



May 10, 2009

Watco Team,

This week in continuing to focus on Coach Wooden's "Pyramid of Success" I'll introduce Building Block #6- Self-control. For review, the previous Building Blocks were:

- #1 - Industriousness and Planning
- #2 - Enthusiasm
- #3 - Friendship
- #4 - Cooperation
- #5 - Loyalty

Before you can lead others, you must lead yourself. Self-control is the discipline to control your emotions to assure that good judgment and common sense prevail in all situations. When emotions dominate, we make mistakes which in turn inhibit team accomplishments. This doesn't mean that we shouldn't be enthusiastic or driven in our purpose. Energy that comes from motivation and desire is a great asset in team accomplishment. But even over enthusiasm can be detrimental when it overrides good judgment.

Likewise, anger and punishment never serve a useful purpose according to Coach Wooden. Coach Wooden's techniques build on the belief that all people have an innate desire to be their best and to make a productive contribution to team accomplishments. While some people are motivated by antagonism, some are discouraged and drawn down from such tactics. It is imperative that a leader understand the characteristics of each of his players and use the best techniques that motivate in a positive sense. One of our primary goals is to teach and develop our People. Building the knowledge and intellectual capabilities of our People empowers them to be self-driven and able to accomplish the Watco Foundation Principles on their own accord. When all of the leaders in Watco have enabled our People to self-driven success our company and team become truly dynamic. To sustain our success over the long term means we must institutionalize the logic and practice of our Watco Foundation Principles. We institutionalize our

Foundation Principles by teaching every person at Watco how to think and act in accordance with our Foundation Principles.

As leaders, it is imperative that we focus on our People. Understanding that our methods and actions have ramifications well beyond ourselves and set the example for what is expected. When we rage out of control, our People will respond in a similar fashion. If we are disciplined in our emotions and remain focused on teaching and coaching our People in a respectful and service oriented fashion we will be laying the foundation for long term success.

Thank you for everything you do to achieve our Watco Foundation Principles of delivering Customer Satisfaction, Improving Safety and Profitability and Building long term and lasting Relationships with all of our Customers, People and Communities.

A handwritten signature in black ink, appearing to read "J. D. [unclear]". The signature is written in a cursive style with a prominent horizontal line at the top.