

THE MILE MARKER

Company Newsletter | Spring 23



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The Cover



This Mile Marker's cover features Dwayne Steele, the latest of several lease purchase drivers to fully pay off their trucks within the last two months. Congratulations Dwayne! For more on these drivers check out p.7!

The State of the Industry—Driving Through the Storm

By Brian Gibala, VP of Sales

Market conditions remain challenging for truckload carriers as demand has continued to slide. The temperature-controlled marketplace is continuing its trend of slowing demand in Q1, albeit not as drastically as dry truckload. The rate environment is highly competitive as capacity is readily accessible to shippers. Prognostications vary on when conditions will improve in a material way. In the short term, the market could see a boost in demand as consumers receive tax refunds and produce season accelerates.



pressure, contract rates remain significantly higher than the spot market with February figures showing contract rates 59 cents higher on average.

Network discipline, taking care of core customers, and avoiding the trap of the spot market are key to positioning for a downturn. LTI did just that. We are driving through the storm, rather than away from it and sunshine is getting closer.

LTI Trucking Services has superbly navigated tough economic conditions numerous times throughout its history. As an organization, we are better positioned for such conditions relative to prior downturns in terms of financials, customer diversification, equipment, technological improvements, and business intelligence.

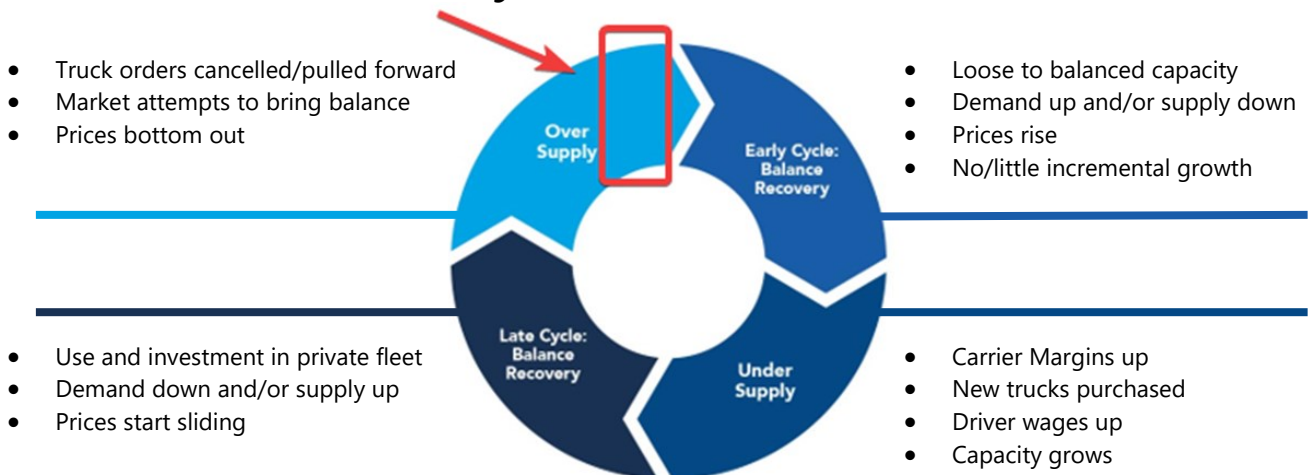
“Our customers are paying a premium for our service. It is critical we continue to justify that premium by performing to service expectations.”

While we are now in month 12 of a trucking downturn, ATA Chief Economist Bob Costello believes this downturn should be mild relative to recent freight recessions for fleets who are not in the spot market in a significant way. LTI is a contract carrier operating 90% of volume in the contract market. While contract rates remain under

As RFP season winds down with award results being negotiated and finalized each week, we can confirm material volume growth from key customers. Several key customers that are true partners have increased our awarded volume in the magnitude of 50-200%.

