



September 22, 2008

Watco Team:

Last week I had the opportunity to meet and talk to Watco people from all across our great Company. During our discussions, I was reminded of how important it is to have all members of the Watco team always strive to “DO THE RIGHT THING” for our Customers and our Company, for the long term.

When you think about all the decisions the Watco Team makes on a daily basis in order to serve our Customers and create value for them and Watco, two outcomes come to mind. We may wonder how can we possibly count on all parts of Watco to make the decision to “DO THE RIGHT THING” since we are so diverse in our services and our location, or, we can believe that the Watco Team will always strive to “DO THE RIGHT THING” and that the only time it may seem otherwise is if we don’t have all the training, tools or understanding of the Customers’ needs necessary. I expect all of us to believe the latter and to constantly encourage our Watco people to “DO THE RIGHT THING”.

The importance of doing the right thing was evident as well last week watching what was transpiring on Wall Street and in the banking world. In a period of a few short weeks some 100 plus year old companies, and more importantly their people, lost all the value that was created over their lifespan because they didn’t make the decisions to “DO THE RIGHT THING” for the Customer and their company over the long term. This is an example of what can happen when a company acts in this way.

We can choose to take care of our Customers by delivering, repairing, loading or unloading the right car at the right time, in the right condition and at the right price, or we can be sure someone else will. By always striving to “DO THE RIGHT THING” we will get the privilege to continue to serve our Customers and improve Watco for a long time to come.

Keep making great things happen.

*Rich*