Spring 2015

Dear No-Rosion Customer,

Spring has arrived, which means it is time to prepare your cars for a summer of fun, shows, and cruising...

Rather than our normal commentary on the chemistry of vehicle maintenance, we're going to change things up this time around and announce that 2015 marks the 20 year anniversary of Applied Chemical Specialties (ACS). Twenty short years ago, we launched our No-Rosion products as a way of helping protect and preserve the cooling systems, fuel systems, and lubrication systems of your antique and collector cars.

Let's take a look back at how this all came to be ...

Long before ACS was founded, Jerry Ross began his career with Dearborn Chemical Company in 1970. By way of background, Dearborn was established in 1888 by chemist William H. Edgar. It specialized in making water treatments that would reduce the formation of mineral deposits in boilers and other industrial equipment. It derived its name from the fact that it was originally located on Dearborn Street in downtown Chicago. In 1953, after it was purchased by W.R. Grace, Dearborn relocated to Lake Zurich, Illinois. It operated there until 1996, when it was sold to Betz Labs.

After a 10 year career at Dearborn that ended in 1980, Jerry founded Ross Chemical Incorporated (RCI). He established operations serving the Midwest region of the US with a full line of industrial water treatment products. This included corrosion inhibitors, antiscalants, boiler water treatments, return line treatments, microbicides, cooling water treatments, coagulants, industrial cleaners, and a number of other products used in boilers, cooling towers, condensers, and other industrial water systems. RCI's success was predicated on providing the highest quality products, along with the highest level of service, to assure that said products were used properly. Because the fact is, even the absolute best products can't/won't <u>perform</u> properly if they are not <u>used</u> properly. That's why the service end of the business was, and still is, so important.

One of RCI's products, known as "CWT-37" (CWT = Cooling Water Treatment) was originally derived from an old Dearborn formula. It had been used for decades as a highly effective, multi-metal corrosion inhibitor in cooling towers and condensers. Over the years, some boiler operators (who also happened to have antique cars parked in their garages at home) began using CWT-37 as a radiator additive. Their logic was: If it works this well at keeping their cooling towers and condensers clean and rust-free, it will probably do the same in the cooling systems of their cars. As it turns out, they were right.

We, too, began to use CWT-37 in the cooling systems of our old cars. Likewise, we saw excellent results. This included our 1951 Oldsmobile and 1967 Buick. During the ritual of draining, flushing, and re-filling the cooling systems, we had grown accustomed to seeing the last quart or two of fluid contain brownish-orange corrosion byproducts. However, after we began adding CWT-37, the last quart came out as clean as the first.

Word spread. We started getting requests from friends, fellow car enthusiasts, and family members for "some of that boiler chemical." (Incidentally, it wasn't boiler chemical. But they knew that Jerry worked with boilers, so that's how they referenced it.) He began giving out CWT-37 in pickle jars. That went on for years. But as more requests came in, it became a burden. Siphoning this high pH liquid out of a drum... into pickle jars... distributing it by hand... it was something neither Jerry nor RCI had any interest in doing.

So to the complaints of users, the pickle-jar distribution of CWT-37 ended. After the complaints became loud and numerous enough, we made the decision to do something about it. That's how, why, and when ACS was formed. And that's when the No-Rosion brand began.

ACS spent the first year tweaking and refining the CWT-37 formula, to be more applicable to the wider range of metallurgy in automotive cooling systems. Said "tweaking" included several upgrades to the formula: (1) using additional aluminum corrosion inhibitors, (2) using different co-polymers that would allow tap water to be safely used, (3) reducing the pH, etc. This new "No-Rosion" recipe was then sent to a third-party coolant test lab for ASTM tests. It passed with flying colors. Thus, the first iteration of the product was born.

We issued a press release in September, 1995, introducing No-Rosion and its recent pass of ASTM tests. One of the publications that carried the release was <u>Old Cars Weekly</u>. As it turned out, the benefits offered by No-Rosion were the perfect match for their readers. Within a week of publication, we started receiving mail orders. Within a month, we had received over 50 orders. That's when we knew we were onto something.

By 1996, we started getting calls from museums. One of the first major museums to begin using No-Rosion was the Nethercutt Collection of Sylmar, California. The owner of the museum, J.B. Nethercutt, was the founder of Merle Norman cosmetics. Himself a chemist, he undertook the process of testing No-Rosion in his own lab before he would use it. Once sufficiently convinced that it would perform to his specifications, Mr. Nethercutt hired an employee whose sole responsibility was to convert the cooling system of each of his cars to a mix of reverse osmosis (RO) water and No-Rosion. His collection consisted of over 150 classics, including Packards, Rolls Royces, Daimlers, Duesenbergs, Bugattis, and almost every other significant pre-war marque.

Long-term preservation of the classics was very important to Mr. Nethercutt. He began telling his car collector friends about the No-Rosion products that were being used to preserve his cars. His circle included Phil Hill, Jay Leno, Bruce Meyer, Jacques Harguindeguy, and many high profile Pebble Beach award winners. As a six-time "Best of Show" winner at Pebble, Mr. Nethercutt's endorsement carried some serious clout. And so our sales of No-Rosion began to flourish among various high-end collector car circles.

