MGS INK

CEO's Message: March 2026



Hi Team,

Thank you for your continued hard work and focus as we move further into 2026. Last week, I attended the annual NATM Convention in Fort Worth, Texas, where trailer manufacturers and suppliers from all over the country gathered to discuss industry trends, share insights, and plan for the challenges ahead.

One topic dominated nearly every conversation: the significant changes to U.S. tariff policy and the impact these changes are having on manufacturing companies like ours. I want to take a few minutes to break down what's happening in clear terms—what it means for our business, and how we're responding.

What's Changing With Tariffs?

Recently, the U.S. government made several updates to tariff laws that directly affect the cost of steel, aluminum, and many imported goods. These policies fall into two main categories:

1. Section 232 Tariffs (Tariffs on Specific Items) These tariffs apply to certain materials—primarily steel and aluminum.

    a. First introduced in 2018, they added 25% duty on steel and 10% duty on aluminum.

    b. In 2025, the U.S. increased these duties to 50% and expanded the types of products covered.

    c. These increases have pushed material costs higher across our industry.

2. Section 122 Tariffs (Tariffs on All Countries) These were introduced in February 2026 to replace tariffs that the Supreme Court ruled could no longer be imposed under the previous legal authority.

    d. A 10% tariff on all imported goods took effect on February 24, 2026, with talk of this possibly rising to 15% in July.

    e. This broad tariff impacts a wide range of components used in manufacturing, not just steel and aluminum.

Why This Matters to Us

These tariff changes create several challenges:

- Higher material costs, which affect the cost of building our trailers.
- Pricing pressure, as we work to stay competitive without compromising quality.
- Uncertainty in the supply chain, especially when tariff rates and rules change quickly.
- Customer hesitation, as fluctuating costs impact their buying decisions.

What We're Doing About It

1**. Advocating for Our Industry:** I will be working closely with the NATM to communicate directly with federal lawmakers. They need to understand the real impact these policies have on our company, our employees, and the broader trailer manufacturing industry.

2. **Closely Monitoring Costs:** Our leadership and operations teams are tracking materials, freight, and supplier pricing to ensure we are adjusting appropriately. We will continue making responsible, data-based decisions.

3. **Focusing on Stronger Market Segments**: Our sales strategy is prioritizing markets and customers less affected by tariff-driven cost increases. This helps stabilize volume and maintain healthy demand.

4. **Strengthening Our Internal Efficiency:** We are continuing to look for ways to improve productivity, streamline processes, reduce waste, and maximize the value of every hour and every dollar spent.

Regardless of the uncertainty around tariffs, our long-term strategy remains strong. We've navigated challenges before, and we will navigate this one the same way—together. We succeed because of your dedication, craftsmanship, and commitment to doing things the right way. Thank you for everything you do to make our company strong and resilient. I appreciate each of you and look forward to updating you as we learn more in the months ahead.

Andy

News from DMS

This month marks a major turning point for DMS as several stalled projects are finally springing back into motion and moving toward completion.

• HDT units should be fully shipped—or very close—by the time you read this.

• Milton Cat PPU Refurb: Our data-sharing issues have been resolved, work has resumed, and we are on track for a completion date in the second week of March.

• Kratos EU Units: Kratos has picked up EU #1 (affectionately known as 'the Swiss cheese trailer') for testing, and we have now received orders tied to EU #3. This is critical program for both MGS and Kratos as they progress through approvals and toward full production.

A special thank-you to Austin Woodworth, who stayed committed through each project's unique challenges—many of which occurred simultaneously. As anyone who has managed complex programs knows, this can be incredibly frustrating and demanding. Austin's perseverance made a real difference.

Thank you also to Jeff Grumbling and the entire team for consistently going above and beyond to keep these efforts moving. Your hard work is what pushes these projects across the finish line.

By Cory McQuate, DMS Division Manager

News from Retail Sales

The Great American Outdoor Show is a nine-day event held at the Pennsylvania Farm Show Complex in Harrisburg that celebrates hunting, fishing, and outdoor traditions treasured by millions of Americans and their families. The show features over 1,000 exhibitors covering 650,000 square feet of exhibit hall space!



We have had a booth at this show every year since its inception 10+ years ago. It's a great way for us to get in front of potential new customers – and boost our February sales which is typically a slow winter month! Our booth is right in the middle of big-name manufacturers in the truck and powersports industries like Ford, RAM Trucks, Polaris, Can-Am, and Yamaha, so it's the perfect spot – and we're the only "Trailer Guys" at the show.

