



Wilson Lines Times

Message from the President

Summer is finally here. Judith's flower beds are in full bloom and I am busy as the watering boy. It is surprisingly relaxing for me. Summer is also road construction and holiday travelers, so let's continue to be safe and aware.

I would like to congratulate our driver of the first quarter 2009, Dick Hanson. Dick has done a wonderful job for Wilson Lines over the years. We have never regretted hiring Dick even if he

came as a package deal with a Pete.



We keep hoping that economic recovery is just around the corner. What we don't

know is how long it will take to make it around that corner. After a poor first 5 months of the year, the end of June is showing some life. Hopefully it continues to grow from there into what should be our normal busy season.

Thanks again for everyone's hard work. Everyone, please be safe out there whether in your personal vehicles or commercial trucks.

Inside this issue:

Dramatic reductions in emissions	2
EGR or SCR?	2
Trucking and the environment	2
Optimism grows among fleet owners	3
DOT freight index falls	3
Surviving carriers	3
Employee news	4

Safety Tip

Slow down in work zones

Watch out for highway construction. Stay alert. Work zone crashes are more likely to happen during the day. Almost one-third of fatal crashes in work zones involved large trucks. Take your time going through work zones and give yourself plenty of room. Expect the unexpected!

Richard Hanson Driver of the 1st Quarter

City driver Dick Hanson has been a familiar face at Wilson Lines for the past 19 years. He grew up in Turtle Lake, WI and originally considered becoming an agriculture teacher. He enrolled in a 1-year ag short course at UW-Madison, where he spent the coldest winter of his life. Dick decided ag was not for him, and in 1968, he became a company driver working for Paul Frandsen at Midwest

Coast for 11 years. Then he became an owner-operator with Overland Express and later, for Transport America. In 1990, Dick wanted to come back to work for Paul at Wilson Lines, but first needed to sell his Peterbilt. Wilson Lines agreed to buy it from him, even though all the rest of their trucks were Kenworths. He was a Chi-

cago driver for 8 years before deciding to become a city driver. He says, "30 years sleeping in a sleeper is long enough!" *see page 4*



Dramatic Reductions in Diesel Engine Emissions

A new study shows that clean diesel technologies in engines manufactured beginning in 2007 not only reduced certain emissions by 90 percent over 2004 models, but far exceeded expectations in their performance in cleaning up the nation's air quality.

Emission reductions by 2007 model engines "exceeded substantially even those levels required by law," said the study. Current engine models produced 98 percent less carbon monoxide, 10 percent less nitrogen oxide, 95 percent

less non-methane hydrocarbons and 89 percent less particulate matter than required by EPA's 2007 diesel engine emission standards.

"These latest emissions figures are a testament to the trucking and engine manufacturing industries' deep commitment to the environment," said ATA President and



CEO Bill Graves. "We're proud of the significant progress that has been made, and we look forward to building upon this foundation as we continue to work toward a more sustainable future."

Exceeding the 2007 standards marks a major milestone in clean diesel technology, and new engines built to 2010 standards will be even cleaner, slashing nitrogen oxide emissions by another 50 percent.

Trucking and the Environment

In addition to reducing emissions through clean diesel technologies, the trucking industry's progressive environmental sustainability program will reduce fuel consumption by 86 billion gallons and CO₂ emissions by 900 million tons for all vehicles over the next 10 years by:

The industry's new plan will extend the significant progress the industry has already made over the past 24 years.

reducing the national speed limit to 65 mph for all vehicles, and govern speeds on trucks manufactured after 1992 at no more than 65 miles per hour; reducing engine idling; increasing fuel efficiency by encouraging participation in the U.S. EPA SmartWay Transport Partnership Program; reducing congestion by improving highways; using more productive truck combina-

tions; supporting national fuel economy standards for trucks.

In an industry with thin profit margins and escalating fuel costs, increasing fuel efficiency and minimizing fuel consumption are major goals of any trucking company. Those goals coincide with the global need for industries to reduce their carbon footprint and their overall environmental impact.

What is it going to be: EGR or SCR?

The federal diesel emission standards change again in January 2010, and diesel truck buyers will have to make a choice. The choice will be between engines and trucks built by Navistar Inc., which will use an expanded version of the current exhaust gas recirculation (EGR) technology, and any of the other midrange engine and truck suppliers who will use new-to-the-industry selective catalytic reduction (SCR).

SCR cuts nitrogen oxide in the exhaust by injecting a mix of urea and water, enabling a catalytic converter to change the NO_x to nitrogen and water vapor.

The target for all truck makers is to reduce emissions of nitrogen oxide to 0.2 gram per brake horsepower-hour, or



about 90% of pre-2004 levels. How they do it is up to them.

Each side has used a lot of words explaining why its system is better than the other's. Ultimately, the market will decide which side was right.

Optimism Grows Among Fleet Owners

Fleets are becoming more optimistic about a trucking recovery in the next 12 month, but carriers say the current market still is plagued by freight rates that are scraping the bottom. Fleet owners reported lower rates with 5% to 8% contract rate reductions.

Fleet executives speaking on a June 8 call sponsored by Dahlman Rose & Co. were emphatic in their comments that



rates couldn't be worse right now.

