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Landstar Shooting Ahead with New Technology

In-Cab Document Scanning the Latest in Long Line of Advancements

At No. 12 on the Transport Topics Top 100 For-Hire Carriers list for 2007, Jacksonville, FL-based Landstar System stands as one of the nation's largest transportation services companies.

A big part of Landstar's success continues to be the company's commitment to new technologies that meet customer needs—including EDI, Web tracking and in-cab document scanning.

Word has gotten around about the company's high-tech leadership: Landstar (Nasdaq: LSTR) has been named to both Forbes' Platinum 400 List of America's Best Big Companies and InformationWeek's list of the 500 Most Innovative IT Users for eight consecutive years.

"We're always looking for new ways to use technology and make improvements for our customers," said Lee Anne Kramer, Director of Revenue Administration for the Landstar Carrier Group.

That's especially true today, now that Landstar's 9,000 owner-operators have the option of using TRANSFLO Now™ in-cab paperwork scanning, developed in conjunction with Pegasus TransTech. After an extended period of programming and testing last year, Landstar rolled out in-cab scanning early this year, beginning with one of the company's owner-operator appreciation events in Jacksonville.

In-Cab Convenience and Efficiency

The TRANSFLO Now Web-based scanning system can work with any desktop or laptop computer with Internet access. For Landstar's owner-operators—which the company calls Business Capacity Owners (BCOs)—it's most convenient to scan their documents and transmit them through laptops in their trucks.

Fortunately for Landstar, that's another way the company is at the technological forefront: a large majority of BCOs use laptops and have wireless access. Since the rollout of in-cab scanning, many

BCOs have already started using the system for submitting their trip documents.

Landstar funnels all the documents scanned by BCOs—whether from the truck cab or a truck stop—back through the Pegasus TransTech data centers for consistency and redundancy. The BCOs then have online access to their transactions in the same way they do with TRANSFLO Express® truck stop scanning from Pegasus.

"The great advantage with in-cab scanning is that, when you're out in the middle of nowhere, you can still scan that paperwork and be done with it," Kramer said. Even if there's no signal available at the time of scan, the software is configured to send the scanned documents and get the billing process started the moment a signal is located.

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Lee Anne Kramer,
Director of Revenue Administration
Landstar Carrier Group

In addition, BCOs can still take advantage of TRANSFLO Express, available at all Pilots and Love's nationwide. In-cab scanning is just another way to offer flexibility and convenience for BCOs—especially those whose routes don't take them by a truck stop regularly.

HARTT
TRANSPORTATION SYSTEMS, INC.

Efficiency, Customer Service at the Hartt of Success

Hartt Transportation Survived, Thrives through Process Improvements, Focus on Customers

Hartt Transportation has come a long way in the nearly 60 years since Delmont Hartt started hauling gravel and pulpwood out of a single wooden-bodied dump truck in 1948.

Today, the closely held company based in Bangor, Maine, is experiencing robust growth. With 400 trucks and counting, Hartt serves the dry goods carrier needs of national and international customers. In Hartt's fiscal year 2007, which ended in September, the company achieved nearly 35 percent revenue growth over last year, according to Joanna Bradeen, CFO.

It's hard to believe that, less than a decade ago, the future of the business was in doubt. In a sagging economy, Hartt's largest customer went bankrupt.

How did Hartt respond to the tough times? Not by cutting spending indiscriminately, but by investing in efficiency improvements. "We put a big focus on being effective and efficient with processes," Bradeen said. "We had to find ways to save money, space and time to survive."

For example, the carrier was an early adopter of a global positioning system for its trucks, which is fully integrated into its TMW dispatch system, Bradeen said.

"Today, we're probably as tech advanced as any company could be," she said.

A New Strategy for Growth

Around the same time the hauler was analyzing its processes, Hartt leaders also revisited their growth strategy. With a smaller customer base, they reasoned that there was an opportunity to grow the business by deepening relationships with existing customers.

"Now, we have cases where we're deeply involved with multistate customers, building service lanes around them," Bradeen said.

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Q&A Great Customers, Great Growth at JNJ Express

Hauler's Vice President Credits Continuing Success to Drivers and the Companies They Serve

As JNJ Express Inc.'s customers go, so goes JNJ Express. And JNJ's customers are going along nicely.

Founded in 1992, JNJ is a Memphis, TN-based, family-owned and -operated truckload hauler with nearly 250 trucks operating in 32 states. TransTech Times recently sat down with John Ennis Jr., company vice president, to get an update on the company's growth and plans for the future.



TransTech Times: Over only 15 years, your company has expanded quite a bit. What drives the strong growth at JNJ Express?

John Ennis Jr.: JNJ is dedicated to providing excellent service to our customers. We've got some great customers, and they've experienced some rapid growth. We're committed to accommodating their changing needs, so we're growing right along with them.

