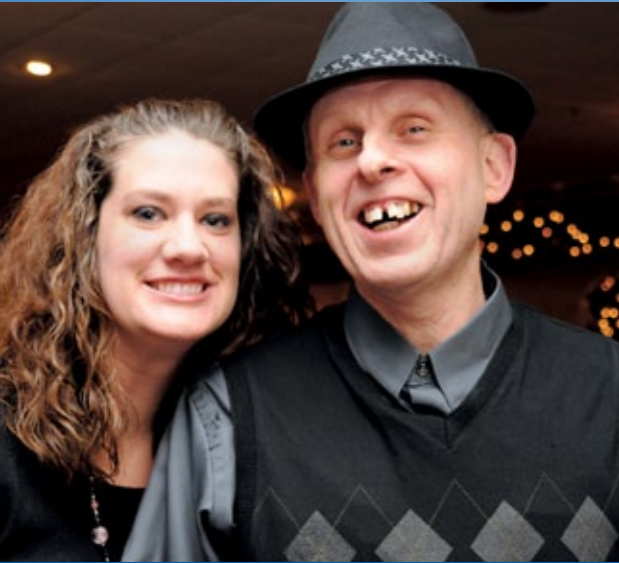


Careers Industries

Enriching the lives of people with disabilities



Annual Report 2010



PIE participant Todd Williams received a promotion and was named Associate of the Month by WalMart in 2010.

Dear Careers Industries Friends:

As we enter our 40th year of providing exceptional services to persons with disabilities, we are humbled by the awesome privilege we have every day to work with these dynamic, yet modest individuals. We are committed to offering services that are second to none in the State of Wisconsin.

Our personalized approach assures that we respect each person's uniqueness and is the driving force behind what we do. We are proud to say that daily we help people achieve milestones in their lives.

Every day our participants have worked hard to take advantage of the opportunities given. They are committed to giving back to the community. They volunteer countless hours to other causes as part of our Integrated Day Services. Our participants are proud that when they work and earn a paycheck through our Fulfillment Services, Can Liner and Partners in Employment programs, they are less reliant on public monies to help support them.

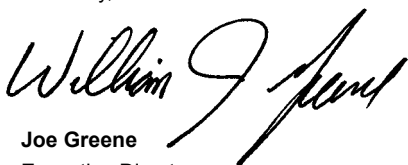
All of us at Careers Industries share this same philosophy. Led by our Board of Directors, we follow a strategic plan that demands financial stewardship as we further develop revenue-producing services so that we too can be less reliant on public dollars. Unlike many other nonprofit organizations, including those who provide similar services as ours, we are excited to report that most of our funding is from earned income. But we have only begun.

As we look forward to all of the exciting opportunities ahead of us in the next year, I encourage you to please stop by and see for yourself why Careers Industries is a premier organization that provides value to our participants as well as our broader community.

Sincerely,



Joe Greene



Joe Greene
Executive Director

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Above: Art and Soul artist displaying his work at a gallery exhibition. Below: Michael Haubrich and Joe Greene examine a dollhouse created by Art and Soul participants for a Careers Industries fundraiser.

Program Highlights

Integrated Day Services (IDS)

We currently provide 120 individuals with meaningful social, recreational and volunteer opportunities in-house and in the community. Our participants provided more than 2700 hours of volunteer service at nearly 50 organizations including new opportunities at Nature Abounds, IceWatch and Messiah Lutheran Church. Through their volunteer work, our participants give back to the community as they perform light-duty activities that help them develop functional skills.

A growing number of local businesses proudly display or sell original pieces of art created by our Art and Soul program. Additionally, private collectors show our artists' works in Florida, Arizona, Germany, England and Poland. The creativity of our participants, staff and dedicated volunteers was also sewn and built into a hand-made quilt and a meticulously crafted dollhouse we sold as a fund raising opportunity.