By Erik Beatty, Retail Trailer Sales

News from UFS

For nearly 20 years, UFS has utilized a trusted bushing-and-weldment system for reel trailers serving our utility customers. While reliable, customers handling heavier reels—particularly 6,000 lbs. and above—reported that cable pulling required more force than preferred. In response, our engineering team developed a roller-bearing adapter designed to securely retain the spindle bar while significantly reducing pulling force. Although the initial design delivered excellent performance, it presented manufacturing challenges due to cost, complexity, and finishing limitations—prompting further innovation.

That opportunity came during the development of two offset four-reel trailers last year. After adapting a new roller concept into an MGS-ready solution, the trailers were showcased at EUFMC and the Utility Expo, where the noticeably smoother reel-turning performance gained strong attention. To validate the design under real-world conditions, PD703 testing was launched, evaluating loads at 3,000, 6,000, and 9,000 lbs. Results exceeded expectations, showing more than a 50% reduction in pulling force across all tests—and zero required pulling force at 3,000 lbs.





Even more impressive, the new bearing stand is projected to cost the same or less than the original bushing stand while delivering substantial performance improvements. UFS plans to transition to this new design for 2026 production. Special thanks to George Dochat, Evan Wallick, Jeff Grumbling, Material Handling, Assembly, and Engineering for their dedication and teamwork in delivering a solution that strengthens customer experience and reinforces our commitment to continuous improvement.

By Cory McQuate, UFS Division Manager

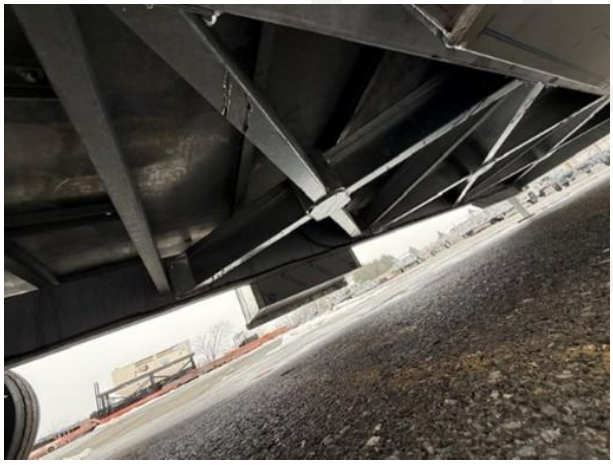
News from OEM

Here at MGS, solving problems might seem routine—but it's something we truly excel at.

Many of you in Pennsylvania have seen the galvanized gooseneck trailer and know the challenge it created with the pump weighing in at 4,000 lbs. mounted off to one side. We didn't learn about the issue until the trailer reached the customer for final assembly. During transport, the weight of the pump caused the front corner to dip, giving the trailer a noticeable lean once it came off the front jacks. Structurally everything was sound, but the imbalance needed to be addressed.

That's when the problem-solving kicked in.

Engineering dug into several calculations to determine how best to counteract the uneven weight distribution. Once the numbers were verified, the team designed a set of three heavy duty cross braces to tie the frame rails together. Material was ordered immediately, and Press and Shear started work. The first brace was welded, test fit in the frame, and confirmed to work perfectly. The remaining braces were completed and rushed to galvanize on Thursday. The completed cross braces were galvanized over the weekend and returned to MGS early the next week—ready for installation without delay.





Meanwhile, our customer was revising their design to move the pump to the center of the trailer. Just when things seemed on track, we discovered software compatibility issues between MGS and the customer. After several attempts, we finally received a file that allowed us to verify the new mounting layout. Engineering updated the file for approval, and as of this writing, we're awaiting the customer's final sign-off. We expect this to be wrapped up by the end of February so we can return the trailer to their facility promptly.

This project is a great example of the extraordinary teamwork and dedication that define MGS—always going above and beyond to solve our customers' challenges.

By Clay Goldman, OEM Division Manager

MGS Needs Your Help



As part of our ongoing initiatives in Employee Engagement, MGS will be conducting periodic surveys to some or all employees to gather valuable input and feedback which will help us improve our processes. Some of you may have already participated in one or two of these.

