SPECIAL POINTS OF INTEREST:

- PROJECT: HIKE
- EQUIPMENT
 UTILIZATION

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VOLUME I, ISSUE 6

APRIL 14, 2017



All,

It's amazing that it's already April and spring is here, at least in Arizona. We've had a lot going on over the last 4 weeks to streamline our work flow which affects everyone in the company.

In March we took a group of our Phoenix Operations team out to Joplin and sat in the conference room for most of the week with the Joplin Operations team and completely went through our Dispatch out what we do every day on over 100 dispatches that touch 90% of the people that work for TSMT along with our customers.

If you recall this all started by collecting the Voice of the Customer which as stated in prior letters is everyone at our company. We received over 100 comments from our Drivers and Office staff that told us we are not communicating well which is causing a lot of confusion and frustration at every level.



or we select the load from the ATR which is the military web site. The CSR's then enter the loads into our Loadmaster dispatch software. This takes about 43 data entry steps and 4 emails per load.

The load is then available to one of our 3 Planners. They look at trucks available and loads available and try to match up the best possible load to trucks. This takes about 13 data entry steps and 3 emails.

After the Planner has matched up the load to the truck they send an email to the Driver Manager who then goes into Loadmaster and sends the load to the truck. This takes about 20 data entry steps and 3 emails.

The Driver then receives the load via Omnitracs/Qualcomm and they accept the load which starts the chain again with emails going back to the CSR's

requesting

delivery

times and

dates and

numerous

messages

being sent.

So if every-

thing goes

perfect then

process. This was a huge process mapping activity and when we were done mapping the current process we covered most of a 30 foot wall. This activity is called a

HIKE which means

High Impact Kaizen Event. This process requires you to tear down a process to every data entry point, every communication, and every step that it takes to complete the process so you can find inefficiencies in your process.

We learned a lot and it was great having the two teams get to know each other better as we mapped



stream from this but I felt like a lot of those issues would be corrected if we fixed the beginning of the process.

The current flow of things works something like this;

We have 12 Customer Service Representatives (CSR)'s that work with our customers to take in their orders, these come via phone, email, the total steps and communications looks like this:



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Kyla Jewsbury, Editor-in-Chief, Exec. Asst.

Email: Kyla.Jewsbury@tsmtco.com

Email the Safety Department:

Donnie.Lester@tsmtco.com Kevin.Zahn@roadmastergroup.com Karen.Blevins@tsmtco.com Dan.Stark@roadmastergroup.com Leah.Groom@tsmtco.com

THINK!

When using DRIVE AXLE make sure your pictures are CLEAR, EASY TO READ, and FLAT.

Insight from the Editor

So happy to present this week's issue of our Tri-Stater. It is our "large" issue, full of information, both informative and fun, for everyone.

In this issue, Russ Thompson, EVP, gives us a detailed overview of the work that has been done in our operational HIKE project. He has been spending a ton of time working to streamline our work flow. Once this whole process is complete, it should help everyone's job, both in operations and all departments outside of operations, flow much more smoothly. We will all understand the exact process that we can go through from beginning to end.

And contributing some insight for this issue, I am happy to say, is Frank Larance, who is the Director of Asset Utilization. His "home" is the Glendale office, but he spends a lot of time on the road and a lot of time here in Joplin. He talks to us about the importance of equipment utilization and how we must make that a top priority. That is so critical to making and keeping our company profitable.

There is so much in this issue that I can't highlight it all. I know everyone is so busy, but please, sit back, relax, and take some time to read every article!

As always, we are

#DriverObsessed!

Email us your comments, ideas or suggestions to:

newsletter@tsmtco.com

We really want to hear from you! Your contributions matter!

Department Highlight:

Meet the TSMT Safety Department. One of the best in the industry!!

Kevin Zahn and Dan Stark are in the Glendale, AZ office. Leah Groom, Karen Blevins and Donnie Lester are in the Joplin, MO office. The Safety team

has a total of over 140 years working in the transportation industry with over 110 being in safety.