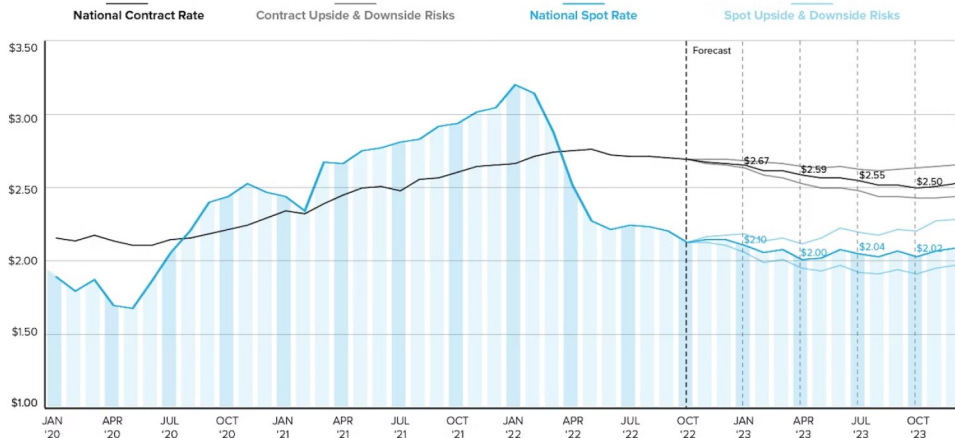
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U.S. Truckload Market Cycle



The State of the Industry, continued:

Reefer National Forecast — provided by CCJ Digital



FreightWaves Supply Chain Pricing Power Index



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Our customers are paying a premium for our service. It is critical we continue to justify that premium by performing to service expectations. We must continue to offer reliable and consistent on-time delivery, timely and professional communication, and solution-focused creative problem solving. Maintaining premium rates allows the company to continue investing in employees, equipment, and technology.

Our drivers and operations team expect premium freight. It is critical we continue to improve the quality, density, and quantity of customer freight to reduce brokered percentage, dwell times, empty miles, and OS&D while maintaining strong RPM.

Ways LTI is better insulated from poor market conditions:

Freight Mix:

We regularly engage with freight network engineering benchmarking groups to gain insights and drive better decision making at the network planning level. In a recent study, an experienced industry expert performed a thorough analysis of the network and determined LTI's yield per day is higher than our peer competitors and the pace at which rates have slid is less severe. There are continued opportunities to improve yield through freight network engineering.

Commodity Mix:

Consumer staples, bargain meals, confectionary, and protein see less demand shock in downturns relative to other commodities that we have minimal exposure to, such as automotive parts, lumber, machinery, apparel, and furniture.

Strong Customer Base:

LTI maintains long-term partnerships with blue chip

accounts and relevancy in their supply chain.

Niche Offerings:

We provide reliable and consistent offerings in various subsets of freight types from geographic, lane density, and length of haul perspectives. Expertise in supporting some of our key customers' delivery locations in the Midwest.

Each and every one of us makes a difference in delivering on commitments to our customers and one another. Be consistent and be the difference each and every day! ■



Food Shippers of America Conference in Palm Springs, CA. Left to right: Luke Sassano & Mike Stautmeister of Ferrara Candy Company, LTI's VP of Sales, Brian Gibala, and President & CEO, Nicholas Civello.

LTI Opens New Drivers Lounge

By Camden Civello, Executive VP

As of April 17, 2023, the new Drivers Lounge is now open!

As a truck driver, you have a tough job – the miles on the road and time away from the comforts of home are necessary, but difficult, components of a driver’s position. It is therefore essential that drivers have a solid home base facility that is welcoming and comfortable.

Welcome to your new drivers lounge!

LTI’s new driver facility is equipped with:

- Three Sets of Restrooms
- Three Showers
- Two Relaxation Rooms
- Two TV and Lounging Spaces
- Vending Machines
- Kitchenette and Eating Area
- Two Sets of Washers and Dryers
- An Outdoor Patio with Tables
- A Computer Station
- 24/7 Access

With this new facility comes a transition from the old lounge, which is no longer needed for driver use. Instead, your new lounge facility is the go-to spot for drivers and the various resources you use. Inside is where you will find postings and dashboards on company news and communication. The split load paperwork cubbies will also be located inside.

