

“BUY” vs. “INVEST”

What's really the best choice?

The saying “Quality is remembered long after the price is forgotten” is as true today as ever. When you purchase an MGM Product you can count on receiving a highly engineered quality product, and while the initial cost may prove to be more than a less expensive competitive brand, you will, in the long term, actually save money as the MGM Product will require fewer replacements over the life of your equipment.

“You get what you pay for” is another saying, and although you may have realized a “savings” by purchasing the less expensive competitive product, those savings tend to quickly evaporate with each subsequent replacement purchase, especially when you add the cost associated with any labor and/or equipment downtime.

To save money you have to factor in all the variables to see which will provide the better value for your investment. In today's economic climate every penny counts and choosing to invest in “quality” over “lower cost” will provide a better return on your investment, every time.

Don't get caught up in the “low cost” trap. Invest in longer service life; invest in lower maintenance costs; invest in less vehicle downtime; commit and invest in “QUALITY”.

You get what you pay for. When you pay for it is up to you.

**Let MGM Brakes
help you make the best
investment.**



MGM Brakes



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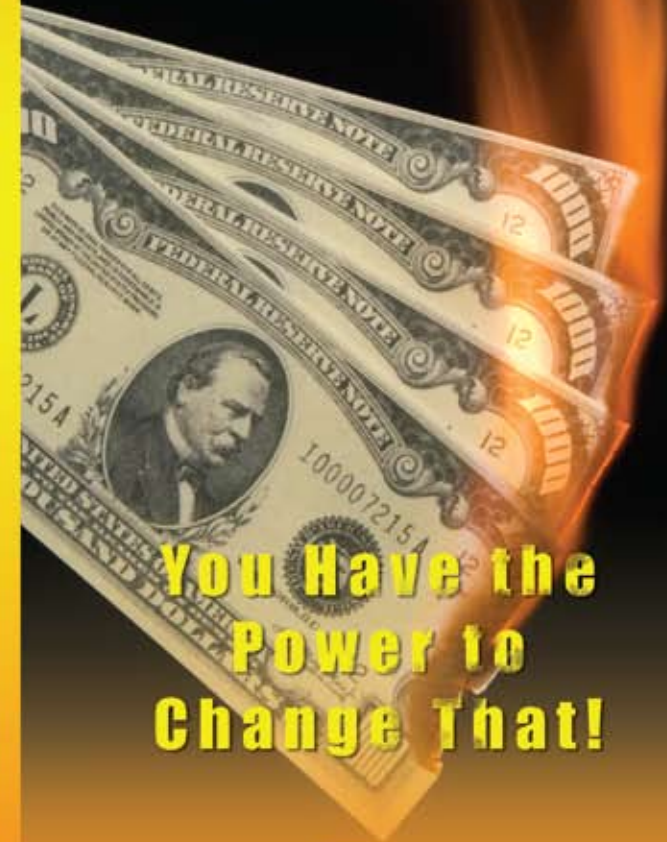
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**Operational
Expenses Have
You Burning
Cash?**



**You Have the
Power to
Change That!**



MGM Brakes
A Division of Indian Head Industries, Inc.

The best deal is not low purchase price, but lifetime cost.



SAVE A BUNDLE ON MGM BRAKES

From the day MGM Brakes patented the first spring parking brake through the technological advances of our "on board" brake monitoring system, we continue to place a heavy emphasis on quality and product performance. Brake actuators and braking are one of the most critical components necessary for the safe operation of today's commercial motor vehicles. Over the years MGM has pioneered many technological changes to the brake actuator, all designed to increase operational service life while providing the best "bang for your buck".

- Designed and patented first "built-in" manual release bolt
- First to offer "Steel Head" Service Chambers
- First to offer "flat bottom" non-pressure housing
- Designed and patented first "Tamper Resistant" spring brake
- First to offer full line of 3-inch stroke actuators
- First to offer "Welded Yoke"

When you purchase a spring parking brake or service chamber do you consider the environment in which that chamber operates and the effect that environment has on its life-cycle, or do you make that purchase solely on the basis of cost? If you are truly searching for a way to better manage your operational expenses, then please read on.



MGM Brakes: the "Original" Spring Brake for over 50 years!

Don't just "buy", "Invest"

When you purchase an MGM product, you are, in fact, making an investment. An investment in a product designed to meet your operational needs and lower your overall operational cost. Reduce the unseen expenses associated with component replacement, labor and ultimately vehicle downtime, invest in a solution, not a "replacement".

MGM Brakes also reduces costly downtime expenses by providing quick access to the products you need through our two fully operational parts distribution centers, which offer same-day shipping for the overwhelming majority of our parts and assemblies.

Let's do the math:

- While the example to the right focuses on "vocational" product, the same case can be made for other operational segments of the transportation industry, like over-the-highway or passenger transit operations.
- Competitive products, which are not designed to operate in the harsh environment of the vocational market and meet the everyday demands of stop and go, on and off-highway operation, may last only 12 to 18 months.

Based on the chart to the right an average fleet operating 20 to 30 vehicles, with a life expectancy of 8 years, should realize a savings of \$14,000 to \$21,000 over the course of 48 months.

First Replacement	Brand "X"	MGM
Cost per Brake Chamber	36.95	69.00
Number per Vehicle	x 4	x 4
	147.80	276.00
Labor (1/2 hr.) x 4 @ 32.50	130.00	130.00
Downtime (1/2 hr.) x 4 @ 50.00	200.00	200.00
Initial Investment (Cost)	477.80	606.00
Brand "X" Cost Differential (Savings) = \$128.20		
Second Replacement – 12 to 24 Months		
Cost per Brake Chamber	36.95	-
Number per Vehicle	x 4	-
	147.80	-
Labor (1/2 hour) x 4 @ 32.50	130.00	-
Downtime (1/2 hr.) x 4 @ 50.00	200.00	-
Replacement Cost	477.80	-
Total Cumulative Expense	955.60	-
Cost Differential (Expense) = \$349.60		
Third Replacement – 24 to 36 Months		
Cost per Brake Chamber	36.95	-
Number per Vehicle	x 4	-
	147.80	-
Labor (1/2 hour) x 4 @ 32.50	130.00	-
Downtime (1/2 hr.) x 4 @ 50.00	200.00	-
Replacement Cost	477.80	-
Total Cumulative Expense	1433.40	-
Cost Differential (Expense) = \$827.40		
Fourth Replacement – 36 to 48 Months		
Cost per Brake Chamber	36.95	69.00
Number per Vehicle	x 4	x 4
	147.80	276.00
Labor (1/2 hour) x 4 @ 32.50	130.00	130.00
Downtime (1/2 hr.) x 4 @ 50.00	200.00	200.00
Replacement Cost	477.80	606.00
Cumulative Expense – 48 Mo.	1,911.20	1,212.00
Total Cost Differential (*) (Expense) = \$699.20		

(*) Single Vehicle / 48 Months