Leah, Log Supervisor, has been

with TSMT for 23 years. She has 3 children, Allie, Aaron and Amanda and 4 grandchildren. Her hobbies include golfing,

going to the beach and spending time with her family.

Karen, Permit Specialist II, has been with TSMT for 37 years. She has been married to Bill for 25 years and has two grown stepchildren, Scott and Sandy. Her hobbies are watching good movies and hiking.

Kevin, Director of Safety and Compli-

ance, has been with the company since November 2012. He has been married to Mary Beth for 24 years. They have one



Pictured here: L/R Kevin Zahn, Karen Blevins, Donnie Lester, Leah Groom, & Dan Stark

son, Kyle, who is graduating from NAU this May. His hobbies include golfing, boating, hiking and riding motorcycles.

Dan, Manager of Safety and Security, has been with Roadmaster Group/TSMT since 2007. He has been married to Trina for 28 years. They have 2 grown children, Julian and Felicia. His hobbies include fishing, shooting and playing golf.

Donnie, Vice President of Safety and Security, has been with TSMT for 37



son and one grandchild. His hobbies include motorcycling (dual sport and highway) and shooting.

This safety team takes great pride in what they do and the department is very knowledgeable about safety and security regulations and responsibility. That is why they are one of the best in the industry and their CSA scores reflect that.

"Our drivers are our #1 customer so we are here to serve them in all matters related to safety and security."

This Safety Department is **#DriverObsessed**!!

Pictured her Donnie Lest son, Kyle from NA

VOLUME I, ISSUE 6

Happy Anniversary! APRIL

Congratulations, Hats off, and 4 Years: Kathleen Borell Stephen Delmar 1 Year: Happy Anniversary!!! We appreci-Moses Lawrence, Jr. Valeriano Josue ate all you do! **Bervl Paffrath** Launey Turner Frederick Risher 1 Year: **Richard Flynn Driver Anniversaries: Evelyn Roman** Salvador Lara **Douglas Stuart** Harden Martin 22 Years: John Jerrell **Bradley Valek Amanda Tinsley** 5 Years: M. Paul Adams 2 Years: **Roberto Bravo** Luther Cordell **George French** Joni Brewer Joe Ann Cordell Deena Lee 2 Years: **Robert Brewer Delores Edwards** 4 Years: **Keith Ashline** Domonique Byrd

Gary Edwards Ronnie Grandorf Karen Grandorf Laura Heggins Ronnie Hudson Rachelle Opolski William Robbins Andrew Strode William Walker Romelia Weaver

#DriverObsessed



Meet David Ransom

David started driving with Tri-State in 1986. He's been with our company for over 30 years! David is a 2nd generation Tri-Stater, his Dad retired from the company after 20 years in Operations. Even David found a place in "the big house" (aka the Joplin terminal's office), he took some time-off from over-the-road driving and worked in-house for 6 years. This is were many of us got a glimpse of David's true personality. There is no doubt he is definitely an elite Driver—dedicated, committed, willing to lend a hand, and a professional. But when he has the chance he is the first person to make you laugh – let's just say he has been voted the class clown and redefines the word comedian. - Thanks David for always keeping us on our toes!

David has 5 children, Matthew (26) in AR, Joshua (25) in CA, & 3 girls in MO: Megan (21), Leeanne (19), and Makayla (17). We've had the privilege to watch these kiddos grow up!

Freight comes and goes, but David

says the most interesting load he ever moved for us was a 150,000 pound load on THIRTEEN AX-ELS! "Now that was fun!" he reports.

Looking back the most memorable times at Tri-State for David have been, "The support of the Tri-State family during the good, bad, and sad times over the last 30 years." He also states that he's witnessed 3 company buyouts and looks forward to the future, and what other opportunities and adventure come his way.

In recent years David has discovered that he really enjoys cruises. In fact he says one thing he's really looking forward to is a family cruise set to take place the summer of 2018! Everyone is going to the Caribbean!

