

Welcome to the spring issue

of ODW's newsletter,

Our Distribution World.

These reports will be quarterly

via regular mail. It is our goal

with each issue to provide you

with information about our

company, our people, and the

businesses to which we offer

our expertise and experience

in third-party logistics.

If you have any questions,

would like to provide feedback,

or prefer not to receive our

newsletter, please contact Jeff

Clark at jclark@odwlogistics.com

Thank you for taking the time

to read *Our Distribution World*,

and best wishes for your

continued business success!

It's A TEAM Thing

One of the best memories of my athletic career occurred my senior year at Upper Arlington High School on the football field. Our homecoming game brought Gahanna to our field and we found ourselves behind at halftime in a real slugfest. As senior leaders, we turned things around in the second half and I experienced one of those rare moments in life when everything slowed down and I could "see the future." Athletes call it *the zone* and our offense was in it. Our winning drive down the field in the fourth quarter to take the lead is still one of my greatest experiences of Team.

I knew what plays were being called before our coach sent them in. Our offensive line anticipated Gahanna's every defensive scheme and our running backs ran with reckless abandon. One of our tackles commented that we could have told our opponent what play we were running and they couldn't stop it. It was football perfection.

I've tried to duplicate that Team experience often times since those days, and not just on the football field. In looking back, I think four factors played into our success on the field that day, and not surprisingly, that day was the culmination of lots of other factors from lots of other days together working as a team.

Spirit is a word we use to describe a person with a particular energy or drive about them. Some people have it, and some don't. I think spirit is an intangible that can overcome skill or experience. While there's no substitute for experience, and some tasks require a very specific skill, a person with spirit will forge ahead, make decisions, take action, seize the moment. In our business, where execution is king, it's critical to have a team full of spirited people working towards a common goal.

Any coach will tell you that a successful homecoming football game starts in August, not October. Football, like most anything, requires Hard Work to be successful. Likewise, the logistics business is not for the faint of heart. Long hours, relentless tasks and constant change require dedication, determination and desire. New members joining the ODW team

learn quickly that working hard is the standard. Work effort is a cultural mindset and is set by the leadership. I'm proud to say our leadership team, especially our Operations Managers, work hard in their jobs every day and set the pace for all associates.

Lastly, I hate to lose. Always have. A big part of our homecoming comeback win years ago was our team's insistence that we had to win that game. Competitiveness is more than a mindset. I believe it's an innate feeling that wells up inside people when they sense a competitive situation. In fact, the root of competitiveness may very well be fear—the fear of losing. We've worked hard to create a healthy, competitive atmosphere in our company in the last two years and I think it makes us better. And while we compete against each other internally, we always remember that, at the end of the day, we are all on the same team.

I also like understanding what helps our customers win as the supply chain is a growing differentiator in a fiercely competitive marketplace. The more we understand our customer's business, the more we can help them be competitive.

Lastly, I believe a team functions only when there is a clear expectation of the goal to



We've Got **RANGE**

It's A TEAM Thing (con't)

achieve. Business, like sports, is about Results. Keeping score is paramount for a team to perform at its best. Seeking a goal brings focus and a cooperative spirit that is more powerful than any one person can achieve on his or her own. We keep score at ODW and expect Results from our team. We also like customer situations where expectations are clear and results are tracked and discussed. Keeping score makes us better.

In the last couple of newsletters I talked about Trust and Balance. Add Team to the mix, and you have ODW's values. We believe firmly that Trust, Team and Balance are the core principles by which we work and live together at ODW.

Values are not goals, visions or strategies, so these won't change. These values set the baseline for our associates and our customer relationships. As our "product" to sell is our service, we believe that the people our customers choose to do business with is the most important criteria. We want you to know the value system in place at ODW. We hope it resonates with you and we look forward to the chance to serve you.

John Ness serves as President of ODW Logistics, Inc. and Dist-Trans Co. He can be reached for comments, discussion or questions at 614-492-7900 or jness@odwlogistics.com

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Trust, Team and Balance are the core principles
by which we work and live together at ODW**

Managing Yards, Maximizing Efficiencies

Since 1995, ODW Logistics, Inc. has been providing on-site Yard Management Services for customers at their facilities. This automated, web-based system provides efficient, measurable yard operations for optimized inventory management. From trailer entry to departure, ODW's real-time electronic inventory tracking system offers customers:

- secure, remote access via the internet, allowing both customers and vendors constant access
- constant monitoring of carrier performance and yard space utilization, maximizing trailer usage and time
- visibility of inventory and equipment, leading to shorter order cycle times and improved fill rates
- integration with warehouse management for a streamlined supply chain cycle, which increases output and reduces costs
- online carrier performance and metrics tracking provides real-time data, allowing customers the ability to manage or modify inventory at any time

"We currently provide yard management services to Kraft, DSW, Sears and The Limited, said Paul Reif, Senior Manager of

Transportation at Dist-Trans Co. Our operation includes over 100 associates, with more than 50 trucks handling the volume."

