

arrowlife

APRIL 2010



Arrow & Bates: All in the Family

In March of this year, Arrow acquired a new jewel for its reload crown—Bates Equipment Ltd. Bates not only complements Arrow's strategy for expansion into Alberta and other commodity markets, it also fits very well with our culture.

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Like Arrow, Bates is a family-owned business that has been in the Magee family since 1969, when Don Magee started renting Bullmoose cranes and forklifts to steel companies. Don eventually passed the torch to his son, Neill, who ran the company to this day. Also, like Arrow, Bates forged a strong partnership with Canadian Pacific Railway (CPR) and built their reload business on CPR property, servicing CPR customers since 1974.

"When we started looking at Bates about five years ago, it made perfect sense we combine forces—they're culturally very similar to us in the way they treat their customers, employees and communities," said Arrow's Chief Operating Officer, Mitchell Zulinick. "Like us, they're one of the more respected reload operators of the CPR."

"We do business with over 120 transload facilities across our North American network, so we get to see a real variety. This team (Arrow and Bates) is the best in all criteria by which we measure our success. Kudos to both for cultivating such a productive environment." said Steve Grant, CPR's Manager Transload Services.

By 2008, Arrow had entered into serious discussions with Bates, but then the "Great Recession" hit and it was wisely decided to delay talks until the economic environment improved. Then, about six months ago, it became very clear that the timing was perfect to bring them aboard.

...it also fits
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Bates' operations in the Alberta market aligns with the markets Arrow is pursuing and it fits where our management and operations are located.

"I have a great deal of respect for Neill Magee and expect we will continue to work together for many years to come—I can't imagine a more friendly transaction," said Mitchell Zulinick.

Bates started in the reload business when its customers asked the Magee's if Bates could offload and transport product for them. Since 1985, the company has worked exclusively with the CPR and now operates five facilities in the Calgary and Edmonton areas. On behalf of CPR, they load and unload product for the steel, petroleum, aggregate, container shipment, agricultural and lumber industries as well as dimensional loads and machinery.

In around 1985, Bates became a provincially licensed common carrier—able to pick up and deliver products throughout Alberta. Bates employs 30 people including Neill's wife, Lori and their children Kate and Ryan—who are well respected amongst the people with whom they deal (Neill, Kate and Ryan pictured above).

"The members of the Magee family are the nicest people to work with. I'm honored they agreed to come to Arrow and look forward to working with them long into the future," said Randy Zulinick, GM Reloads.

"My father's legacy of spirit and entrepreneurship is something I proudly continue through our family business," said Neill "I am excited about the prospects and synergies Arrow Transportation and Bates Equipment will provide while servicing our partnership with CPR."

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Annette Manning 25 Years



Twenty-five years ago, Annette Manning was working as a substitute teacher in Quesnel when her sister-in-law, who was an administrator at Arrow, asked Annette if she could fill in for her while she went on a holiday. The short-term holiday coverage turned into a maternity leave contract, which in 1985, turned into to a full-time role.

In those days, the administrator assisted Operations by doing dispatch. So together with the Division Manager, Dave Campbell, Annette started her foray into the work of operations management.

In 1991, then Division Manager, Mitchell Zulinick, recognized Annette’s obvious talent of working with the drivers and promoted her to the newly created Driver Supervisor role. Two years later, she was promoted to Division Manager.

“It is difficult to summarize 20-plus years of association with a co-worker and friend in just a few words. The best way I can describe Annette is to say that she is a caring person,” said Rick Viventi, Director of Safety. “She cares about the company, her work responsibilities and the issues and feelings of the people she deals with.”

“Annette has always had the rare ability to connect the business to the financial and reporting functions, which made her a natural for her current position as Senior Administrator in our Kamloops office, said Mitchell Zulinick, Arrow’s Chief Operating Officer. “It has been my honor and pleasure to work with her this many years and I look forward to many more— as long as she can continue to put up with me.”

