

AMWARE NEWS

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A Message from OUR VICE PRESIDENT



Rob Doyle
Vice President

Amware's Competitive Advantage: OUR PEOPLE!

As I began to plan my article for this edition of our newsletter (which was to be an outline of our enhanced commitment and plan to enhance our customer service) I found myself focusing on our greatest asset within that quest: Our People!

With that, I decided to take a few liberties (one perk of being responsible for this Newsletter) and go "off topic" a bit with this article. I am dedicating this edition of our newsletter and in particular, this article to our over 500 craftsmen who are the main reason we have become a premier provider of 3PL and manufacturing services in the United States.

I consider myself very fortunate to work for a company that has a great diverse group of men and women that are the driving force behind our exponential growth and enhanced customer service. With that in mind, I am proud to take a few minutes and brag about them as they are a great sense of pride for me. After all, it is the Craftsman on the floor working hard to pull and ship that order, and Customer Service Representative ensuring that order is in the right place at the designated time, that will decide the fate of this company (and any other for that matter).

One true strength that we have is that we have a group of people that have many of the intangible qualities that cannot be taught, such as pride in one's work and comfort at being part of a team and an organization larger than themselves.

(continued on next page)

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



IN THIS ISSUE: FIFA WORLD CUP!

See how Amware can kick your supply chain into action and help your organization reach it's "GOALS!"



I recently had the pleasure to be present during an awarding of the Craftsman of the Month award at our Atlanta, GA operation. While I was very proud and happy for the winner (way to go Penny... a 15 plus year Amware veteran) it was the reaction of the rest of the team that caught my attention. I saw a genuine happiness on the faces of the other employees and the camaraderie displayed during the breakfast accompanying the ceremony was great to see. Libby Montgomery, the General Manager of this facility, is to be applauded for her commitment to the morale and well being of this outstanding team.

It is no surprise that the skill and craftsmanship I see on the warehouse floor is a reflection of those who provide the management for the facility. With an average tenure of about eight years in service our Management staff exemplifies those key qualities of pride and craftsmanship, and foster a true team and family atmosphere.

Many customers have commented to me that they enjoy working with their contacts at Amware because they seem to be having fun and enjoying their job. I truly hope and feel that is the case. For me, it is the camaraderie I have with the staff that makes driving to work every day a pleasurable experience (despite the Atlanta traffic). I realize that one of my most important responsibilities is to ensure the well being and morale of our team, which is a responsibility I take very seriously and enjoy.

As I close out this article I would like to give our team a public pat on the back as they have earned it and deserve it. They have made me, as well as the ownership, very proud the past couple years as I have asked a lot of them during our intensive growth period. They pulled together and have accomplished every mission I have laid out in front of them. It is not just the accomplished missions that have impressed me but the professional manner in which they have taken on all challenges – that truly humbles me.

As always, I invite all of our customers to come visit us (and your products) and see for yourself a true team in action.

Rob Doyle



Vice President
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GROWING

Amware Logistics' Jacksonville, FL facility is bulging at the seams, with many new accounts signed during the first half of 2006, and many more on the way. May was an active month, with inbounds arriving by train as well as truck. We brought in 20 boxcars of lumber, two railcars of cement, and 200 truckloads of sheetrock, along with our normal workflow. We continue to add new accounts, with about 30 companies currently maintaining an inventory and several outstanding prospects on the horizon. The building is filling quickly, and by next month we'll begin filling an additional 30,000 square foot building on the property.

Two drivers seem to be influencing the local economy, and in turn our business. The Jacksonville Port Authority is going through a major expansion, leading to many companies relocating to the area. Also, as hurricane season begins, suppliers are building inventory to be able to supply needs in the Florida and Gulf Coast markets.

One of our customers, whose inventory supports disaster relief, said, "Buying our product becomes an emotional decision. With hurricane season starting, our activity level will increase dramatically."

The Amware Jacksonville facility is ideally situated, within 10 miles of both existing port facilities, and even closer to the new port facility now under construction. Also, because of the contour of the Florida coastline, east coast hurricanes typically hit the southern half of Florida or move north into the Carolinas, making us an ideal re-supply location for storm recovery efforts. With our current mix of customers, we have the lumber, wallboard, cement, and generators people would need to recover from the effects of a storm.

