

Memorandum No. 21205

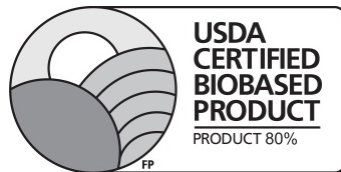
February 27, 2012

RE: USDA Biobased Label and Federal Preferred Procurement

Dear Blaser Distributors,

We are pleased to announce that Blaser Swissslube has earned the USDA Certified Biobased Product Label for ten products and those products are also eligible for preferred Federal procurement. The USDA Certified Biobased Product Label verifies that the product's amount of renewable biobased ingredients meets or exceeds prescribed USDA standards. Biobased products are goods composed in whole or in significant part of agricultural, forestry, or marine materials. In regards to our products, it is mainly the ester/vegetable oil content. In the very near future you will see these labels on eligible Blaser Products.

An example of the label:



FP indicates Federal Procurement Preference. Products with these designations are afforded preference by **Federal agencies and their contractors** when making purchasing decisions. If you are a supplier to any Federal agency, you might want to make them aware of these products and this program as it is fairly new and the USDA is still in the process of training their procurement agents on the Biopreferred Program. You could take advantage of this and be the first one to inform them of the program.

As recent as Tuesday, February 21, 2012, the current administration signed a presidential memo that requires the federal government to track and increase its purchases of products made from plants and other renewable agricultural materials — products such as hand soap derived from

soybeans, furniture from sunflower hull wood or disposable spoons from potatoes and of course, metalworking fluids. You can see press releases at these two sights:

- <http://www.usatoday.com/money/industries/environment/story/2012-02-21/biobased-products-government-boost/53181882/1>
- <http://www.biopreferred.gov/Default.aspx?SMSESSION=NO#>

The following Blaser Swisslube products have the USDA Certified Biobased Product Label:

Product	Biobased content
Vascomill 10	74%
Vascomill 22	88%
Vascomill 35	92%
Vascomill 42	98%
Vascomill CSF 10	72%
Vascomill CSF 22	89%
Vascomill CSF 35	100%
Vasco 5000	80%
Vasco 5060	70%
Vascomill MMS SE 2	86%

Vasco 7000 is currently being tested. All biobased amount claims are verified by independent labs and monitored by the USDA.

About USDA BioPreferred

The USDA BioPreferred program was created by the Farm Security and Rural Investment Act of 2002 (2002 Farm Bill), and expanded by the Food, Conservation, and Energy Act of 2008 (2008 Farm Bill). The purpose is to increase the purchase and use of biobased products. To learn more about the USDA Certified Biobased Product Label please visit www.biopreferred.gov.

If you have any question about the USDA Biopreferred Program, please contact Doug Fecher at d.fecher@blaser.com

BLASER SWISSLUBE INC.



Doug Fecher
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