In November 1996, we launched No-Rosion at the Specialty Equipment Manufacturer's Association (SEMA) Show in Las Vegas. Against the flashy backdrop of hot rods, wheels, glitzy girls, and performance race equipment, our very "non-sexy" cooling system corrosion inhibitor did not generate much excitement or attention. But the show did put us into contact with other firms that sought to have high quality coolant and fuel additives blended for them on a private label basis. This marked a significant and important shift for us.

In 1997, we began to focus on research, development, and manufacture of customized formulas to meet the specific needs of private label corporate customers. We continued with our No-Rosion brand, as it was our bread and butter, and still garnering interest among hard-core collectors and enthusiasts. But over the years, it would become the private label business that paid the bills and kept the lights on. And importantly, it has financed a good deal of our continued, cutting-edge product development. As a No-Rosion customer, you have been the beneficiary of this, in the form of continuous improvement in the performance of our products.

Over the last two decades, we have grown both our No-Rosion business as well as private label business. Through these combined efforts, we now reach millions of consumers across the globe. And separately, RCI continues to manufacture the best industrial water treatment products available anywhere in the Midwest.

One more thing needs to be said. Our in-house, "boutique" No-Rosion business is very important to us. It allows us to "showcase" our technology direct to consumers like you. But you're more than just "consumers." You're demanding, discriminating car collectors – who expect nothing but the best! This keeps us on our toes. The feedback we receive from you is very valuable. It steers our product development. This, in turn, allows us to continue producing superlatively high-quality products that are intentionally unlike anything found at retail.

Now that we got the story out of the way, here are a few of our favorite photos from the last 20 years:



Our 1951 Olds Super 88 Holiday Coupe, the original "test mule" for No-Rosion products. This car has been in our family since 1953.



The No-Rosion booth during its launch at the 1996 Specialty Equipment Manufacturer's Association (SEMA) Show in Las Vegas.



Converting the cooling system of Mr. Nethercutt's 1930 Rolls Royce Phantom II Brewster Town Car to a mixture of No-Rosion and reverse osmosis (RO) water.



Conducting an interview with Deutsche Welle TV in 2007, regarding the benefits of running HyperKuhl in the cooling systems of vehicles driven on the autobahn.



The motor in our Olds, a 324"mill with 3x2 Weiand aluminum intake manifold and progressive linkage, protected by No-Rosion (or CWT-37) for 35+ years.



Inside the "Grand Salon" at The Nethercutt Collection in Sylmar, California, right after all the cars had been converted to No-Rosion.



Our first introduction to Jay Leno in 1996, when he visited The Nethercutt Collection on a Saturday morning in his 1913 Mercer Raceabout.



The HyperKuhl booth during its launch at the 2008 Specialty Equipment Manufacturer's Association (SEMA) Show in Las Vegas.

As a way of thanking you, our loyal No-Rosion customers – without whom we wouldn't have made it one year, let alone twenty – we are offering the following discount on all orders placed before June 1, 2015:

20% discount for any purchase over \$50 (excluding shipping charges)

For orders submitted online, we will deduct the discount at the time the order is processed (i.e you won't see it automatically deducted by the computer). Or for orders submitted via US Post, please deduct the 20% discount from the order total before you calculate shipping charges.

Before wrapping this up, there is one item of business...

Some of you have recently contacted us with concerns about the fact that adding No-Rosion Cooling System Corrosion Inhibitor to yellow, lime, or green colored antifreeze causes it to turn an ugly brownish color that looks remarkably similar to rust. In other words, the very stuff that the product prevents! We'd like to explain how/why this has started happening...

As you may already know, the pink color in No-Rosion has traditionally come from a pH indicator that turns pink above pH 8.5, and clear below 8.5. Because it is a <u>pH indicator</u> – not a <u>dye</u> – it does not interfere with the native color of dyes in antifreeze/coolant to which No-Rosion is added.

About a year ago, some of you contacted us, and expressed your desire for the product to exhibit a deeper, more robust pink color if/when used in straight water engine coolant. So we started coloring No-Rosion with a mix of pH indicator <u>and</u> pink dye. This got you the color that you wanted. However, it also resulted in the pink dye altering the color of yellow, lime, and green antifreeze. The resultant color: brown.

To quote John Lydgate: "You can please some of the people all of the time, you can please all of the people some of the time, but you can't please <u>all</u> of the people <u>all</u> of the time."

We too have concerns about the product exhibiting this brown color if/when used with certain colors of antifreeze. For this reason, we will henceforth discontinue using the pink dye in the product formula. We have about 6 months of remaining inventory to move, after which future blends will revert back to our original colorant: just the pH indicator, and <u>no dye</u>, so that it won't interfere with the color of antifreeze.

Incidentally, if you ever spill No-Rosion and have concerns about staining from the pink color, pour a little vinegar or lemon juice onto the spill. This will instantly turn the pH indicator to clear. Any remaining color is from the pink dye, which is easily removable with some light detergent.

As always, we'd like to remind you that the protection provided by our products is depleted over time. So we hope you'll take a moment to place your next order. You can either use the enclosed order form, or visit our web site: <u>www.NoRosion.com</u>.

On this, our 20th anniversary, we'd like to thank you now more than ever for being a loyal customer. We appreciate your support, and look forward to being of service for the <u>next</u> 20 years – and beyond!

Sincerely,

Applied Chemical Specialties, Inc.