

Prepared for Peak Season!

With the 2007 peak season already underway, Knichel Logistics has gone to great lengths to protect its customers from the inevitable equipment shortages that come at this time of the year. From enhancing carrier relationships to repositioning equipment, Knichel Logistics is working hard to make sure that our year-round customers will be covered by offering a variety of peak season options and tips.

- We stress the importance of maintaining year-round business relationships. In order to reward our consistent customers, they are guaranteed first priority when it comes to loads being covered.
- We have made arrangements with carriers that we work with year-round to ensure that they support us during peak season at least as strongly as they do during the rest of the year.
- We have also worked hard at building new relationships with draymen that have excess equipment available for re-loading eastbound.
- In addition to locating excess equipment, we are also repositioning empty containers from other surplus locations throughout the country in order to have empties available in California. Knichel Logistics will make these available to our customers during critical periods, but there will be an additional charge to them in order to cover the cost of moving the empties.
- Another option that we have considered is the possibility of buying available equipment from the railroads and carriers to ensure capacity. This option will also include an additional charge due to the costs associated with allocating the equipment.
- Alternative equipment options at a higher rate are also a possibility—we can look for other options. Box car is also an option.
- Ask us about capacity options. We can offer premium rail rates in many lanes, which means faster transit and guaranteed equipment. We can also do spot rate pricing. Although this is not available in all markets and may be higher or lower in some areas depending on demand, it is still an option to explore.
- Finally, send us your orders as far in advance as possible. This will help us plan for equipment and will give us the time to work to cover all loads on time.

Knichel Logistics is hoping that our preparation will make this year's busy season as smooth and flawless as possible for our customers. Please do not hesitate to contact us with any questions or concerns that you may have regarding any of these options.



Attention all current customers...

Knichel Logistics has a new policy of offering a discount on one future Intermodal or Over the Road move for every new customer referral that results in that referral establishing credit with us. Spread the word about Knichel Logistics and save some money!

Rate Update...

Currently, when rate requests are made, the intermodal and OTR rates are sent separately due to the fact that they are completed by different divisions. With the addition of 2 new rate analysts, Knichel Logistics is working towards streamlining the pricing process to eventually provide customers with simultaneous intermodal and OTR rate responses.

Intermodal Teams

As promised, the Knichel Logistics Intermodal Division has been divided into customer service teams to ensure that you will be speaking with the same reps on a daily basis who are assigned to your specific account.

TEAM 1: team1@knichellogistics.com
Jen Sapienza, Holly Deleonardis, & Teresa Dushack

TEAM 2: team2@knichellogistics.com
Sue Behr, Cheryl Pastucha, & Jodi Hall

Please use the corresponding team emails when communicating any load orders, dispatch information, or any other intermodal matters. That way, your issues will be addressed efficiently!

NEW STAFF SPOTLIGHT

Knichel Logistics is very pleased to announce the newest additions to their expanding support staff and rates department in the Pittsburgh Corporate Headquarters.

Mrs. Jodi Hall has joined Intermodal Team 2 in a customer service capacity. Prior to joining Knichel Logistics, Jodi worked for a major national logistics provider for almost 2 years and was nominated twice for their Hall of Fame award, which recognized achievements she had made with one of their top 40 accounts. Jodi has experience handling international freight, tracking loads, and corresponding directly with customers—she is a perfect fit in our intermodal division.

Ms. Kimberly Lajewski has joined the Over the Road division as a customer service representative. Kim's background includes 4 years in the trucking industry, beginning with logistical work in Kearny NJ. After moving to PA, Kim gained experience with cold and frozen freight and worked closely with OTR drivers as a CSR. With substantial knowledge of the transportation industry, Kim has become a valuable asset to our OTR division.

Ms. Sheila Weatherly has joined our rate department with 2 years in the transportation industry under her belt. Previously, Sheila handled inbound scheduling, expediting, and the transferring of both refrigerated and frozen product between 20+ facilities. Sheila has also gained experience with rates and pricing while working for an LTL carrier, where she also worked in a customer service capacity, loaded fuel, and processed overcharge claims and rebates.

Mr. Adam Martin has also joined our rate department with a strong background in finance. Prior to joining Knichel Logistics, Adam worked for a finance company where he gained substantial knowledge in accounting and pricing. Adam's experience with finances will make him an excellent addition to our growing rate department.

Please join us in warmly welcoming these experienced professionals to our team!

Employee of the Month

Congratulations to the following Knichel Logistics employees for their hard work and stand-out performances during the third quarter of 2007. Keep up the good work guys!



June—Ken Forsyth
(OTR Load Coordinator)



July & August—Cheryl Pastucha
(Intermodal Support)

Knichel Logistics does it again!

For the second year in a row, Knichel Logistics has been named one of Western Pennsylvania's fastest-growing, privately held companies. The Pittsburgh Business Times 11th annual Pittsburgh 100 rankings were recently announced and Knichel Logistics placed 4th in the manufacturing/transportation category. We were ranked 35th overall among Pittsburgh area companies for 2007. The Pittsburgh 100 award measures a company's revenue growth over the previous three years, so Knichel Logistics managed to break into the top third of the list again this year based on our upward momentum!



In addition to the Pittsburgh 100, Knichel Logistics has also been named one of the "50 Best Places to Work" by the Pittsburgh Business Times 2007 Best Places to Work in Western PA award. We won't find out where we stand on the list until October 18th but we would like to thank all of our customers in advance for their continued support and our employees for making Knichel Logistics an all around success!

Industry Indications

According to the Association of American Railroads, rail carload and intermodal freight traffic has been in a steady decline for the first 8 months of 2007. Compared with figures from the first 8 months of 2006, the percentages of carloads are down 3.0% while containers and trailers are down 1.1%.

At Knichel Logistics, we are experiencing quite the opposite of this national trend. Compared to the first 8 months of 2006, our intermodal freight volume is up 11.8% for the first 8 months of 2007. Going back to 2005, the first 32 weeks of 2006 showed a 7.6% increase in intermodal volume over the first three quarters of 2005. In addition to our steady yearly increase in intermodal traffic, Knichel Logistics is also experiencing record-breaking OTR volume. In just 1 year, our OTR division has raised volume by 122% (comparing August 2006 with August 2007) - and we don't plan to stop growing anytime soon!