

LETTER FROM THE PRESIDENT

TJ O'Connor / President



You won't hear too much optimism from people who own or manage businesses these days. With the state of the economy here and around the world, the picture is uncertain at best and downright grim for many companies.

But looking over the hood at the road ahead for Reddaway, we're actually seeing some new stability and good opportunities on the horizon. The stability comes from the fact that, for the first time in a number of years, there are no big changes planned at Reddaway.

The acquisition by YRC Worldwide (YRCW), the integration of Bestway, the realignment of our terminals . . . we've gone through some big changes that required a lot of our attention. Those were all important changes that gave our company a solid foundation to work from. Unless someone throws us a curveball, we're in good shape and ready to move ahead.

YRCW is also taking strong, decisive action to build stability. In the feeding frenzy of bad economic news, the media has been portraying some of YRCW's actions in a bad light. Our competition is more than happy to spread that information. They're doing a good job of bashing YRCW to customers, and of course some of that is directed at us. The fact is, YRCW is taking the right steps to ensure that the organization is financially stable, with the cash necessary to run the business from a position of strength.

With that stability in place, it means we can focus more on our customers and the important job of growing our business. Grow business? In this economy? Absolutely! But since there isn't much new business to be had we need to take it away from other lines.

We're doing a great day-to-day job of serving our customers. We're doing all the right things, and that's critical. You can't win new business in the future if customers aren't happy with what you're doing for them today.

So where's the new business going to come from? First, we're going to sell more high-margin, guaranteed products on the lanes to and from Canada and Alaska. For the rest of our products, we've created our "order of sell." It lists, in order of importance, the products we should be putting in front of customers.

Next-day services are at the top of that list, followed by other high-margin products, second-day and then third-day regional services. We want to sell more of the products that we are best at providing and that offer the best margins. Remember to focus on the "order of sell" to make sure we are selling what we are best at and what is most profitable for our company.

While that job primarily falls to our sales force, our drivers play an increasingly important role in bringing in new business. As the most frequent point of contact with customers, we're encouraging drivers to seek out new business. When they talk to customers, our drivers will be asking for "just one more." One more carton, one more pallet, one more truckload . . . whatever additional business the customer might have, we need to make sure we ask for it. You don't get the order you don't ask for.

Despite the current challenging economy, Reddaway is a great company with a great service product – we are well-equipped to earn new customer business to grow sales and make 2009 a strong year at Reddaway.

TJ O'Connor
President
Reddaway

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Pictured on the front cover from left to right:
Wender Gilles (city driver),
Diana Rothschild (account manager), and
Manuel Campos (city driver).