David—Thank you for all you do. It's a pleasure to know you, work with you and call you family! You make it easy for us to be

#DriverObsessed

(part 2)

Human Resources — FYI: HEALTHAwareness

As we head into warmer weather, I find myself wanting to "shed" that dreaded winter weight. According to the CDC, obesity is the #1 health threat in the United States. More than one-third (36.5%) of U.S. adults have obesity. Obesity related conditions include heart disease, stroke, type 2 diabetes and certain types of cancer. These are some of the leading causes of preventable death. Weight, like other risk factors, is something you can change. So get on the right track! Do not let your weight increase your health risk. There are two well-known reasons people gain weight. Consuming too many calories and not getting enough physical activity. You can make gradual changes to your food choices and portion size to lower your caloric intake. A good way to make yourself aware of how many calories you are consuming is to track it. There are many different fitness apps you can download to your smartphone to help with this. The CDC recommends that adults get at least 2 hours and 30 minutes of moderate-intensity aerobic activity every week and two or more days a week of muscle-strengthening activities, that work all major muscle groups. Two and a half hours may sound like a lot of time but it is the same amount of time you might spend watching a movie. Assess your current fitness level before starting an exercise program. By doing so, you will be able to establish goals that meet your specific fitness needs. When starting out do not overdo it. If you try to do too much at once, you'll burn out quickly. Slowly increase the intensity of your workouts until you meet your fitness goals. Consider talking with your health care provider before embarking on a fitness program, particularly if you are struggling with a health condition.

Not everyone has access to a gym but that should not stop us. In the next issue, we will give you some specific exercises that you can do anywhere!

...the HIKE continued.

Continued from the FRONT PAGE:

A total of 77 steps and 10 emails per load.

We dispatch 100 loads per day so 7,700 steps and 1,000 emails.

We also send an additional 410 emails per day that are notifying different departments of changes or issues, or needs.

This is a lot of steps and an incredible amount of communications and this is everything goes perfect, lots more if it doesn't.

When we looked at the process map we could clearly see a bottle neck where we have 12 CSR's feeding 3 Planners, feeding 10 Driver Managers. Picture an hour glass with the planners in the middle and anything that went wrong had to be fed back through the 12 to 3 to 10. This causes a lot of the over communication problems that everyone has been seeing. All these communications are what is causing the pain throughout the team.

Then we went back and determined what steps added Value. The Value is determined by asking "What is the Customer willing to Pay you for". And of all the steps there were really only 10 that added Value.

We went back to the Process May and determined the bottle necks and wasted time and through all of this we determined that:

We are not aligned with our Drivers and getting revenue on the truck which puts money in their pocket. We are way too slow reacting to trucks sitting. We are not aligned with our highest paying freight which is DOD. Our operations team spend a total of 20 hours a day in the DOD system but no one owns it and manages it. We book low paying freight on our most qualified DOD teams.

Our 12 CSR's spend 20 hours total per day dealing with Broker freight but nobody owns it and it causes confusion. We do not have any written processes on how we dispatch or manage the process.

We then talked about what should be our most important goals. What are the things that are so important to running a healthy transportation company that nothing else matters?

> <u>These things were</u>: Superior Service Communication Revenue per Truck A consistent process Accountability

From all of this feedback we built a new process to address these issues.

Major changes are:

We haul 5 distinct types of freight, each freight type pays different levels of revenue and requires a Driver with different levels of credentials.

So we wanted to align our Drivers, Driver Managers, Planners, and CSR's around each type of freight so that we had smaller teams with a higher focus. We also wanted ownership in each fleet so we elevated the Planners to Unit Managers so they can address issues quickly

and have a total focus on their team. <u>The 5 fleets are</u>: Cleared HazMat Solos Droms DOE

An example of this new alignment is our Cleared Fleet. It will consist of only Cleared Drivers that report to Driver Managers that only have Cleared Teams. They will report to a Unit Manager that focuses on putting these highly credentialed teams on our very best paying freight.

So instead of 10 Driver managers with multiple types of Drivers there are 5 that have Cleared Teams.

The 2 Planners will only plan Cleared Teams versus 3 planners that planned everything.

The Cleared Fleet will have 2 dedicated CSR's that focus on DOD freight instead of 10 CSR's that were in the DOD site every 15 minutes.

