



December 30, 2010

Watco Team:

As we close 2010 and begin 2011 it is imperative we remember the most important part of what we do every day-PERFORM OUR DUTIES SAFELY.

Watco expects an accident free, injury free workplace. To make this a reality we must approach each day with a purpose to do our jobs in the safest manner possible. This means we must first think safety before every action and decision because safety doesn't happen by itself. The only way to eliminate accidents and injuries is to deliberately choose to be safe in all we do.

Choosing safety means eliminating unsafe conditions and behaviors and reporting those who don't. Seven years ago we initiated our improved safety program led by Gary Vaughn, with the goal of reducing accidents by 50 percent each year. Overall we have created a safety record that is better than the industry average and for that I am proud. Most areas have made great improvements, but some areas still have work to do to reach our goal. By reducing accidents and injuries we lower operating costs, but most importantly protect our greatest resource, our Watco Team.

Below are our Six Tenets of Safety. Read them, remember them and practice them each day.

1. All injuries can be prevented.
2. All exposures can be safe-guarded.
3. Prevention of injuries and accidents is the responsibility of each person.
4. Training is essential for good safety performance.
5. Safety is a condition of employment.
6. Safety is good business.

We can achieve an accident and injury free environment if we choose safety. Be sure you work safely and teach others to do so. If you see something unsafe, report it to your supervisor or call our Safety Hotline at 866-899-2826. We owe it to ourselves and our Customers to keep safety as our #1 priority because safety is no accident.

Here's to an accident free and injury free New Year. Keep making great things happen, SAFELY, in 2011.

*Rich*