This driver lounge facility is representative of the company’s commitment to its drivers. When we sought to move our corporate office



to the Madison terminal, drivers were at the forefront of our decision making. When we designed the new facility, we wanted a large portion of the space to be committed to our drivers. Thank you so much for your patience – those plans and intentions have now come to life as we invite you to fully utilize your new facility.

Please stop by and begin enjoying your new lounge. LTI is very proud and appreciative of our drivers; thank you for all you do. We hope this new facility is well received – you deserve it! ■



Open Enrollment for Benefits

Effective May 1, 2023 the following LTI Trucking Services, Inc. benefit plans will be renewing:

MEDICAL • DENTAL • VISION

More information will be communicated soon regarding the dates of the Open Enrollment period, any changes to the current plans, along with instructions on how to make changes and enroll.

Stay tuned for more information.

As a reminder, you are eligible for benefits if you are a full-time employee and have been with LTI for 90 days.

Please contact LTI Human Resources if you have questions.

Paula Naugle
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A Driver's Guide to Maintenance Spring Cleaning

By Brandon Jacoby, Maintenance Manager

Another winter has come and gone and that means the spring season is upon us. Winter road conditions such as salt, ice, and snow on the road can cause damage to your truck, but the warm temperatures of spring present an opportunity to assess potential damage and focus on preventative maintenance. With these steps you can be prepared to spring into the new season.

Windshield

Inspect your windshield for cracks and chips. Changes in temperature cause the windshield to expand and contract. This can cause existing chips or cracks to increase in size.

Maintain a clean windshield. Utilize cleaning tools and supplies while fueling at your next truck stop.

Inspect windshield wiper blades. Snow and ice can cause wipers to crack and break. The rubber blade can also become chipped or frail. A good rule of thumb is to have your wiper blades replaced every 6 months. This will help to prevent streaks, uneven wiping, or inoperable wipers when you need them.

Mirrors

- Inspect the glass for any cracks or chips.
- Wipe away any dirt or road debris from the glass.
- Check to make sure the mirror is tight and secure to the truck.

Tires

Inspecting tires is an essential part of any preventative maintenance inspection. Tires should be inspected on every pre-trip and post-trip.

- Inspect tires for cupping, stress cracks, or any abnormal bulging.
- Check tire pressures on a regular basis. Fluctuation in temperatures will cause the tire pressure to change. Colder pressures will cause a deflation in pressure and warmer temperatures will cause an inflation in pressure.



Electrical

- Check all lights, batteries, and electrical connections. Winter weather conditions such as moisture and other road elements can cause electrical corrosion and rust. Dim or flickering lights can be the result of electrical corrosion or a short in the wiring circuit.
- Wipe down your headlight lenses and remove build up of road salt and dirt.
- Check your 7 way pigtail for any signs of corrosion or dirt. Also, check the cable for any stress cracks or breaks in the line. This is also a good time to inspect your glad hand air lines for cracks and audible leaks

Under the hood

- Check all fluid levels: such as washer fluid, oil, and coolant levels
- Check the engine compartment for any fluid leaks
- Check engine compartment for any audible air leaks. When moisture builds up and freezes, it can cause damage to the air lines.

In Cab

It is not only important to maintain a clean and tidy interior, but it is also courteous and respectful to yourself and others. A messy interior can create unnecessary challenges for service technicians or others that may be required to access your truck. Food, trash, and other waste can invite in unwanted pests and odors.

You can keep your truck clean by:

- Disinfecting and wiping down seats and dashboard.
- Throwing away all trash and waste.
- Sweeping dirt and debris from floor and under seats.
- Washing all bed covers and sheets on a regular basis.

Following these easy tips will help to increase load count and limit breakdowns. A clean and well-maintained truck presents a positive showcase to our customers as well as others on the road. So, take pride in your equipment and everything you do this spring season! ■



Making Smart Decisions

By Deidra Sanders, Director of Logistics

I am pleased to announce that LTI Logistics Services has become SmartWay certified.

The EPA's SmartWay program helps companies advance supply chain sustainability by measuring, benchmarking, and improving freight transportation efficiency. Not only will it help us improve our practices into the future, but it also proves we've already taken significant steps toward improving efficiencies and that we operate at a higher standard. Our certification was an extensive process of analyzing all the carriers we use, all the freight we've hauled, and the emissions impact of our ongoing operations.