Our participants enjoyed outings at several Southeastern Wisconsin landmarks including the Harley Davidson Museum, a luncheon cruise around Lake Geneva and a Milwaukee Brewers game at Miller Park. Our devoted staff made some of these occasions possible for our participants by personally driving them home after program hours.

IDS is known for our caring and knowledgeable staff. In an effort to deliver the best service possible we provided several training opportunities this past year including a motivational seminar, leadership training, and workshops on autism, massage therapy and recycled art.

Partners in Employment (PIE)

In just two years our PIE program has seen tremendous growth as we've matched interested businesses and organizations with Careers Industries' participants and other individuals with developmental or similar disabilities seeking employment or internships. Since last year, PIE has doubled in size successfully serving 61 participants. Of the individuals, 8 were hired and 28 completed internship work experiences. To meet the needs of the growing number of individuals and businesses requesting our help, we added four new staff members.

One of our PIE participants, Todd Williams, received several honors in 2010. His employer Walmart named him Associate of the Month and promoted him, and the Wisconsin ASPE chapter honored Todd as a Supported Employee of the Year award winner. ASPE also recognized the Northern Lights Gallery, a Racine business who provided two work experiences for PIE participants, with the Small Employer award.

Fulfillment Services (FS)

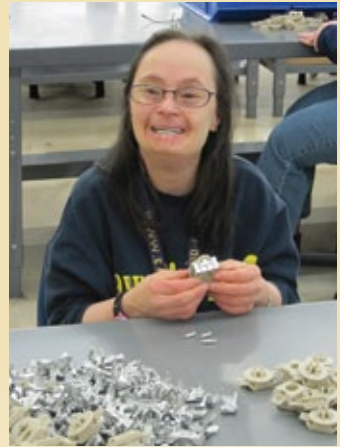
Despite a slowly paced recovering economy, our FS program added dozens of new contracts in 2010 including work for Andis, Cordstrap, Quick Cable and Putzmeister. This additional work, combined with existing subcontracts, provided work opportunities for 100 percent of the available program days.

Our nearly 200 FS participants provide a variety of services, including packaging, assembly, parts sorting, gluing, kitting and quality control. We're encouraged by signs of an awakening economy as orders and quotations continue to increase. Area businesses recognize the cost-effective

and quality service our participants are paid to provide. This service continues to improve with the enhanced participant training we started to offer in 2009 that has helped expand our participants' education and skill sets.

We renewed our partnership with the Racine County Workforce Development Center as an employer for Wisconsin Works (W2) which provides employment assistance to individuals who have minimal job skills. Through this program, we've added a new FS participant and hope to add more.

We're optimistic about 2011 and have two new promising projects underway. These include a partnership with Pacific Sands Inc., a "green" cleaning components manufacturer, and an opportunity to assemble LED light fixtures for vending machines for Dutch-based Lite Corp.



Assembling electrical components

Can Liners

While the rising oil prices put upward pressure on resin costs during the later part of the year, our Can Liners program was still able to manufacture and sell over 13 million liners to the State of Wisconsin, industrial, commercial and residential users.

Our Wisconsin State Use contract requires us to offer competitive rates and meet fair market pricing on liners sold to various state agencies, departments and institutions. We've worked closely with our partners North American and Heritage Bag to monitor and control manufacturing costs and enlisted Badger State Logistics to take over the ordering and distribution functions in an effort to increase efficiencies and lower costs.

