

AMWARE NEWS

June 2008 • Issue #11



A Message from

OUR PRESIDENT



Rob Doyle
President

Amware, building on its successes of 2007, is on-path to record breaking sales in 2008!

2007 was a banner year for Amware as we signed 52 new accounts and completed our acquisition of Distribution Services of Atlanta (DSA); that alone added 736,000 square feet of warehouse space we welcomed another 100 additional clients in the Atlanta area. 2007 was also witness to

the purchase of our newest warehouse facility in Morrow, GA.; that added yet another 300,000 square feet in the Atlanta area. Here in 2008, we look to build upon last year's profitable growth with another record year. And we are off to a great start with over 30 new and exciting accounts signed thus far.

The results we are attaining this year are the direct fruits of our strategic plan, laid out back in August of 2006. As with any growth initiative, there were many challenges along the way. By not losing sight of our long-term goals, and not "panicking" over the short-term hurdles that arose along the way, we were able to sustain profitable growth, year over year, and stabilize & strengthen our overall operations.

The basic tenet of our growth initiative were to increase market share through brand awareness, strategic acquisition, organic growth and lease conversion (flipping building lease arrangements into purchased facilities in order to gain economies of scope and operational efficiency). Sounds like a pretty simply plan in theory, right? Well, we accomplished our mission on the shoulders of our incredible nucleus of hard working, dedicated employees. But ask them and they'll all tell you it was "no walk in the park".

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Para bajar las noticias en español, visite nuestro website a amwarelogistics.com

Jacksonville:

Now over 248,000 square feet
of warehouse space

IN THIS ISSUE:
See how Amware Logistics can help your company "go for the gold" in your efforts to improve your supply chain.



As is our aggressive and decisive nature, we took-on the acquisition of DSA and our warehouse consolidations at more or less the same time. The ultimate goal of our facilities plan was to move out of two leased buildings and consolidate the bulk of those accounts into one multi-tenant and wholly owned facility in Morrow, GA. This phase of the project involved re-slotting over one thousand (1,000) truckloads of product and engineering the new facility's layout and pick locations in an efficient Radio Frequency (RF) environment.

Much of the work involved with the move involved after-hours and weekend work by our teams, as not to interrupt the high level of service to our customers; our developmental plans had to remain transparent to our over 75 effected customers. In the end, they were certain to benefit, but we could not risk the potential of service failures in the interim. And speaking of our customers, their level of patience and partnership was indeed instrumental in making it all happen smoothly, efficiently and ultimately successful. I am very proud of our team's effort and our overall operational and financial results.

We are looking forward to an exciting and challenging 2008. With our committed team of over 600 craftsmen and women, we are well positioned to reach our goals and objectives, while providing superior customer service for our over 200 client partners. The coming year will see even further refinement of our laser focus as we seek to update and improve on our procedures and processes. The goal here will be to provide a level of customer service that is unparalleled in our industry and that keeps pace with ever changing technologies. We will not rest until we exceed the high expectations of our customer's, on a daily basis.

To our customers, we at Amware look forward to working with you very closely in 2008 to assist you in your quest to tighten your supply chain and provide excellent customer service to your customers.

To our employees, thank you for your incredible effort, flexibility and craftsmanship last year. I stand very confident that together with your continued support and professionalism, we will exceed all of our goals and objectives in 2008.

Warm Regards,



Rob Doyle, President
Amware Logistics Services, Inc.
robd@amwarelogistics.com



Amware certifies eight new

Six Sigma Green Belts!

Why Six Sigma? In fact, why would Amware elect to introduce any such system?

Common sense, logic and knowledgeable and experienced staff can only take the company so far. Improvements beyond that point require a different approach.

This need has been recognised by Amware and, in order to ensure that the customer receives the best quality and most cost effective solution, we need to not only "do well" but also "do better".

When one looks back over past initiatives that companies have taken in efforts to improve productivity, cost effectiveness, quality, customer service and all the other gauges that are used to measure the "Success" of a business, the list is a lengthy one.

Processes, systems and ideas have been plentiful, have had varying degrees of success and include the likes of TQM (Total Quality Management), Crosby Quality Systems, Kepner Tregoe Problem Solving and a plethora of others. Some of these are still used today but none have been able to encompass the entire process, indeed ALL processes, that exist within different businesses regardless of their nature.

Six Sigma does all that and has been around as a proven system for quite some time.

