



December 30, 2011

Watco Team:

The year has nearly ended and as they say “Out with the old and in with the new.” While the only “old” we will be throwing out is the year 2011, we are excited about our newest addition of the Wisconsin & Southern Railroad (WSOR) on January 1st.

I am happy to welcome this new railroad and its people to the Watco Team. The WSOR seems almost destined to have become part of the Watco Family of Railroads, as it began operations July 1, 1980—3 years to the day before Watco opened for business. Much like Watco the WSOR began as a small operation with 147 miles of track, but today it consists of nearly 700 miles. The WSOR team has an excellent history of service and I am proud to have them join our team and take the Watco Customer First! philosophy to new communities where we can share our common vision of Customer Satisfaction.

We will have many exciting opportunities in 2012 and I look forward to continued success for the WSOR and all Watco profit centers. Again, welcome to our new Watco Team Members and to everyone—thanks for all you do and keep making great things happen, SAFELY. I wish everyone a blessed, healthy and prosperous New Year.

Rich