TT Times: Do you foresee that growth continuing?

Ennis Jr.: Yes. In the next couple of years, I expect our fleet by 100 to 150 trucks. Our goal is to take our company to 500 trucks, with the good Lord and the economy willing.

As I said, we have some excellent customers—and many of them have great potential for continued growth. Of course, every day we'll also continue eagerly seeking new business to help us achieve our goal, as well.

TT Times: What helps you make the sale for JNJ in those cases?

Ennis Jr.: The same thing that keeps our current customers with us year after year. We're large enough to handle their needs, while maintaining that special touch they deserve.

And we're always ready to evolve to meet their latest challenges. Our people are fantastic.

TT Times: Let's talk about those people a bit more. How does JNJ fare in driver recruitment and retention, big challenges for so many haulers?

Ennis Jr.: We are exceptionally strong in those areas. Compared to our competitors, JNJ's turnover is a lot smaller.

There are many reasons for that. For one, we're able to offer our drivers a good amount of miles—3,000 plus per week—and still get them home every weekend, as much as possible.

They also get to work with some of the nicest equipment on the road. We run only late-model equipment, including Peterbilt 386s and Kenworth W900s. Our drivers take pride in their rides, and our customers notice that. We represent our customers while on the road, so we dress for the success our customer as well as our own.



JNJ Express trucks line up outside the Pyramid Arena near their home base in Memphis, TN

TT Times: This past summer, JNJ implemented a TRANSFLO Express® truck stop scanning solution from Pegasus TransTech. How does that service fit in with your growth strategy?

Ennis Jr.: It's the next step in our continuing success, and it's a great fit for our company.

Truck stop scanning has been a possibility we've entertained more and more as we've grown. We're already a Pilot customer, and with TRANSFLO Express being available at all Pilot locations, it's a great fit for us.

TT Times: How has TRANSFLO Express worked out so far?

Ennis Jr.: We've achieved a remarkable increase in the speed of receiving trip documents and, as a result, billing. We're billing at least once a day now—up from once a week. Our drivers love it because it's convenient for them.

All in all, it's another great tool in our arsenal that's helping us step above our competition and serve our customers better.

PEGASUS TRANSTECH
BUSINESS PROCESS IMPROVEMENT PARTNER

How Do You TRANSFLO®?

Mark Your Calendar for Pegasus TransTech's 10th Annual Users' Conference

Pegasus TransTech's 10th Annual Users' Conference is set for April 9 and 10, 2008, at the Hilton Clearwater Beach Resort, on Florida's Beautiful Gulf Coast. Located on 10 acres of powder-white beaches, surrounded by the Gulf of Mexico, the resort is a beautiful environment for this event.

This year's conference will feature more of what you asked for, including:

- More ways to get extra value from your TRANSFLO® & TRANSFLO Express® investment
- More hands-on interaction with Pegasus products & development team
- More opportunities for suggestions & feedback
- More opportunities for interactive training
- More content with less time out of the office

Every year, Pegasus TransTech customers at the annual conference find new ways to maximize the benefits of their Pegasus solutions. Save the date, and don't miss this great opportunity.

G&P 500 Now Serving Customers over the Long Haul

Firm Helps Drivers Adapt to Changing Business Model



By adapting to the changing needs of customers and drivers, G&P Trucking Company has found considerable success in the truckload freight business.

The Columbia, SC-based hauler continues to expand with a strategy of serving specific customers requiring exceptional service to target markets in the Southeast, Southwest, Midwest and Mexico. Today, G&P also offers intermodal shipping, expedited delivery, dedicated routes, warehousing, transloading, third-party logistics and brokerage.



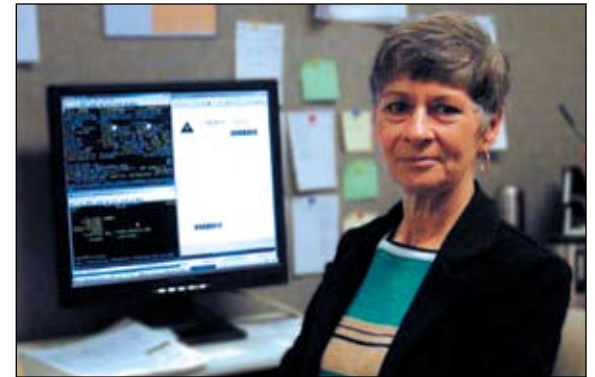
“We were traditionally a short hauler,” said Billy Lynch, Vice President and Chief Financial Officer. “But as our customers have grown, our routes have become longer.”

With shorter routes, drivers could often submit their trip documents at one of the company’s eight terminals at the end of the day. “Our longer, more regional service has meant they’re not getting back by the terminals,” said Lynch.

