Date: 11-04-04 The C.A. Lawton Co. Pattern Division Weekly Report – Coil C1

Contract Number: SUB# S-04341-F REV 5

Administration:

Lawton is in process of evaluating options that will minimize any project delay due to our internal resource constraints. Our initial strategy is to outsource our typical modeling work and redirect our internal resources to support the Energy of Ohio project.

Both technicians are highly skilled, and journeyman pattern makers. They have been working together closely for many years. Don will be in the lead position and can pass on what we have learned thus far. This seems more effective and easier than trying to bring an outside agency into the equation. We feel this option offers us some opportunity to support our modelers, and leverage our modeling talent with the complex configurations of the Coil C, Coil A and Coil B.

Our router capacity has been another production bottleneck. We are in process of searching for alternate suppliers that have 5-axis capability *and* capacity. We are posturing that outsourcing the cope core print is too risky. The cope and drag core print is too complex and these components must fit like a glove. Lawton must retain control over these components. With that said, we think there are 6 boxes that could be sub-contracted. There is a reputable supplier in our area that our sister company has had a relationship with for many years. We are requesting quotes, they have capacity and we expect to push the button very soon.

Lawton wants to re-assure all the parties involved that we are committed to this project and we are leaving no stone unturned when searching for solutions. While we are focusing on resource constraints, it is important not to overlook the good work that Don, Tim, and the entire pattern team have accomplished. Some of the components are shown on the subsequent pages.

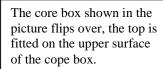
Technical:

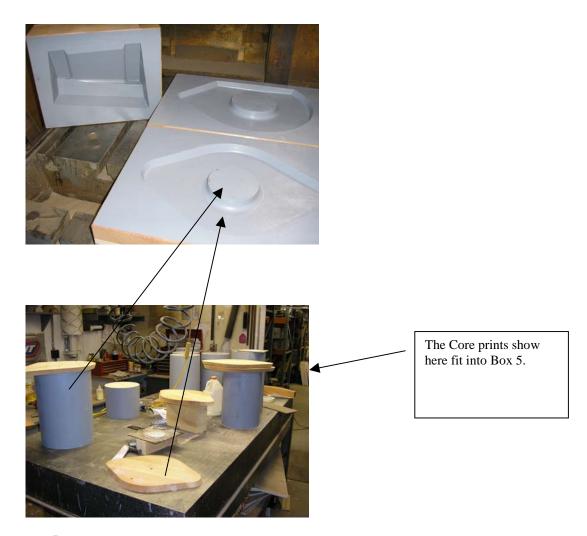
In our previous report, we mentioned the finish stock challenges. We think are considering a different process on the Coil A & Coil B. We think that if we router the backside of the skin in foam to match the race track configuration, when we place the foam into the wood core box, and then router from the topside. We think this may be more effective than hand fitting and blending.

The solidification model for Coil A is underway and we anticipate these will be completed by the end of the week. These are two changes from the Coil C; the cope and drag has been reversed and there are risers located in the middle. We are early in the solidification process and we haven't determined if and how this will impact us.



The part shown in the picture showed to the left fits on the upper surface of the cope box.





Box 5

Lawton estimates Box 5 to be 80% complete.



Drag Box

Lawton estimates the Drag Center box to be 90% complete including the loose pieces.





Top of the drag box - loose piece.



Loose Pieces - Drag

Cope: Lawton is in the initial states of production. There are some components cut.