How does one identify the true cause of a problem or inefficient operation and effect improvements? This question is far from new and has been the source of most of the processes mentioned above.

Put very simplistically, Six Sigma could be called a structured, statistical analysis of all aspects of a process with the intent of identifying and eliminating process variances. These ideas are not new and have been used since the early 20th Century and based on work by the likes of Carl Gauss, Walter Shewhart, Bill Smith and W. Edwards Deming.

The true purpose of Six Sigma is simplistic in nature. Through a data driven and methodical approach to process improvement, in which the end result is decreased defects and improved quality output, the customer enjoys the benefits of a reliable, quality driven product, which results in a better business relationship from a quality management initiative.

As an added benefit, there is no process that cannot benefit from a Six Sigma approach, including justifying to your spouse why playing more golf at the weekend is a good idea (This last was a real project taken on by a Six Sigma Black Belt).

While it is simple to state the definition of Six Sigma, the true challenge is creating a culture by which quality is nourished and brought to fruition. The history of Six Sigma spans multiple generations yet the end result is constant, much as the end result of any business which employs Six Sigma as its benchmark for quality process improvement. The success stories of Six Sigma implementation are plentiful across multiple industries whereas, the core requirement for any successful implementation requires the commitment from executive level.

Six Sigma provides value in every step of the process by reducing costs, eliminating defects and errors, and producing a quality product or service. The decision by Amware Logistics to employ the Six Sigma methodology is directly attributed to the company's ultimate desire to provide a quality product at a reasonable market value and thereby achieve new levels of customer satisfaction.

Retaining existing customers and attracting new ones is the ultimate objective for any business and Amware recognizes that to achieve that goal we cannot simply "do well" but need to "do better".

It is important that Amware's customers and employees understand the relevance of the decision to implement Six Sigma methodology. By investing in its employees and training several employees to Green Belt status, Amware has committed itself to improving the quality of its services, products, and ultimately, its employee's life's. Thomas Jefferson once said "the price of quality is eternal vigilance" but today the price of quality is only important when one weighs the cost of lost business. Amware prides itself on providing a quality services and products and is committed to continuing to providing true craftsmanship to every customer.



Mark Wilhelm
Chief Executive Officer



Jim Smith
Chief Operating Officer

**Any logistics
company can
meet your
expectations,
we won't quit
until we
EXCEED them**

Facility Focus

Jacksonville, Florida



Jacksonville Facility

Physical Description:

- Concrete Tilt-Up

Building Size:

- 248,000 Sq. Ft. Total
- 23 Acres of Paved Yard

Ceiling Height

- 30 Foot Clear

Spotting Locations

- 9 Inside Dock Doors
- 6 Outside Dock Levelers
- 6 Indoor Rail Car Locations

Sprinkler System Description

- Wet System

Sanitation Certification

- Food Grade Facility

The Jacksonville metro area offers a world-class infrastructure to support the movement of products, **including an international airport, major seaports, rail, and strategic access to major highways.** These four gateways provide an efficient means to transport product into and throughout the US and the world. Amware Logistics Services is well positioned to play an integral role within this burgeoning market:

- Growing population of over 830,000 residents
- Thriving metropolis offering a great cosmopolitan flair with a mix of industrial strength
- Vibrant work force embracing a strong work ethic
- Gateway to the Florida, Southeast markets, domestic markets, and abroad
- Upcoming Mitsui O.S.K. Lines, Ltd. (MOL) Asian Trade Terminal

The Amware Logistics Jacksonville facility is **strategically located only minutes from the Port of Jacksonville**, Blount Island location, and literally minutes from Jacksonville International Airport. Our facility is located one mile east of the intersection of I-95 and Dunn Avenue, in an expansive industrial park that emphasizes efficient distribution. Highly accessible to truck traffic, and allowing quick access to the entire Florida market, the Southeast and beyond, this location provides many advantages to our customers:

- 248,000 square feet of interior, modern, high cube space
- Clear heights of 30 feet within a 40' X 40' bay configuration lighted with sodium vapor and metal halide fixtures
- 23 paved acres affording unique loading/unloading opportunities for rail cars, vans, containers and flatbeds



- Concrete tilt-up construction
- Nine (9) load-leveling dock doors
- Interior rail accommodating up to six (6) 89' box cars
- Complete flow through operation available thru four (4) dedicated drive-in truck doors
- A current managed fleet of ten trailers and four flat bed trailers capable of serving a 200 mile radius of our facility

