



October 12, 2008

Watco Team:

Fire can consume or it can forge. In other words, fire can destroy and consume or it can be used to strengthen through the process of forging. Like fire, we can allow difficulties to destroy us or to forge and strengthen us.

How we respond to turbulent times and the long term benefits or detriments to our personal development depends on our mental strength. If we find ourselves wallowing in a "poor me" mentality, then we will tend to promote pessimism in our own minds and worse, that of our teammates. But if we look at difficulties as challenges and take the time to understand the root cause and be a catalyst for improvement, we can turn a dark cloud into a bright silver lining.

The root of pessimism begins when we expect things to be perfect all the time. Life's difficulties must be expected, as humanity is imperfect by its very nature. Not that we should go to the extreme and always believe things are bad, but how we respond to difficulties depends on the strength of our attitude and mentality. We should all strive to improve and strengthen ourselves by building a positive attitude in all situations.

People who are characterized as optimists, tend to display two characteristics. First, they look at a glass as half full, not half empty. When things seem to be falling around them these individuals seem to be calm under the stress and are surveying the situation to understand causes and to develop a plan to improve the situation. They know that understanding and knowledge empowers them to solve the problem. In the opposite vein, lack of understanding creates anxiety and pessimism. Second, those with positive attitudes have confidence and take action. They feel empowered, self reliant and thereby capable of controlling their own destiny, rather than as a victim who has no control over their future.

To endure and improve we must take responsibility as leaders to promote a positive attitude among all of our people and situations. For those who have a positive outlook, we need to build on it. For those who are negative, we must promote change and improvement by making people aware of this mentality and working on a daily basis to help them change their attitude for the better. When we pull together as a team and work in a culture of positive attitude to forge our strength we will win in any situation.

Thanks for all you do as part of the Watco Family to care for our Customers, People and Company.

A handwritten signature in black ink, appearing to read "J. D. [unclear]".