Products Corporation was formed and began operations.



OUR HISTORY

September was a very special month for General Shale. We have continued to grow, innovating and delivering some of the best products used to construct homes, offices, schools, hospitals, and many other structures we see every day and always with a commitment never to compromise beauty or strength in every brick we produce. Having the honor of celebrating 90 years of success and growth is just another demonstration of what drives us as a company, creating products—and a company—that are strong and stable through any era and any environment.

We looked back on our long history and wanted to share some of the highlights of our company with each of you. First, it is incredibly important to us that you know how grateful and humbled we are by the commitment, drive, and pride with which all our employees have worked to make General Shale a great company. The success and this history belong to all of us, and we hope you celebrate your own success and the immense part you've played as you read through our story.

THE BEGINNING

General Shale was formed by merging two very successful brick companies—Kingsport Brick Corporation and the Johnson City Shale Brick Corporation. This was a visionary merger, a consolidation and organization of assets, resources, and sales management between two competitive businesses. The two key architects of the merger were J. Fred Johnson, President of Kingsport Brick Corporation, and Sam R. Sells, President of the Johnson City Shale Brick Corporation.



The two recognized that they would have a much greater opportunity for success and growth in the regional market by consolidating and leveraging each company's unique strengths to push back outside competition and profit erosion. The new company was successful in implementing a new corporate culture that provided fast initial growth and extended market penetration under the new General Shale brand. The company had several major acquisitions during the first few years that allowed for regional service expansion and consolidation of more resources for the new company to focus and refine their goals and operations.



WEATHERING THE GREAT DEPRESSION

General Shale was not immune to the economic turmoil that rocked the country in the 1930s. This was compounded for General Shale by the loss of one of their founders, Sam R. Sells, who passed away on November 2, 1935. Sam's son, Sam H. Sells, would be voted onto the board as Vice Chairman to continue the work his father had done. The aggressive acquisition of new plants had placed added strain on the company, but all the board members were committed to securing the future of General Shale and working diligently to do so while limiting any impact on their employees or customers. Truly, their survival through the greatest economic shortfall in United States history was directly tied to the company's generosity, tenacity, and hospitality. This can be illustrated through one brief encounter shared below, but the mentality wherein this takes place was reflected throughout the many relationships General Shale had at any level. While finalizing applications to request a Reconstruction Finance Corporation (RFC) loan in 1938, the board was gathered to review final requirements for the application. Glen Bruce, board director for General Shale at the time, looked out the conference room window and saw a man approaching the office with a large, heavy briefcase under his arm.

The man turned out to be the RFC representative who was coordinating the loan process. After they met, Glen mentioned to the man, "I notice you are walking and carrying a very heavy briefcase." The man replied that the RFC did not allow taxi fare, and the handles on his briefcase had broken—he had tried all over Knoxville the day before to get it fixed. Glen offered the man a ride back to his hotel and said he was confident he could get his briefcase fixed. They went to a local belting corporation, Slip-Not, which put new handles and straps on the briefcase and refused to charge the man anything at all. (Remember, this was during the Great Depression, when money was tight everywhere.) The man was greatly moved by the hospitality he had been shown and worked to help ensure General Shale filled out all the applications properly to mitigate any issues with the loan review process. Glen didn't hear from the man again until the summer of 1963. He called Glen to order brick for a bank in Middle Tennessee where he was Executive Vice President. They had used another brick company, which had given them poor results, and they wanted to tear it down to use General Shale brick. This one incident shows the power and profitability of seeing the people you do business with beyond just the business at hand.



THE NEXT GENERATION OF LEADERSHIP

The 1940s saw further growth and expansion for the company. That also saw the loss of some of the key leadership for General Shale. J. Fred Johnson passed away in November of 1944, and his predecessor Sam H. Sells died the following April in 1945. John B. Dennis was elected at that time as the new board chairman, and W.S. Sells was elected as a board director. In 1951, the first tunnel kiln was built at the Knoxville, TN, property. General Shale entered the block industry at this time, with several key acquisitions to secure it as an industry leader. The company went public at the beginning of the 1960s and saw accelerated growth through new plants across the United States. Through the ups and downs of General Shale's early history, there was always a guiding principle that kept the leadership pushing forward. One place this is best exemplified is in a statement made by Glen Bruce in his history of the early company:

“From the beginning, the company was most fortunate to have men with business ability, integrity, and foresight—Misters Dennis, Johnson, Sells, Hunter, Hyatt, and Stone—and I am sure their reputations went a long way to help us weather the Depression.”—Glen Bruce.