We also added a full time Pricing Analyst so we price the DOD lanes to win. This will drive up the revenue for our Owner Operators and our Company teams.

Under this new alignment each Fleet will be much smaller, more nimble, and empowered, to make the key decisions real time to keep the fleet running efficiently so they can hit their goals.

We will also have 2 CSR's that focus on Brokerage and will move quickly to find loads when we need to reposition our trucks. This will allow our 8 other CSR's to focus on their customers, address issues, and grow their book of business.

The same alignment is in each fleet so that the 5 Fleets and the team within them have control over their revenue, miles, and can solve problems and take advantage of opportunities quickly.

Some other great things that were developed is we now have a written Standard Operating Procedure on how we enter an order and another SOP that encompasses how we run our company. We also developed job descriptions for each position so each team member will know what they are responsible for.

The kick off date is within the next 2 weeks, we will have some hiccups as we start, but everyone on the HIKE team will be involved to help solve them.

And last but not least we by no means have fixed everything and have numerous items that we found while going through the process that need to be fixed. They are listed on an Action Item list and people are working on them every day. Process improvement is a journey that never ends and it's critical that we keep getting feedback from our Drivers and Office staff so we can fix the problems. So please continue to email me with your concerns and ideas.

I am excited about the changes and believe that Great People + a Great Process equals a Great Culture, where people enjoy coming to work, they understand the business and the role they play, and can make a difference.

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EQUIPMENT UTILIZATION



Frank Larance, Director of Asset Utilization

Email: Frank.Larance@roadmastergroup.com

300+ TSMT factories rolling all across the US and Canada. Have you ever thought of your truck as a mobile factory? When the wheels are turning under loads those factories are producing output. When they sit idle opportunity is missed. How are our current mobile factories performing??? One metric we can look at is drive time.

The feedback we are hearing from our drivers is that "we sit too much". Drivers are telling us they would much rather have the wheels turning. Our Culture has lead us down the path of... this is the nature of the freight we haul. In order to change we must challenge convention and make utilization a top priority.

Driving hours have a direct correlation to miles driven per week. Currently, on average a TSMT driver's average time spent on the driving line is 26 hours per week. It is our goal to figure out how to better utilize your working time so that more of it is on the drive line. To meet our mileage targets that drive time needs to increase by 10 hours per driver per week. While 36 hours of drive time per driver per week may not sound like a huge increase, it represents a 38.5% jump from where we are today. In terms of mileage that represents about a 500 mile increase per driver per week (1,000 miles for a team truck).

The entire office staff is working to improve the utilization of our factories. How will we do this??? There are two answers... People and Process!

People is the first part of the solution. In prior issues of the Tri-Stater you heard Don Welchoff stress the importance of communication, Russ Thompson asking for your feedback, and John Wilbur commit to be the leader in high security transportation. We are a learning organization that will evolve to be the best with your help and support. Your leadership team is committed to hear your voice and make positive changes in the organization.

Process is a series of actions or steps taken to achieve a particular end. Executive Management has engaged themselves at the fundamental level of Operations to understand if the way we are doing things produces desired results. We identify improvement opportunities and each process is broken down and rebuilt from the ground up.

People + Process = Product...

What we offer our customers is a service. When we provide that service better than our competition business opportunities grow. To provide great service we must take care of our people and have the right processes in place. Please continue to help make us better by providing your feedback and input.

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Pictured Above: Tommy Sofia & John Williams

ANOTHER KIND OF HERO

After receiving so many great nominations for our Driver Hero, we received one more nomination. This time it was from Driver: Mike Fisher, Truck 165035 and here is what he had to say:

Hi There:

I know the "Hero" thing is supposed to be for drivers, but this nomination is for a TSMT person that SUP-PORTS us drivers. I have worked for a few companies that had in-house repairs and truck service and, as a driver, have always been treated like dumb trash by service managers at those places. The manager "Tom" (Tommy Sofia), at the Joplin terminal is the first I've met that made me feel welcomed, and seemed to "give a darn" about the problems and that we were "under a load". His mechanic "John" (John Williams) was pretty cool, too. In general, the "driver services" people in this Company (including my DM, safety and breakdown groups) treat me with respect and concern... I get the impression that they actually ENJOY their jobs and being helpful. This is so refreshing and I, for one, am grateful. Rock on, TSMT!

