



December 24, 2009

Watco Team:

The Christmas Season is a wonderful time of year when we look forward to spending time with friends and family, being thankful for our blessings, making memories and exchanging gifts. However, every day the Watco Team gives us the best gift of all by providing service that is second to none for our Customers.

The gift of providing outstanding Customer Service is one that we receive benefit from every day of the year. It allows us to take care of our families and is one we should never take for granted. So let's always remember what a privilege it is to be able to share in that wonderful gift of Customer Service and how vitally important it is to our Customers' success, which makes it vitally important to us as well. The importance of continuing to receive this gift on a daily basis is the reason it is our first Foundation Principle and why we should always, in everything we do, put our Customers First.

Putting our Customers First means to always follow our Foundation Principles: Continually Improve Customer Satisfaction, Continually Improve Profitability, Doing Both Over the Long-Term. Naturally, we must meet these Foundation Principles with the safety of our Watco Team and our Customers at the forefront. Working safely not only allows us to give a gift of outstanding service to our Customers, but also benefits our Watco families by having all our people home safely when their work is done.

As this year comes to a close, I want to thank you for the many good things we accomplished in 2009. This was a year of tough challenges and many changes, including the passing of my father, that tested our resolve and our abilities to continue to improve. But I am very proud to say our great Watco Team rose to meet those challenges head on and we will finish the year with solid performance for our Customers and for ourselves. I will always remember 2009 as a year when the Watco Team met every challenge and continued our tradition of always improving our performance for our Customers in spite of all the difficulties.

Thank you for all you do every day and keep making great things happen.

To all of the Watco Team, I wish you a Joyous and Blessed Christmas and a Happy, Healthy Prosperous New Year.

*Rich*