



DRIVING FORCE

MARCH 2008 NEWS QUARTERLY

A SEASON OF CHANGE AT SUPERIOR BULK LOGISTICS

To everything there is a season, and as the welcome spring of 2008 unfolds, a season of change has come to Superior Bulk Logistics in the form of a new management organization.

In March, after 23 years of strong leadership, Dick Lewis will pass the President and CEO titles to Len Fletcher, our current Senior VP – Operations. Industry veteran Gary Watt acquires new responsibilities and an officer designation as Senior Vice President and Chief Marketing Officer; Wes Stone has been named Executive Vice President – Sales and continues to report to Gary. Tim McCann assumes the position of Vice President – Finance and Treasurer of the Company. Bill O'Donnell remains President of Superior Carriers, and the three Regional Vice Presidents report directly to him.

Veteran senior managers continuing in their current roles are Jim Blackmon as President of our Carry Transit Division, Bill Lavery as Vice President – Administration and Assistant Secretary, Ken Sevcik as Vice President – Quality Assurance, and Ron Bauman as Vice President – Information Services.

These changes were formally adopted by the Board of Directors at their March 11 meeting. “We have given considerable time and thought to the new management structure,” commented Lewis. “We are pleased to have a strong, experienced slate to put in place without the introduction of personnel from outside of the Company.”

Upon his retirement as CEO, Dick Lewis leaves a company dramatically changed from what it was when he took over its management in 1985. John Burns, owner of Superior Bulk Logistics, commented: “Under Dick’s leadership, along with the help of our many talented operating people, Superior has grown from \$3 million in annual revenues in 1983 to about \$235 million today. The almost seamless integration of six different companies into Superior is a tribute to Dick’s leadership qualities.”

Burns observed that when it came time for Dick’s retirement, a better pool of candidates existed inside Superior than could be found outside the company — a “very fortunate situation!” Burns stated: “With the choice of Len Fletcher as CEO, we feel we have found the right man. Already experienced as General Manager of Central Transport under Connie Burgess, Len’s knowledge of our business, high professionalism and loyalty to Superior should ensure a successful future for us all.”

In 2008, Len Fletcher marks his thirtieth year in the bulk transport industry. He began his career with Schneider National Bulk Carriers in 1978, where he remained until joining Central Transport as VP – Operations in late 1990. When Superior Carriers purchased Central Transport in 1997, he became Central’s General Manager until the company merged with Superior in 2002. That year, Len began working out of our Oak Brook headquarters as Senior VP – Operations.

Married for 37 years to wife Beverly, Len has two grown sons and five grandchildren. He resides in Elmhurst only a few miles from the Oak Brook office. “I’m tremendously excited and energized by this opportunity,” Len stated. “And I’m looking forward to the challenges of the coming years.”



**SBL's new President and CEO
Len Fletcher**

continued on page 2

A SEASON OF CHANGE... *continued from page 1*

After taking leave of his full time responsibilities at SBL, Lewis will continue on as non-executive Chairman of the Board, and in that capacity plans to work within the Superior organization during the management transition and beyond.

When asked to describe Lewis's long term contributions to our organization, Burns commented: "Dick's talents combine an absolute genius for finance and control, with an ability to carefully manage the details of our business and insist on top performance, while keeping the welfare of our people foremost. The number of great companies and people we have added over the years is a tribute to these qualities."

Whether one retires from or remains with a company, managing change is never easy. The Book of Ecclesiastes reminds us that "To everything there is a season, and there is a time to every purpose under heaven." Lest we forget, it also affirms that one of those purposes is enjoyment: "A man hath no better thing under the sun, than to eat, and to drink, and to be merry." We encourage Dick Lewis to observe this

Biblical injunction as strictly as possible in the coming years. We are grateful for Dick's legacy of sound leadership, and offer our cooperation and support to those at SBL who have enlarged their fields of responsibility, bringing fresh insights, approaches and opportunities to us all. ▲



Dick Lewis

AUSTIN PROMOTED TO EASTERN REGION OPERATIONS MANAGER

by Johnny Williams, Eastern Region VP

I am pleased to announce that Mike Austin has been named Eastern Region Operations Manager. He assumed his new responsibilities on January 1, 2008.