With all that, where are we headed? Between our recent marketing efforts and increased visibility with current customers, we continue to see increased activity. A nearby manufacturer used us to continue his business during a plant shutdown in March. They were so happy with our performance that they now use us for all their outside storage needs. We have another customer under contract who has a ship loading in China with 6,500 one-ton supersacks. After a long ocean voyage that includes sailing through the Panama Canal, the ship will dock in Jacksonville in mid-July, and we'll receive some 250 truckloads of supersacks for storage, roughly a six month inventory supply.

into our Own

As you can see, we service many different industries, and each customer comes to us with his own unique needs. Handling 12' bundles of wallboard requires a specially-designed piece of equipment to keep the product from breaking in the middle. We have another piece of equipment specially equipped to handle 8,000# rolls of paper, and still another specifically equipped to handle bundled lumber; our palletized insulation requires extra-long forks in order to unload the containers.

Once we understand the customer's needs, we develop the proper manpower and equipment resources to be able to properly service the account. Because we touch so many different industries, understanding those special needs and compatibility among different types of products plays an important role in serving our customers.

Besides handling differences, there are differences in tracking products. We have one account that requires serial number tracking, others that are ordered based on the weight of a specific bundle. Whatever the unique requirement, it is our job as Craftsmen to be able to find a way to meet the customer's requirements. Our highly skilled workforce takes pride in being able to deliver a job well done.

As our work level grows, so does our staff. We've doubled our manpower since the first of the year, and continue to seek dedicated, skilled Craftsmen to join the Amware team. We constantly recruit and train our people, and many of them have become so proficient that they are recognized by representatives of the customers they support. At the same time, with growth comes advancement opportunities, and our people prove their versatility. One of our warehousemen has filled in for our yard hostler, and will eventually become one of our local drivers. Another is in the warehouse, but will soon begin training in the office. We constantly look to our people to fill from within and continue to grow the business.

At Amware's Jacksonville facility, we're busy, and we're hungry for more. Our reputation as a quality provider of distribution services is growing in the market, and by partnering with our friends at the Port, as well as with the railroad and several of the local truck carriers, we will continue to find new opportunities. Our future looks bright!

Neil Porter



General Manager
Amware Logistics Services of JAX, LLC.



Mark Wilhelm
Chief Executive Officer



Jim Smith
Chief Operating Officer

Since 1989, our privately held, professionally-managed company has evolved to stay on the leading edge of distribution methods and technologies.

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 404/763-9816.



From Left: Karon Hines, Neil Porter, Robert Reno, Toni Jones

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

Contact us at: 404/763-9816 | 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 \$2.6 billion impact on Jacksonville's economy, and we at Amware 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.

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 on 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 early 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 a big-box retailer is considering 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 to learn more about Amware Logistics and how we may help establish your presence along the supply-chain: eMail Sales@AmwareLogistics.com or call 404/ 763-9816.

Neil Porter



General Manager
Amware Logistics Services of JAX, LLC.



Customer Solution Spotlight: Neil Porter, General Manager

According to Amware Vice President, Rob Doyle, "Neil possesses a laser like focus on customer service that separates him from his peers in the industry and ensures delivery on our promise of customer focused, quality-driven logistics solutions for our customers".

As a service company, we believe that our work begins by listening to our customers. Through solid communication, facility visits and incisive question-and-answer correspondence, we begin to understand your company's logistics goals – from your perspective. Once we fully understand your goals, we begin to shape a solution through the use of our Customer Solution Development Team. This team engineers and proposes a solution designed to achieve your goals.

The Amware managers on our Customer Solution Development Team represent several professional disciplines including Warehousing and Transportation operations, Customer Service, Information Technology, Industrial Engineering, Human Resources, Quality Control, and more.

Please allow us to introduce Neil Porter, General Manager of Amware's Jacksonville, FL Public Warehousing Operation:

What He Brings to the Table

As General Manager of Amware's Jacksonville operation, Neil is responsible for overseeing 230,000 square feet of warehousing space on 23 acres, plus a trucking operation to support local operations. No stranger to such challenges, Neil has, in the past, managed multiple public and contract facilities with as much as 950,000 square feet and 130 employees, and managed the Jacksonville Foreign Trade Zone for the Jacksonville Port Authority over several years. He has extensive experience in pick & pack operations. Starting his Logistics career as an Industrial Engineer for United Parcel Service (UPS), Neil is trained to hone in on the most efficient way to accomplish a customer's requirements. His 30-plus years in logistics provide a strong foundation for his position as General Manager.

