News and Updates From Jasper Engines & Transmissions

March 2008

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Be Car Care Aware

Published by:
Jasper Engines &
Transmissions
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JASPER 4-Speed Sweeps Top-5 Positions at Daytona 500!

The JASPER 4-Speed Transmission kicked off the NASCAR Sprint Cup Series racing season at the 50th Daytona 500 in a big way.

The Top-5 finishers in the February 17th event all ran the JASPER 4-Speed Transmission. The transmission was also in nine of the Top-18 finishing positions.

A total of 12 full-time NASCAR Sprint Cup Series Teams will use the JASPER 4-Speed during the course of the 2008 season. The finishing position for all of the JASPER 4-Speed Transmission teams from the Daytona 500 are as follows:

1st #12 - Ryan Newman 2nd #2 - Kurt Busch 3rd #20 - Tony Stewart #18 - Kyle Busch 4th 5th #41 - Reed Sorenson 15th #77 - Sam Hornish, Jr. #44 - Dale Jarrett 16th 17th #11 - Denny Hamlin #00 - David Reutimann 18th

29th #55 - Michael Waltrip 32nd #42 - Juan Pablo Montoya 33rd #40 - Dario Franchitti

The atmosphere around the NASCAR Driveline Division at Jasper Engines & Transmissions has been charged with excitement as the 2008 racing season got underway.

JASPER NASCAR Driveline
Manager Terry DeKemper and his
Associates put in extra hours preparing
transmissions for all the teams, but he
says the extra work paid off. "It's
going to be good recognition for
JASPER, as far as getting our name
out and promoting the product line,"
says DeKemper.

JASPER intended to capitalize on the successes of the 2007 Cup season with Juan Pablo Montoya taking the JASPER 4-Speed to victory at Sonoma, California, and Tony Stewart at Watkins Glen, New York. A total of eight Cup teams used the JASPER 4-Speed for a portion of the 2007 season.

In addition to the JASPER 4-Speed transmission, the racecars of Ryan Newman, Kurt Busch and Sam Hornish, Jr. are powered by engines developed by Penske-Jasper Engines of Mooresville, North Carolina. Each car uses a differential built by the NASCAR Driveline Division of Jasper Engines & Transmissions of Jasper, Indiana.



Bailey's Service Center

Next time you visit Shelbyville, Kentucky, just east of Louisville, you will find Bailey's Service Center. Owner Roy T. Bailey and his wife, Wanda, keep a spotless facility, and employ highly skilled technicians. Bailey's a been a cherished JASPER customer for 28 years!

Roy worked for Goodyear for 15 years, and became skilled in all areas of auto work. He dreamed of some day owning his own business. After 15 years, Roy left Goodyear and proudly opened a shop with one mechanic.

The business began as Bailey's Service Center on January 2, 1980. The original shop began in a leased building at 702 Third Street in Shelbyville and remained there for 20 years. In 2000, Roy purchased three acres of land at 490 Hill-N-Dale Road and built his 17,000 square foot masterpiece. Bailey's Service Center immediately went from a one employee shop with a floor jack to having nine employees working in a 12-bay facility with ten service lifts.

Bailey's makes sure their technicians can take care of virtually any automotive repair. There are six Master Technicians and two ASE-Certified mechanics. They are certified in engine performance, transmissions, electrical, fuel, suspensions, A/C recovery and charging systems for gas and diesel engines. Roy makes sure all his technicians are trained on the use of every new diagnostic scanner, and attend seminars on new vehicles, products and procedures.

When it comes to using JASPER remanufactured engines, transmissions and transfer cases, Roy's loyalty to JASPER is unshaken. "Bailey's Service Center is a successful business," says Roy. "Successful businesses use JASPER! Not only does JASPER have the best warranty

anywhere, but product delivery is always prompt and professional."

Just as Bailey's Service Center takes care of a customer's vehicle, they know how to take care of the customer as well. "Every person that visits the shop is made to feel important," says Roy. "Our customers have become our friends. All the work at the shop is done out of respect of the customer."

Roy's wife, Wanda, works at the lobby desk greeting customers and takes down vehicle information. She's also learned Spanish in order to communicate with new Hispanic customers.

Customers are given a ride back home or to work in a company vehicle. Cold drinks and ice cream are given to customers during the summer months. And a toy car is given to every child who visits the shop with their parents.

Roy also takes time to give back to the community. He's on the Advisory Committee for the Shelby County Vocational Schools, and is always willing to talk with those who want to go into automotive repair and guide them with the best training and experience. The families of new drivers will send their teens to Bailey's for information on how to be aware of problems with their cars and proper maintenance. The shop sponsors many activities within Shelby County, and conducts tours of the shop with local schools. Bailey's Service Center has been honored with the Better Business Bureau Ethics Award: the National Automotive Facility of The Year, and has been recognized by civic leaders within Shelby County.