Mike came to Superior Carriers in 1993, serving as Terminal Manager at our Bennington, VT facility until 1998. The following year he transferred to Springfield, MA, where he continued to serve in the capacity of Terminal Manager and also took over management of the Milestone Tank Wash. In February 2007 Mike started up the new Holyoke SuperFlo Terminal.

In congratulating Mike on his promotion, Superior Carriers President Bill O'Donnell said: "I think it is well deserved. Without a doubt, you will be an asset



Eastern Region Operations Manager Mike Austin

to the region and the company in your new role, as well as providing very beneficial support to Johnny in his new role. All the best to you as you assume your new responsibilities."

Mike is an experienced, dedicated employee who has spent the last thirty plus years in the tank truck industry. I look forward to working with Mike, and invite you to join me in wishing him well in his new position. ▲

SUPERIOR, CARRY NOW FULLY CERTIFIED TO CROSS-BORDER C-TPAT STANDARD

It took two years of dedicated effort, but it's finally official: Superior Carriers and Carry Transit are now Free and Secure Trade (FAST) approved carriers, meeting all C-TPAT governmental standards for cross-border traffic between the U.S., Canada and Mexico.

In addition to the U.S. C-TPAT certification, both companies completed requirements for the Canadian Partners-in-Protection (PIP) and the Customs Self Assessment (CSA) programs. Superior Carriers and Carry Transit also have added Automated Commercial Environment (ACE) E-manifest capability for border clearance inbound to the U.S.

"In making the decision to pursue certification, it came down to whether we wanted to remain a cross-border player in the marketplace," commented Ken Sevcik, VP - Quality Assurance for Superior Carriers. "We decided that we absolutely must have this top-level certification so that when we are approached by a customer with international shipments, we are positioned to respond."

To help Superior Bulk Logistics decipher the alphabet soup of governmental cross-border programs, Sevcik and Steve Weaver, Manager — Logistic Operations, worked hand in hand with consultant Debbie Price of Panalpina Inc. According to Ms. Price, the process began with both operating companies documenting internal security initiatives – all physical, procedural and personal processes. This information was then submitted to U. S. and Canadian customs agencies for review. Once various internal systems

changes were made and Superior and Carry were approved as C-TPAT carriers, they became eligible for Canadian PIP and CSA certification – provided, of course, that separate sets of documentation were furnished to and approved by the Canada Border Services Agency.

Once certified by both the PIP and CSA programs, Superior and Carry became FAST-approved carriers for Canada. In order for our operating companies to receive full benefit from the FAST program, our drivers also became individually FAST-approved, which entailed personal interviews, fingerprinting and the creation of photo ID cards. The final step is to have our shippers' products FAST-approved, which will be accomplished with the help of the importers (customers) themselves. "The ultimate goal is a secure supply chain," stated Ms. Price.

Gary Watt, Senior VP and Chief Marketing Officer, commented: "Now that we have achieved final certification, we are poised to provide comprehensive and secure single-source logistics management services to shippers who do business north and south of the border." Sevcik added: "This has been a lengthy process requiring a lot of information gathering, but it's been well worth it. Documenting and certifying our security processes, and making the systems changes needed to conform to governmental requirements, has enabled us to offer customers a high level of assurance regarding their international shipments." ▲

GREER TERMINAL DRIVER LANEY RETIRES

Our best wishes for a happy and healthy retirement to Greer Terminal Driver Billy Laney, who was honored by his co-workers at his home terminal on Saturday, January 26. At his retirement send-off, Billy received a plaque inscribed: "A trusted and loyal employee who always went the 'extra mile' to help others. His dedication to perfection was an inspiration to others. You have many true friends in the organization and you will most certainly be greatly missed."

"He's a good man and has done an excellent job," commented Terminal Manager Phil Henderson. Laney and his wife Betty have two daughters, five grandchildren and three great-grandchildren. Billy enjoys fly fishing, camping and horses. We hope he enjoys all three to the fullest in the coming years! ▲



Billy Laney with daughter Cheri Belt (left) and wife Betty Laney

SUPERIOR CARRIERS

News In Brief



CUSTOMERS APPRECIATE GOOD SERVICE . . . AND THEY LET US KNOW!

