

THE WORLD GROUP OUTLOOK

Vol. 18 · No. 6 · December 2002

Best in Market

Offering you the best warehousing and logistics services in a specific market is the underlying philosophy of The World Group. Whether it's supporting your food production needs, coordinating worldwide export activities or providing high volume store-door delivery, the World Group is your trusted source for best in market services.



American Cold Storage is strategically located to support companies that need to maintain inventories in the mid-south and mid-west sections of the United

States. The strongest area of expertise for ACS is the meat industry. For many years, American Cold Storage has supported several beef, pork and poultry companies with production and warehousing services.

Six years ago American Cold Storage built a state-of-the-art blast freezing facility in Boonville, IN that has the capability of blasting both red and white meat loads within twenty-four hours. This ability has given ACS a distinct advantage in handling school lunchmeat programs, which are held to exact freezing standards by the USDA.

ACS works with meat processors at the Kentucky and Tennessee facilities as well. The Louisville facility is currently working with a large beef and pork producer, providing both case pick and blast services. The Tennessee warehouses are heavily involved in supporting processors of value added meat products as well as producers in the area. American Cold Storage values and is continually looking for ways to enhance the relationship with the meat industry customers.



Henningsen's growth and strength have come from the ability to partner with manufacturers, building the necessary cold storage space for production warehousing

services. These partnerships have allowed manufacturers to focus on what they do best – processing and marketing high quality perishable food and beverage products.

Small Planet Foods, a General Mills subsidiary, knows the value of specialized services. Henningsen's Forest Grove, OR staff takes special care of 200 different frozen and dry products for Small Planet's Cascadian Farm organic branded products. From frozen novelties to jars of pickles, almost every case that's sold to Small Planet's customers nationwide must be order picked. The pallets are then consolidated and shipped on specially equipped trucks with bulkheads for hauling both frozen and dry products.

In Stilwell, Oklahoma, Mrs. Smith's Bakeries has recognized the value of having HCS located next to their flagship pie production facility. Not only can Mrs. Smith's have Henningsen warehouse and ship pies and other bakery items to customers, but they can also receive raw ingredients as needed to the supply production lines. As loads of pies come into the HCS warehouse, the trucks are reloaded with raw ingredients going back to the production facility.

Safeway benefited from the capabilities of Henningsen Cold Storage during a recent product launch. The Portland, OR staff helped one of Safeway's co-packer's on a nationwide launch of Lucerne single serve refrigerated flavored milk. The brand new item is

Continued on page 3

Logistics Leaders

We caught up with John Bryant, Logistics/Traffic Manager, Glenn Walters Nursery, Inc., and asked him a few questions about his professional and personal life.



Professional:

What is your professional goal? To be the best I can be at my job and to be admired by my peers.

Biggest break professionally? I consider my big break my position at Glenn Walters Nursery, Inc because of the people I work with. I have worked my way up through the industry in the past twenty-six years, first as a driver for thirteen and a half years, then as a broker for ten and now my position at Glenn Walters.

Education: Associates degree in Accounting

What's in your briefcase? Franklin Day Planner and miscellaneous stuff.

Personal:

What is your favorite meal?

Barbequed pork chops, baked potato and green beans.

Best advice you could offer someone?

Always be honest and treat everyone with respect.

What are your hobbies?

Golf, playing the drums and riding my motorcycle.

What did you want to be when you "grew up"?

An airline pilot.

Who is your hero? Why?

My grandfather. He is a man of true integrity, a lot of fun to be around and a great fly fisherman.

Last book read?

Iron Sharpens Iron, by Howard & William Hendricks.

Global Experience, Regional Expertise.

HENNINGSEN COLD STORAGE CO. – Your Production Partner

Henningsen Cold Storage knows the value of customer service in the warehousing industry, and that is why for the past seventy-nine years, HCS has provided customers with nothing but the best in customer service. Henningsen's non-union workforce, deep-rooted work ethics and responsiveness offer the flexibility and service that customers expect today. No need to worry about "the doors closing at 5pm" or "we're not open on the weekend." Henningsen takes the extra step because it's the right thing to do for customers. "We service the heck out of them", says Tony Lucarelli, EVP Sales & Marketing. "We go beyond their expectations which helps build long term, loyal customer relationships."

Henningsen's history is one of market focused growth. When the original business, founded by Waldemar F. Henningsen, Sr., was sold in 1973, a new Henningsen Cold Storage Co. emerged under the management of Michael E. Henningsen Sr., grandson of the founder.