There are many benefits to becoming SmartWay certified. Using the EPA's emissions calculating tools ensures that our emission tracking efforts are consistent with industry best practices. This will help us measure our environmental impact and

identify inefficiency and waste that potentially costs us money, and allow us to make strategic improvements moving forward.

Our SmartWay certification also demonstrates to customers and carriers our commitment to sustainability and efficiency in the supply chain. It also brings with it a level of industry recognition and evidence of our commitment toward sustainability and the environment.

In other developments for logistics, we are also expanding our website to provide better information,

testimonials from our carriers and customers, quote request forms, and more. Expanding our site's information and functionality will help us in our marketing efforts toward developing new business. Improving our web presence will put LTI Logistics in a better position for opportunities and growth moving forward. We're excited for what 2023 will bring with the many developments & improvements we're making. ■



Health & Wellness: Think Positive - Feel Good Through Gratitude

Even in challenging times, there's always something to be thankful for. Focusing on the good things in your life can have a positive impact on your physical and emotional well-being.

Practicing Gratitude May Help You:

- Manage your anxiety so you can see past your worries.
- Boost your resilience, especially in difficult situations.
- Lower your stress and increase your overall happiness.

Find your happy (place) - Try these tips the next time you want to appreciate the people, events, or experiences that matter most to you:

Write it Down

Spend a few minutes each day making a list of things you're grateful for.

Connect with Others

Call, message, or write someone just to let them know they're on your mind.

Be in Nature

Take a walk and notice the simple beauty wherever you go.

Embrace your Community

Thank those who serve in your community – like the store clerk, bus driver, or mail carrier.

Do Something Kind

Volunteer for a cause. Or offer your help to someone in need.

Focus on the Good

Try to find the positives in every situation. ■



Fuel Card Protection

By Bill Riley, VP of Operations

Credit card fraud is becoming an all-too-common issue with over 151 million US adults being a victim of credit card fraud at least once. To help combat this growing crime, LTI will begin using a multi-factor authentication system to protect your fuel cards from fraudulent transactions. This new system will require a random generated number, also known as a dynamic code, to be entered every time you fuel your truck or trailer.

There are 2 options to receive the dynamic code for using your card.

The first option is to download the WEX CardControl mobile app from your Apple App Store or Google Play Store

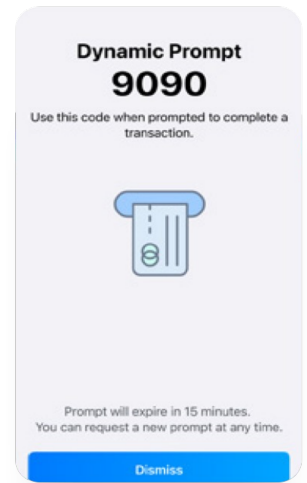
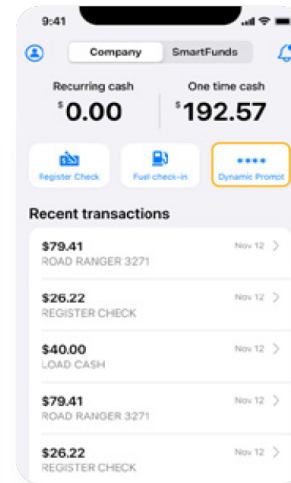
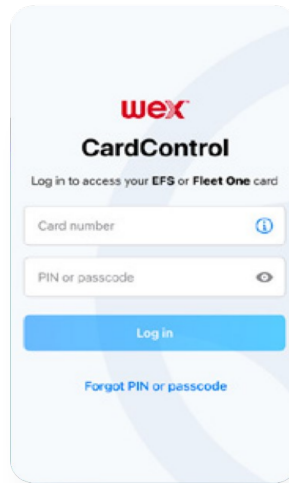
1. Before swiping your card, log into the WEX CardControl mobile app with your card number and PIN or passcode
2. From the home screen, click Dynamic Prompt to generate a code.
3. Continue with your transaction as you normally would. When prompted for the field that your fleet manager set to dynamic, enter the code provided in the app.