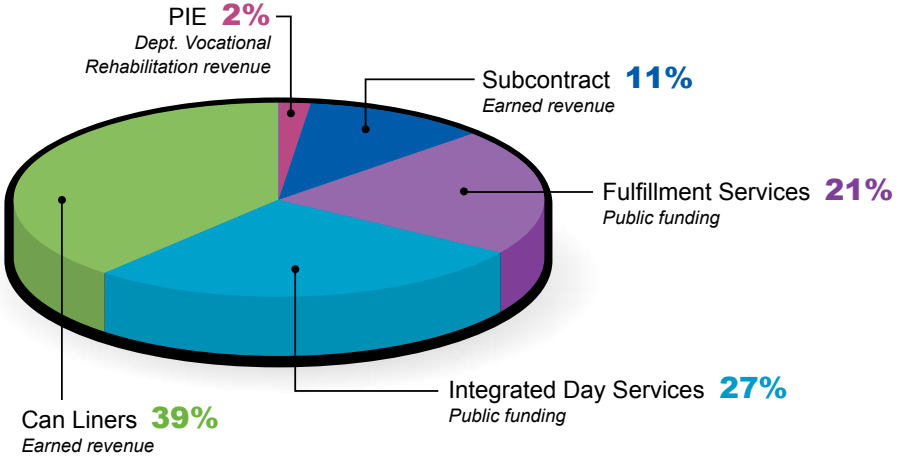
We launched the Can Liner Fundraiser Program which offers organizations, such as churches, youth groups, sports teams and schools, the opportunity to purchase trash can liners at a discounted price and set their own selling price and profit margin. A profit of between 35 and 50 percent can be earned with each case of bags sold. And, organizations raise funds while supporting individuals with disabilities.

The Next 40 Years

As we mark our 40th anniversary this coming year and look at how we can continue to provide high quality, innovative care, support and services to persons with disabilities well into the future, our plan is to almost double in size. In late 2010, we announced our intent to move into a new building. After 12 years, we've outgrown our current Douglas Avenue location.

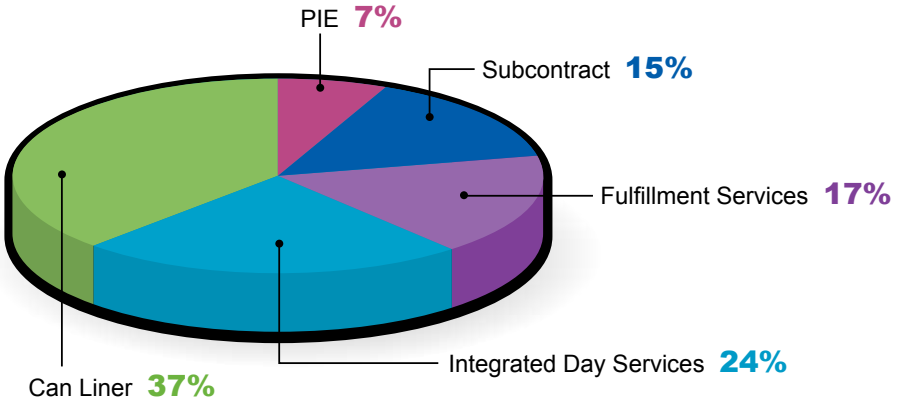
These plans reflect the success of our more than 350 participants as staff, community partners and area businesses have enriched their lives through work, care and community. Our new location and its various amenities will allow us to better serve a growing number of individuals and area businesses, while also offering the community an additional gathering place. We believe our new home will help both the Racine community and our participants fulfill their unlimited potential.

2010 Revenues



2010 Expenses (unaudited)

990s for Careers Industries, Inc. can be seen online at www.guidestar.com



Art and Soul artists show off their paintings. Artwork is shown in collections in the United States and Europe.



Careers Industries enriches the lives of people with disabilities through work, care and community.

We also help local organizations and businesses meet their business and staffing needs.

Learn more at:

www.careersindustries.com

Call us at:

262-752-4100

Stop by and visit us at:

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161 Industrial Dr., Burlington, WI 53105

info@careersindustries.com



See the Careers Industries story for yourself.

Visit online at www.careersindustries.com or www.racinetube.com to watch our two new videos.

Cover image top right: Careers Industries participant Roy White leads the fun at our annual summer picnic. (Photo courtesy of Gregory Shaver © The Journal Times).