



December 2, 2011

Watco Team:

This week I had the pleasure of meeting some of our great Watco Team Members who were in Pittsburg for Watco U training. I enjoy the opportunities to listen to our people because I get to hear first-hand how we are supporting our people in the field to better serve our Customers. Our best source of information for improving the accuracy, timeliness and SAFE delivery of our service comes from the Watco Team. That is one of the reasons I am excited about the Annual Climate Survey that will soon be conducted by our Human Resource Team. The Climate Survey is a 20-question survey that requests information from all Team Members about Watco's work environment, Customer satisfaction, teamwork and team member job satisfaction and morale.

The Climate Survey is used to measure how effectively the Watco management team is meeting the needs of our team members. The survey is constructive and intended to provide information to our Watco leaders so they can better serve their team, which will result in better service for both internal and external Customers. Last year we received many responses and since then Watco managers have been working to constantly improve our performance based on the feedback we received from our Watco Team. In the following weeks, the Human Resource Team will conduct this year's Climate Survey at all locations. I ask that each of you be on the lookout for the survey and provide your honest feedback on what we are doing well and what areas need improvement.

The people who know best how to improve our company performance are those closest to our Customers, performing their jobs each and every day. Your feedback is invaluable and our future success depends on continually improving and engaging every member of the Watco Team. Our goal is 100% participation, so I encourage each of you to take the time to thoughtfully complete the survey and provide candid feedback. This feedback will help the Watco Team develop plans for the future that will support our Customer First Foundation Principles of Improved Customer Satisfaction and Profitability Over the Long Term.

I look forward to your responses. Thanks for all you and keep making great things happen, SAFELY.

*Rich*