ARROW
ARROW TRANSPORTATION SYSTEMS INC.

arrowlife

JULY 2010

ArrowStar – from employee to business owner

In 2001, Arrow developed a program to convert 15 of the company drivers at the Kamloops Chips Division into Lease Operators—the plan was to get them into their own trucks. At the time, the market was very competitive and this was an opportunity to help drivers become more productive and make more money by becoming business owners.

Tim Bell, the Director of People Systems at the time, put together a comprehensive model to provide drivers with realistic financial access to owning a new truck and to support them through the process to ensure the greatest chance for success. Arrow sat with the drivers and asked them what they wanted in a truck. We wanted to know what would be most comfortable for them but still allow everyone to make money. It's a conversation we continue to have with our drivers to this day.

"In the end we made more money. But make no mistake about it, we had to work hard." said Mike Deneef, one of the original 15 drivers.

The program was a success and in 2003 "ArrowStar" was born and the program was made available to all eligible and interested drivers.

The man currently behind the ArrowStar program is Mike Pinchin (pictured above),

"My dad was a Lease Operator and he trucked his whole life. He used to say, "Son, if you go into trucking, you'll never miss a meal because everything has to be moved by truck." When I was growing up all I wanted to do was drive truck and I've done so my whole life. Now I want to help hard-working drivers become successful Lease Operators," said Mike.

Mike takes potential ArrowStar drivers through all the steps required to participate in the program, such as financial requirements and the ArrowStar contract. Then Mike works with the driver and manufacturer to oversee the truck specifications and any customized features requested by the driver. He also makes sure that all the decals are on and the Traxis or Navistream units are properly installed so that all drivers need to do is jump in and drive.

"The Division Managers know the drivers and they understand the program so they have a pretty good idea if it's going to be a good fit," said Mike. "We don't want the trucks back so we need the owners to be successful."

In terms of the tractor units themselves, Arrow works with James Western Star and currently offers a choice between a Freightliner Cascadia PRL–44E or a Western Star 4900 FA, both are equipped with a Detroit DD15 530 HP engine.

ArrowStar Program Benefits:

- A better price for the unit.
- A substantially lower initial down payment.
- The ability to piggyback on Arrow's strong relationships with the dealerships.
- The ability to purchase all maintenance and repair items through Arrow at a lower price.
- Guaranteed trade-in value when it's time to trade the truck.
- More control over income. Statistically, owners that are more productive make more than company drivers.
- A maintenance account that provides the ability to pay maintenance bills.

"I had two ArrowStar trucks in 2005 and I'm buying another two right now," said John Doerksen of Arrow's Peace River Division. "You can get into them with less money down and I like the fact I always know I'll have money in my maintenance account to look after repairs." continued John. "The program was easy to get into and is now even easier that Mike Pinchin is the only person to deal with—he takes care of most everything."

For more information about the ArrowStar Program and Tractor specifications, please contact your Division Manager or call Mike Pinchin directly at 250-682-3807.

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Cheryl Ozero
30 Years

Cheryl reeled in this 5 ft. long and 110 lb. Sturgeon and is pictured with Division Manager, Steve Gayfer.

Most people can't believe their eyes when they learn youthful-looking Cheryl Ozero has worked with Arrow for 30 years.

In 1980, Cheryl learned about a temporary administration position at Arrow's Kamloops Chips Division and after three months, when the woman Cheryl was covering for decided she was not coming back from her maternity leave, it was the beginning of Cheryl's long career with Arrow.

In those days, there were no computers and Cheryl recalls manually processing large packages of paperwork everyday. Financial calculations were done using adding machines and the results were documented in ledgers by hand. All the correspondence, invoices, payables and payroll were typed out on typewriter.

"When Jack Charles Jr. (then Division Manager) bought me a memory typewriter with a screen showing what you'd typed so that you could make corrections before printing, I thought I'd died and gone to heaven."

In 1988, Cheryl took over as Office Manager and has worked for 10 Division Managers since Jack (11 in total), three of which are still with us today, Roy Taki, Mike Pinchin and now Steve Gayfer.

When asked about her best times with Arrow, Cheryl talks about the many fishing derbies, truck rodeos and other company events she has attended. However, the most memorable was during the summer of Expo '86, when Jack Sr. arranged for the administrators from each division to be flown to Vancouver for a day on Arrow's yacht the "Hotei."

"When I started, Jack Jr. knew I was a single mom and allowed me the time to take courses to learn and grow. I have never been laid off or missed a day's pay." said Cheryl, explaining why she has stayed with Arrow for so long. "Arrow always had a job for me—that has stayed with me to this day."

"Cheryl is one of my favorite people at Arrow," said Roy Taki, VP Trucking. "She basically took care of me my first few years here."