Once again this quarter, our customers took the time to let us know when our service exceeded their expectations. We thank them for their continued feedback!

At Stepan Company, Bulk Traffic Manager **Kathy Lebran** wrote to Kankakee/Markham Regional Manager **Jim Carl**: “I would like to thank Superior Carriers for their outstanding performance at Millsdale in 2007. Superior finished the year the number one carrier in volume, hauling 1,985 loads, and 98% on time. We at Millsdale appreciate all of the efforts put forth to satisfy our customers.”

John Weidemann, Traffic Manager Stepan Company, wrote to Executive Vice President – Sales **Wes Stone**: “2007 was a tremendous year for Stepan Company and Superior Bulk Logistics, Inc. Jointly the two companies worked diligently to supply excellent service to all Stepan customers. In addition, Superior brought operational technology to Stepan that assisted Stepan in securing additional business in the market by utilizing unique tank design and Superior’s operational expertise to assure success.”

Regional Manager **Jim Carl** also received what he calls “another great attaboy” for Kankakee dispatcher **Dustin Duncan** and driver **Chuck Wesley**, for their efforts to prevent a plant shutdown at Savage, a customer of W. R. Grace. **Lori Plank**, Production Coordinator at Grace, wrote: “I would like to extend a ‘thank you’ to you and your team of drivers for the cooperation in getting our customer (Savage) a delivery on such short notice. This will keep our customer from shutting down and it is very much appreciated.”

In the Southern Region, Superior Carriers got a positive third quarter evaluation from Lanxess Corporation, with special kudos to N. Charleston, SC Terminal Manager **Linda Berger** and dispatcher **Gerry Finch**. The report read in part: “Superior has been very helpful accommodating us with our shipment requests and last minute changes. On one occasion [when another carrier was unable to handle a load] Superior was able to provide us with a trailer and

make the delivery. Superior has been a very dependable company to work with. We appreciate the work **Linda Berger** and **Gerry Finch** do for us.”

In other positive news from the same terminal, **Linda Berger** forwarded us a letter from **Bruce Erickson**, Chevron’s Quality Management System/ISO Coordinator in Charleston, SC. The letter evaluated supplier performance for 2007 and for



Terminal Manager Tracey Mellott and Dispatcher Barry Cromer from the Augusta, GA Terminal with BP Award

Superior reported that “NO significant incidents were recorded . . . this results in an “OUTSTANDING” rating.” Congratulations to the **entire N. Charleston Terminal team** for their combined efforts in serving Chevron Global Lubricants.

When our customer Colgate conducted an audit of our Morrow, GA Terminal, **Jeff Martin** at Stepan Corporate Transportation had this to say to Superior personnel **Larry Goodman**, **Rusty Davis** and **Pete Duncan**: “Just a quick note to thank you for everything while I was in GA. Everyone was very professional, knowledgeable, kind, and above all excited to

teach me about Superior's trucking equipment and services. I am very grateful for the time everyone took with me. Additionally, I've yet to make a visit where the whole team functioned as a family, that is from the shop, drivers, and wash station personnel to dispatch, management and sales."

Another heartwarming demonstration of Superior's caring "family" culture occurred when Augusta driver **Brandi Gullikson** unexpectedly fell ill in January. After witnessing the concerned response of Brandi's co-workers, Terminal Manager Tracey Mellott commented: "I just wanted to say a very big "thank you" to all involved in helping Brandi . . . she was very sick when she called in on January 10th and everyone was accommodating in getting her to the clinic and rescuing her tractor from the clinic when they took her to the hospital. Brandi has expressed her appreciation and has commented how nice it is to work for a company that cares about its drivers."