In operation 24 hours a day, seven days a week, ODW makes over 52,000 moves a month including yard, shuttle and city moves. ODW's targeted yard management system captures data including status, condition and destination for all trailers entering and exiting the yard. Once inside, real-time data captures movement within the campus benefiting the customer by reducing costs, minimizing delays and avoiding costly errors.

"The key is to be flexible, to continually work at finding proactive solutions for our customers," said Jim Seelig, Director of Transportation at Dist-Trans Co.

Being in Columbus differentiates ODW with on-site local management, a pool of local drivers to fill in as needed, local maintenance capabilities—all providing customers with increased satisfaction and cost efficiencies.

"With ODW's Yard Management System, we can access the current status of our yard at any time. The real-time information helps us to better manage and work with our vendors. It's an invaluable tool for maximum inventory control," said Bill Farrow, Director of Warehouse Services at Ralston Foods.

ODW's New Voice Technology Speaks Volumes

Over the past several years ODW has been looking for ways to support their continued growth while staying on top of the latest processes and technology. With a desire to become more productive, increase customer shipment accuracy and improve inventory accuracy ODW began exploring the possibility of implementing voice technology at the main campus in Columbus, Ohio.

“Critical to selecting a voice technology vendor was one that could come to our campus, look at our operations, and get a feel for what we needed and what we were looking for,” said Jon Petticrew, ODW vice-president of operations.

After the selection process was completed, one vendor stood out—INTHER Integrated Systems, an international systems integrator with locations in the Netherlands and the United States. INTHER specializes in software for warehouse management systems, voice and light directed order fulfillment, radio frequency, bar-coding, RFID integration and material flow control. INTHER's voice system is used in a variety of industries and can work in a range of temperature zones. It is the only one on the market that gives commands using a natural voice.

In September 2006, ODW made the commitment to implement voice technology, becoming INTHER's first domestic U.S. installation. And with the implementation came the challenge of a new system.

“ODW was concerned about the noise in the warehouse, and about the interference that might create,” said Paul Hermesen, president of INTHER. In addition, ODW wanted fast transactions and the ability to integrate the equipment without middleware.

The implementation process took about three months, with on-site training lasting one week. It's hands-free, eyes-free and paperless. And because of this, warehouse associates can concentrate on the task-at-hand, creating a safer environment, and improving ergonomics and awareness. The decrease in paperwork also reduces clutter and creates a more efficient and productive work space.

“Our team quickly adjusted to using voice technology with 85% productivity within the first week, said Larry Landtiser, ODW operations manager. They wouldn't want to go back to the old system.”

Accuracy and inventory control are also key benefits to the system. Voice technology doesn't allow for inventory discrepancy—associates in the wrong location picking the wrong product. It has a “double-check” mechanism built into the system that continually keeps inventory updated in “real-time”.

“The system is so flexible and there is far less human error because the computer does it for you,” said T.J. Gibbs, inventory coordinator.

Within several months of implementation ODW processes 12 percent more orders per hour and 24 percent more lines per hour, has significantly decreased training time for new associates, and overall productivity has increased by more than 28 percent.

“It's very rare for a 3PL to implement a voice technology system, and in doing so, we've taken the next step in providing exemplary service to our customers, said Petticrew. It's a true demonstration of our continued commitment to excellence.”



Celebrating 35 Years of Service

With over 150 guests in attendance the PASSPORT TO A WORLD OF LOGISTICS—ODW's Open House and 35th Anniversary Celebration—was truly a success.

Customers, vendors, friends and family joined in the evening's festivities including voice recognition technology and yard management demonstrations, warehouse tours, and an opportunity to experience, first-hand, the growth that has occurred over the last 35 years.

“The open house gave us an opportunity to thank those who have contributed to the success of our company, said John Ness, president of ODW. In the future, ODW's growth will be a function of our relationship as business partners.”

Spotlight on ODW

Within the last couple months, ODW Logistics, Inc. has been featured in several trade and other business publications. Reporters and editors have interviewed various executives, made on-site visits, and have spent time putting together stories on topics such as productivity, voice technology, time-sensitive shipments, and technology in the warehouse. We're honored to have been selected for these articles as it validates our ongoing commitment to customer service.

Maybe you saw us in *Material Handling Management* (November, 2006, pages 32-35) with the article on productivity, or *Inbound Logistics* (November, 2006,

pages 81-83) featuring a story on the newest system in our warehouse—Voice Technology. Or perhaps you saw the article in *DC Velocity* (February, 2007, pages 32-34) about time-sensitive shipments. And if you happen to live in the Columbus area you might have read the feature article in the December, 2006 issue (page 6) of *Smart Business* magazine entitled, *Thoughts on Running a Business*. It's a feature on ODW president John Ness and, in case you didn't get to see it, we've included it along with this issue of the newsletter. You can also read both the *Material Handling Management* and *Smart Business* articles on our website at www.odwlogistics.com

Service is a promise that people buy.

Our customers are going to measure us at the end of the day based on the promises and the commitments that we make to them.

— John Ness, president of ODW Logistics, Inc.

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