

The World Group Outlook



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BILL BERG

Long-Time U.S. Growers Manager, Retires



After 45 years of dedicated service to U.S. Growers Cold Storage and the refrigerated warehousing industry, General Manager Bill Berg has retired.

Bill Berg was born on November 26, 1929 in Chicago, Illinois. Shortly after graduating from Loyola University in 1951, Bill enlisted in the Army and served our country for 3 years during the Korean War. After returning home from the war, Bill searched the Chicago area to buy a home with his new bride, Shirley. Because the housing market in Chicago in 1954 was too high (\$30,000 for a home) and the temperature too low, Bill and Shirley took a risk and moved to Los Angeles, California.

After living in Los Angeles a few years, Bill needed to generate some extra income. A chance encounter with a friend

led to a conversation of work available at a company called U.S. Growers Cold Storage. The work was only for one day and would be paid in cash. Early the next morning, Monday, March 9, 1959, Bill arrived at U.S. Growers Cold Storage, Inc. to put in "an honest days work for an honest days pay." Forty-five years later, still going strong at the age of 74 years, he retires as an integral part of our operation at U.S. Growers Cold Storage.

During his 45 years at U.S. Growers Cold Storage, Inc., Bill has been instrumental in transforming U.S. Growers Cold Storage from a single 20,000 sq ft freezer into the six ware-

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house, 12 million cubic foot company it is today. His work ethic, determination and dedication to our employees, our company and our customers have made U.S. Growers Cold Storage the premier refrigerated warehousing company in the region.

In addition to his service at U.S. Growers, Bill also served in the U.S. Army Reserves for more than 30 years, attaining the rank of Colonel before his retirement from the service.

After retiring from U.S. Growers Cold Storage, Inc. on April 16, 2004, Bill plans to increase his volunteer work for multiple charitable organizations as well as travel the world with his wife Shirley, with whom he has been married for 50 years. Bill and Shirley have two children and two grandchildren.

Although no longer a daily contributor to U.S. Growers, his influence on our people will remain, helping us to maintain the high standards he pioneered. Bill Berg will be truly missed by his co-workers, our customers and his peers in the industry. Good Luck, Bill!

We Are Wireless



USGrowers wireless capabilities have enabled the company to become more efficient and cost-effective by reducing labor hours and getting product information to customers within minutes.

“A major part of our business involves recording weights,” said Vincent Perricone, USGrowers Sales and Marketing Director. “Prior to the integration of our bar code scanners, an employee would record the weights of an inbound or outbound shipment, then, the weights would be tallied twice in the dock office. Finally, the weights are tallied one more time in the Main Office to ensure no errors were made before being entered into our system.”

“Henningsen Cold Storage Co. is committed to staying on the cutting edge of technology and RFID has appeared on our radar screen,” said Tony Lucarelli, HCS VP of Sales and Marketing.

The integration of our bar code system has completely eliminated this process, thus substantially decreasing our labor hours and more importantly getting this information to our customers within minutes rather than hours.

In addition to the time savings this bar code system has given us, it has also saved us countless man hours in exporting products to various countries. For example, when exporting products to various countries, each product weight is required to be segregated by establishment number. Our bar code scanners fulfill this need by separating weights by establishment number as well as the type of product.

There is no longer a need for a checker to look at each label and take a chance on missing an establishment number thus creating problems for the product once it is received at the designated country.”

Henningsen Cold Storage uses RF technology for various customers within the supply chain and the company is advancing RF capabilities everyday. The HCS Information Technology Department is always looking for ways to enhance electronic services to customers and within the next few months is planning on rolling out a web-based offering utilizing our inventory management system.

“Henningsen Cold Storage Co. is committed to staying on the cutting edge of technology and RFID has appeared on our radar screen,” said Tony Lucarelli, HCS VP of Sales and Marketing. “While none of our customers are requesting RFID services, we are ready when they are. Our warehouse inventory management system is designed to handle the flow of information and we will be happy to work with any customer requiring RFID services.”