Amware's highly experienced management staff will exceed your expectations: Neil Porter, General Manager; Robert Reno, Operations Manager; Toni Jones, Office Manager; Karon Hines, Transportation Manager. In addition, **we offer a wide array of benefits that can lower the financial impact in your distribution budget** by creating a forward, Southeast distribution point in Jacksonville:

- Elimination of Florida leaseholder tax of 7%, achieved by utilizing our services instead of you having to hold your own property leases
- Extremely competitive space and variable handling costs
- Our logistics center is situated on 23 paved acres, offering complete flexibility to exercise transloading services of numerous product lines

The Jacksonville Port Authority's Blount Island location provides efficient access to Puerto Rico, Europe, and other locations worldwide – 75% of all freight moving to and from Puerto Rico ships through the Port of Jacksonville:

- Amware's proximity to the Port enables quick response to incoming containers arriving via steam ship
- Complete service to the dynamic cruise line business which now has three different ship lines calling this east coast port home
- Customers **enjoy a reduction in drayage costs and detention/demurrage** due to the short travel distance

As a qualified TRANSFLO PREMIER PROVIDER, a wholly owned subsidiary of CSX Corporation, we can improve your supply chain efficiency.

- Amware is serviced by the CSX – a direct service rail line allowing quick redistribution through CSX's Jacksonville yard

- Exterior track on our property allows easy access to transload center beam cars as well as outside unloading of conventional box cars. A total of six (6) 89' cars can be spotted and managed at once, eliminating the need for multiple spots
- Amware's entire site is fenced, enabling secured parking of tractors and providing ample trailer storage and parking
- The whole yard is well lit; logistics activities can continue around the clock when required
- For outside loading and unloading of trailers, the facility also provides two outside dock level locations which can handle six (6) trailers at once



Key Services Include:

- **Transloading and redistribution** of lumber, roofing products and many other commodity materials via our direct rail service line
 - Redistribution via either flatbed or easy loading of van or containers for overseas movement
 - Key working partnerships with the CSX and NS railroads: single invoicing as well as complete visibility to our customers' orders
- **Cruise lines support**, replenishment and refurbishment services to the major cruise lines
- **Automotive and/or vehicle Class 1- 8 staging, prep, configuration**, efficient re-distribution utilizing our on-site rail access and working partnerships with the CSX and NS railroads
- **Direct delivery** through our private fleet and partner carriers that service the country

For more information about Amware's Jacksonville Facility, or to contact us to begin crafting a solution catered to your needs, eMail or call our Sales & Marketing Team today: sales@amwarelogistics.com or 678/377-8585.



From Left: John Butz, Karon Hines, Nelson Rodriguez

*Crafting quality-driven,
cost-appropriate solutions
for your warehousing and distribution needs*

Contact us at: 678/ 377-5826 | 5

The Overseas *Connection*

Much of the business we enjoy is a result of product moving through the local port facilities. The local ports have a \$3.0 billion impact on Jacksonville's economy, and we at Amware Logistics Services enjoy much of our business because we are located so strategically to serve our customers through the port. So what could make it better? The Port authority has dedicated 585 acres of land at a point along the river to their new Dames Point Facility. In order to get that off and running, they have entered into agreement with Mitsui OSK Lines to develop a container port on 158 acres of the property which is only months away from being completed.

Mitsui OSK Lines isn't new to the business—they operate container facilities on the US West Coast. In recent years, with labor issues and congestion of the West Coast, Mitsui OSK has been looking for an East Coast port. They've chosen Jacksonville, and their new operation will be equipped to start up in 2008. Plans are to bring 400,000 ocean containers through the facility, annually.

With all this traffic, companies depending on Mitsui OSK Lines to deliver their goods are looking at relocating their operations. A large crafts store chain has already announced a 300,000 square foot facility coming to Jacksonville, and another big-box retailer is opening up a 4,000,000 square foot facility on Jacksonville's west-side. As the operation gets closer, more announcements will come. So, where does that leave Amware?

This new container port is opening up 8 miles from our front door. We reside in the closest industrial park to the new port facility. We currently operate 248,000 square feet of space on 23 paved acres, and have the trucks to be able to dray containers to and from the port. We're well-positioned, and we're ready!