The second option is the Automated Phone System.

1. Before swiping your card, call the number listed on the back of your

wex™

EFS®



card, and follow the voice instructions as described below:

- Press 1 for cardholder
- Enter your full card number followed by the # key
- Enter your PIN or passcode followed by the # key
- Press 6 to generate a dynamic code

2. Continue with your transaction as you normally would. When prompted for the field that your fleet manager set to dynamic,

enter the code provided.

NOTE: For any of these options, you need to know your PIN or passcode. If you do not know your PIN/ passcode, or have not set one up, please contact Safety to have it reset. They will provide you with a temporary code (active for 24 hours) to log into the WEX CardControl mobile app or the automated phone system. You will then be instructed to create a new passcode. ■



Shoutout to our three latest drivers to complete their leases and become sole owners of their own Freightliner Cascadias! These drivers have all paid off their trucks within the last 2 months! From left to right: Doucette Sylvain, Paul Robbins, Dwayne Steele

Happy Birthday to You!

April

Tara Burns
Christopher Harris
Cherie Burnham
Devante Joseph
Morgan Braithwaite
Shayla Hermann
Sherry James
Lagina Daniels
Cadee Velten
Ian Mulcahy
Michael Rood
Mark Rosenkoetter
Robert Stagliano
April Defell
Rashad Stewart
Phil Hamel
Tod Owens
Kyle Pace
Dennis Vanmeter
Peggy Jones
Allan Gleason

Amadou Gonyor
Leroy Grandison
Lesla Bault
Michael Rhodes
Loraine Serrano
Richard Layton
Sheril Pringle

May

Zachary Dillon
Christopher Price
Robert Brockmeyer
Abdifatah Mohamud
Kurtis Hurst
John Sturm
Kathleen Lansing
Chrisell Ford
Anne Robbins
Hadley Evans
Anthony Douglas
Roy Melinchak
Carl Larue
William Terry

Termilder Wallace
Zachary Sanders
Jeff Snelling
Byron Lee
Pamela Sommer
Gordon Williams
Lea Hines
Jarrell Rogers
Ashley Bernal-Aparicio
Martin Wenger
Maudi Newman
Joseph Smith
Lanoveus Robbins

June

Isaac Haynes
Kenneth Price
Gary Gist
Jeffrey Hamblen
Kendrick Tolliver
Lori Cornelison
US Martin
James Moad

Romonz Doss
Jimmie Kelley
Thomas Hunsberger
Carmelo Garrett
Cathy Carter
Jason Breedlove
Amanda Tate
Sherry Hehle
Matthew Lucas
Marquis Daniel
Clarence Rhodes
Joe Barker
Brian Dancy
Ronnie Garrett
Danielle Harmen
Amber Nattier
James Tunstall
Brittany Bickel
Austin Whited
Nathan Chartrand

Upcoming Anniversaries:

1 Year

Vincent Barrientos
Lashanda Carter
Hadley Evans
Chrisell Ford
Jerome Foster
Carmelo Garrett
Gary Gist
Lawrence Hoadley
Steven Howell
Christopher Long
Angel Lopez
James McGary
Thomas Mercer
Darek Sellers
Manavgeet Singh
Aarika Taylor
Gordon Williams

Charles Wireback

2 Years

Zachary Dillon
Joshua Fuoss-
Isaac Haynes
Jessica Kovarik
Matthew Lucas
Robert Rackley
Joshua Schildroth
John Seaholm
Timothy Shea
Jean Solfest
Amanda Tate

3 Years

Jarrell Rogers

5 Years

Willard Myers
Amber Nattier
Garney Pinnix
Christopher Price
David Teddlie

6 Years

Tara Burns
Christopher Selby

7 Years

Zachary Sanders

8 Years

Christopher Hall
James Tunstall

9 Years

Samantha Barton

11 Years

Steve Wiggins

20 Years

Jo Ann Collins

27 Years

James Marshall

34 Years

Richard Wylie

39 Years!

Sherry Hehle

Do you follow LTI on Social Media?

Check us out on Facebook, Twitter,
Instagram, YouTube, and now, TikTok for
more tips, information, giveaways & more!

