

Energy: Thermal and Ultrasonic Scanning of Knoxville Terminal

The Knoxville terminal recently participated in an energy audit provided by our local utility company. Continuous improvement of energy efficiency has always been important to Highway Transport. We have lighting at our facilities, but are we using lighting effectively? The majority of our buildings are warm in the winter and cool in the summer, but are our temperatures always ideal?

"We expected the renovations to the Knoxville terminal to lower our utility costs, but could our utility costs go even lower?" asked terminal manager Rick Lusby, "So, I was more than happy to undergo an analysis of our energy systems. Like any other business, there is probably room for greater efficiency. Before the energy audit process, I had a limited knowhow concerning energy management."

During the energy audit, infrared camera scanning revealed any loose connections, unbalanced loads / phase problems, or overloaded circuits. Inspectors also looked at all facility motors, our boiler, and basically any moving part.

Handheld sound instruments acquire data through auditory channels, so the testing equipment will not respond to the low frequency noises often associated with most shop equipment. These instruments can be effectively utilized in extremely loud environments. The device is able to detect air leaks that would be impossible for human hearing to detect.



For air leak detection, ESCO uses this handheld ultrasonic

Ultrasonic testing was performed on Highway Transport's Knoxville shop. This facility has a 30 horsepower compressor serving as the primary compressed air source. The compressor is supposed to maintain

120 psig (pounds per square inch gauge). However, a total of 9 leaks were located during ultrasonic testing. The leaks caused a 31% system air loss. This equates to approximately \$3,037.90 annually! An efficient system should have no more than 5% loss.

"This was not just a rep coming to visit us and discuss tips on how to save energy," explains Lusby, "This was a physical detailed analysis that told us exactly where our structures could be losing energy and money. Their ultrasonic and thermographic capabilities detect energy loss that our human ears and eyes cannot de-

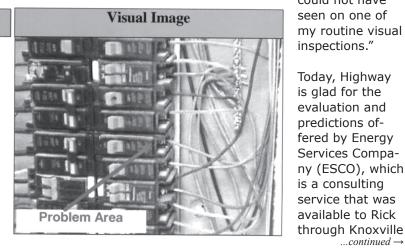
Due to extraordinary increases in energy costs, this type of detailed inspection is becoming more common. Energy costs are Highway's largest expense after equipment and fuel.

Conducting these periodic scans, has caused a new industry term to arise. Rick adds, "In the past, we always used the term 'preventive maintenance.' But now that energy inspectors use the new infrared technology, we call it 'predictive maintenance.' Thermographic scanning allows me to take corrective action before costly system failures occur. Even with our new state-of-the-art renovations, a few minor problem areas were detected on the thermal image that I

> could not have seen on one of my routine visual inspections."

is glad for the evaluation and predictions offered by Energy Services Company (ESCO), which is a consulting

Thermal Image AR02: 25.7°C 32.4°C 30 AR01: 32.3°C 25 22.3°C



 $continued \rightarrow$



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- Editors -

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- Purpose -

To keep Highway Transport employees and contractors informed about company policy and industry developments, and to recognize significant industry and community contributions by these employees and contractors and their immediate family members.

Highway Transport, Inc. 1500 Amherst Road P.O. Box 50068 Knoxville, TN 37950-0068 1-800-444-9814 **Energy:** ...continued from p. 1 Utilities Board, a distributor of TVA power.

Our energy conservation efforts impact more than just our buildings and employees. Our new approach to energy consumption impacts the bottom line. By periodically tracking and scanning our energy patterns, Highway Transport has experienced

Leak	Location	Cost/Year
1	Oil Room: Grease Drum Union	\$303.09
2	Oil Room: Pressure Reducer	\$303.09
3	Oil Room: Oil Tank Pressure Reducer	\$378.86
4a	Upstairs: Airdyne	\$346.68
4b	Upstairs: Airdyne	\$379.15
5	Shop Bay: #1: Air Hose End	\$246.92
6	Detail Bay: Roof Air Hose	\$362.77
7	Bay #1 Washrack: Water Separator Bowl	\$338.19
8	Ph Tank	\$379.15
	TOTAL	\$3,037.90

significant savings in maintenance and operations at the Knoxville terminal. For more in-depth details about the energy audit process, e-mail Knoxville Terminal Manager Rick Lusby. (rlusby@hytt.com)

Personnel & Personal

Personnel Changes . . .