Thank you Mike for your nomination. And THANK YOU TRI STATE TEAM for all you do!!

Waste Management Symposia 2017

WASTE MANAGEMENT SYM-POSIA (WMS) CONFERENCE 2017



Several members of our team attended the annual Waste Management Symposia (WMS) Conference in Phoenix, AZ last month. WMS is a nonprofit organization dedicated to providing education and information exchange on global radioactive waste management. This conference attracts thousands of people from around the world and is widely regarded as the premier international conference for the management, packaging and transportation of radioactive material and related topics.

As you can see in the pictures, we had our brand new truck, trailer and container there for everyone to see along with a booth. We wanted everyone to know that we were still TSMT but we



are now bigger and better, and we have NEW equipment! The main reason we attend this conference every year is because it is a great networking forum for us to connect with



customers, colleagues, industry specialists and managers from all over the country. It is great exposure for our company!!



Pictured here: John Wilbur, Russ Thompson, Brian Markosian, Twyla McDermott, Leslie Martin, Charlie Pittman, Marti Pittman, David Ransom, Don Welchoff

TRI-STATER

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Hello fellow drivers! My name is Tom Fox and I've been driving for SLT/ TSMT for

many years. I'll be trying out this "Driver to Driver" piece that is just for us drivers. As I thought about it, several things popped into my head. Each issue I'll share some helpful bits about our jobs, sites we visit, truck stops and more. I want everyone to be involved, so if you think of something you want to contribute, whether it be a joke, information on a truck stop, food, shipper/receiver info, driving tips, etc....please email me at tfoxedu@gmail.com. My first bit is the first part of a series on "Being Proactive". As an educator in my former life I knew early on from my experience and from research that setting expectations is one of the two most powerful motivators in life. If you know what you are doing ahead of time, then you will be more motivated to accomplish the task. Same goes if you are teaching, coaching, managing, or parenting...; people are more motivated if they have an accurate road map to what they need to accomplish. Notice the word accurate; this is leading to my first bit.

As drivers, we don't always have accurate information about the shippers/receivers as we do our jobs. Even if we've been to the same place dozens of times, things change, numbers change, addresses change, employees change... In my crazy opinion, it is irresponsible for a driver not to use Google maps to see a nice Satellite or Street View of the Shipper/Receiver, compare that to your GPS and/or Truck Atlas. The technology we enjoy today allows us to not only accurately guide us to our destination, but to also see exactly what exits to take, what driveway we should enter, and whether there is truck parking at or around the facility. Relying solely on a GPS is very irresponsible and dangerous. Relying solely on directions from another person doesn't work either. A driver who does the work to know exactly where he/she is going, prior to driving, is a safer driver.

Safe Driving,

Tom



OTRSCENERY





If you have any pictures that you'd like to share please email them to us at: newsletter@tsmtco.com



DELISH~di 'liSH

Bunny Bait Chex Mix

Ingredients:

- 4 cups Rice Chex cereal
- 1/4 cup packed brown sugar
- 2 TBSP butter
- 2 TBSP corn syrup
- 1/4 cup of pastel candy sprinkles
- 2 cups Vanilla Chex cereal
- 2 cups bite sized pretzels
- 1 cup of miniature marshmallows
- 1 cup of cashews



are in the picture?

- 1 cup pastel M&M's
- 1/2 cup butterscotch chips

Directions:

Place Rice Chex cereal in large bowl. In small bowl combine brown sugar, butter, and corn syrup. Microwave uncovered on High 1 min. stir every 20 secs until the sugar is melted. Pour over cereal; stir until well coated. Stir in sprinkles. Spread on cookie sheet to cool.

In another Large bowl, combine remaining ingredients and stir gently until combined. Once Rice Chex cereal mixture has cooled, add to bowl with Vanilla Chex cereal mixture, stir gently to mix.

Store in an airtight container. (if there's any left)





Email: theresa.porter@tsmtco.com