

### Arizona breaks ground for new warehouse!

The landscape along 91st Avenue in Tolleson, AZ is undergoing a dramatic change as the Arizona expansion of States Logistics Services, Inc. begins to take shape. At the beginning of this year construction crews began the process of clearing over 21 acres in preparation of the new 417,000 square foot distribution facility. The new facility will be a state of the art warehouse with amenities that will allow us to enhance and broaden our current portfolio of services. In an effort to increase efficiencies and service levels, States Logistics will consolidate warehouse 507 and

508 into one facility, while still leaving room for future expansion in the coming years. States' newest facility will also be home to our transportation department, as they move into a larger office area with room for future expansion as well.

Some exciting new features that are being included in the building revolve around our company's continued focus on sustainability. In particular the new building will become the first States Logistics facility that utilizes solar panels on the roof to generate a significant por-

tion of the building's power requirements. With the abundant Arizona sunshine, we will actually generate enough power to sell a portion of it back to the electricity providers in the Phoenix metro area. The building will also feature energy efficient lighting, hybrid parking, and more efficient insulation helping to reduce overall energy usage.

Below are some key statistics of the new building:

- 417,600 square feet

- 84 dock doors
- 102 trailer parking spots
- 21,600 square feet of packaging space
- 8,365 square feet of office space

All of us in Arizona are eagerly awaiting the completion of the new building. If construction goes as planned and weather cooperates, we should begin operating from the new site in January 2009. Until then the Arizona team continues to develop the transition plan for making sure the move is seamless and easy as possible. We are looking forward to making this leap and expanding our presence in the Arizona market.

- Tim Richards, AZ Operations Manager



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## ON THE CUTTING EDGE OF TRANSPORTATION TECHNOLOGY

Near the close of 2007, States Logistics further enhanced its position as a leader in the application of transportation technology with its purchase of a TruckMate database system.

This system provides powerful capabilities to support our wide variety of transportation products and services. Our core mission for the system is the production of timely and accurate billing, so we have maintained a measured and careful approach during the adaptation and implementation process. In addition to billing, the TruckMate platform has many sophisticated functions supporting rating, invoicing, customer service, truck

load and LTL operations, dispatch, and back room services, such as OSD.

The TruckMate software becomes the central nervous system for our Transportation operations and administration. The modular design allows us to tailor fit the system with top of the line hardware and complimentary software products to meet our customers needs. These add-ons include servers from Dell, rating software from Southern Motor Carriers, mileage computing software from MileMaker PC, and more. These products house and take direction from TruckMate to execute various tasks. We like to think of this approach as an "A" team of available components. These components are then implemented and maintained by

our in-house staff of Information Technology (I.T.) experts.

We have a number of key accounts "on-line" and have completed several rounds of successful billing activity. In addition, we have incorporated EDI functions which, for example, automatically transmit dispatched shipments from various locations directly into the TruckMate database. Our focus is now on creation of reports and invoicing methods that will provide the means to make the transition of additional customers a comparably routine task. Stay tuned.

- Bill Martin

Director of Transportation

## Arizona picnic is a splashing success!



It was a beautiful day in Arizona on April 26th when the Phoenix region held their annual company picnic. Upon arrival each guest received sunscreen and SLSI sun-visors which proudly displayed our 50th Anniversary logo. Also in attendance was CEO, Cathy Monson, President, Danny Monson and fellow CA HR team, Lisa Ramos and Suzanna Solis.

With the swaying palm trees and the beautiful view of the surrounding lake, guests delighted themselves poolside sipping on thirst quenching beverages, laughing and socializing, and watching fellow co-workers go down the water slides. Everyone ranging from children, teenagers to adults enjoyed the "Big Dipper" that splashed down gallons of cold water onto the suspects below. .

Attendees loaded up on hamburgers, hot dogs, chips, refreshments and ice cream. Fun activities included a water balloon



Raul Sagastume, Tim Richards, Kevin Boothman, Perry Hachler and Martin Castaneda.

toss. The following are our winners from ages 10 and under, 11-18, and 19 plus.

Pictured below: everyone lining up for the water balloon toss.



Scott Watkins and Jason Smith



The second activity was a "pie in the face of your favorite manager" contest. This was an anticipated experience for all! Arizona managers lined up eager to "take one for the team." Every guest was given a free States dollar. Pies were loaded with lots of whip cream and chocolate syrup! The camaraderie of the Arizona managers, which included (pictured L to R) Danny Gonzalez, Raul Sagastume, Kirk Hellofs, Todd Myers, Tim Richards, Jim Fairbanks and Tony Vinson, won them a chance to toss their own pie in another managers face! The winner of the "Manager with the most pies" contest was Tim Richards.



Tim Richards, Jim Fairbanks, Tony Vinson, Raul Sagastume, Kirk Hellofs and Todd Myers

Denim States shirts were also raffled off. The winners included: Carolyn Turner, Daronata Jones, Rebecca Guerrero, Ninos Pethio and Martin Castaneda.



Special thanks to all States Logistics employees and guests who participated and helped create a memorable occasion!

- Laurie Sagastume, AZ Human Resources

# Safety Incentive Program and Prizes

In 2008 States Logistics Services, Inc. began their new safety incentive program. As discussed in many recent safety incentive program meetings that were held at all locations, this program rewards all States Logistics Services, Inc. employees who continuously work in a safe manner. The purpose of the program is to maintain a continuous awareness of safety in the workplace that is supported and reinforced by the leadership of the company.