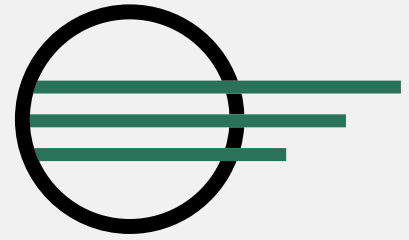
Through continued opportunities and struggles in the 1960s through the 1980s, General Shale worked diligently to grow without compromising their product or the support of their employees. The acquisitions and expansions, with Arriscraft in 2007, entering the building stone market; Pipelife Jet Stream in 2016, providing premium PVC piping materials; and Columbus Brick in 2017, continue to show the leadership and pioneering spirit that have brought so much success to General Shale.



SPECIAL THANKS

As we stop for a moment and reflect on the history of our company and all the many people who have been integrally involved in making General Shale an industry leader and a strong partner in so many communities across the United States and Canada, we are overwhelmed. As we mentioned earlier in this article, we are incredibly grateful to all those we've had the privilege to work alongside every day. From the very beginning, the goal has been to secure the future of our company and our employees through cooperation and collaboration. The spirit of that very first merger has never been far from our minds. We are a standing testament to how we can all grow and succeed by seeking opportunities to work together, to depend on one another, and to push ourselves to have integrity and generosity in every interaction. We want to again say thank you, and we look forward to the coming decades and seeing the path the next 90 years will take us down. We hope you will all be along for the ride.

Pipeline Jet Stream News



The Pipeline Jet Stream executive team has been evaluating ways to leverage the brand to gain more market share and to grow to the next level. Through analysis of market recognition, they've gained valuable insight into the customer awareness and market value of the Pipeline Jet Stream brand identity. This has led to a better understanding of how to communicate with customers moving forward.

Through this new insight, the team has decided on a brand strategy that will help the company grow and convert market share in their favor. On October 3, the leadership team met with the Pipeline Jet Stream staff to communicate their findings and unveil plans to use the brand recognition of the Jet Stream name to better position the organization for maximum profitability. The company will use existing brand equity to reinvigorate their campaigns and develop new opportunities for growth.

The presentation took place at the Pipeline Jet Stream plant in Siloam Springs, AR, with a brief exploration of the findings and an introduction of the new brand strategy. All office employees were invited to attend, and the response to the plans was very positive.

Each attendee was given a new T-shirt to show their brand pride and support of the coming growth for the new endeavor. General Shale is very excited to see the campaigns that will be coming for Jet Stream and supporting continued success in the marketplace.



JET STREAM 
by PipeLife

JetFleXX RLP™ 



Leading by Example for Professional Women

This September, General Shale's own Distributor Sales Representative, Cole Black, was interviewed for the *Atlanta Building News* magazine. The interview and resulting article were published to recognize Cole's leadership and fine example as a professional woman in Georgia's homebuilding industry. The article highlights Cole's insights into the industry and into General Shale as a company. We are very proud of Cole's work representing General Shale, and we want to congratulate her on this important recognition. Below is an excerpt from the article for your enjoyment. You can find the complete article on the Atlanta Building News site or in its September issue.



Excerpt from *Atlanta Building News*:

Cole Black Has Built Her Stellar Career Brick by Brick

For almost 30 years, Georgia native Cole Nicholson Black has worked in Georgia's ever-changing homebuilding industry. She started her career with brick manufacturer General Shale Brick in 1989 as a Customer Service Representative, and has risen through the company by excelling in a variety of positions along the way. Cole served as Customer Service Manager from 1997 to 2001, was promoted to Architectural Sales Representative in 2001, and has been General Shale Brick's Distributor Sales Representative since 2010.

"When I began my journey in the construction industry in 1989 as an Inside Customer Service Representative for General Shale, I set myself the goal to become a General Shale Outside Sales Representative," says Cole. "I achieved that goal in 2001 when I became an Architectural Sales Representative and in 2010, I was honored to be named as a Distributor Sales Representative, which is my current position with General Shale," says Cole. "Today, it is my job to build manufacturer and distributor customer relations by working together as partners with the sales team to ensure a positive, smooth sales process. North Georgia Brick, my Distributor Sales Partner, is number one in General Shale company-wide sales volume for a single location, as well as number one in sales volume for the Metro Atlanta area and Georgia market."

