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Laufen to locate new Import Warehouse & Distribution Facility in Suffolk

SUFFOLK, VA. December 30, 2003 – Laufen Ceramic Tile announced today that they will lease 92,000 square feet at the Commonwealth Storage Buildings in Suffolk as their new center for importing, warehousing, and distributing their ceramic tile products throughout the eastern United States. Laufen, a market leader in the U.S. ceramic tile industry, will have their East Coast Distribution Center managed by an estimated six Laufen employees and it will be fully integrated within Laufen systems. This will mean a new investment of over \$1 million in this new project. The warehouse will be fully functional for shipments by January 12, 2004.

Since one of Laufen's main objectives has always been to continually improve logistics, the new Suffolk warehouse will enhance inventory management and speed up order processing, while expediting product delivery and giving the company the ability to increase truckload processing.

Laufen quality dates back to 1892 when the Laufen Group founded its first production company in Laufen, Switzerland. The company's reputation for superior craftsmanship grew along with its international presence. In 1999, the Roca Group, the leading Spanish sanitaryware manufacturer, acquired Laufen. The combined Roca-Laufen group is the second largest sanitaryware manufacturer and the fifth largest ceramic tile manufacturer in the world with ceramic tile factories in the U.S., Spain, Brazil, Peru and Bulgaria. Laufen continues to bring together its heritage of beautiful styling with its reputation for quality craftsmanship.

According to Mayor E. Dana Dickens III, "we are extremely pleased to welcome Laufen Ceramic Tile to our city. Suffolk provides an excellent strategic location for manufacturing and distribution services with close proximity to the Port of Virginia. We look forward to working with Laufen to insure their continued success."

The Commonwealth Storage Buildings offer distribution companies a reasonably priced location with easy access to the Port of Virginia to the east and domestic trucking routes to the west. Located east of Downtown Suffolk with access to a CSX rail line, Commonwealth Storage is also positioned within a Virginia Enterprise Zone. By locating in the Enterprise Zone, qualifying businesses may receive an array of state and local tax credits, as well as job grants for new positions created by business expansions.

"We are extremely excited that Laufen has chosen to locate this new operation in the Hampton Roads region" states Don Jellig, Chairman, Hampton Roads Economic Development Alliance. "The Alliance continues to pursue international companies as one of our primary targets and we are pleased that these initiatives are paying off for this company and our region."

Laufen was assisted in their site selection process by the Hampton Roads Economic Development Alliance, the Suffolk Department of Economic Development, Commonwealth Storage Corporation and CB Richard Ellis Commercial Real Estate.

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