This safety awareness is intended to result in fewer accidents and/or near misses in the workplace, as well as to bring a sense of pride and ownership in regards to safety to each department/location.

The 2008 Safety Incentive Program rewards in two ways. Those participants who remain in good standing according to the program rules for the period of one quarter automatically receive a

quarterly prize. In addition to these prizes those individuals are also eligible for cash drawings at the six and twelve month periods provided that they continue to work safely.

States is proud to announce that 227 participants received a 1<sup>st</sup> quarter prize for their efforts. They are making their way towards a prize at the end of the second quarter along with entering the first six month cash drawing. All participants must remember the program intentions and rules are to reward those who are continuously working in a safe manner. Participants should also remember that being disqualified from one quarter does not remove them from future quarterly awards. Continuously working in a safe manner and being aware at all times is essential.

There were two types of prizes distributed for the first quarter. 202 warehouse and clerical participants received the Mini

Jotter proudly displaying our company logo and Safety Award achievement. There were 25 commercial truck drivers that received leather/cowhide gloves to be used as additional protection during their day. Incidentally the gloves suggestion originated from the Arizona SLSI drivers.

As a reminder, all of this is on top of the ultimate goal of working safely while at the workplace and continually being aware of your surroundings to assist in ensuring that everyone enjoys a safe working environment at States Logistics Services, Inc.

Listed below are photographs of the first quarter prizes and some of the meetings where they were distributed.

- Craig Railey, Safety Manager



1<sup>st</sup> Quarter Prizes



Safety Incentive Program Meetings



**Think S. A. F. E.  
Safety Awareness  
For  
Everyone**

## Carlos' character conveys commitment

Carlos Gomez is respected by many and known for his dedication and service



towards the Charbroil account in the Ontario California facili-

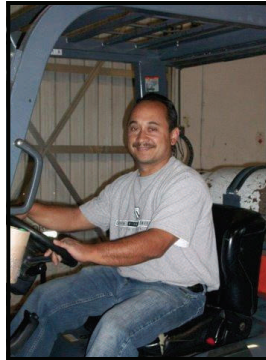
ty. Carlos has been with States Logistics for 5 years and initially started working for the company at the Altura Buena Park facility. He relocated to the Ontario warehouse to be closer to his residence in Riverside, California.

Carlos and his wife, Maria have been married for 14 years and have three children together. Their son, Carlos Jr. age 13, Steven age 4, and one year old daughter, Jocelyn keep them very busy.

Outside of work, Carlos loves spending time at the park with his family. In his spare time he also enjoys watching sports which include football and soccer. One of his hobbies include collecting the WWE Smack down toy figurines.

Carlos enjoys working for States Logistics because of the team spirited atmosphere the company provides. Carlos, thank you for your devoted

service over the years. The admiration and respect from your fellow co-workers demonstrates your continued commitment to provide quality service to our customers and to SLSI.



## SAFETY NEWS CORNER

States Logistics Services, Inc. is dedicated to ensuring the safety of all associates, vendors and visitors. The management team encourages a safe work environment. Through this dedication of safety awareness, coupled with taking a proactive approach to situations as they arise, States Logistics Services, Inc. is determined to provide appropriate training where needed. During the month of April 2008, 34 States Logistics Services, Inc. employees in Arizona and California were enrolled in First Aid / (CPR) training. These employees were:

Jim Fairbanks (509), Chris Mertz (driver), Raul Sagastume (507), Daniel

Brown (507), Raul Castellon (507), Todd Myers (508), Tom Kerr (508), Tony Vinson (510), Mike Hooker (510), Danny Gonzalez (510), Alex Vega (510), Richard Valdez (510), Kirk Hellofs (510), Tim Richards (510), Laurie Sagastume (510), Troy Van Cleave (509), Scott Watkins (509), Eric Monson (543), Scott Monson (542), Mike Myers (542), Edie Koerner (542), Lisa Ramos (543), Anthony Villegas (542), June Dulalas (543), Matt Montford (543), Nick DeSimone (543), Kevin Monson (543), Cathy Monson (543), Ryan Donovan (543), Jennifer Monson (543), Danny Monson (543), Sharon Montford (543), Indiana Velasquez (545), Juan Perez (545).

## Employee News & Congratulations Corner

**SAVE THE DATE!** Arizona Biometrics health fair—free medical screening on May 17, 2008.

**SAVE THE DATE!** California Summer picnic scheduled for August 9, 2008.

Congratulations to Indiana Velasquez of Ontario for her daughter being accepted to the San Francisco Culinary College starting in the fall 2008.

Congratulations to Elizabeth Banuelos of Ontario who graduated with a bachelors degree in Criminal Justice.

Congratulations to Daniel Brown and family of Tolleson for the birth of their son in February 2008.

Congratulations to Todd Myers and family of Phoenix for the birth of their daughter in January 2008.

Congratulations to Manuel Ortiz and family of Phoenix for the birth of their daughter in January 2008.

Congratulations to Tim Richards of Arizona for being a part of the CSCMP's annual global conference.

SLSI says goodbye to valued employee, Scott Watkins of Tolleson.



What interesting things are happening in your facility? E-mail Laurie in HR at [lsagastume@stateslogistics.com](mailto:lsagastume@stateslogistics.com).

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States Logistics Services, Inc.

"Complete Warehousing,  
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Services"

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### Our Mission:

"The mission of States Logistics Services, Inc. is to be recognized by our customers and employees as the ultimate logistics solution in our region. We will be customer focused and will strive for excellence in all of our actions. At all times, we will treat others with honesty, respect and integrity."