It is the continued passion, integrity, and leadership of professionals like Cole Black that have kept General Shale at the forefront of the construction material industry for decades. We are very proud of the recognition Cole has earned and of the way in which she has demonstrated General Shale's values throughout her career. As our industry continues to grow and evolve, we are very grateful for the talented professionals that will ensure General Shale remains a leader in our industry.

GOLF CHAMPIONSHIP SCRAMBLE

► **The General Shale home offices hosted an annual golf outing on September 29 for area employees to enjoy a day away from the office and just have fun!**

The event took place at Graysburg Hills Golf Course in Chuckey, TN—just 30 minutes from the General Shale corporate headquarters in Johnson City, TN. The event was a great success, and it was a perfect day for golf in the foothills of the Appalachian Mountains. There were 24 players from surrounding production and sales locations who competed on six teams for the event. Honey Baked Ham catered the event, offering a wide variety of delicious options for all the participants. The winners of the outing, “closest to the pin,” and “longest drive” competitions received various prizes and giveaways. Below are the top teams for the event and those who participated on each team.

General Shale would like to thank all those who attended the event as well as the staff at Graysburg Hills Golf Course and Honey Baked Ham for their hospitality and exceptional service.



Congratulations to our 2018 winners!

Winning team (at 16 under par)

- Chip Spratlin (Corporate Pilot)
- Dan Green (VP of Manufacturing)
- Dylan Green (Dan’s son)
- Terry Beverly (Director of Engineering)

Second-place team (at 12 under par)

- Craig Livesay (Guest)
- Luke Guinn (Marketing Manager)
- Steve Wyse (Environmental Engineer)
- Ron Berry (Controller)

Third-place team (at 11 under par)

- David Tester (Outside Sales)
- Mitch Wright (Inside Sales)
- Clayton Ray (Assistant Plant Manager)
- Daniel Wagner (Associate Distributor Rep.)



Closest to the pin winner: Chip Spratlin

Longest drive winner: Dylan Green



DISTRIBUTOR APPRECIATION OUTING

► At the end of September, General Shale hosted a special golf outing to show our appreciation for our top 25 distributor partners.

The event was designed to give our sales representatives the opportunity to meet with key distributors and deepen relationships with their team. The beautiful Etowah Valley Golf and Resort in Etowah, NC, hosted the special event.

A total of 95 people attended the outing, which included General Shale personnel and representatives from the company's top distributors. The attendees were treated to two days of special golf activities and great food and nightlife during the event. Those in need of some special pampering also enjoyed a day at the spa on the second day and a walking tour of historic Asheville, NC.

The weather for the weekend was perfect, and all who came were very grateful to have the opportunity to unplug and enjoy the company of their peers. There were great dining options at the

resort, and the environment was lively and uplifting for everyone. The festivities even included a talented street magician who thrilled the crowd with tricks before dinner one night.

General Shale would like to thank all the staff at Etowah Valley Golf and Resort for their amazing hospitality as well as all our guests and team members who attended. These events are very important in helping us reinforce our relationships with our distributors and show our appreciation for their hard work. We know that having solid relationships with our distributors is one of the key reasons General Shale continues to grow and lead our industry as we move forward. We look forward to helping other distributors and partners succeed and enjoy a positive professional relationship with General Shale.



WHAT'S NEW THIS FLU Season?



As the weather begins to cool and children are back in school, many people are making their preparations for the ever-dreaded flu season. There are many things to consider as you plan to protect yourself and your loved ones from the dangers of being exposed to the flu virus. Last year saw an unprecedented number of severe flu outbreaks throughout the winter months. The best medicine is always prevention, and the Centers for Disease Control and Prevention (CDC) has some updated information to help you be ready this year.