• Tony Booker has joined Highway as a Recruiter. He will work out of our Chicago location while reporting to Bob Godsmark, Recruiting Manager. Tony has considerable recruiting experience, and we expect him to have a positive impact on chemical driver recruiting in the region surrounding our Chicago terminal.

• **Gary Miller** has an extensive background in the petroleum industry, and he



will continue to recruit both chemical and petroleum drivers. Gary's

main focus, at this time, will be petro-

leum driver recruiting.

New Arrivals . . .

• **Bill Reagan** has a new grandaughter. Haley Juliann Phillips was born February 5th at 9:45 PM. 6 lbs. 7 oz. / 18" long.

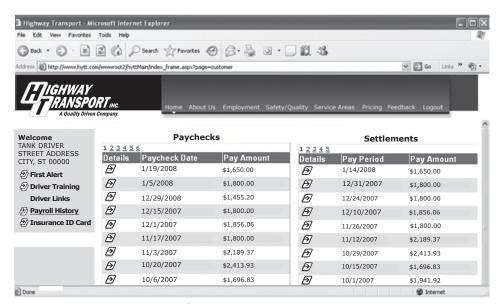
Highway Transport Quarterly Financial Summary

FOURTH QUARTER 2007		
Area	Revenue	Operating Ratio
Chemical	\$13,359,342	95.2%
Petroleum	\$1,163,426	98.4%
Logistics	\$1,989,066	90.1%
Total Company	\$16,511,834	94.8%
YEAR TO DATE 2007		
Area	Revenue	Operating Ratio
Chemical	\$44,077,365	96.7%
Petroleum	\$3,655,630	100.0%
Logistics	\$6,745,989	89.8%
Total Company	\$54,478,984	96.1%

Drivers: Get Quick Info from Web

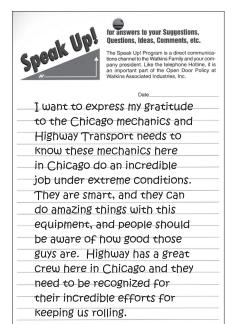
reported by Paul Noe, Director of Information Technology

Highway's IT Department provides web-based information that supports our most crucial asset...drivers. We're seeing across-the-board growth in demand for all of the information that a driver might need. When compared to the rest of the trucking industry, tank drivers are very high-tech group of web users. Roughly 70% have home computers with Internet access. Drivers can now view the latest mileage rate tables. All drivers and contractors can access the Highway Transport internal web. The majority log in to view their payroll and settlements. Others login to access important company phone numbers.



Tip: Drivers, for your very first login, type your alpha code into both the username and password fields. You will then be prompted to change your password.

Need help logging in? Contact Highway Transport's Information Technology (IT) Department: 1-800-818-1207 or (865) 584-8631 ext. 1440 e-mail: pnoe@hytt.com



Consider Your 401k Future

Social Security is only meant to provide a modest percentage of your retirement income (possibly one-third of your income). Financial planners generally say you'll need between 70 percent and 90 percent

of your pre-retirement income to live comfortably in retirement. Where is that money going to come from? A 401k plan could be a good source.

Retirement Planning: Don't procrastinate! Less than half of our employees currently participate in the 401K plan. Start today at the 401k website:

http://www.401kaccess.com/watkins

Driver Excellence Awards periods 11 - 13, 2007

Period 11 Henry Brown,

Henry Brown,
Chicago Contractor
Billy Crawley,
Chattanooga Driver
Dennis Durbin,
LaPorte Contractor
Tom Freeland,
Knoxville Driver
Serefino Gonzales,
LaPorte Driver
Maxie Hollingsworth,
Chattanooga
Contractor
Bill Ipox,
Florence Driver

Bill Nelson,
Chicago Driver
Shelby Patterson,
Garland Driver
John Perkins,
Hebron Driver
Dick Royer,
Bensalem Driver
Lamon Sparks,
Knoxville Contractor
Tyrus Taylor,
McDonough Driver
Duane Waters,
Charlotte Driver

Richard Auerswald, Chattanooga Contractor Andre Blackshear, LaPorte Driver Freddie Bolden, Knoxville Contractor