Annette and Gord, her husband of 44 years, spend every moment they can with their kids, Leslie and Jordon, their spouses and their five grandkids aged three to 19. She claims that you can’t be as committed to your job without the absolute support of your family so she spends as much time as she can camping and ATViing with her family.

“What I enjoy most about Arrow are the people. Whether it’s Richmond Corporate Office or our drivers, I always feel very supported and I am always treated very well,” said Annette. “I also really enjoy the fact that every day is different and Arrow constantly challenges me to learn and grow.”

Milestones

The employees mentioned below reached their Milestone between the months of January to March of 2010. Please join us in congratulating these people for their time with Arrow. Great people work here.

ARROW MARINE

5 years

Brian Wahl

Athabasca

2 years

John LaRose

CHILLIWACK

BULK

2 years

Adam Rutter

KAMLOOPS CHIPS

5 years

Adam Oginski

KAMLOOPS CHIPS

2 years

Chris Sowards

Ken Ganchar

Ken Huber

Lawrence Hankins

Mariano De Guevara

Matt Cook

Patrick Anderson

Walter Slusarchuk

KAMLOOPS

HEAD OFFICE

25 years

Annette Manning

KAMLOOPS

RELOAD

10 years

Mike Steinke

LOWER

MAINLAND BULK

5 years

James Best

PEACE RIVER

15 years

Troy Kehler

5 years

Clifford Chalifoux

2 years

Jacob Fehr

QUESNEL

30 years

Everette Inscho

10 years

Anita Charleton

5 years

Clint Wurm

Rick Redekop

2 years

Don Friesen

RICHMOND

CORPORATE

OFFICE

35 years

Robert Sargent

A special mention to Troy Kehler
for his 15 Years of Service.

The Olympic Torch was Safe with Shaun

As our Risk and Insurance Manager, Shaun Garvey’s job is to help minimize harm and loss to Arrow and it’s employees. Somehow those that chose Shaun must have known the torch would be safe in his hands. Here are some words from Shaun about his experience carrying the Olympic Torch this February.

“I carried the Olympic torch in Richmond, BC, along Williams Road for a 300 metre leg that ended in front of the North Arm Community Centre, where I passed on the flame to a delightful, deliriously excited 88 year old lady, a long-time resident of Richmond. Eighteen of us brought the flame into Richmond that day, where it eventually was passed to Rick Hansen at the closing ceremonies that evening.

I was extremely proud
to carry the flame...

I was extremely proud to carry the flame, an honour bestowed upon me by the Royal Bank, official sponsor of the 2010 Torch Relay.

Potential torch bearers applied online through the Royal Bank by writing about their work in their community or other volunteer work they performed, generally how they have made Canada and their community a better place.



Shaun Garvey, right, receives the Olympic flame

My submission spoke to my volunteer work, primarily in the transportation sector, as well as the various steps I have taken to “go green”. In any case, I was extremely lucky to be selected out of over 1.3 million applicants.”

Arrow Marine Services Welcomes Ali Hansen



Terry Tompkins, Shop Foreman, and Ali Hansen, Health and Safety Officer

Three months ago Ali Hansen joined Arrow Marine Services Ltd., as the company's full time Health and Safety Officer. Starting in the Construction Industry and working on several high profile projects over the past few years, Ali developed a passion and interest in workplace safety.

The field experience gained working on projects such as the Cora Twin Towers, the Athlete's and Olympic Village sites and the YMCA project in downtown Vancouver helped Ali decide to complete the Construction Safety Officer course through BCIT. After successful completion she returned to the Olympic Village projects for almost a year and then transferred to the Woodward's re-development projects with the ITC Construction Group.

Immediately one would ask where the link between construction and vessel repair is made. The similarities in the jobs are endless. Workers complete a lot of the same jobs, although in different ways, and knowledge of the processes such as fall protection, confined space entry, the application of specialized products and paints,

fabricating, crane and hoist work, welding and ventilation are essential to a safe workplace.

