

The World Group Outlook

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Looking Ahead What's In Store For 2005

We asked members of the World Group what's shaping up for the coming year.

HCS — We are expanding our Transportation Management services to include a World Class consolidation program at our Scranton, PA warehouse. We have had several customers jump on board and our carrier base is very excited about this new program. We are looking forward to starting a Northwest consolidation program in 2005 to include our Forest Grove and Portland, Oregon warehouses as well as our Richland, Washington warehouse.

Imperial Freezer Service — 2004 has been the most successful year in the 8 year history of our company. Our business has grown dramatically in the area of domestic food service. One of our primary customers has shifted their business from primarily export to domestic further processed products. This change has resulted in us doing more case picking, more load consolidation, and coordinating store to store deliveries.

We expect the export business to pick up again in 2005 as it begins to offset the slowing domestic market.

— Imperial Freezer Service

Our export business has been down in 2004 compared to prior years, due primarily to the strong domestic poultry market. We expect the export business to pick up again in 2005 as it begins to offset the slowing domestic market.

NOCS — We continue to focus on being the effective solution for our customers, which is freezing fresh poultry at our port locations, for loading breakbulk or containerized.

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Friends, Associates Mourn The Loss Of Craig Kitchener

Craig Kitchener, VP of Sales and Marketing, Trenton Cold Storage, Inc., collapsed of a heart failure caused by a viral cardiac infection, Saturday, December 4, 2004, while playing hockey in a men's recreation league. He was 41.



Craig joined TCS in 1992 as a sales representative and moved up to Vice President, Sales and Marketing. He was a key member of the TCS Leadership Team for the last 6 years, responsible for Customer Service Department and a key player in the company's logistics programs.

Craig was actively involved in the World Group, where he was recently elected President. He was also actively involved in the IARW at the North Atlantic Chapter level. He participated in numerous industry events and was active in the American Frozen Food Institute, American Marketing Institute, Northwest Food Processors Association and many others.

On a personal level, Craig was a very skilled and avid hockey player in the Trenton, Ontario Canada area, where he starred on several local teams. He had been a Major Junior A player in his 20's, giving up a potential NHL career to further his education at Acadia University. According to a recent article, Kitchener helped the Belleville Bulls get off the ground in their expansion OHL season in 1981 and establish themselves as one of the most respected junior franchises in Ontario. He was acquired by the Bulls at the beginning of the 1981-82 season from the Oshawa Generals. For those who follow the game: his first sea-

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In New Orleans, we are expanding our blast freezing capacity, by adding 10 blast cells, which will freeze an additional 400,000 pounds of product per day at our Jourdan Road facility, bringing that facility's blast capacity to 30 loads of fresh poultry per day, or approximately 1.2 million pounds. Our new total blast capacity in New Orleans, including the 8 loads a day we currently freeze at our Alvar Street warehouse will then be 38 loads per day, or approximately 1.5 million pounds.

In Houston, TX, we have recently completed a blast freezing expansion of our NOCS West Gulf facility, doubling our blast freezing capacity which now includes 16 blast cells, capable of freezing some 640,000 pounds of fresh poultry per day.

Stewart Joins Great Lakes Cold Storage As General Manager Cranberry Twp., PA

Don Stewart joined Great Lakes Cold Storage in 2004 and is currently the General Manager of the Cranberry Twp (Pittsburgh) facility. Don is responsible for the operational aspects, employee development and customer satisfaction.

Don's involvement in distribution spans fifteen years. Most recently, Don represented Sirius Computer Solutions in San Antonio, TX as a Sales Consultant for bar coding-data collection software, hardware and services. He was presented the Sales Consultant of the Year award and was responsible for many Fortune 500 accounts. His experience in distribution is a result of his employment with Sara Lee in the coffee and foods division. Don's ascending responsibilities for Sara Lee include Warehouse Manager, Corporate Distribution Special Projects Manager and Team Leader for the implementation of JD Edwards Distribution, Shipping Management Systems and a member of the Sales Order Management project for sixty-two locations. He is an experienced veteran in managing all aspects of a distribution network.

Don attended Brown College in Ft. Lauderdale, FL with studies in the subjects of communications and electronics. He is currently a member of the IARW, NFRA and the Bakery Net.



Henningsen Transportation Promotes Customer Service Specialist

Virginia Madden has been named Customer Service Specialist at the Henningsen Transportation Dispatch Center in Richland, Washington. In her new roll Ms. Madden will oversee all customer service functions within the Transportation Management Division including carrier relations and load tracking. Ms. Madden has been with Henningsen for just over a year working on the cold storage side as office receptionist. Ms. Madden was formerly a department manager with Kroger's Fred Meyer division.



Howard A. Schillinger Joins Great Lakes As Vice President Will Spearhead New Logistics Services

Howard Schillinger joined Great Lakes Cold Storage in October of 2004 as Vice President of Great Lakes Cold Logistics, Inc. Great Lakes Cold Logistics, headquartered in Cranberry Township, PA, was established to provide the full range of value-added logistics services to the Great Lakes Cold Storage portfolio.



Schillinger has extensive experience in the development and management of 3rd Party Logistics for the retail and foodservice industries. With more than 26 years of transportation/distribution experience, Schillinger is a valuable resource to both Great Lakes Cold and its valued customers.

A graduate of Pennsylvania State University with a degree in Business Logistics, Mr. Schillinger has worked for such companies as AmeriCold Logistics (Carmar Group), Tyson Foods, Occidental Chemical, and Monsanto Company.

U.S. Growers Salute John Wilson

U.S. Growers would like to recognize John Wilson for going above and beyond his job responsibilities as Human Resource Manager and Purchasing Manager.