Period 12

LaPorte Driver
Freddie Bolden,
Knoxville
Contractor
Larry Keeter,
LaPorte
Contractor
Keith Mims,
McDonough Driver
John Moore,
Garland Driver

Adam Perkins,
Hebron Driver
Jim Raines,
Florence Contractor
Kevin Ray,
Chattanooga Driver
Dexter Ratliff,
Knoxville Driver
Don Rogers,
Chicago Driver
Richard Staudt,
LaPorte Driver
Wayne Turner,
Charlotte Driver
Kelly Wyatt,

Kankakee Driver

Period 13 Bennie Banks,

Bensalem Driver
Henry Benit,
Garland Driver
Donnie Blakely,
Knoxville
Contractor
Mamadou Diallo,
Hebron Driver
Larry Duncan,
Chattanooga Driver
Jesse Foster,
LaPorte Driver
David Fontaine,

Knoxville Driver

John Lewis,
Charlotte Driver
Greg Mathis,
LaPorte Driver
Katrina Nevers,
Chicago Driver
Rick Parkhurst,
Florence Contractor
Mike Samuels,
McDonough Driver
Kelly Wyatt,
Kankakee Driver

Save Money in 2008: Choose In-Network Healthcare Providers

submitted by Carra Eggers, Director of Human Resources

Get Great Care

(and possibly save yourself thousands of dollars)

by Using in-network Providers

QUESTION:

Is my insurance Aetna insurance?

ANSWER

EXPLANATION:

- Your insurance is the Watkins
 Associated Industries
 Health Benefit Plan.
- Watkins Associated Industries
 Health Benefit Plan is managed by
 a staff of employees at Watkins
 headquarters in Atlanta, GA.
- The staff of Watkins Associated Industries Health Benefit Plan has established a relationship with
- Watkins employees are permitted to use health care providers who are members of the Aetna Open Choice® PPO network.
- When you call someone about your Watkins Health Benefit, you're speaking with a Watkins colleague, a helpful co-worker at Watkins Associated Industries.
- Watkins simply has an agreement to use health care providers who are part of the Aetna Open Choice® PPO network.
- Watkins staff have done a great job working out an agreement, so that we, the employees, can use the Aetna network of providers.
- If you use a provider who is a member the Aetna Open Choice® PPO network, you will save money.
- ALWAYS REMEMBER: Our insurance is **not** Aetna insurance.

Be Careful When Choosing a Provider.

Select an *in-network* **Provider.** If you happen to use a doctor or health care provider who is not a member of the Aetna Open Choice® PPO network? You pay the difference. This can be more expensive, perhaps thousands of dollars more expensive.

Not sure if your doctor is part of the Aetna Open Choice® PPO network? Here are 3 easy ways to find out:

1. on the Internet

visit Aetna's docfind website:

http://www.aetna.com/docfind/index.html

You will be prompted to agree to the site's Terms of Use. If you want to proceed to the search area, you must click "agree"

You will be taken to a page where you can do either a General Search or a Quick Search.

In the area entitled "Standard Search" drop down menus enable you to search for a health care provider by state, city, county, etc.

You are prompted to select the type of provider from a drop down list

You are prompted to "Select a Plan."

Make sure you select "Open Choice® PPO" from the dropdown list of standard plans.

2. *Don't hesitate to contact a physician directly.*

Have your insurance card ready, and call the physician to simply ask, "My insurance is Watkins Associated Industries Health Benefit Plan. I am calling to ask if you are part of the Aetna Open Choice® PPO network?"

3. Call or e-mail Carra Eggers, Director of Human Resources.

phone 1-800-444-9814 extension 1418

e-mail ceggers@hytt.com

Carra will print a list of **in-network** providers, then mail or fax it to you.

CareAllies Success at Highway Transport

Knoxville Chemical Driver Howard Immenhort is a lifelong smoker who recently benefited from a smoking cessation course of treatment in conjunction with his doctor prescribing the new drug entitled Chantix $^{\text{TM}}$. Some smoking cessation prescription drugs, such as Chantix $^{\text{TM}}$, are covered under our group health plan and are subject to the applicable co-insurance.