To put it bluntly, Bailey's Service Center knows how to do things right! Congratulations on your success!



Bailey's Service Center in Shelbyville, Kentucky, offers 12 service bays and 17,000 square feet of work space. They have been cherished JASPER customers for 28 years.

Gas Department Gets Production Makeover

There's big changes happening in JASPER's Engine Division. The Jasper and Crawford, Indiana, production facilities are being transformed from the traditional mass production area, to a cellular or pod-style, production area.

Similar to the JASPER Transmission Division pods implemented in 2005, and the Diesel Department's transformation the following year, pod-style remanufacturing involves the disassembly, cleaning, machining and final assembly of an engine within a dedicated space, instead of engine disassembly in one building and machining and assembly in another building.

Each gas engine pod has machinery and tools available for block and head remanufacturing. At the present time, crankshaft, camshaft and connecting rod remanufacturing will remain in respective 'common areas' with components transported to the pods when needed.

The issue whether or not to transform the Engine Division into pod-style remanufacturing has been discussed since the start of pods in Transmissions. JASPER Gas Engine Division Manager Randy Bauer says the main reason to change was because the mix of engines being remanufactured has changed dramatically over the last 24 months. "Our old, progressive-style of remanufacturing, which we've done for the past 10+



Each pod in the Gas Engine Department has the machinery and tools necessary for block and head remanufacturing.

years, was designed for the overhead valve-style of engines. With the influx of aluminum, overhead cam style engines, the old way just cannot function efficiently enough for these engines."

The first gas engine pod at the Jasper facility began operation December 1st of 2007, after about six weeks of planning. This pod handles the remanufacturing of the 4.6L Cadillac Northstar engine and the 2.7L Chrysler V6. This

pod also remanufactures the GM 4.2L, the Ford Duratec and the GM Ecotec engines, mainly because of their aluminum block and aluminum head configuration.

A remanufacturing pod is expected to be online in the Crawford County facility by early March. That pod is expected to remanufacture the GM 2.5L four-cylinder, with future pods to remanufacture the 5.2L Chrysler and the 3.7L and 4.7L Jeep engines. A total of six pods are expected to be up and running in the Jasper and Crawford County remanufacturing facilities by June.

"One thing that we learned with pod style remanufacturing from the Transmission and Diesel Divisions is that there is less handling and waiting for parts to be cleaned, machined and inspected," says Bauer. "This time savings, coupled with the increase in productivity in the pod-style of production, makes it a Win-Win combination."

Bauer added, "From the customer side of things, because we have a limited number of hands on a product, we expect to see an increase in our quality and drive out issues experienced from remanufacturing in two separate facilities. We will have greater control over quality just by keeping an engine contained to a particular group."



JASPER Associate Brett Armstrong prepares parts for assembly on a 4.6L Cadillac Northstar engine. This pod began engine production in December of 2007.

JASPER Hook's Morgenthaler for 2008 Fishing Season



For the third consecutive year, Jasper Engines & Transmissions is proud to sponsor touring pro Chad Morgenthaler for the 2008 fishing season.

The 2008 season is already underway with a pair of events held in Florida. Chad participated in an FLW Series event on Lake Okeechobee, and a BASS Southern Open Series event on the St. John's River. Both events were held in January.

Look for Chad Morgenthaler and his JASPER-Sponsored rig at one of the remaining 2008 events listed below.

FLW Tour Schedule - 2008 Season

Lake Toho - Kissimme, FL, February 28th - March 2nd Smith Lake - Jasper, AL, April 3rd - 6th Lake Norman - Charlotte, NC, April 24th - 27th Beaver Lake - Rodgers, AR, May 15th -18th Fort Loudoun Tellico Lakes - Knoxville, TN, June 19th - 22nd Detroit River - Detroit, MI, July 10th - 13th Forrest Wood Cup - Columbia, SC, August 14th - 17th

FLW Series Schedule - 2008 Season

Lake Wheeler - Decatur, AL, March 26th - 29th Lake Champlain - Plattsburgh, NY, September 10th - 13th Clarks Hill - Appling, GA, October 22nd - 25th

Toyota Texas Bass Classic

Lake Fork, TX, April 18th - 20th

BASS Southern Opens - 2008 Season

Santee Couper - Manning, SC, May 8th - 10th Guntersville Lake - Gu ntersville, AL, October 16th - 18th

Please visit www.basszone.com for location coverage of professional bass fishing. Also, look for fishing tips from Chad in upcoming Newsletter issues.