We have two platforms that will be utilized, "Net Promotor," which will be very broad in its question(s) and "Paylocity," which will have more targeted questions. Please, when you do receive a survey request, take the time to answer. Your input helps guide decisions that impact our workplace, culture, and processes. The survey is completely confidential, and we encourage you to be open and candid in your responses.

Thank you!

Matt Sweigart

MGS Holiday Schedule

Holiday	Date of Holiday	Observed 1st Shift	Observed 1st & 3rd Shift 4-10	Observed Weekend Shift
New Year's	January 1, 2026 (Thursday)	January 1, 2026 (Thursday)	January 1, 2026 (Thursday)	NA
Good Friday	April 3, 2026 (Friday)	April 3, 2026 (Friday)	April 2, 2026 (Thursday)	April 4-5, 2026 (24hrs.)
Memorial Day	May 25, 2026 (Monday)	May 25, 2026 (Monday)	May 25, 2026 (Monday)	NA
Independence Day	July 4, 2026 (Saturday)	July 3, 2026 (Friday)	July 2, 2026 (Thursday)	July 4, 2026 (Saturday 12hrs.)
Labor Day	September 7, 2026 (Monday)	September 7, 2026 (Monday)	September 7, 2026 (Monday)	NA
Thanksgiving Day	November 26, 2026 (Thursday)	November 26, 2026 (Thursday)	November 26, 2026 (Thursday)	NA
Christmas	December 25, 2026 (Friday)	December 25, 2026 (Friday)	December 24, 2026 (Thursday)	Dec 25-26, 2026 (Friday 12 hrs. Saturday 8 hrs.)

MGS EMPLOYEE BENEFIT HIGHLIGHT

Bereavement Leave

At MGS, we understand that losing a loved one is a deeply difficult time, and we want to ensure our employees have the space to grieve and support their families.

Employees are eligible for two (2) days of paid bereavement leave in the event of the death of an immediate family member.



Immediate family includes:

- Your spouse
- Parent
- Child
- Sibling
- Grandparent
- Your spouse's parent or child



To receive bereavement leave, please provide a copy of the obituary to Human Resources.

This benefit is just one of the many ways MGS supports our employees.

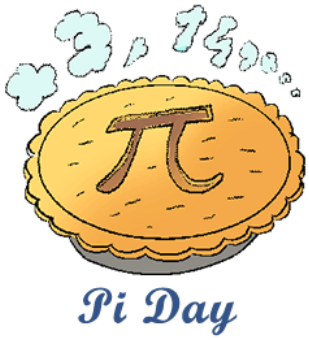
MGS Inc. | Supporting Our Team Every Step of the Way

March Momentum...





Starts March 8th



March 14TH



March 15th – April 6th





First Day of Spring

(Spring Equinox)

March 20th

March 26th

Major League Baseball Opening Day



Get Ready for March Madness

Join the Fun for a Chance to

Win a MGS Carhartt Hoodie!

March Madness is almost here, and we are excited to announce that we will be hosting our very own **MGS March Madness Bracket Challenge**!

Here is your chance to join in on the fun and potentially win a MGS Carhartt hoodie.
How It Works: On Monday, March 16th we will email & post the bracket to MGS employees. To participate, simply choose the top 3 teams you believe will shine this **March Madness**. Submit your picks to HR in the following format:

- Your Name
- Team 1:
- Team 2:
- Team 3:

Winning the Prize: If one of your selected teams wins the championship game on April 6th, your name will be entered into a raffle to win a MGS Carhartt hoodie. It is a great way to get involved, show your team spirit, and maybe even snag some cool swag!

Important: Your selections must be submitted to HR by 5:00 p.m. on March 17th,
Don't miss out on the excitement and the chance to win.
Get ready to pick your teams, and may the best bracket win!

Winter Challenge Carhartt Hoodie Winners!



From PA – Tristian Adams

From CO – Nonnie Tumath

Valentine T-Shirt Trivia Winners!

Shelly Mullen – 12/15 Correct & 4/5 Bonus Questions

Lori Nguyen – 12/15 Correct & 4/5 Bonus Questions

Tristan Adams – 12/15 Correct & 4/5 Bonus Questions

**It's a three-way tie, so all 3 won a tee-shirt!*



PROMOTION ANNOUNCEMENT



Jon Mummert, VP of Manufacturing

I am pleased to announce the promotion of Jon Mummert to Vice President of Manufacturing.