With guidance and encouragement from AMS employees like, Senior General Forman, Terry Tompkins (pictured with Ali) the knowledge and safety practices gained in one sector can be easily transferred to Ali's new industry. Brian Charles, Vice President said that AMS is pleased with Ali's occupational health and safety orientation and disposition to deliver the safety and prevention message to AMS employees, contractors, vessel workers and owners. We are confident in Ali's ability to apply safety rules, precedures and guidance to prevent injuries and ensure compliance to safeguard the company.

In talking with Ali, she is excited about the opportunities offered by Arrow Marine Services to further develop her skills in occupational health and safety, learn from experienced people such as Terry, Brad, Brian and the crew as every vessel, refit and work task is never the same. Welcome to AMS Ali.

Gold Star: A Partner in Injury Reduction

This Alberta safety initiative is the cornerstone of Gold Star's safety and compliance improvements for more than 15 years. Results fluctuate from year to year, but the staff, employees, lease operators and their drivers all make safety and injury prevention a priority.

During the annual reviews many are interviewed by auditors to get first hand impressions and facts on how the safety program is working and how workers are involved in keeping each other and the public safe. Our last external audit was again successful and provided tools to allow Gold Star's management team to develop an improvement plan for the remainder of 2010.

This plan will be communicated to the workforce during the May division meetings and is intended to review the successes of 2009 and target key prevention areas to reduce injuries, involve workers and continue to improve in those areas which workers identify as potential issues as they safely perform their assigned tasks.

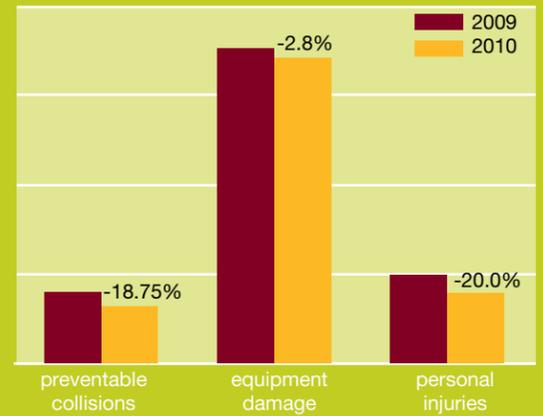
Similar work is ongoing in BC and Arrow is involved with the Transportation Safety Council of BC to develop and test processes which will lead to reduced injuries and downgrading incidents. Over the next few months several of our BC divisions will be involved in a WorkSafeBC pilot project to learn just how strong our safety systems are and what modifications may have to be made to ensure we continue to provide a safe and healthy work environment for all our people.

Over-the-Road Performance

Statistics are for all Arrow businesses.

Drive to ZERO Incidents.

% improvement January – March 2009/2010



Top 3

Collisions

- 1 Side swipe
- 2 Struck building
- 3 Off road left

Equipment Damage

- 1 Bent wheels/rims
- 2 Trailer bubble/door
- 3 Trailer platform

How Injury Occurred

- 1 Over-extension
- 2 Lifting
- 3 Fall on same elevation

Prevention Focus

The Interaction of Human Factors —What's Behind Human Error?

We all have heard and said that no one goes to work with the intention of getting hurt. What are those factors which influence our behaviors and decision making processes on a daily basis? Simply stated, they are People, Workplaces and Management Systems. Here is what it looks like:



Considering all these factors will lead the way to finding out why a worker acted in ways that made sense to him given his knowledge and resources available to complete the task before the incident.

Around Arrow

Ashcroft Division: The End of an Era



Glen Joss and his wife Jeanne at a dinner hosted by Arrow for the HVC crew.

Although Arrow has been hauling copper concentrate on behalf of Canadian Pacific Railway (CPR) from the Highland Valley Copper (HVC) mine site to Ashcroft, B.C. for the past 37 years, this contract has come to an end and on April 5, we said good-bye to some of our best men. Glen Joss, Blair Kellington, Mitch Roath, Dale Thompson, Greg Nicholls, Steve Jensen, Jake Klassen, Bernard Sonmor and Jim McIntyre are the crew that made the division such a sought after place to work. The team always provided the best possible service to our customers CPR and HVC.