Milestones

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

CHILLIWACK BULK
5 years
Alan Angus

2 years
Brian Vandrishe
Shane Maglio

EDMONTON RELOAD
2 years
Gregg Hvartin

GRANDE PRAIRIE
10 years
Scott Costley

2 years
Howard Freeman

KAMLOOPS CHIPS
30 years
Cheryl Ozero

20 years
Michael Deneef

5 years
Albert Leduc
Bill Healey
Darwin Danchuk
Larry Schmidt
Richard Turnbull
Russ McMillan

2 years
Kirk Rivette
Trevor Bader

KAMLOOPS HEAD OFFICE
2 years
Nathan Skyers

KAMLOOPS RELOAD
2 years
Gordon Kercher

LOWER MAINLAND BULK
5 years
James Hunsbedt

2 years
Tommy Nagel
Vaughn Littlewood

PEACE RIVER
5 years
Cornie Neustaeter

2 years
Jacob Klassen
Johan Friessen

QUESNEL
10 years
Jim Minnett

5 years
Kent Muir

2 years
Brad Bryant

RICHMOND CORPORATE OFFICE
20 years
Warwick Fowler

5 years
Shaun Garvey

Mike Deneef
20 years

In 1984, Mike Deneef was hauling lumber for Van Kam from the Gilbert Smith Sawmill in Barriere, B.C. but couldn't get time off to coach his son's softball team. When things slowed down and he was laid off his brother-in-law recommended Mike apply to Arrow.

Apply he did and Mike worked with us until 1989, when he was laid off due to a work shortage. Mike landed a job driving for Motorways but was disenchanted with the fact he was always "on call" and couldn't take time off to watch his son compete in basketball. In 1990, when Arrow was hiring again, Mike got his job back—this provided him the scheduling he needed to participate in his kids' lives.

Mike has driven all the possible runs out of Kamloops but his favorite is the one he has today—to and from the Adams Lake Sawmill, approximately one hour and 15 minutes from Kamloops.

Mike really likes the opportunity to speak on behalf of the drivers and influence positive change. Well-respected by drivers and management alike, he has taken on leadership roles as a shop steward and member of the Safety Committee.

"Arrow is a great company today thanks in large part to employees like Mike Deneef," said Roy Taki, Vice President of Trucking Operations. "For over 17 years, I have watched Mike generously donate his time and energy to serve as a shop steward and safety committee member. Few people care as much as Mike."

Mike is pictured with Albert Smiley, also a Kamloops Chips driver, at the annual Kamloops Fishing Derby held this June.

Mike enjoys remodeling and is currently working on a project at home. Once that is done, he would like to learn how to fly fish. What he enjoys most is spending time with his fiancée Darlene, son Mike, daughter Shana, two stepdaughters Katrina and Tania, three granddaughters and two grandsons. Mike has traveled to Asia to visit his son, who has been teaching abroad for about 15 years. Mike expects he will visit his son in Shanghai, China where he currently works as athletic director for a private school.

Shayne at the BC Championships

On Saturday June 26, Shayne Bourcier from Kamloops Chips competed in the provincial truck driving championships held at Tradex in Abbotsford. More than 60 competitors representing companies from all over the province were challenged on an obstacle course, a written exam and a pre-trip inspection. Participants were tested and evaluated on their knowledge of the many regulations and procedures required of them.

Shayne said that the event was very positive and he appreciated all the company support. He hopes next year's event is attended by more of Arrow's great drivers.

In each truck class, competitors are recognized for the first three places. Drivers with best scores above their class and best scores for the written exam and pre-trip are recognized as the "Rookie of the Year" or as Safety Award winners. Class winners move on to the national competition in the fall.

Shayne completing a portion of the pre-trip

EFAP: Employee and Family Assistance Program

Confidential counseling and information for you and your family to help deal with many day-to-day concerns from legal assistance, family and couple counseling, financial concerns to workplace stress, childcare and elder care. The service is completely confidential and available 24/7 to all employees, lease operators and their staff and family members by calling 1-800-268-5211. Internet access/ assistance is available at www.fgiworldmembers.com (username: arrow, password: arrow001).

425 for Grande Prairie and counting

Pictured from left to right: Al Simpson, Shop Foreman; Brenda MacDonald, Office Administrator; Abe Wiebe, Lease Operator 27 years

Drivers, mechanics and staff have worked over 425 days without a lost time personal injury. On April 26, 2009, a serious injury occurred that caused everyone to take notice. The lesson learned was that a seemingly small oversight can have a very serious consequence—fortunately everything worked out.