Jon began his career with MGS in 2006 as a Mechanic in our Facilities and Maintenance Department. His background as an ASE MasterCertified Diesel Mechanic brought a high level of technical expertise and professionalism to our maintenance operations, quickly distinguishing him as a valuable contributor to the organization.

Jon's leadership abilities became evident early on in 2007, leading to his advancement into the Lead Maintenance role. In 2014, he accepted the responsibility of managing the Press and Shear Department, and by 2017, he further expanded his leadership scope by managing the Weld Department as well.

In 2022, Jon was promoted to Production Manager for our entire Pennsylvania facility. During this time, he demonstrated exceptional operational knowledge, strong problem-solving capabilities, and a commitment to developing both processes and people. His deep understanding of our company, continuous pursuit of operational excellence, and dedication to employee development have consistently set him apart.

Jon's impressive track record and holistic knowledge of our operations made him the ideal choice to step into the role of Vice President of Manufacturing. We look forward to his continued leadership and the positive impact he will bring to MGS in this new position.

Please join us in congratulating Jon on this well-deserved achievement.



Chris Wilson, Weekend Shift Supervisor

We're excited to share some great news. Chris Wilson has officially stepped into the role of Weekend Shift Supervisor!

Chris's journey here at MGS is one that truly reflects hard work and steady growth. He began as a Painter Maintenance Tech back in 2018, learning the ins and outs of the department and building a strong foundation. From there, he moved through the Painter roles, where he continued to sharpen his skills, take pride in his work, and consistently deliver quality results. Now, he's taking the next step into leadership.

In addition to Chris' strong technical skills, he's someone people respect. He shows up, works hard, helps his team without hesitation, and leads by example. He brings a calm, steady presence to the floor and genuinely cares about the work and the people around him. That kind of leadership makes a difference.

Moving from Painter Maintenance Tech to Painter to Supervisor is big accomplishment. It speaks to his dedication, growth, and the trust the company has in him to lead the Weekend Shift forward.

Chris, we're proud of you and excited to see you step into this new role. The weekend team is lucky to have you at the helm.

Please join us in congratulating Chris on this awesome milestone!



MGS ANNIVERSARIES



Paul Gould – 31 years
David Finogle – 22 years
Shawn Hartranft – 13 years
Thomas Haberman – 6 years
Richard Kramer – 5 years
Ozzie Benegas – 4 years
Hans Fertig – 3 years
Zachary Mell – 1 year
Matthew Pfaultz – 1 year

Cory McQuate – 29 years
Keith Ronan – 15 years
La Lao – 12 years
JB Dean – 6 years
Russel Bates – 4 years
Nate Bergman – 4 years
Landon Clouser – 2 years
Jonathan Paula – 1 year

Thank you for your service! We appreciate your dedication.



- Kellin Fallows – 8th
- Joshua Tobias – 11th
- Justin Lundberg-Neff – 12th
- Kirk Margheim – 17th
- Angie Hornberger – 22nd
- Russel Bates – 27th
- Mallorie Hansen – 10th
- Angele Bingaman – 11th
- Shelley Mullin – 16th
- Nick Luettgen – 20th
- Steve Ginger – 26th
- Brent Nordstrom – 27th

Employee Referral Program



We are always looking for top quality talent like YOU to join our team. If you know someone who would be a great fit, refer them and get rewarded! If we hire a quality candidate from your referral you earn **$1000.** Here is a terrific way to do it using social media. Here is an example…

When you follow MGS on Facebook, LinkedIn, or other social applications you may share our job opportunity ads and let others know you enjoy working at MGS and encourage them to apply! For more details contact Human Resource.

Visit mgsincorporated.com/news to know what social media resources we use. We hope you will "follow" and "like" our posts.