Mary Ann Brancati,
Scranton Office
Manager



Laura Gervasi,
Scranton CSR



Barbara Demorato,
Scranton CSR

Determined to regain a more extensive customer base in the frozen food industry, the company constructed a new, state of the industry warehouse in Twin Falls, Idaho in 1978. This facility services the needs of the potato and vegetable producers in southern Idaho, and as a consolidation and distribution point for processed potatoes shipped directly to customers throughout the United States, Canada, Mexico, and overseas.

The opportunity to construct a third location happened in 1982, in Richland, Washington. This facility also serves as a distribution center for the processed potatoes grown in the fertile eastern Washington

Columbia Basin area. An expansion in 1985 added blast-freezing capabilities and permits greater utilization of space and services including two railroad lines; the Union Pacific Railroad and the Burlington Northern Santa Fe.

In 1993 Henningsen Cold Storage Co. expanded for the first time outside the Pacific Northwest. In the summer of 1993 a new warehouse was completed in Stilwell,

Oklahoma. This facility offers warehousing and distribution services throughout the mid-south region of the United States.

In 1996, the company opened its second operation in Portland to meet the distribution needs of national and international customers throughout the Pacific Northwest. Located on the major interstate freeway and on the Union Pacific Railroad line, the Portland operation provides warehouse space and services for many local and regional processors. The facility was expanded in 1998 to its present capacity of nearly four million total cubic feet.

In order to service both the production warehousing and distribution needs of an international potato processing company, Henningsen constructed a new facility in Grand Forks, North Dakota in 1999. This facility incorporated the latest radio frequency technology, a rapid truck unloading system, and specialized rail and truck loading docks into its design.

Last year, Henningsen purchased the Kane Warehousing refrigerated warehouse facility in Scranton, Pennsylvania. The Scranton facility added over 3 million cubic feet of temperature-controlled space to the Henningsen network, bringing the company's total capacity to 36 million cubic feet. The facility offers a wide variety of services under one roof; super low temperature ice cream storage (-20°), multi-temperature refrigerated and conditioned space, dry storage and lease space. The facility is located within four hours of nearly 1/3 of the total U.S. population, making it attractive for many food manufacturers. The facility is even peaking the interest of customers in other HCS locations to utilize Scranton for their Northeast U.S. distribution.

From a small ice business in 1923 to the world-class organization it has become today, HCS continues to be the very best in their business, in each of the eight facility locations.



Scranton, PA Warehouse Staff (L to R)
Front Row L - R Joe Finnigan, Frank Slovenkai, Gene Lee, Chris Beavers, Bill Roberts, Bob Nitch.
Back Row L - R Dave Jenkins, Ed Wandell, Nelson Douaihy, Jeff Carpenetti, Rob Gibbs, Rick Ware, Mike Rawlings



Established: 1923

Number of Employees: 185

Number of Facilities: 8 – Twin Falls, Idaho (2); Grand Forks, North Dakota; Stilwell, Oklahoma; Portland, Oregon; Forest Grove, Oregon; Scranton, Pennsylvania; Richland, Washington

Storage Capacity: Nearly 36 million cu. ft. of refrigerated and frozen space

Temperature Range: -20°F to +70°F

Number of Dock Doors: 100 Unload/Loading Spots, 30 Rail Car Spots, 30 Car Private Siding

Services Offered:

Freezer Storage (-20°F to +70°F), Blast & Room Freezing, Cooler & Dry Storage, Convertible Space, Computerized Inventory Management & EDI Capability, Distribution & Specialized Handling, Racked and Sprinklered Warehouse Facilities, Enclosed and/or Refrigerated Truck & Rail Docks, Import/Export Services, Container Loading/Unloading, Transloading, USDA Approved Warehouses, USDA Approved Meat & Poultry Establishments, Certificate of Excellence – American Sanitation Institute, Land Available for Expansion and/or Allied Industry

Management Staff:

Michael Henningsen, Jr. – Chairman & President

Tony Lucarelli – Executive Vice President, Sales & Marketing

Christopher Henningsen – Vice President, Operations

Paul Henningsen – Director of Corporate Development and Engineering

Susan Bechtol – Secretary/Controller

Debra Rose – G.M., Twin Falls, ID

Michael Chandler – G.M., Grand Forks, ND

Michael Carter – G.M., Stilwell, OK

James Bell – G.M., Forest Grove, OR

Mark Myers – G.M., Portland, OR

John Schrecongost – GM, Scranton, PA

Robert Lawyer – G.M., Richland, WA

Continued from page 1

now in all 1600+ Safeway stores around the United States. Going from zero production and inventory to a full-blown distribution system takes communication, commitment and collaboration, and HCS got the job done.