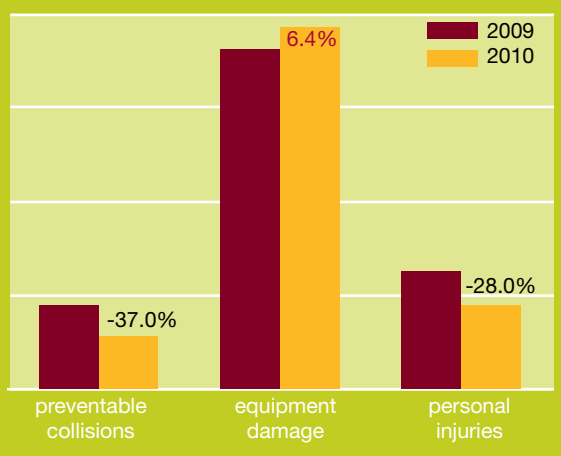
Over the past year, there has been more communication between all workers and drivers and more emphasis on coaching for prevention. "We want our people to be able to go home everyday to their families and return the next day. Our goal is to continue to provide safe and reliable service to our customers while ensuring our work environment remains safe and healthy for all our people. Every day we make the correct decisions, report unsafe conditions and try our best to work with all parties to be productive and safe." said Division Manager Riley Ireland.

Over-the-Road Performance

Statistics are for all Arrow businesses.

Drive to ZERO Incidents.

% improvement January–June 2009/2010



Top 3

Collisions

1 Side swipe
2 Struck building
3 Right turn

Equipment Damage

1 Trailer contact with bins
2 Tarp & poles
3 Trailer platform

How Injury Occurred

1 Struck by
2 Slip or trip
3 Overextension

Prevention Focus

Finally, summer is here!!

Now that school is out, summer is finally here and we are all thinking about vacation time at the cabin, trips with the kids or just getting away to lake. Most of us will likely get there by driving. Campers, travel trailers, motorcycles, bicycles and the occasional scooter will be on the increase on roadways and highways.

For us in the trucking industry we will be sharing the roads with more traffic and with drivers who may not generally have the level of driving experience, especially with some of the recreational vehicles available today – in some cases, a fifth-wheel trailer and pick-up truck combination is almost 50 feet long. You get the idea!!

We can fight it, or we can do our share to remain in control as we operate a large truck, a company car or pick-up truck, or our family vehicle to enjoy summer.

REMEMBER:

Slow Down,

Stay Alert,

Stay Focused

Around Arrow

Athabasca welcomes Brad

Brad Kennedy is to be congratulated for his recent promotion as Division Manager of our Athabasca, AB Division.

Brad joined Arrow in November of 2006 all the way from Riverview, New Brunswick where he was Warehouse Operations Supervisor for Sysco Foods. He brings with him the knowledge and experience gained at Sysco, as well as in his role as Operations Supervisor for our Peace River, AB. Division.

When not working, Brad can be found riding his Yamaha V-Star 1300 or hanging out with Zeke, his 110lb. Great Dane puppy.

Arrow Scholarship/Bursary Winners

Congratulations are in order for the seven exceptional award recipients of the 2010 Arrow Scholarship/ Bursary. A total of $10,000 was awarded to these very deserving young students after much deliberation over all of the entry forms. We applaud all who entered and are impressed with your efforts and know you will all be successful in your future endeavours.

The awards are given to the immediate family members of full-time Arrow employees. Full details about the program can be found at www.arrowtransportation.ca.

Anisha Ali
Related to: Andy Ali
Richmond Head Office

Thamara Hendriks
Related to: Alexander Hendriks
Kamloops Chips

Riley Ludwig
Related to: Judy Ludwig
Saskatoon Reload

Taylor Nichols
Related to: Greg Nichols
Lower Mainland Bulk

Samantha Smith
Related to: John Smith
Arrow Reload

Danielle Thompson
Related to: Don Thompson
Kamloops Chips

Taylia Wozney
Related to: Ron Martin
Kamloops Chips

Thank you to the candidates that applied.

Please join us in congratulating the efforts of these seven outstanding individuals!

Kamloops Fishing Derby 2010

Arrow's June 2010 Fishing Derby held at North Barriere Lake was a success in large part to Cheryl Ozero and Jamie Wassenaar's contributions.

Over 80 people took part but it was Jon Genier from the Kamloops Reload that won catching a whopping 1 lb. 7 oz. trout.

Mario Papineau happily assists with the BBQ

Design Arrow's 2010/2011 Holiday Card

Open to kids and grandkids up to 12 years of age.

Contest details

Please send a picture with a Winter holiday theme involving something Arrow, the logo, an Arrow truck, an Arrow business, etc. Submit name, age and contact information of entrant.

Entry deadline: September 15, 2010

Send pictures by email or mail to:

Lisa Savage
Arrow Transportation Systems Inc.
710 Laval Crescent, Kamloops, BC V2C 5P3

email: lsavage@arrow.ca

The winner will be contacted by phone, presented with a prize and announced in our October Newsletter.

We want to hear from you

Please submit your ideas and articles for the Newsletter to:
Lisa Savage, Director People Systems
lsavage@arrow.ca

Arrow Transportation Systems Inc.
710 Laval Crescent, Kamloops, BC V2C 5P3

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.