Current Job Opportunities at MGS

PENNSYLVANIA			
ASSEMBLY	Assembler	1st	1
PAINT	Painter	3rd	1
	Painter	Weekend	2
	Washbay	Weekend	1
WELD	Welder B	1st	1
Operations	Summer Groundskeeper	1st	1
	Human Resource Assist.	1st	1
COLORADO			
	Trailer Sales & Truck Fitting Outside Sales	1st	1
	Parts & Service Coordinator	1st	1
	Press & Shear Operator	1st	1

Please contact Human Resources if you are interested in a position.
Employee Referral Bonus now $1000.00

Spring into Action

March Safety Tips



Easy St. Patrick's Day Snack



Ingredients:

- Saltine crackers
- Butter
- Brown sugar
- Vanilla green candy melts
- Vibrant green candy melts wafers
- Bright white candy melts wafers
- St. Patrick's Day candy sprinkles
- White & Green Candy Sixlets



1. Lay Crackers on baking sheet. Preheat oven to 400. Place 1 sleeve of saltine crackers onto a baking sheet covered in foil and sprayed with nonstick cooking spray. Set aside.
2. Melt Butter & Sugar – Place butter, sugar and vanilla in a saucepan and heat over medium heat, stirring constantly. When mixture begins to boil, continue to boil for 3-5 minutes or until mixture is no longer gritty. Remove from heat and stir in vanilla. Immediately pour over crackers. Bake for 5 minutes.
3. Top with Melted Cand & Add Sprinkles. – Microwave green candy melts according to package directions. Spread evenly on the top of the crackers. Immediately top with small sprinkles. In a small resealable bag, add vibrant green candy melts. Microwave for 30 seconds on 50% power. Kneed the bag and if necessary, return to the microwave for 10 seconds increments at 50% power, kneading after each time in the microwave, until smooth. Snip the top of the bag and swirl on the green candy melts. Repeat with the white candy melts mixture.
4. Let Set to Harden & Cut. – Set baking sheet in the refrigerator for 15 minutes or until candy melts are set. Remove from refrigerator and cut with a sharp knife, creating irregular pieces. Enjoy!

How to Opt In or Out of Paperless Tax Form in Paylocity

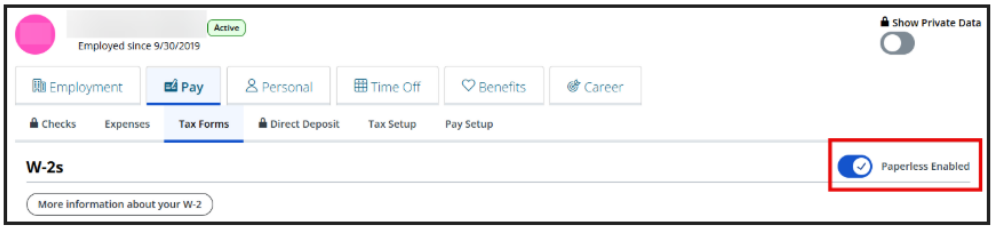
Tax Forms

Users can navigate into the Person Record through Home to enable or disable paperless options.

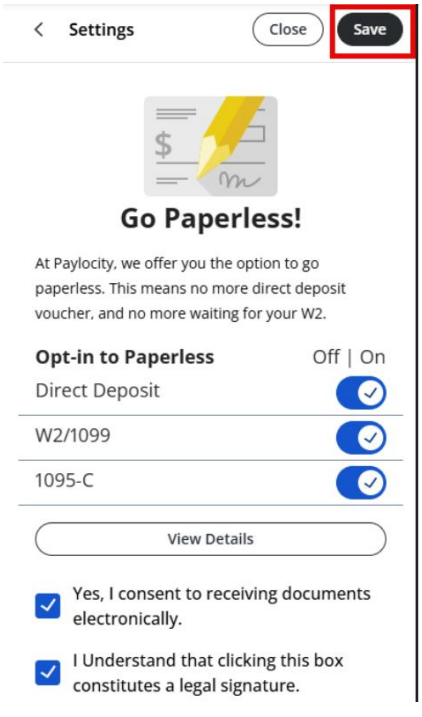
1. Access **Home**.
2. Select the **My Profile** quick action.
   - **NOTE:** If **My Profile** is missing, select the ✎ icon to add it as a Quick Action.



3. Select **Pay**.
4. Select **Tax Forms**.
   - To enable Paperless for W2s/1099s:
     A. Enable or disable the **Paperless Enabled** option to the right of the **W-2**s header.



     B. Enable or disable **Off | On** for **W2/1099**.
     C. If enabling, select **View Details** to review the **Paylocity E-Sign Act Disclosure and Agreement**. This option does not appear when disabling.
     D. If enabling, select the **Yes, I consent to receiving documents electronically** checkbox. This option does not appear when disabling.
     E. If enabling, select the **I understand that clicking this box constitutes my digital signature** checkbox. This option does not appear when disabling.
     F. Select **Save**.





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