



June 15, 2007

Watco Team:

Today is a special day. It's the day that one of Watco's first believers is hanging it up. Gary Rickner, the General Manager of our Coffeyville shop is retiring today after 22 years of service.

Gary was one of the first people hired when we opened the shop, our first mechanical operation, in February of 1985. He was one of about 10 people who took an old, out of service, North American Tank Car shop and put it back into operation for one of our best Customers, Entergy, which was called Middle South Utilities back then. At the time it wasn't clear whether we would survive because of all the odds stacked against us. We had a shop that hadn't been used in many years, poor or non-existent tools and equipment, a Class I that really didn't want to serve the shop because of the extra work it took and just one Customer. During challenging times, like most start ups, it becomes easy to see who the players are and what they're made of. Our Coffeyville shop start up was no different. We made it through those tough times because of one reason, the perseverance and dedication of people like Gary Rickner.

To Gary it didn't matter that we didn't have the best facilities, tools or environment to work in; he just believed it would get better and he wanted to be a part of that success. Gary told me many times over the years that during the beginning of the Coffeyville shop, when he would hear my father say "give me five years and see what this shop and the company would look like", many times he thought we were a little crazy but he always believed. And he was always right there being a big part of our success. No matter what the task, we could always count on Gary Rickner.

It's important to note, that back then the success or failure of Watco was riding on the success or failure of our Coffeyville shop. As we all know, with Gary's guidance and leadership, the shop has been a tremendous success and has become a springboard for the growth of Watco. The effects of ours and Gary's success in Coffeyville are far reaching and stretch through all parts of Watco today. For example, we started our first railroad operation to better serve our Coffeyville shop and now have more than 3,500 miles of track in operation. In addition, since our beginning in Coffeyville with Gary, we now have 12 shops and 25 mobile mechanical locations all across the country. Most importantly we have almost 2,000 people, who like Gary, are working every day to make us more successful by satisfying our Customers with excellent service and increasing our profits so we can continue to invest for long term success.

So today I ask you to please join me in thanking Gary for his many years of believing in the Watco vision and his many contributions to our success. To you, Gary, I wish you and Nannette the happiest and longest of retirements and ask you to please keep in touch. Just one more thing; give us five years and come back to see what we look like.

Thanks for the great memories,

*Rich*