



The Quarterly Newsletter Devoted to Events and Information About Multi Products Co.

It is the time of year when we reflect and give thanks while spending time with our families. Unfortunately it is not shaping up to be a very festive holiday season for many people in a year that has been very difficult for the U.S. and World economy. Most of us can't remember a time when there was more fear and uncertainty in the marketplace. What started as a mortgage crisis has expanded into a comprehensive market downturn that has impacted everyone. Several attempts at bailout plans have not calmed the markets and we continue to see huge volatility in prices for assets ranging from stocks to commodities. Even though some forecasters in late summer were projecting \$200/Bbl oil by year-end, we experienced a lightning fast drop from \$140 to \$50, while natural gas prices declined from 14 to 6 in the same period. The forecasts for job losses and continued weak results extend well into 2009. The \$700 billion Troubled Asset Relief Program (TARP) was designed by the government to help the financial system and credit markets. We will all feel better when we start to see signs of strengthening in our economic base.

What does this all mean for us? There are several important observations we can make in this tough market:

1. The oil and gas marketplace will slow down some in the next year – Since the financing market has been materially restricted and energy prices have declined, we will see many companies slow down their drilling programs. It is likely that our new President and a Democratic Congress will curtail efforts to expand domestic drilling. There are a couple of potential positives from this market slowdown. First, the natural gas market survives on a very slim margin between supply and demand. In North America we are increasing our usage of natural gas for power generation and even a recession will not create enough of a surplus for sustained low pricing. Secondly, a large part of our products and services at Multi Products relate to existing well optimization. Our customers may focus more of their resources to improve cash flow without the large capital expenditures that drilling requires.

2. Thank goodness we are not in the car business! – We are fortunate that we are not in a consumer discretionary business. Because our country has purchased and borrowed its way into an unprecedented mess, there are some industries that will be severely impacted for many months/years to come. We make tangible products that are used to create energy and, luckily, energy is not a discretionary product. Yes, we will see fewer Hummers and more Smart Cars, but overall energy consumption (most importantly natural gas) will not decline for a sustained period. Over the last couple of years, the frenetic drilling pace for gas has resulted in record increases for N. American production. Most analysts expect that because of the quick decline in production for new wells and continued increase in natural gas demand, we will be right back in a supply crisis mode within a couple of years. The long term outlook for our customers and our products is very solid.

3. This is a time to conserve cash and wait for opportunities – Even though our long term industry outlook is strong, the short and medium term is very uncertain. We will be very cautious about our spending and we will continue to rely on our team to reduce costs and improve efficiency.

Now, focusing on the part of our business that we can control, here is a brief update on current developments. The last few months have been very active with exciting projects at all of our offices. Out west there has been strong initial interest in our new motor valve and we have already received commitments from several major customers. Our vapor recovery program has continued to develop with new customers as we have settled upon a reliable package with Blackmer compressors, Cimarron skid packages, and our internally designed electronic control boxes. Recently, the market has been very interested in our casing plunger program and we are seeing customer demand for our newly designed multi-staged plunger package also. Our casing plunger product line has been expanded for new drill applications in high pressure shale plays like the Marcellus Shale.

Perhaps the most exciting development over the summer and fall has been our work with Cimarron in the Appalachian Basin designing production equipment for Marcellus wells. Our team in Pennsylvania (John, Mike, and Jeff) have worked closely with Bud, Tim Westmoreland and the Cimarron team to make phenomenal inroads to this quickly developing market. Cimarron's superior design and experience with high-pressure, cold weather applications, paired with our service coverage and relationships in the region have given us a very strong position. The picture located on the back of the newsletter shows our John Heberling and Mike Walker with Cimarron's Jim Whitely and Tim Westmoreland after a successful hook-up of 3 Cimarron Quad Production Units.

Multi has over 40 years experience and we have weathered many economic cycles. We are thankful for our loyal customers and sincerely appreciate your business. We also want to thank all of the Multi associates for another year of dedicated efforts. We are prepared to weather the current economic storm and prosper in the coming years.

Tech Corner...

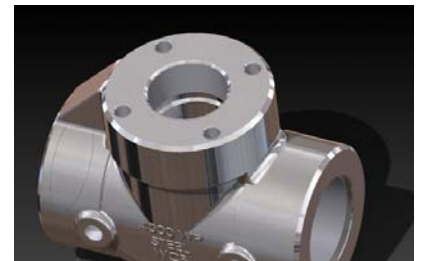
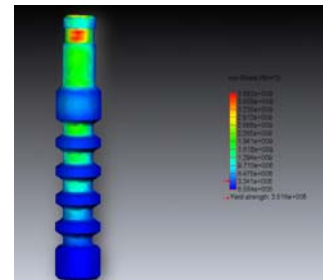
With the addition of our full-time Mechanical Engineer, Robert McKee, we were able to launch a number of initiatives this year to improve the performance of our products. The primary focus has been to develop our JetStar™ casing plunger and lubricator as a tool for high-pressure wells. A rupture disk was added to the plunger as a last line of defense. If the plunger becomes stuck on it's way up to the surface, the rupture disk will relieve excessive pressure that can build, which will prevent the plunger from damaging the lubricator. The new plunger was successfully field-tested and will be ready for deployment later this year when this project is complete.