“We don’t want our drivers to have to jump through hoops to get their paperwork in,” he said. “The guys in our operation work some miracles getting shipments to their destinations safely and meeting time requirements. We need to do whatever we have to do to get them satisfied, so we realized we needed to make the paperwork process easier.”

A Solution at Pilot Locations

Company leaders determined that one out of every two fuel stops were at Pilot locations. When they learned about TRANSFLO Express® truck



People at G&P knew they needed to make the paperwork process easier.

stop scanning from Pegasus TransTech, “things kind of fell into place,” said Lynch.

TRANSFLO Express is available at nearly 500 truck stops nationwide, including all Pilot and Love’s locations. Since G&P implemented truck stop scanning in the spring, the drivers of the company’s approximately 500 trucks can now submit their documents whenever they gas up.

“It’s an easy way for our drivers to get the information our customers need faster,” Lynch said.

Panther Expedites Its Growth

Transport Topics Top 100 Firm Finds Success as a Fast Problem Solver

They’ve only been in business since 1992, but Panther Expedited Services is already the largest independent, non-asset-based provider of expedited transportation and logistics services in North America.

With 1,600 trucks and counting, the Transport Topics Top 100 For Hire Carrier continues to grow faster than the industry by focusing on being “more than just a ground expedite firm.”

“We’re a problem solver. We find a way to move freight from origin to destination on a time-definite basis based on the needs of the customer,” said Panther Vice President of Risk Management Jeff St. Pierre.



Seville, Ohio-based Panther provides a full suite of ground expedite and air solutions to meet tough transportation timeframes in the United States, Canada and Mexico. With offices in Seville, Chicago, Charlotte, NC and Gold River, CA, this premium logistics provider serves automotive, manufacturing, chemicals, utilities, life sciences, government and defense, and other industries.

Efficient Practices and Systems

Panther delivers on its promises to customers in part by pursuing the most efficient practices, processes and systems in the industry. The company is ISO 9001:2000 certified. To keep improving, they constantly reevaluate the way they do business. Among their advanced capabilities:

- Internet tracking and order entry
- Immediate Vehicle Availability Information
- Automated Satellite Location Updates
- Automated Delivery Confirmation via Fax or Email

Another aspect that sets Panther apart is a fleet that’s 100 percent owner operated and exclusively contracted to the company. How does that play into Panther’s commitment to customers?



“Drivers have a much larger stake as an owner operator and independent contractor,” said St. Pierre. “They take care of their equipment. They work harder to be successful.”

To make things easier for those drivers, Panther recently implemented TRANSFLO Express® truck stop scanning from Pegasus TransTech. Drivers can get their trip paperwork in faster and easier than ever. Of course, there are benefits for the company, too.

“It’s a better lifestyle for our drivers when they can expedite their settlement by improving the speed at which they can send paperwork into the company,” said St. Pierre.

Going digital with documents is also a way for Panther to maximize accuracy and efficiency.

“As a leading logistics provider, we’re a very data-driven organization,” St. Pierre said. “We can’t fail due to data, so everything gets checked, double-checked and triple-checked. That’s why moving away from paper is the end game.”

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TBO in the Fast Lane of Growth

Long-distance hauler TBO Trucking may not be among the largest firms around, but they're definitely growing.

"We're always buying more trucks," said Office Manager Jay Harris.

As of this writing, the East Dublin, GA-based company had between 30 or 40 trucks—about half trailer containers—plus about 20 owner operators serving all 48 states. But at TBO's current pace of growth, they're probably already ahead of those numbers.

TBO's growth is being aided in part by a permit service they recently picked up from their fuel card provider, which allows them to take on more loads than previously possible.

So how does TBO finance all these new truck

purchases as they grow? In addition to their rising revenues, they're also working more efficiently and increasing their cash flow. One of the ways they're achieving that is through TRANSFLO Express® truck stop scanning from Pegasus TransTech, which the company implemented in May.

"We needed a quicker billing turnaround, and we're getting it," said Harris. "We can email trip documents to the customer the same day the delivery is done."



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To that end, Hartt opened a terminal in Sumter, SC, out of which 40 to 50 drivers now work. "We rarely see them up here," Bradeen said.

Other New Systems

Hartt's wide geographic reach makes two other process improvements the company has implemented—TRANSFLO® imaging and workflow and TRANSFLO Express® truck stop scanning from Pegasus TransTech—all the more important.

Using the truck stop and terminal scanning implemented earlier this year, Hartt drivers can submit their paperwork remotely, saving on overnight costs and speeding up the billing cycle.

"The difference is marked," Bradeen said. "We've turned paper into cash by billing our customers about seven days quicker. And we're saving \$15,000 per year in postage."

By keeping an eye out for these types of process improvements wherever possible, coupled with a deep commitment to serving customers' needs, Hartt is well positioned to continue its remarkable growth.

"Our growth strategy will be aided by our ability to keep finding better ways to manage resources," Bradeen said. "If we do that, business will be good."