COMPANY YEAR-END PARTY SPEECH

FOR

JIM YANG

Hello everyone! Welcome to Newport’s 2014 year-end party. This is our eleventh year in business and I want you to know how happy I am to spend this time with all of you. It’s very gratifying to look around the room and see so many familiar faces. We, like so many businesses, have had our fair share of challenges over the years, but knowing that there are understanding employees and colleagues with shared history and experiences reminds me that none of us is alone, we don’t operate in a vacuum, and at the end of the day, it’s the relationships that contribute greatly to making business worthwhile.

Although 2014 may not have been “up there” in the pantheon of “red letter” years in our history, the past twelve months have given us the opportunity to really examine what we’re doing and to explore new beginnings. It’s also given us the chance to exercise our creative thought processes and find out just how resilient we really are. Although our business has evolved through the years, this past year brought a period of stagnation with regard to our export volume, sales revenue, and profits. The good news is that we anticipated that trend a few years ago and since then we have been trying to diversify our business to offset those downsides. We’ve worked to identify and open up new markets while starting new businesses to make up for some of the drop in our core wastepaper business. During those past few years we tried different projects such as opening up a recycling yard and starting up the plastics business. We succeeded with plastics but the recycling yard was not successful. If you were to ask me if I would do the same again and take one successful business out of two tries I wouldn’t hesitate and would do it again in a heartbeat. Bill Gates has said, “It’s fine to celebrate success but it’s more important to heed the lessons of failure.” Keeping that in mind, even that recycling yard was an opportunity!! We now know what **NOT** to do! (**If you want to add a little levity you can say that with some exaggeration and wait for the laugh**).

I’ve also heard that it’s been said that the definition of success is getting up one more time than you fall, and here at Newport, we intend to be consistent about getting up and finding the ways to sustain and succeed in business. We have continued to excel in the plastics industry and since last year we have added 3 traders. Our export volume has increased 100% we look at the plastics industry with the same vision that we spotted in the paper industry 10 years ago. We are now focused on opening up plastic trading operations in the Europe with one in the UK and one in Holland. Clark and Hamilton will be heading up that operation and we foresee a lot of growth in that area. There's a great deal of opportunity in Europe and I feel very confident that with dedication, focus, and hard work, we will be able to capture that market.

I am also very excited to share that we’ve been “thinking outside the box” or actually the “outside the bale!!” A brand new industry we are trying to tap into this year is the “Hay” industry. Now we are really going to go green by selling “hay”. We believe agriculture has great potential in the future. Why do we choose “hay,” you might ask…I’ll tell you… because there are 1.4 billion people in China looking to drink clean and healthy milk. There are 14 million head of dairy cows in China and in order to produce quality milk, they are going to need the best feed. The best feed for dairy cows is alfalfa hay and the best alfalfa hay in the world is grown in the western United States. I’m sure that while driving on the freeway you have all seen trucks carrying “hay” which, let’s face it, is similar to trucks carrying “corrugated boxes”. We are experts at transporting products from the USA to China, we are well capitalized, and we are leveraging what we are good at and we intend to use that knowledge to penetrate another industry. We are happy to welcome Joe and Skye, two people that have joined us to help build our hay trading team. We have opened up a domestic trading location in Florida to sell Hay into the local market and so far the business is on track to achieve what we forecasted in terms of revenues and volume.

We will continue to maintain our core waste paper business as we also continue to seek out opportunities to build around that core to grow the company. I do not take anything for granted and I’m not guaranteeing success but I want you all to know that we are not afraid to try new projects to diversify and grow our business. We do not plan to sit around watching our company diminish within a mature industry. As leaders we want to do what’s necessary to make sure to keep our business going so we can support all of us- and that includes over 50 families.

As I mentioned earlier, I want you to know that we appreciate all of the effort that each one of you exerts in order to make Newport a respected industry presence. On that note, I’d like to mention a few names that are here today. On the left side we have our China staff, Pan Bo and Zhen Wen Bo. I would also like to introduce to you our new Hay Traders that I mentioned earlier, Skye and Joe. In addition we’d like to welcome 2 new plastics traders this year-here is Nicco Garret and Todd Reagan.

All business is about relationships, teamwork, communication, understanding and vision. It is a testimony to Newport and it’s employees and partners that even at the end of a challenging year, we can still celebrate and continue to be resourceful, energized and optimistic as we look towards a productive 2015. I want to thank all of you today for sharing this with me and here’s to reuniting next year at this time with news and stories of great adventures and even more exciting successes! Thank you all!