Over the counter medications such as Nicoderm® and the cost of behavior modification programs are covered under our Stop Smoking Benefit, which covers such items at 100% up to an annual maximum benefit of \$250. The annual deductible does not apply to the Stop Smoking Benefit. Additionally, you can enroll in the Stop Smoking Program offered through CareAllies. This program is free of charge and, if you graduate from the program, you will receive a \$25 American Express Gift Card.

Howard explains, "I feel so much better. I get up in the morning and I don't hack and cough. If I

tried smoke one now? Just the thought of a cigarette makes me feel sick. I tried the cold tukey approach, and that always lasted for about half a day. Boy I tell you what, my wife is so much happier. My kids are so



Howard "H" Immenh

much happier with me. I was the only devil in that house who smoked. I recently had my new truck and the family van detailed because the smoky odor just kills me. The smoking reflex is still there. My hand automatically reaches up and hits that cigarette pocket on my shirt. But all that's there now are my spearmint lifesavers."

Is weight, tobacco, or stress affecting your health or your ability to live an active and productive life? Call or go online to enroll today.

www.mycareallies.com | password: Watkins 1-866-417-7848

Jack Taylor

In December of 2007, a celebration dinner and a plaque ceremony were held at Ye Olde Steak House in Knoxville to honor Jack Taylor with the Highway Transport Million Mile Million Mile Award. Jack has driven one million miles for Highway Transport without a preventable

accident or incident.

Jack has been a Highway Transport company driver since 1998. This marks the 14th time in our 60-year company history that Highway Transport has bestowed the Million Mile Award.

"Jack has been with us 10 years, so that's an average of 100,000 miles per year. Driving a chemical tanker 100,000 miles per year is no small feat. The safe operation of a chemical tanker for one million miles? Is a milestone that only an elite few tank drivers can reach. Jack is the kind of guy that we are proud to have out there on the road representing Highway Transport. He's a hero in every sense of the word." says company president Greg Watkins.

Scott Ennen, Vice President of Safety and Quality, also presented Jack with a bonus check, which Jack immediately handed to his wife. Everyone applauds Jack's good-natured attitude, his outstanding work ethic, and his serious commitment the safe operation of a chemical tanker.



above: Greg Watkins (right) presents Jack Taylor, Knoxville Regional Driver, with the Highway Transport Million Mile Award

"G"s OF DETENTION



TO ASK FOR A SIGNATURE

AT LEAST GET A STATEMENT OF "REFUSED TO SIGN."

In this example, the driver didn't ask for a signature or at least get a statement of refused to sign Why leave \$53.01 on the table? \$53.01

GOOD REASON

Remember: Any loading OR UNLOADING THAT TAKES MORE THAN 2 HOURS MUST HAVE A GOOD REASON FOR DELAY. "Slow loading does not count. The more details the better

In this example, the driver didn't put any reason. No reason or reasons that are not descriptive enough can cost you. "Slow loading," for example, does not count. the more details, the better. In a year's time,



DID YOU KNOW? LOG ENTRIES THAT ARE NOT LEGIBLE ARE CONSIDERED o be a U.S. DOT VIOLATION U.S. Dept. of Transportation auditors occasionally dig deep into our log records checking for olations. We actually save money through the neat writing habits of our drivers. Amazing!

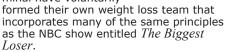
Trit is Great handwriting pays. An unreadable log that gets rejected can cost you money. In the

m | 1 | 5 | 4

example above, poor handwriting cost the driver \$9.00!

Florence Terminal's **Team Approach To Weight Loss**

In an effort to lose weight, employees at Highway's Florence terminal have voluntarily



The Florence team's approach is scheduled to last a total of 13 weeks. At the end of the 13 weeks, the person who has lost the most body weight by percentage will be declared the winner.

"We took a real simple approach. We bought ourselves a scale, and every Wednesday during shift change, all of the partipants weigh-in," says Chris Jenkins

There are 10 more weeks remaining in the program. At the moment, Chris Jenkins and Chuck Tincher are tied for first place, and Kevin Pugh is in second place.