We extend a special commendation to **Tracey**

Mellott and her terminal team for winning BP's 2007 Safety & Operational Excellence Award. Tracey traveled to Chicago to receive the honor. Jim Evans, BP/A&A Logistics' North American Trucking Manager, praised her in a recent letter:

"Tracey Mellott has done a fantastic job as a Terminal Manager for BP in Augusta, GA. Superior Carriers is evaluated by BP through our Carrier Scorecard Program. If a carrier is capable of achieving and sustaining BP's high level of expectations in several categories, we in BP A&A Logistics recognize the carrier for their excellent performance with a Safety & Operational Excellence Award.

"In 2007, we issued these awards at the terminal level to ensure that the folks who earned the award can see our appreciation. We are very proud to present the 2007 award to Tracey and her team. Tracey's team does an excellent job for BP. We thank them for their daily commitment to safety and service." ▲

SUPERIOR FINALIZES RESPONSIBLE CARE® MANAGEMENT SYSTEM AUDIT

For the last ten years, VP – Quality Assurance Ken Sevcik has served as Superior Carriers' in-house coordinator of the American Chemistry Council's (ACC) Responsible Care® Partner Company initiative. The position has enabled him to better understand how critical the recent Responsible Care® Management System (RCMS) audit process is to shippers.

"In early 2006, I asked CEO Dick Lewis whether he thought it was essential that our Environmental, Health, Safety and Security systems be certified by an independent third party. His answer was a resounding 'yes.' I agreed. As the current Chairman of the ACC's Responsible Care® Partner Companies Steering Committee, I've gotten a good sense of what bulk transporters can do to ensure the safety of their EHSS processes. The RCMS environmental, health, safety and security certification is similar to the ISO quality system registration, which allows our customers to measure carriers against an objective, common standard."

Today, Superior Carriers has nearly completed this technical specification audit. Successful completion of this process is required for sustained ACC membership by both member and partner companies. As a partner company with more than forty terminals, Superior Carriers must have its headquarters as well as four individual terminals audited.

Stage I of the RCMS audit was finalized in October 2007 at the Markham, IL terminal. In mid-December, our corporate headquarters in Oak Brook, IL was audited. We passed both with flying colors.

In mid-March, Stage II begins, which involves implementing the same rigorous process at the Kankakee, IL, Karns City, PA, and Cincinnati, OH terminals, as well as once again at corporate headquarters. As of this writing, we anticipate full RCMS audit certification from the ACC by month-end.

Sevcik commented: "We're proud to be able to offer this objective, independent certification to our customers. We also hope it will provide some assurance and convenience to shippers who find it cumbersome to continually conduct their own safety audits of transport facilities. The RCMS audit measures us against a standard that everyone in the industry respects and understands."

We congratulate Ken Sevcik, Scott Neale, David Durham and all terminal personnel involved for their work on this initiative. As noted in a previous issue of the *Driving Force*, in 2007 Ken was recognized by the ACC as a Responsible Care® Leader of the Year. ▲



CARRY TRANSIT

News in Brief



PORTLAND FACILITY MANAGES “GREEN” BIOFUEL

by Joe Nolan, VP – Business Development, Carry Transit

“Being Green” is not just for Kermit the Frog or the color of money anymore. It is a global movement, and environmentally responsible companies like Superior Bulk Logistics are working to do their part to protect and conserve our natural resources.

One of the most critical initiatives within the green movement is the development, manufacture and distribution of alternative biofuels. Carry Transit, through its operation in Portland, OR on the Peninsula Terminal Railroad, provides bulk transload and transport services for the biosoy oil that helps to keep the biodiesel tanks full at a major fuel distributor serving the Portland market. Carry Transit’s local personnel, supported by the Stockton, CA terminal, work closely with the fuel terminal, scheduling deliveries to ensure that the supply chain remains full to meet demand.

In July 2007 when operations began, the City of Portland had issued a mandate requiring all diesel fuel sold in the city to be blended with 5% biodiesel.

In response to this opportunity, Carry Transit worked with its customer, investing in the necessary equipment, personnel and training to support the start-up and meet the deadline.

That mandate has since become statewide in Oregon, and effective April 1, 2008, the required blending rate will be raised to 10% in the major metropolitan areas of Oregon. The entire state will move to a mandated 10% blend on September 1st of this year.

