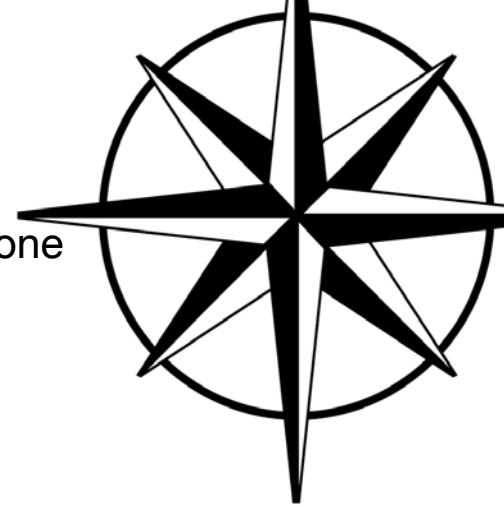


PRESS RELEASE

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RELEASE: Immediate

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CREATIVE MATERIALS CORP. OPENS TWO ADDITIONAL DISTRIBUTION CENTERS TO SERVICE GROWING NATIONAL ACCOUNTS BUSINESS

**“ON TIME, EVERY TIME” DISTRIBUTION ADVANTAGES OUTLINED AT
NEW WEB SITE: WWW.PORCELAINTILE.COM**

(Albany, NY) – Creative Materials Corp., which distributes porcelain tile to national accounts including some of the USA’s largest restaurant, hospitality and auto dealership companies with an “on time, every time” promise, recently opened two distribution centers in California and Georgia to expedite delivery to job sites in western and southern states. The new centers complement existing distribution locations in New York and Ohio.

“While we know our porcelain tile line offers architects and designers an outstanding product array, we recognize that great products only contribute to great buildings when they fulfill a promise: they must arrive on time. National account construction managers count on us to deliver within a specified timeframe, and Creative Materials Corp. has built its reputation on keeping this delivery promise. Our ability to get products to job sites quickly and reliably, directly from the inventory we maintain at our four national distribution centers to multiple job locations without any intervening transfer points, sets us apart from competing vendors,” stated Don Kellish, President of Creative Materials Corp.

With the two new distribution centers in California and Georgia, Creative Materials Corp. has expanded its client base already:

- An ice cream chain based in New England that is expanding in the West selected Creative Materials due to its ability to warehouse and supply from its California distribution center, saving the chain significant shipping costs.
- A restaurant chain in the South selected Creative Materials Corp. due to its ability to supply all southern locations from its Georgia distribution center within three days.

In contrast to many domestic tile manufacturers with dealer-based distribution systems, where product is shipped to job sites through an extensive dealer network that requires several transfer points (time lags), Creative Materials centrally manages all its national accounts

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DISTRIBUTION ADVANTAGES continued

business from its Albany, NY, headquarters, using its four distribution centers to inventory product for national accounts. This product can then be shipped directly to job sites according to a detailed construction plan that is tracked and maintained by headquarters.

(See www.porcelaintile.com/supplychainmodel.html)

National account clients value the supply chain advantages Creative Materials Corp. offers, as seen in the long-term relationships formed between clients and the company:

Bank Values Streamlined Distribution

In the 1990's, a large international bank with a complex tile pattern requiring large amounts of cut tiles in exactly calibrated sizes chose Creative Materials Corp. after a presentation detailing the national account supply chain capabilities, which guaranteed coordination of complex inventory, fabricating, cutting, and delivery functions. Creative Materials Corp.'s proposal also saved the client 50% over the next bidder. Combining its talents with those of the manufacturer in France, Creative Materials outperformed a large U.S.-based factory's quoted lead times by weeks. During the resulting 10-year client relationship Creative Materials Corp. has supplied more than 300 branches for the bank.

Grocery Store Chain Gets Tile Faster—And at a Lower Cost

Creative Materials Corp. worked with the design and construction team of a large grocery store chain, to provide a solution when tile from other suppliers was not available on time to meet the store construction schedules. The previous supplier had too many layers in its distribution supply chain to reliably deliver product when and where it was needed. In contrast, Creative Materials Corp. was able to react with extremely fast response (in this particular case, on the same day!). With more than 50 factories to source from, Creative Materials Corp. was able to secure the needed tile products efficiently, and the client liked the selection, aesthetics, quality and the price—a 25% savings over the previous supplier—much better. This company has been a client since 1999, and Creative Materials Corp. has successfully delivered tile for more than 100 large stores.

Creative Materials Corporation specializes in the supply of the world's best porcelain tile to commercial clients with multiple-location facilities in North America. It represents many product lines from leading European manufacturers, including Iris Ceramica, Ceramiche COEM, and Pastorelli. Creative Materials Corp. recently launched a new Web site serving the National Accounts market, at www.porcelaintile.com.

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