Another big change in engineering implementation has been the utilization of 3-D computer-aided design software. This software allows for complete build-up of modeled prototype assemblies prior to fabricating hardware, which simplifies prototype design effort and reduces expensive prototype hardware rework. The 3D models can then be analyzed to determine material suitability, and are used to produce shop drawings.

Other recent improvements include strengthening the Twin-L plungers by over 50% by making minor changes in the geometry that do not affect

performance. The PumpMax connector was improved to prevent disruption in operations.

In our Electronics Department, we upgraded the Petro-Tech so it now includes Modbus RTU support which means the Petro-Tech will now be able to talk with new or existing Automation/SCADA systems.. This will be available for use after the first of the year. We are also working with the top EFM manufacturers in order to offer a "two box" solution for combined well control/flow measurement, in order to give our customers the best in control, while still working with their current EFM system.





Happy Birthday!

Deb Cooper	Nov. 9
Jeff Buterbaugh	Nov. 13
Becki Sipes	Nov 30
Greg Guthrie	Dec. 12
Christopher Ries	Dec 14
Sid Jeffress	Dec. 24
Robert McKee	Dec. 29
Sam Anderson	Jan. 15
Margie Barnhart	Jan. 15
Neal Johnson	Jan. 16
Don McCartney	Jan. 30
Teresa Coning	Feb. 9
Paul Towner	Feb. 9
Jamie Jackson	Feb. 25
John Heberling	Mar. 5
Bud Doty	Mar. 17
Joel Falck	Mar. 17
Heather Sprang	Mar. 18
Chris Hale	Mar. 20
Brion Arnold	Mar. 31

EMPLOYEE SPOTLIGHT



Sam Anderson

The spotlight for this newsletter turns to our own Sam Anderson. Sam has been part of our team for a little over twenty years and serves as our Inspector of all in-process and outgoing products.

Sam and his wife Karen along with his three children make their home in Millersburg, Ohio. Sam enjoys spending time with family and friends, canoeing, hunting and playing the guitar.

We are very fortunate to have employees like Sam that show dedication to the company through attention to detail to produce quality products for our customers. Thank you Sam.

SERVICE LOCATIONS

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or **432-634-7705**

Fax: 432-685-3807

Evans, CO

3805 Carson Ave. Unit #2

970-378-0141

or **970-302-1680**

Fax: 970-378-0147

Farmington, NM

4800 Daybreak Dr.

505-360-5631

Oklahoma City, OK 1312-A Cornell Parkway

405-990-0690

Grand Junction, CO

598 North Commercial Dr. Unit 3

970-242-9300

Fax: 970-242-9101

We would like to recognize the following individuals for their service to our company. Your years of service are greatly appreciated.

Thank You!

Sid Jeffress	Nov. 6	2 yrs
Becki Sipes	Nov.12	7 yrs
Brain Shane	Nov.14	14 yrs
John Heberling	Nov. 28	3 yrs
Pat Denney	Dec. 10	1 yr
Allen Towner	Dec. 18	19 yrs
Steve Snow	Jan. 2	19 yrs
Eric Moore	Jan. 2	3 yrs
Ron Meehan	Jan. 21	24 yrs
Christopher Ries	Jan. 26	11 yrs
Erin Teeter	Jan. 31	1 yr
Neal Johnson	Jan. 31	9 yrs
Brion Arnold	Feb. 25	1 yr
Bud Doty	Mar. 5	29yrs

TRAINING AVAILABLE: Contact: Bud Doty

Full and Partial Technical Plunger Lift Classroom Training is available for the following disciplines.

SUBJECT	DURATION
Plunger Lift field training**	Partial in 1 day; Full training in 4 days.
Intermittent Gas Lift	1 Day only.
Casing Plunger Lift**	Full training only : 2 days.

** Field or Engineering courses are both available.
Call Multi for schedule and dates.



Pictured L to R: Jim Whitely, Tim Westmoreland, John Heberling, Mike Walker. Located in the Marchellus Shale area, these production units or "Quads" can handle 10,000,000 Mcf per day and 25 barrels of fluid per hour. There are three located at this site and are completely automated.