Carry expects to continue to support this “green” initiative by providing reliable transload and transportation services for the effective distribution of biosoy to the Portland market. Elsewhere throughout the SBL network of terminals, customers are demonstrating increased interest in logistics services for similar “green” fuel products. Currently, Superior Carriers’ Elizabeth, New Jersey TBT terminal transloads biodiesel for customers marketing biofuels in the northeastern U.S. ▲



Transloading biosoy oil for the Portland, OR market



CARRY'S BRIDGEVIEW, IL TERMINAL RESUMES PRODUCT TRANSFER

In February, Carry Transit once again began offering customers the service option of product transfer out of its Bridgeview, IL terminal. In 2006, transfer operations had ceased and been suspended until early this year. At that time, consistent with Carry's business growth objectives, the short-line railroad serving the facility, Indiana Harbor Belt Railroad Company (IHB), was contacted to re-evaluate the opportunity to transfer flour through the Bridgeview operation.

The response from the railroad was favorable and resulted in developing the economics necessary to resume operations. Carry will continue to work with the IHB to evaluate other opportunities in the dynamic Chicago market, in response to the Class I railroads' ongoing trend of reducing manifest freight on their lines. This short line offers an attractive alternative to transload customers since it connects to all major railroads servicing the Chicago market.

"Transfer opportunities will continue to increase as railroads exert upward rate pressure on single car shipments, or reduce service levels to customers whose facilities are difficult or not cost effective to serve," commented Joe Nolan, Carry's VP – Business Development. "Transfer facilities provide a reliable service benefit to the receiver by keeping inventory in close proximity to the point of manufacture, which results in the shortening of the supply chain."

Carry's customized bulk transloading services are currently available from nine FDA-registered locations nationwide. These combined rail transfer/trucking operations are located in Portland, OR; Stockton, CA; Dallas (Arlington), TX; Bridgeview and Chicago, IL; Memphis, TN; Mobile, AL; Lakeland, FL and Rocky Mount, NC. ▲



Transloading at the Bridgeview SuperFlo facility

For Your Benefit



SPRING HOUSEKEEPING TIPS FOR SBL EMPLOYEES

by Diane Wright

Most of us associate springtime with tax filing and spring cleaning. But it's also a great time to take care of a few housekeeping duties regarding your employee benefits!

Are your beneficiaries current?

There are no federal restrictions on who you name as beneficiary to your life insurance. However, life insurance companies are restricted from paying benefits to minors under each state's "Gift to Minors Act." The age of majority varies from state to state, but it may be a consideration when reviewing your beneficiaries. If you have named a young child as your beneficiary, to avoid unnecessary complications upon your death, you may want to name a custodian or trust company to receive these funds. Otherwise your family will need to have a Guardian Ad Litem appointed, or allow the life insurance company to set up a trust for that young child to hold these funds until the child reaches 18 years of age.

If you are married, the IRS stipulates that you name your spouse as the primary beneficiary for your 401(k)/Profit Sharing account. You may name other beneficiaries only with your spouse's notarized consent. Investments usually are considered a marital asset.

Investments current?

Mass Mutual recently added to our plan some new funds, which became available in February. Now may be a good time to review your investment allocation strategy. You can access information at www.massmutual.com or call 1-800-743-5274.

Status current?

Have you remembered to submit information to Blue Cross/Blue Shield for dependents who have reached age 19 in 2007? We have received from Blue Cross/Blue Shield a list of SBL employee dependents over 19 years old whose coverage was cancelled for failure to submit information about full-time student status. Please notify Blue Cross/Blue Shield if any of your dependents have married or moved out of the family home, and are not attending college. It's also important to let them know if you have married or divorced, or if you have had any births or adoptions.

W-4 deductions current?

Right after you file your income tax for 2007, take a few moments to review the number of deductions you claim for state and federal income tax. If you want to make a change, ask for new forms at your terminal, then complete and submit them to the Payroll Department.

From time to time, Superior Bulk Logistics sends you mailings regarding benefits and other policies. It's a good idea to keep these papers in a safe place, such as your Employee Benefits Handbook. For additional questions about your benefits or company policies, please feel free to contact the Human Resource Department at 1-800-654-7707. ▲

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