"We are seeing that carriers are willing to work for zero return on capital. They are willing to work for nothing. The thing that is absolutely stunning is the rate levels. People are quoting prices that nobody can make a profit on."

There are a lot of truck lines in trouble. Many of them are out there to push for any kind of revenue, just to keep the

lights on. Shippers are pushing for lower rates and for other advantages including longer payment terms and elimination of added charges called accessorial.

On the volume side, individual fleets conveyed a sense of weak demand that is turning up modestly in some areas. "We have seen a nice uptick for the last few weeks. We are quite pleased, and we feel we have definitely come off the bottom."

DOT Freight Index Falls 8.5% in April

The Department of Transportation said its freight transportation services index fell 8.5% in April from a year earlier to its lowest level in seven years.

The drop to 100.1 was the largest April-to-April drop in the 20-year history of TSI calculations, DOT said in its monthly report Wednesday. The TSI fell 1.2% from March.

The index is at its lowest level since

April 2002 and is down 11.4% from its peak in November 2005.

In the five years since April 2004, the index has dropped 9.4%, the fifth consecutive month in which the index has declined for a five-year period. In the last 10 years, the index is down 1.7%, the second 10-year decline recorded. The first 10-year decline was in March.

The TSI is a seasonally adjusted

monthly index measuring the output of services provided by the for-hire transportation industries, including railroad, air, truck, inland waterways and pipeline.

More than 80 percent of U.S. communities depend solely on trucking for delivery of their goods and commodities.

Surviving Carriers Look Forward to Rate Power

The economy and the freight markets appear to be bottoming out, and the rate power could start shifting back to carriers as early as the second half of this year.

We have seen a lot of capacity come out of the truckload side due to owner operator repossessions, company failures, downsizing, and relocating assets.

The less-than-truckload side of the business has also seen a loss of capacity, as three or four fairly large companies have gone under and the biggest player in the industry is in the midst of a huge consolidation.

What this means is that as demand begins to rebound, we will eventually get to the point where demand is greater than supply, much like in 2004-2005. In this

scenario, a lot of the rate power shifts over to the carriers.

If all the stimulus kicks in and the banks let all the companies that should go out of business actually do so, we could see this as early as the second half of 2009. If the economy recovers at the more likely conservative rate, this will probably occur in 2010, or as late as 2011.

Happy Anniversary

Jerry Knutson	25 years	Matt Luehring	5 years
Vern Bettis	18 years	Judith Hofstad	4 years
Mike Stanton	17 years	Joe Grundhauser	3 years
Dave Wolbert	17 years	Ray Leibold	3 years
Rick Rayburn	15 years	Doug Ward	3 years
Ray Ronningen	15 years	Tony Brossard	2 years
Harry Evanoff	11 years	Mike Bondeson	2 years
Wayne House	9 years	Dave Skjong	1 year
Maurice Behling	7 years	Randy Sether	1 year
Larry Basham-Bower	6 years	Mike Smothers	1 year
Ron Laeupple	6 years	Mike Tomlin	1 year
Harlon Johnson	5 years	Cody Clemmens	1 year

from January to June



25th Anniversary Awards presented to
Jerry Knutson 02/16/1984
Wayne Erie 12/19/1983
 In honor of their excellent service

What our drivers do when they are not driving

Mike Smothers

We've all seen owner-operator **Mike Smothers** around the Wilson Lines' yard, but how many of you know that he is also a champion darts player? Mike and his darts partner, Jim, have won the Minnesota state darts tournament three times in the last eight years, and have also finished in the top four several times.



Mike (left) and Jim

competed in the National darts tournament in Las Vegas. There were 16 levels of play, from beginners up through masters, and Mike and Jim competed two levels down from masters. They started playing at 8 a.m. on a Sunday and did not finish until 7:45 a.m. Monday - almost 24 hours of continuous play! Mike says that his "legs were shot" afterwards, but they won second place out of 250 teams at that level. He says they might

go back next year to compete one last time.

Mike has been playing darts for 14 years, eight of those with his current partner, and when he was younger, he played four nights a week. Now he prefers to spend more time at home in Cokato with his fiancée of 15 years, Angie, and their two sons, Alex (12) and Jacob (7). Mike has been a truck driver since 1997 and an owner-operator since 2005. Although his darts career is coming to an end, Mike says he will always have a passion for it.

This past April, they were among players from seven different countries who

Richard Hanson

Continued from page 1

Dick has driven in all 48 states (except Louisiana) and Canada, and is proud to have driven 37 years with no accidents. His favorite place to drive is Northern Minnesota, where he used to haul back loads of paper from International Falls. He likes it because "it is quiet and there is not much traffic." He enjoys working for Wilson Lines and driving a truck because every day is different.

Dick and his wife, Ruth, live in Baldwin, WI. They have two grown children, Sarah and Gary, and five grandchildren between the ages of 1 and 5. Dick enjoys fishing in the summer and spending as much time as he can with his grandchildren. He also does a lot of yard work in the summer and envisions having a garden someday when he has more time.



Congratulations to Dick on being
**Wilson Lines' Driver of the 1st
 Quarter!**