When asked about his method for losing pounds, Chris replies, "Willpower. Plus we all decided to stop bringing doughnuts in to work. We have also cut out the fast

Service Anniversaries January - March, 2008

33 Years

Roy Haynes, Knoxville Mechanic

32 Years

Wayne Coward, Knoxville Tank Cleaner

24 Years

Braden Trucking, Knoxville Contractor

22 Years

Carl Paxton LaPorte Mechanic

20 Years

Greg Watkins, President Freddie Bolden, Knoxville Contractor

19 Years

Howard Immenhort Knoxville Driver

16 Years

Kenny Barnett, Chattanooga Tank Wash Supervisor Leonard Steele, Jr. Chattanooga Tank Cleaner Lonnie Surgener, Knoxville Driver

15 Years

Beverly Henderson, Pricina Administrator

14 Years

Ernest Holloway, McDonough Driver David McDaniel, Knoxville Driver

13 Years

Dale Ducote, LaPorte Driver

Knoxville Contractor

12 Years James Bristol,

Bob Godsmark, Recruiting Manager Willis Haun, Knoxville Mechanic Mark Parker, Chattanooga Contractor Becky Sanders, Petroleum Sales Manager Michael Stropp, Knoxville Driver Kelly Worsham,

11 Years

Fric Frost. LaPorte Mechanic Joseph Hyatt, Knoxville Contractor Dennis Williams, Knoxville Driver

Knoxville Driver

10 Years

Jason Cranfield, Chattanooga Tank Cleaner Clyde Isner, Line Haul Supervisor James Nicley, Knoxville Driver Jack Taylor

9 Years

Don Howard, Knoxville Petroleum Driver

Knoxville Driver

Chris Jenkins, Florence Terminal Manager

8 Years

Mitchel Ward, Chicago Mechanic

7 Years

Carol Guinn, Administrative Assistant, Chemical Operations

6 Years

Knoxville Tank Cleaner Jennifer Myers, Petroleum Clerk Merly Pleasants, Equipment Tank Cleaning Planning Manager

Robert Graham,

5 Years

Darryl Hunter, LaPorte Tank Cleaner Joseph Macon, **Knoxville Contractor** Aaron Matthews, IT/Financial Analyst

4 Years Arthur Beckett, Jr.,

Knoxville Driver Felipe Castillo, LaPorte Driver Bruce Frost, Chicago Mechanic Ricky Hacker, Knoxville Contractor Joy Widmeyer, Chicago Customer Service Supervisor Jonathan Lockstein, LaPorte Customer Service Supervisor Ralph Neal, Knoxville Driver Eric Penn, Florence Driver Hector Porras, LaPorte Mechanic Garry Randolph, Chattanooga Driver Dexter Ratliff, Knoxville Driver Richard Staudt, LaPorte Driver Gerald Wheeler,

Florence Contractor

3 Years

Chattanooga Contractor Bennie Banks, Bensalem Driver Sarah Henderson, Director of Accounting Wyatt Dockery, Knoxville Regional Driver Manager Howard Dollard Knoxville Petroleum Driver

Richard Auerswald,

Sondra Frazier, Nashville Terminal Manager David Hearon LaPorte Driver Ben Loya,

LaPorte Mechanic Robert Mondary, Florence Driver William Nelson, Chicago Driver Eddie Sonnier, LaPorte Driver

2 Years Kay Beck, LaPorte Contractor Jason Beck, LaPorte Contractor Henry Brown, Chicago Contractor Marlon Craig, Florence Driver George Edmonds, Jr., Hebron Driver Timothy Gibson, LaPorte Driver David Groover, Knoxville Petroleum Driver Dale Guy, Chattanooga Driver Donald Harper, Nashville Petroleum Driver William Hegerty,

Knoxville Petroleum Driver Theodore Nussbaum, Chattanooga Driver Fred Robertson, Sr., LaPorte

Driver John Secaur, Knoxville Contractor

Richard Wilson, Charlotte Driver

1 Year

Donnie Blakely, Knoxville Contractor William DeLancey, Nashville Driver David Dudley, Kankakee Driver David Fontaine, Knoxville Driver Donald Franks, Jr., Garland Driver William Harris, McDonough Driver Kristopher Huffaker, Knoxville Driver William Jones, Jr., McDonough Driver Allen Koenig, Florence Driver Kelley LeRoy, Accountant David McFarland, Knoxville Contractor Lonnie McFarland, Knoxville Driver Michael Price, Florence Driver Michael Samuel, McDonough Driver Brenda Skoda, McDonough Dedicated Logistics Manager Terry Taylor, Knoxville Driver John Tullius, Hebron Driver Wayne Turner, Charlotte Driver Michael Wren,



Kankakee Driver

Birthdays January - March, 2008

Bensalem Keith Idle

Charlotte Jerry Burleson

Chattanooga Jason Cranfield Larry Duncan George Hensley Theodore Nussbaum David Wiedner

Chicago Jerome Buckley Ryan Dotson Bruce Frost Marcus Galimore Thomas Heatherly Raymond Kitching, Jr. Katrina Never Harold Randolph David Sindelar Stephen Warren

Colombus Robert Nettles, Sr.

