

Watco Companies, Inc. Announcement



Date: November 4, 2010
To: Watco Team
From: Terry Towner, President and COO
Subject: John Brown, Senior Vice President, Special Projects

I am pleased to announce that John Brown has accepted the position of Senior Vice President, Special Projects. As we grow it is imperative that all of our acquisitions are thoroughly analyzed, structured and planned to ensure our future success. In his role, John will work with the responsible Regional Management as an operational strategist assisting in the analysis and evaluation of acquisitions and will participate in the development and implementation of service and operating plans. This will allow direct line managers to focus more of their time on daily business activities and reduce their involvement in acquisitions.

We also believe that our future success requires that we continually strive to improve overall performance and that technology is, and will, continue to be a key enabler to achieving this goal. With this in mind, John will work closely with various members of the Executive Team on Special Projects and Technology Development to discover and evaluate new and better ways to use technology to achieve higher levels of performance and efficiencies in executing our Watco Customer First Foundation Principles. There is no question in my mind that John is by far the best person to lead these efforts and to successfully realize the value of the many opportunities before us.

John has been a key member of our Senior Management Team and has contributed many significant achievements in our Transportation Services business. John has been a member of the Watco team for over 17 years starting his career as a member of the Eastern Idaho Railroad. John quickly assumed responsibility for all Transportation Services as COO until October 2004. At that time, Watco reorganized to a regional structure and John assumed the position of SVP and COO of the West region. During this time John and the West region team have achieved significant growth in revenues and profitability.

John will remain in his current position until an interim leader for the West Region is named. The selection of an interim leader will begin immediately and is expected to be accomplished by November 30, 2010. At that time an open search will begin to select a permanent successor with a plan to complete this process by the first quarter of 2011.

Please join me in congratulating John on his new position and thanking him for the significant contributions he has and will continue to provide.