Updates and news from the CDC:

A few things to consider as you prepare for flu season:

- Flu vaccines have been updated to better match circulating viruses [the B/Victoria component was changed and the influenza A(H3N2) component was updated].
- For the 2018–2019 season, the nasal spray flu vaccine (live attenuated influenza vaccine or “LAIV”) is again a recommended option for influenza vaccination for persons for whom it is otherwise appropriate. The nasal spray is approved for use in non-pregnant individuals 2 years through 49 years of age. There is a precaution against the use of LAIV for people with certain underlying medical conditions. All LAIV will be quadrivalent (four-component).
- Most regular-dose egg-based flu shots will be quadrivalent.
- All recombinant vaccine will be quadrivalent. (No trivalent recombinant vaccine will be available this season.)
- Cell-grown flu vaccine will be quadrivalent. For this vaccine, the influenza A(H3N2) and both influenza B reference viruses will be cell-derived, and the influenza A(H1N1) will be egg-derived. All these reference viruses will be grown in cells to produce the components of Flucelvax.
- No intradermal flu vaccine will be available.
- The age recommendation for Fluarix Quadrivalent was changed from 3 years and older to 6 months and older after the annual recommendations were published last season to be consistent with Food and Drug Administration (FDA)-approved labeling.
- The age recommendation for Afluria Quadrivalent was changed from 18 years and older to 5 years and older after the annual recommendations were published last season to be consistent with FDA-approved labeling.

Which flu vaccines are recommended this season?

For the 2018–2019 flu season, providers may choose to administer any licensed, age-appropriate flu vaccine (IIV, RIV4, or LAIV4).

Options this season include:

- Standard dose flu shots. These are injected into the muscle. They are usually given with a needle, but two (Afluria and Afluria Quadrivalent) can be given to some people (those aged 18 through 64 years) with a jet injector.
- High-dose shots for older people.
- Shots made with adjuvant for older people.
- Shots made with virus grown in cell culture.
- Shots made using a vaccine production technology (recombinant vaccine) that does not require the use of flu virus.
- LAIV—or the nasal spray vaccine—is also an option for use during the 2018–2019 season for persons for whom it is otherwise appropriate.

Always remember to use proper hygiene protocols to limit your exposure to any viruses or bacteria. Wash your hand regularly, especially in social situations and before and after eating, and be sure to take the recommended dose of vitamin C.

We hope all our staff and their families have a safe and healthy fall and winter. If you'd like more information about flu season or want help in putting together a vaccination and prevention plan, please be sure to contact the HR Department or General Shale's Safety and Risk Management Team.

Awards & Recognition

While accidents can happen in the field, we are proud to share the hard work of the following locations and their efforts to stay accident free.

Congratulations to:

- **Tri-Cities Block** for the NCMA/ICPA Safety Silver Award. This award is for a DART rate greater than one but no greater than two AND an incidence rate greater than two but no greater than three with respect to reportable injuries to hours worked.
- **Wilmington, NC**, for the Certificate of Safety Achievement from NC Department of Labor for their seventh consecutive year for zero lost time accidents in 2017.
- **Charlotte, NC**, for the Certificate of Safety Achievement from NC Department of Labor for their first year silver award for zero lost time accidents in 2017.
- **Raleigh, NC**, for the Certificate of Safety Achievement from NC Department of Labor for their seventh consecutive year for zero lost time accidents in 2017.
- **Sanford, NC**, for the Certificate of Safety Achievement from NC Department of Labor for their seventh consecutive year for zero lost time accidents in 2017.
- **Cleveland County, NC**, for the Certificate of Safety Achievement from NC Department of Labor for their Silver award for zero lost time accidents in 2017.



We enjoy sharing employee milestones! Here Scott Miracle presents Chris Tipton his 20 Years of Service award and Charlie Watts his 15 Years of Service award. Your hard work and dedication are appreciated! A big thank you to all of our employees for everything you do!



PEOPLE ON THE MOVE

One of the things that help make General Shale a leader in our industry is the incredible team of professionals who have committed themselves to our company mission and goals. We are constantly reinvesting in our team members to ensure they have the opportunity to grow and improve in their roles. Each month, General Shale publishes a list of team members who have been promoted to new positions and responsibilities. You can always view the “People on the Move” section on iComm to see who is growing in their career at General Shale. We are very excited to include the latest set of promotions in our newsletter as well. Below are this quarter’s promotions. We want to send our congratulations and our sincere thanks to these team members as we look forward to the impact their new roles will have on the company as a whole. Congratulations!



Jonathan Bailey
Director of Tax



Pam Harrington
Sales Training Specialist



Jonathan Evans
Tax Coordinator

{ AVAILABLE NOW }

2019

Calendars