Florence Robert Heslin II Chris Jenkins Fred Patrick, Jr. Kevin Steenken

Garland Donald Franks, Jr. Elvis Webb

Hebron Rodney Bauer

Knoxville Doug Atchley Arthur Beckett, Sr. Billy Bishop Martin Conley Kenneth Dickey Wendy Drummer Scott Ennen Aaron Estep Neil Evans

Paul Goodale

Willis Haun Roy Haynes Beverly Henderson David Houser Howard Immenhort Becky Ishibashi Glen Keen Billy Lively Joseph Macon David McFarland Ralph Neal Jerry Nicely Mark Preller Denis Propin Dexter Ratliff Bill Reagan Stephen Robinson Kenneth Rutherford

James Smith Kerrie Smith Traci Smith Randall Standifer Rhett Stone Lonnie Surgener Daniel Teffeteller Brian Vinson Bob Vinevard Jimmy Wood Kelly Worsham

LaPorte Jimmie Beck William Collins Mark Dickens Dennis Durbin Jesse Foster, Jr. Fric Frost Timothy Gibson Darrell Hamilton Jerry Johnston Garnet Josey Larry Keeter Reginald Keller Gilbert Martinez Mark Moore Carl Paxton Michael Pittman, Sr. Hector Porras Wilbert Sneed Charles Theiler David Williams Michael Wolf

McDonough Rodney Brown Jonathan Harris Darrin Holloway Keith Mims Melton Tennelle

Nashville Richard Bowers Daniel Long Sondra Frazier Arthur Sorensen

Driver Safety Awards

reported by Scott Ennen, Vice President of Safety and Quality

It is with great honor that I recognize James McCue for sixteen years of safe driving. Special recognition also goes to Dennis Durbin who has achieved the 10 year safe driving award. At Highway Transport, we are grateful for drivers who are committed to safe driving practices.



John Wilson (right) presents petroleum driver Mike Myers with the two year safe driving award.



James McCue, sixteen year safe driving award



LaPorte Driver Manager Daryl McClenton (right) presents Jesse Foster with the four year safe driving award.



Wyatt Dockery (right) presents the five year safe driving award to Knoxville regional driver Phil Pepper.



Rick Salmon, four year safe driving award



Conrado Alvarado (left) receives the four year safe driving



John Wilson (right) presents Danny Couch with his company ring with a diamond added for nine years of safe driving



Dennis Durbin, ten year safe driving award



Fred Patrick, Florence Driver, Certificate of Excellence



Robert Lilly (left) receives the four year safe driving award.

Family was visiting, so we snapped a picture.



Highway Transport, LandSpan and Sunco personnel gathered at Highway Transport corporate headquarters in Knoxville, TN. The group received training in order to share March issue features High-TMT/Transman shop maintenance software across all three companies.

front row: Aaron Matthews of Highway Transport, Nona Sumner of WAI South, Kathy Simpson of LandSpan, Charley Alexander of LandSpan back row: Larry Edwards of Highway Transport, Rick Cobb of Sunco, Steve Fortner of Highway Transport, Darlene Vessell of Sunco



By now you should be receiving regular issues of the newsletter entitled "HEALTHY choices."

You will also notice that we, as a company, are undertaking a new longer-term approach to encourage a personal commitment to wellness.

The cover of the upcoming way Transport petroleum driver Mark Derringer, who has been with Highway Transport for over 15 years.

...continued from p. 7



Wyatt Dockery (right) presents Doug Westgate (left) the company ring with a diamond added for nine years of safe driving.



Joe Hyatt receives his company ring with a diamond added for nine years of safe driving.



James Bristol receives his company ring with a diamond added for nine years of safe driving.

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