



December 19, 2009

Watco Team,

Coach Wooden's teachings on success are based on the concept of the pyramid. The structural strength of a pyramid is due to its broad supporting base and narrowing design which graduates to an apex. The blocks are bound together by mortar running through the structure. The mortar represents values that Coach Wooden believes must exist throughout all points of character to allow the pyramid to endure all challenges that life can present. The first mortar we discussed was ambition, the second was sincerity, the third mortar is adaptability and the fourth is honesty.

Abraham Lincoln said "If you once forfeit the confidence of your fellow citizens, you can never regain their respect and esteem. It is true that you may fool all of the people some of the time; you can even fool some of the people all of the time; but you can't fool all of the people all of the time."

The true essence of leadership comes from gaining the respect and trust of others. Trust and respect can never exist if we are dishonest. Honesty is doing what is right regardless of the consequences. If someone places their trust in you, they believe that you are honest and reliable. That is, that you will do the right thing.

Coach Wooden teaches us that we are all human and it is human nature to be tempted to do something that is dishonest. Even the great Coach Wooden identifies times when he believes he was dishonest. Being tempted to be dishonest is not the problem. Resisting the temptation is the challenge even in the smallest of matters. If the stakes of being dishonest are so low that it really is of little value, then people correctly assume that we will be dishonest in consequential matters. There is no real justification to be anything but honest in everything we do.

Fortune magazine annually publishes a list of the hundred best companies to work for in America. The Great Place to Work Institute, which compiles the list, has studied the American workplace for over 20 years. They have reached the conclusion that "trust between managers and employees is THE primary defining characteristic of the very best workplaces." A trusted advisor once told me that the way we treat our People is how our People will treat our Customers. In the end, how can we expect our People to provide the ultimate in service quality if we ourselves fail to set the example through our leadership? Adherence to honesty and

integrity in everything we do is of the utmost importance and will always be a source of great pride and value to us as leaders in any circumstance.

Once we lose the trust of our People or Customers, it is almost impossible to regain. Always remember that honesty is the highest priority in any circumstance and decision we make in our life. Honesty and trust is the foundation for becoming great leaders.

Thank you for all that you do every day to serve our Customers, People, Communities and Company.

A handwritten signature in black ink, appearing to read "T. D. ...". The signature is fluid and cursive, with a prominent horizontal stroke at the beginning.