His Most Memorable Accomplishments

Neil took over management of an operation in the Northeast that had been through six managers in two years and was in total disarray. In the course of 18 months he led that operation to its first profitable year in the past ten, with a bottom-line improvement of \$525,000.

A Little More About Him

A "winner" in the draft lottery, Neil proudly served his country in the US Army in Viet Nam. Possibly one of the worst golfers to ever enjoy the game, Neil and his wife can be found most weekends out on the course.

Customer Solution Development Team

Neil's experience in Industrial Engineering and operational management give him the assets required to successfully implement an effective distribution operation for the customer. His goal is to partner with the customer to develop and implement a solution that will achieve the customer's goals as efficiently as possible.

Rob Doyle

Vice President
robd@amwarelogistics.com

For more information about Amware's Customer Solution Development Team, or to learn how Neil and his team can craft a solution catered to your needs, please write or call today: Sales@AmwareLogistics.com or 404/ 763-9816.

Distinguished Craftsmen

OF THE MONTH!

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, 2006 recipients

Atlanta (Hapeville), GA

Jan: Hector Sanchez
Feb: Aristides Suastequi
Dec: Cliff Turner

Benson, NC

Jan: Jose Martinez
Feb: Samantha Vargas
Mar: Marcelino Garcia

Birmingham, AL

Jan: Miriam Estrada
Feb: Domingo Balbuena
Mar: Domingo Castro

Charlotte, NC

Jan: Roberto Orosco
Feb: Jesus Ibarra
Mar: Dodanim Soto

Elloree, SC

Jan: Marvin Shuler
Feb: Arturo Gonzales
Mar: Marvin Shuler

Hammond, LA

Jan: Jose Martinez
Feb: Frances Vasquez
Mar: Jorge Lozano

Denver (Henderson), CO

Jan: Daniel Miller
Feb: Eric Gallegos
Mar: Arturo Gallegos

Houston, TX

Jan: Michael Washington
Feb: Clay Stephenson
Mar: Chandra Henderson

Indianola, MS

Jan: Alaric Jefferson
Feb: Edward Hawkins
Mar: Terranio Peterson

Jacksonville (ALS), FL

Jan: Harvey Johnson
Feb: Luis Rivera
Mar: Robert Wertman

Jacksonville (APS), FL

Jan: Jose Duarte
Feb: Nicole Otey
Mar: Michael Sambal

Lakeland, FL

Jan: Inocente Chora
Feb: Hugo Juarez
Mar: Arturo Monjaras

Mauldin, SC

Jan: Gerardo Plaza
Feb: Ivan Lima
Mar: Juan Carlos Zapotitla

McDonough, GA

Jan: Erubiel Romero
Feb: Lamberto Casarrubias
Mar: Meashelle Fuller

Petersburg, VA

Jan: Manuel Garcia
Feb: Norma Jenkins
Mar: Wayne Byrd

Pompano Beach, FL

Jan: Antonio Varela
Feb: N/A
Mar: N/A

Salem, VA

Jan: Roges Alexandre
Feb: Jeff Broughman
Mar: Ron Bright



GOAL!!!

FIFA World Cup is upon us:

June 9 – July 9, 2006. The World Cup is a sports event on the grandest scale. The event is touted as the most important competition in international football (soccer) and a new champion is crowned only once every four years. Throughout the competition, millions of spectators from all over the world are at the edge of their seats waiting for the ever elusive cry – “GOAL”.

Behind the scenes, countless logistics professionals orchestrate the myriad of World Cup events. From teams to media, fans to

vendors, this year's events are a true test of logistic prowess: 32 national teams (736 players, 704 coaches, assistants & staff), 15,000 accredited journalists, 12 host cities, and 4 weeks of intense competition makes this the most widely-viewed sporting event in the world.

Once again it is logistics companies like Amware that manage the helm and ensure safe, fun, and coordinated festivities.

Let **Amware** help kick your supply chain into action and bring coordinated and orchestrated accuracy together for your organization.

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