Over the last 37 years, there were several threats of the mine permanently closing, economic factors and the strength of the price of copper justified further exploration; and discoveries of new deposits meant Arrow happily continued to haul copper.

“Ashcroft was a dream to manage—virtually no turnover, excellent safety and a fantastic crew. It virtually ran itself as the lead hands always took care of business and our drivers were, and still are, true professionals. We’re really sad to say good-bye to such a great group of men,” said Joe Mather, GM Mining & Aggregates.

“In mid-January, a meeting was called by Joe Mather and Rob Davies, Ashcroft-LMB Division Manager,” said Blair Kellington, who has driven in this division for 27 years. “We knew it was coming and the news wasn’t good: CPR had lost the contract. In prior years, CPR and the CNR shared the business. It was really hard to believe after 37 years of service, we lost 100% of the contract. No one wanted to give up their jobs because Arrow is a great place to work.”

Of the nine staff that lost jobs, four have been hired by the new contractor, one transferred to Arrow’s Lower Mainland Bulk Division, one will be working for us in our Ashcroft Shop, one found other employment and two are retiring.

“We’re obviously sad and disappointed to lose the HVC work. We did our best to look at various options to maintain the business, but ultimately the solutions were not realistic,” said Mitchell Zulinick, Arrow’s Chief Operating Officer. “CPR did what they could, but limitations in rail fleet make-up and economic constraints made continuing the business unviable for them.”

Over the last 37 years Arrow has hauled approximately 12,950,000 metric tonnes, roughly the combined weight of every adult male in the United States of America.

Combined, the drivers drove 26 million kilometres which is like travelling the circumference of the Earth 650 times and the crew loaded 143,818 railcars, which, if put end-to-end as one train would stretch 2,412 kilometres—roughly the distance between Kamloops, B.C. and Tijuana, Mexico.

Over the years the team maintained an excellent safety record: at one point achieving five million accident-free kilometres over a twelve-year period. What makes these accomplishments even more significant is the fact that the hill coming into Ashcroft is 18 kilometres long with a 14 per cent grade.

Glen Joss, pictured above, was celebrated for his time with the Ashcroft Division. Glen drove the very first load of concentrate from the mine, and loaded the very last railcar.

Ice X-quisite



For the past two years, long-time employee and now financial consultant Nancy Edwards (second from right, front row) has been competing in Adult 2 Synchronized Skating competitions in BC and Alberta.

This year’s successes at the Vernon and Edmonton events not only earned the team silver and bronze medals but secured a spot for the national competition at Ottawa’s Bell Sensplex Arena. While Ice X-quisite did not medal in Ottawa, Nancy said the event and trip with her team and family was very rewarding and she is already looking forward to next year’s events.

Product Watch



ATBS is a financial services company established specifically for Owner Operators in Canada and the United States specializing in bookkeeping, tax preparation as well as coaching materials and cost analysis designed for Lease Operator success.

Arrow’s GM Reloads, Randy Zulinick, was intrigued when he first heard about ATBS and wanted one of his Lease Operators to try the service to determine its quality. Randy approached Kamloops Reload driver, Perry Zimmerman, and said he would pay for the service, for a few months, if Perry agreed to try it out.

Perry agreed to the trial and has continued using the service since becoming a lease operator two years ago. He enjoys the convenience of placing all of his receipts (even the ones he is not sure of) in the ATBS prepaid envelopes and shipping them off for processing. Recently Perry had an issue with an incorrect GST bill and ATBS was able to resolve it in his favor. Perry has been satisfied with ATBS and said he would recommend the service to others but also noted, having not used traditional bookkeeping services, he has nothing to compare it to. For more information visit the ATBS website <http://www.atbs.ca/>.

We want to hear from you

Please submit your ideas and articles for the Newsletter to:
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If you would like this Newsletter to be mailed to your home, please make sure your Division or Office location has your most up to date address.