Henningsen Cold Storage Launches New Transportation Service



Henningsen Cold Storage Co. has launched Henningsen Transportation Services. This new service will offer multi-temperature transportation management solutions to Henningsen’s current customers as well as non-Henningsen customers. The operation, which is non-asset based, is currently working with several dedicated national carriers to handle the freight. Henningsen Transportation Services offers dry, refrigerated, frozen and flat bed services including full truckload, less-than-truckload, local shuttle service and backhaul. Henningsen is also available for dedicated daily, weekly and monthly service to all points in the 48 States and Canada. Tony Lucarelli, Executive Vice President of Sales and Marketing said, “We are excited to start offering these services to our customers and because of our reputation in the industry, companies not familiar with us will be pleased with our service offerings and dedication to customer service.” For more information on Henningsen Transportation Services, contact Jewell Giesbrecht, Logistics Coordinator at 509-375-0463.

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My View: Take Advantage Of Our Expertise



Since the public refrigerated warehouse business plays a major role in placement of inventories, I have found it very interesting speaking with frozen and refrigerated food producers about how they position their inventories. The term JIT (Just-In-Time), or as our Japanese friends call it Kanban, comes up time after time. This term encompasses many aspects of production, just in time delivery and inventory control. Food producers have been struggling with just in time and product placement for many years.

The economics of centralizing and decentralizing inventories is under constant review by food producers. Maintaining the proper inventory level at the proper locations is key to the success of all food companies. However, the struggle between accounting, logistics, and sales is many times influenced as much by opinion as by facts. It is difficult to completely quantify the cost benefit of placing inventories closer to a customer and providing an advantage or at least parity with competitors.

The World Group has the expertise to assist food producers with their distribution needs. Our services include much more than warehousing. We can review our customer's total distribution requirements and make cost savings recommendations.

The pressures on food producers caused by the demands of retailers or institutions continue to grow as they minimize their on hand inventory. It is our hope that frozen and refrigerated food producers take advantage of the expertise the World Group can provide them with critical logistics decisions-just in time!

Dave Collins
Director, Marketing & Sales
American Cold Storage

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MTC's Two New Service Offerings Well Received By Customers



With MVision® and MLogistics® Merchants Terminal Corporation continues with its focus of becoming their customers' logistics department.

Developed over a two year period and introduced in 2002, MVision® provides Merchants' customers with a state-of-the-art web portal to manage their inventories anywhere there is an Internet connection. MVision® has quickly been recognized as the most user-friendly product in the industry. Currently, Merchants has roughly 100 customers using MVision® weekly and many more using the automatic e-mail event notification application. Merchants will soon offer online releases that will allow seamless cost effective electronic transfer of data between companies.

“Merchants' customers are reaping the benefits of significant savings and weekly scheduled on-time deliveries...”

Launched in late 2003, Merchants' MLogistics® transportation subsidiary has rounded out Merchants' service offering by providing customers with LTL consolidation and full truckload management of their freight. MLogistics® pool program currently serves 20 states and will provide service to all of the lower 48 states by the end of 2004. Merchants' customers are reaping the benefits of significant savings and weekly scheduled on-time deliveries all with the convenience of making one call to their MTC representative for their warehousing and transportation needs.

Finally, in April, Merchants' debuted their new website offering an updated look representing the company's focus on technology and information on their comprehensive line of services.

On The Issue Of Safety

Always Vigilant – World Group Is Your Secure Frozen Food Supply Chain.



While it has always been a given in our industry that proper handling and inspection of freight is essential, a new dimension has been added with the advent of 9-11 and the potential threat of bio-terrorism. Great Lakes Cold Storage has done extensive training at every level of our team in order to make sure that our handling procedures and inspections meet our customers' new and more stringent standards. This includes use of more high tech monitoring

and measuring equipment, restricting access to certain areas of our distribution center, and checking inbound loads in a much more extensive and sophisticated manner than previously accomplished.

—Great Lakes Warehousing

Food safety is always a concern not only for refrigerated warehouses but all parties involved in the cold chain. At Merchants Terminal we are dedicated to insuring, to the best of our abilities, the product that goes across our docks is received, stored and shipped according to USDA and FDA guidelines. This includes the HACCP program that we instituted back in the late 1990's and also includes our participation in C-TPAT (Customs-Trade Partnership Against Terrorism) and the FDA Bio-terrorism mandates.

— MTC