"Be Car Care Aware" Campaign Celebrates Fifth Anniversary



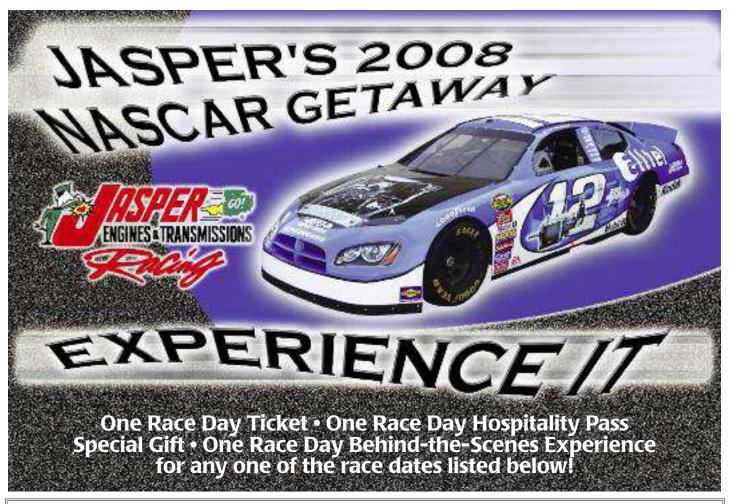
Celebrating its fifth anniversary, the popular consumer education program, "Be Car Care Aware," has become the leading third-party source of information on vehicle maintenance for motorists, the industry and the consumer media.

"The 'Be Car Care Aware' campaign has clearly exceeded expectations in only five short years," said Rich White, executive director of the Car Care Council. "Unlike other industry campaigns like 'Got Milk,' 'Be Car Care Aware' does not rely on paid advertising. Through media outreach, widespread industry support, collaboration, funding and direction from the Automotive Aftermarket Industry Association (AAIA), the 'Be Car Care Aware' campaign has made a real impact. The fact that consumer research shows 67 percent of motorists are more aware of the benefits of vehicle maintenance than they were five years ago, shows the huge success of the campaign."

Since its official launch, the "Be Car Care Aware" campaign has:

- Contributed to reducing annual unperformed vehicle maintenance from \$62 billion to \$53 billion.
- Played a role in reducing failure rates of vehicles inspected during Car Care Months from 91 percent to 80 percent.
- Increased monthly visitors to www.carcare.org from 55,000 to 155,000.
- Positioned www.carcare.org as the number one Web site for car care on Google, AOL, Yahoo, MSN and all other major Internet search engines.
- Increased media publicity value every year of the campaign, reaching a value of \$15 million for 2006 and a projected value exceeding \$17.5 million for 2007.

The Car Care Council is the source of information for the "Be Car Care Aware" consumer education campaign promoting the benefits of regular vehicle care, maintenance and repair to consumers. For a copy of the Council's Car Care Guide or for more information, visit www.carcare.org.



Each package is valued at \$350.00 and is available to you for only \$125.00 and the proof of purchase of five engines, transmissions, differentials and/or stern drives. Purchases must be made between August 1, 2007 and August 1, 2008. Package(s) do not include transportation or lodging and must be redeemed 30 days prior to the race you plan to attend. JASPER is not responsible for rain dates or cancellations. All reservations will be confirmed in writing. To redeem package(s), submit copies of your invoices along with a check for \$125.00 to:

Jasper Engines and Transmissions Attn: JASPER/NASCAR Promotion P.O. Box 650 • Jasper, IN 47547-0650 1-800-827-7455 • www.jasperengines.com

Hurry while supplies last! Packages are subject to ticket availability.

Be sure to read an upcoming issue of the JASPER Driveline for more details!

Available only to businesses whose policies do not prohibit such programs.

E-Commerce Portal Drawing

January was the latest month for JASPER's E-Commerce Portal Drawing. The winner for January was Miller Auto Parts of Cumberland, Maryland. They selected the \$400 rebate coupon.

Don't forget, when you order through JASPER's fully-customized E-Commerce Portal, your business will be entered into a monthly drawing. Winners have the choice of:

- One day of deep-sea fishing on the Gulf of Mexico for one person (includes lodging).
- Two race tickets & hospitality at one of the JASPER NASCAR Incentive Races in 2008 (lodging NOT included).
- A \$400 rebate coupon to be used towards future JASPER purchases.

Transportation to and from all activities is the responsibility of the winner.

Greensboro Branch Voted As One of Triad's "Best Places To Work"



The Greensboro, North Carolina branch of Jasper Engines &Transmissions was listed as one of the 30 "Best Places to Work" in 2007 by The Business Journal of the Greater Triad Area. The Triad area includes the cities of Greensboro, Winston-Salem & High Point, North Carolina.

Greensboro was a top 10 finalist in the small business category (fewer than 50 employees). The winning companies were determined based on the results of anonymous online workplace satisfaction surveys completed by employees; results were compiled by Quantum Market Research.







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