



1353 W. 2nd St., Taylor, Texas 76574

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September 30, 2004

The Honorable Don Hill
Mayor of Taylor
400 Porter Street
Taylor, TX 76574

VIA CERTIFIED MAIL

Subject: Permanent Closure of
Texwood Furniture, Ltd.
A SAGUS International Company
1353 West 2nd Street
Taylor, TX 76574

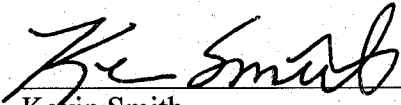
Dear Mayor Hill:

The expected last day of operation is in December of 2004 and is based on the start of production lines at Campbell Rhea in Paris, Tennessee, A SAGUS International Company. The separations will be gradual, likely beginning in November, and will continue until the business closes in December.

This closure will involve our workforce of 82 employees.

For further information, contact:

Kevin Smith
Executive Vice President/General Manager
Texwood Furniture, Ltd.
Phone: (512) 352-3000


Kevin Smith

9/30/04
Date