NOCS' locations in the three major port cities of New Orleans, LA, Houston [LaPorte], TX, and Charleston, SC position the company geographically with a strategic advantage for customers. Customers can utilize different port cities for varied export and import needs relative to the markets they serve. Customers can take further advantage by employing their resources and assets in various parts of the country simultaneously, while NOCS coordinates those related services at the port[s] closest to customer's processing plants or shipping points.

These port locations enable NOCS to offer a competitive advantage to customers, bringing product directly to the port warehouses for export via container or breakbulk shipping, thus eliminating the need for another handling at an inland warehouse and additional transportation costs along the export route. The port locations not only offer the benefits of logistic, stevedoring and other transportation services, but also an array of fresh poultry and pork "Super Blast" freezing services with a 24 hour turn-around time per load.

On the import side, NOCS is geographically situated in the Gulf of Mexico to facilitate the inbound movement of fruit and vegetable products from Central and South America, as well as the Caribbean. The major ship lines can also capitalize on these trade routes. While the ships are making frequent sailings to bring in the fruits and vegetables to the Gulf, they can export poultry and meat items from the Gulf and South Atlantic, saving customers and ship lines both time and money. Multiple port locations also offers a decided advantage to NOCS customers by making it possible for them to sell to their customers who are chartering breakbulk vessels, or to customers who require containerized shipping relative to their markets and volume.

Another NOCS advantage is offering customers transportation of products from the plants to the warehouses, as well as the local drayage to the shipping terminals. Performing inland transportation and/or container drayage services allows NOCS to better coordinate and control the flow of product for import or export, and gives the customer the peace of mind and assurance that the timing and logistics of the shipments are optimized, thus reducing their costs and concerns. Coupling all of the transportation and warehousing services with viable rail inbound and outbound alternatives, NOCS is truly a "one-stop" logistics and transportation provider.

With the newest dockside addition to the NOCS warehouse group in New Orleans coming on line this spring at the Jourdan Road facility, NOCS will further expand their capabilities and increase the opportunities for their customers' import and export activities.



For the past two years Merchants Terminal Corporation has positioned itself as one of the premier temperature controlled rail to truck distribution centers in the United States. Partnering with Union Pacific and CSX railroads, Merchants has successfully reintroduced rail to customers in the Mid-Atlantic region as an alternative to trucks. During the merger happy 1990's, the major freight railroads in the United States watched as perishable commodities moved away from rail as service levels deteriorated. Over the past two years, UP and CSX were determined to change the trend. Enter Merchants Terminal.

Many factors made Merchants the obvious partner for this new program. Strategically located near I-95 in the Baltimore Washington

corridor, Merchants' three distribution centers offer multi-temperature storage, cross docking and blast freezing services. Merchants' reputation as a superior service provider was a critical element in making this program work. The Fast Lane service introduced expedited rail service with cross docking at Merchants' Jessup, MD distribution facility. The program offers superior service into the Baltimore Washington area from the Pacific Northwest and California.

Recently, the Fast Lane program has successfully helped a major food service distribution company increase market share in the fresh potato market. By utilizing the savings and consistent service, this company was able to offer guaranteed availability quality Idaho grown potatoes to the Mid-Atlantic region. The program has been so successful; plans are to introduce additional product lines within the next year.

As pressures increase to reduce inventory levels, Merchants projects show significant increases in Fast Lane and similar programs. Merchants has an aggressive strategy to expand current Vendor Managed Inventory programs and rail is a significant component.

Merchants operates three distribution centers in Maryland with a total of over 13 million cubic feet of space. The proximity of these facilities to the Port of Baltimore allows Merchants to offer a full line of import and export services. Additionally, Merchants offers state-of-the-art web based visibility to its customers positioning the company to continue to be a significant player in the temperature control distribution arena well into the 21st century.

NOCS Busy on the Road

NOCS recently attended the Produce Marketing Association's "Fresh Summit," held October 11-15, at the Ernest N. Morial Convention Center in New Orleans, LA. This is the world's largest fresh fruit and vegetable event, with over 600 Exhibitors, 15,000 attendees from over 70 countries and 511, 000 square feet of exhibit space. NOCS exhibited as part of the "Louisiana Partners for Trade" group.

