

Watco Transportation Services Announcement

Date: December 6, 2010
To: Watco Team
From: Brian Boutwell, Interim Regional Vice President Operations,
Gulf Region
Subject: Audie Cavazos, Austin Western Railroad General Manager

I am pleased to announce that Audie Cavazos has accepted the position of General Manager for the Austin Western Railroad (AWRR). Audie will be responsible for supervising daily operations, specifically focusing on improving productivity, efficiency and safety. He previously served as Trainmaster for the AWRR since its start-up in October of 2008.

Audie has 12 years of experience in the rail industry, holding several positions with the Kansas City Southern Railway and the Texas Mexican Railway. Audie earned an associate's degree in computer technology from Laredo Community College in Laredo, Texas.

Audie has a daughter Addison, 5, and enjoys spending his spare time with her as well as playing golf and racquetball.

Audie will be working from the Austin, Texas, office and can be reached at 512-246-0738 or by cell at 512-921-5267 and his e-mail address is acavazos@watcocompanies.com.

Please join me in congratulating Audie on his new position with the Austin Western.