



December 28, 2007

Watco Team:

Here we are at the end of another year. As I reflect on this year and the years before I am again amazed by where Watco began and where it is today. In 2008 Watco will reach its silver anniversary. What an accomplishment to realize that 25 years ago with the help of 10 men, my father was able to turn his vision into a reality that is now nearly 2,000 people strong. Twenty-five years ago he had a vision of success, but honestly had no idea just how successful Watco would be. However, by focusing on our foundation principles and our people we have grown and accomplished things much greater than we had dreamed.

As we look ahead to 2008, we must continue to focus on our foundation principles but realize that as the months continue to change, so will the needs of our Customers. For the last 25 years we have been successful by listening to our Customers and adapting to meet their needs; 2008 should be no different. If we focus on Improved Customer Satisfaction and Profitability Over the Long Term we can continue to see positive progress, success and growth. I am confident that the Watco Team will continue to exceed expectations and do everything in their power to ensure our Customers' needs are met. With faith and dedication, our future will be brighter than our past.

Here's to our first 25 years and our next 25 years!

Thanks for all you do and have a safe and happy New Year!

*Rich*