SIAL Paris 2002, The Global Food Marketplace, was recently held October 20-24, 2002, at the Parc des Expositions de Villepinte in Paris, France. More than 135,000 visitors were in attendance, including NOCS.

NOCS will be attending the USAPEEC [United States of America Poultry & Egg Export Council] Winter Meetings, to be held December 4-6, 2002, Washington, D.C., at the Loew's L'Enfant Plaza.



Mark Blanchard (NOCS) and Bobby Landry, Senior Manager of Marketing for the Port of New Orleans, at a shared booth in Cuba at the U.S. Food & Agribusiness



The next Henry Kissinger? NOCS' Mark Blanchard shaking hands with Fidel Castro.

World Wrap

Henningsen Cold Storage was featured over the summer as a cool place to be on hot summer days by "Good Day Oregon."

Portland experienced unusually hot weather this year, breaking numerous high temperature records during the summer. "Good Day Oregon" broadcasted its morning news show from Henningsen's Forest Grove, Oregon warehouse.

Congratulations go out to HCS who has recently been awarded the title of "Medium Sized Family Business of the Year" by Mass Mutual. This is a national award in which thousands of companies were evaluated and recommended by over 90 University Family Business programs throughout the U.S.

Henningsen Cold Storage Helps Customer in a Jam

The Henningsen Scranton, PA facility recently helped a customer out of a jam. The customer had requested that four of their confectionary items be configured into a Sam's Club pallet display with ten cases of each item per pallet, eight retail packs per case, ultimately building six hundred and twenty pallets. Initially, HCS had to inspect 3000 cases for quality issues and then start building the pallets. Henningsen had inspected, built and shipped two truckloads when the customer called and said that the lids on the retail packs were popping open in the stores and customers were helping themselves to free samples! To rectify the situation, HCS re-sealed the retail packs to prevent pilferage. Every pallet that had not yet shipped was unwrapped, broken down, taped, rebuilt and rewrapped. And every pallet

that was built from then on, had the retail packs re-sealed as well. The entire project was very labor intensive, but HCS got the job done in time to meet the delivery schedule.

Trenton Cold Storage Celebrated 100 Years of Service

With its 100th year of service, Trenton Cold Storage, along with two hundred employees and family members, celebrated the anniversary over the summer, including a fun-filled day of food and games in Presquille Park.



Don Dustin (FGI Warehouse Manager) and Mary Lou Morden (TCS Administration) enjoying the dunk tank at the employee picnic over the summer.

Henningsen Welcomes Tom Radkiewicz

Henningsen Cold Storage is pleased to announce that Tom Radkiewicz has accepted the position of Chief Engineer at the Scranton, PA Operations. He has been managing the engineering functions at the facility since August of this year. Tom brings 13 years of mechanical experience from Procter and Gamble to the Henningsen Cold Storage team.

Henningsen Cold Storage Co.
1.800.791.2653(COLD)
FAX 1.503.531.5410
Locations: 8 in Idaho, North Dakota, Oklahoma, Oregon, Washington, Pennsylvania
Contact: Tony Lucarelli
tony.lucarelli@henningsen.com

Trenton Cold Storage, Ltd.
1.613.394.3317 • FAX 1.613.394.3263
Locations: 5 in Ontario, Canada
Contact: Craig Kitchener
craig@trencold.com

U.S. Growers Cold Storage, Inc.
1.323.583.3163 • FAX 1.323.583.2542
Locations: 6 in Los Angeles
Contact: Angelo Antoci
aantoci@usgrowers.com

Merchants Terminal Corporation
1.410.342.9300 • FAX 1.410.522.1163
Locations: 3 in Maryland
Contact: Harry Halpert
hhalpert@merchantsterminal.com

Mesa Cold Storage
1-800-969-6273 • FAX 1.480.833.0577
Locations: 2 in Arizona
Contact: Sherry Perry
sperry@mesacold.com

NOCS
1.800.STA.COLD • FAX 1.504.944.8539
Locations: 5 in Louisiana, Texas, South Carolina
Contact: Mark E. Blanchard
markb@nocs.com

American Cold Storage
1.800.626.6381 • FAX 1.502.634.4757
Locations: 5 in Kentucky, Tennessee, Indiana and Oklahoma
Contact: Dave Collins
dcollins@americancold.com

Visit our new website at www.theworldgroup.com

Outlook is published by: The World Group, C/O NOCS, 3401 Alvar Street, New Orleans, LA 70126