Are you interested in positioning your company and products along this distribution channel? Contact us today and learn more about Amware Logistics and how we may help establish your presence along the supply-chain: eMail Sales @AmwareLogistics.com or call 678/377-8585

Customer *Kudo's*



My experience with Amware started many years ago and when I was looking for a 3PL to become my north Florida vendor when I joined Container Centralen (CC) about 1.5 years ago, they were the first company that came to mind. I needed a professional organization that could represent myself and my company to new customers and take as much pride in my product as I do. I needed the convenience of the ports for the import of my product as well as room for growth for when our business took off. More than anything, I needed a team of people that were professional and cared and that is why I opened my first depot operation with them when I joined CC.

From the local team to the corporate support groups they have, you won't find a better group of professionals in the 3PL world than Amware and am impressed everyday with how they support me. To date I don't have a larger or more active operation than their Jacksonville facility and they continue to have the lowest inventory variance of any of my 30 plus operations with no shipping errors. I get more compliments from customers on how professional they are and how much they work to take care of them which are the best evidence of their control processes and procedures which are in place to take care of my business.

I have since expanded into their Duluth GA operation as well and my only regret is that they don't have other 3PL operations yet. I know they are growing and CC will be growing with them everywhere they do. Thanks for all the support!!!

Gerald (Jerry) L. Connet Jr.
www.Container-Centralen.com

Distinguished Craftsmen

At Amware we pride ourselves on hiring employees who are craftsmen in their chosen profession; we continually train to that highest standard. Occasionally, our employees will raise the bar and distinguish themselves amongst their peers.

We believe that extra commitment is deserving of special recognition. So each month we honor employees who have demonstrated an extra level of craftsmanship on the job with the designation of Distinguished Craftsman.

Congratulations to the following 1st Quarter, 2008 recipients

January 2007

Benson	Romauldo Michel
Birmingham	Hilario Espana
Charlotte	Rafael Padilla
Elloree	Ronnie Ragin
Indianola	Donald Winder
Jackson	Robert Hutton
Jacksonville	Adan Barola
Jacksonville (ALS)	Carlos Marin
Mauldin	Chris Lanteon
McDonough	Pedro Martinez
Petersburg	Michael Alvarez
Pompano	Silvia Malagon
Salem	Bartolo Sanchez
Suffolk	Antonio Harrell
Sylvan	Maria Garcia
Lawrenceville	Roberto Lopez
Duluth	Willis Johnson

February 2007

Benson	Carol Westbrook
Birmingham	Alberto Caballero
Charlotte	Concilio Velasquez
Elloree	Ignacio Jimenez
Indianola	Jerald McCloud
Jackson	Arthur Spann
Jacksonville	Rendon Fausto
Jacksonville (ALS)	Jose Tovar
Mauldin	Dedric Fleming
McDonough	Omar Rosas
Petersburg	Reveriano Hernandez
Pompano	Sebastian Amaya
Salem	Ricky Davis
Suffolk	Donterio Rogers
Sylvan	Gina Gutierrez
Lawrenceville	Elva Ramos
Duluth	Buster Langley

March 2007

Benson	Israel San Pedro
Birmingham	Jose Ruiz
Charlotte	Marcus Orr
Elloree	Albert Brown
Indianola	Edward Hawkins
Jackson	Kendrick Gaddy
Jacksonville	Alejandro Rodriguez
Jacksonville (ALS)	Luis Rivera
Mauldin	Milton Hill
McDonough	Octavio Sanchez
Petersburg	Alfredo Moreno
Pompano	Jovanic Borja
Salem	Earl Bowman
Suffolk	Reginald Scott
Sylvan	Becky Jordan
Morrow	Aristides Suastiqui
Lawrenceville	Ellen Bailey
Duluth	Laura Burgess



Go for the Gold!

Later this summer, the world's attention will be turned to the Olympic Games in Beijing, China. Long before the first events are televised, Third Party Logistics providers, much like Amware Logistics will have moved millions of pounds freight through thousands of miles of the supply chain corridor. Whether by land, sea or air, many logistics companies are working hard to ensure the games will go off without a hitch.

So when speed, accuracy and execution must come together, you can rely on your third party logistics provider to guide you through the process and help not only deliver your freight, but provide cost effective solutions along the way.

Let Amware Logistics Services help guide you through your supply chain and bring that speed, accuracy and execution to your organization.

Go USA!

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AMWARE
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