

Superbag Corporation Names Amerex Retail Energy Services to Manage Rising Energy Costs

Houston plastics manufacturer takes steps to remain competitive

HOUSTON (January 25, 2006) -- Amerex Retail Energy Services has contracted to provide ongoing energy management services to Superbag Corporation, one of the nation's largest manufacturers of plastic bags.

"This is a fiercely competitive business," said Simon Bazbaz, president of Superbag. "We make bags; we are not energy traders. In the case of our energy supply, we had done just about everything wrong and needed an advocate in the marketplace."

Amerex stepped in to fill that role and more. The company is charged with reducing energy costs, creating cost certainty, providing streaming analysis and ongoing management. The contract began in November 2005 and is expected to provide energy savings of approximately 25% compared to previous pricing for 2006. The deferred years 2007, 2008, 2009, and 2010 are on target for better than 10% improvement under previous pricing (with those results already locked into 2009 and 2010).

"The competitive nature of Superbag's industry meant that energy cost reduction has a big impact on profitability. Every cent counts. We developed a plan that allows Superbag to realize cost savings near term, establish known costs going forward and capture value from future market movement," said Ron Fort, senior structuring manager for Amerex,

The Amerex Market Opportunity Management System is unique in scope and specific to each customer. Fort explained that his company looks at long-term prices, establishes those that represent appropriate value and those that don't.

"We then identify segments to which we can apply market and risk management tools and capture greater value," said Fort. "For this project, we used different pricing venues, which allowed the integration of natural gas prices to mitigate swings in the electricity market."

The current environment of energy prices has necessitated "out of the box" concepts that are simple, manageable, and executable. Effective energy management programs require discipline and constant evaluation.

"We needed answers and Amerex supplied not only the answers but the resources to produce real results," said Bazbaz.

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About Superbag

Founded in 1988, Superbag Corporation is one of the five largest plastic bag manufacturers in North America. The privately-owned company has established a solid reputation as a customer-driven organization through its commitment to provide products and services that are focused on specific customer needs. Based in Houston, Superbag uses advanced manufacturing facilities and its strategic location provides easy access to petrochemical-based raw materials, as well as distribution facilities that link the firm to global markets. For more information, call toll free (888) 842-1177 or visit www.superbag.com.

About Amerex Energy

Amerex Energy is a leading over-the-counter energy brokerage offering services in electricity, natural gas, crude oil, fuel oil, petroleum products, coal, gas liquids, freight, emission credits and allowances and energy data services. Founded in 1978, Amerex has offices in Houston, New Jersey, London, Monaco, Singapore and Tokyo. Amerex offers liquidity and timely execution to meet the needs of a global client network of more than 1,000 firms including thousands of traders and risk management professionals.