In addition to being Human Resource Manager and Purchasing Manager, John Wilson has stepped in as our temporary Accounting Manager due to health reasons that have sidelined our normal Accounting Manager.



John has been an incredible asset to U.S. Growers since

becoming an employee 31 years ago. Throughout his 31 years of service to this company, John has been a Warehouse Supervisor, Office Manager, Human Resource Manager, Purchasing Manager and now Accounting Manager.

John is a valuable asset to U.S. Growers and we are grateful for his hard work and dedication.

On Technology World Group

World Group Members Invest In Customer Specific WMS Solutions. Here's A Brief Overview Of Technology Offerings:

Imperial Cold Storage — Provia software package, currently offering customers web access for viewing inventory balances and account activity. Customers can view or print their inventory or activity documents such as Receipt and Withdrawal Notices.

In 2005 the company plans to review all web-based products and consider any enhancements or upgrades that may be available. Imperial has offered customers web-based inventory information since 2002.

Great Lakes Cold Storage — Accuplus by LDS, offering adaptability and access to real time inventory. Our customers' needs are always changing and our warehouse management system must be able to accommodate those changes.

The company cites a recent example of when a customer, who requires a case pick operation, wanted fewer Bills of Lading. Although the customer wanted picking for individual stops, they wanted only one master Bill of Lading. By working with LDS, Great Lakes was able to accommodate the customer's needs, without changing pick operation or labor costs. Great Lakes was also able to offer this to other customers. Without an adaptable WMS, operational changes would have been required

All customers have web-based access to their inventories through Logiview by LDS. Customers can view available inventory, inventory that is in the process of being unloaded, outbound orders and the status of each order.

— Great Lakes Cold Storage

that would have increased the risk of error and labor costs. This is just one example of many situations where an addition or upgrade of software allows Great Lakes to help customers accomplish their goals.

All customers have web-based access to their inventories through Logiview by LDS. Customers can view available inventory, inventory that is in the process of being unloaded, outbound orders and the status of each order (pending, short product, shipped, etc.). Customers can send future orders or send messages to inquire about any activity. It is an extremely valuable tool for a customer that wants to closely manage inventory and maintain proper inventory levels to meet the outbound needs.

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son, he scored 27 goals and 33 assists for 74 points in 63 games plus added 188 penalty minutes. Business life appealed to Craig and he left behind the uncertainty of professional sports for a challenging business career.

"When Craig walked into a room, his positive, upbeat, happy-go-lucky personality would light up every face," said TCS President, Eben James, Jr. "He knew all of us by name and would do anything he could to make us crack a smile, even if we did not want to smile. Craig liked everyone he met and before long, everyone who met Craig felt a warm relationship with him.

Craig was always a person who cared about the people around him and before long he would know about your family, your hobbies, your interests and even your worries."

"Craig was a wonderful leader," James said. "He was a fierce competitor and an absolute master at understanding and evaluating the strategic advantages we could offer our customers. He took on an immense amount of responsibility and delivered results that have contributed significantly to the success we enjoy today. While he was doing all of this, he took personally the worry and concern of all of us, his co-workers, that we be successful in what we do so we would have longevity and be able to support one another into the future. He was a true friend to so many of us."

Craig was a very giving person, contributing not only money, but also his personal time to many charities, most notably, Garrett's Island, a camp for children diagnosed with cancer. He touched many lives in his short 41 years. More than 600 persons attended his funeral in Belleville. In response to the outpouring of care and concern for Craig's wife Michelle and three children, a Registered Education Savings Plan has been established for Brianna, Charlie and little Joe Kitchener. Donations should be made payable to Michelle Kitchener c/o Wood Gundy for the Registered Education Savings Plan for the Kitchener Family, Trenton Cold Storage, PO Box 100, Trenton, Ontario K8V, 5R1.

Henningsen Cold Storage — Uses ProVia 2.3, with plans to upgrade to version 4.4 of ProVia, which will include on-line access for customers via the company's H-inet web portal. HCS has taken a long view of WMS offerings, and instead of rushing into a "me-too" solution, the company has waited to implement the latest software and the best system in place for customers.

U.S. Growers Cold Storage — Custom designed Warehouse Management System developed through a strategic partnership with Beck Computing Services of California. In addition to standard WMS features, the system integrates accounts payable, accounts receivable, general ledger functions and a multitude of other features into a single, seamless and reliable package.

Powering the WMS is a Hewlett-Packard "Alpha" server networked with work stations at each of eight facilities in Southern California, with plenty additional capacity for future expansion. Not only does this system provide employees with a state-of-the-art WMS to work with, but several customers as well, through a unique "full customer access" via the web.

To insure the reliability to facilities and web-based customers, U.S. Growers is connected via a Virtual Private Network by both DSL and RF broadband connections. This added redundancy routes the network traffic faster, more efficiently and ensures the system's reliability by providing an instant communications back-up should either system fail. Goals continue to be increased network security, gaining more control of network resources, centralizing administrative functions, providing more

shared resources for employees and increasing capacity for a new web interface debuting in the first quarter of 2005.

U.S. Growers also replaced standard computer terminals with cost-effective PC's running Linux operating systems. These low cost alternatives provide customer service personnel with common PC applications, including email that cuts down on the number of phone calls and allows staff to communicate with customers more efficiently. The new PC's also give increased flexibility to add additional equipment like printers, scanners, ergonomic keyboards, etc. New Intermec scanners, with software developed with Delta One Software, were added this year for the purpose of tallying weights on random weight cases. Every box that can be scanned can be recorded. Not only does it scan generic UCC code, but any other formats on-the-fly using custom formats and unique "Qwik Wt" features.

NOCS — Has a proprietary software program that is continually enhanced and refined, based on the peculiarities of customers' needs relative to the demands of their business. NOCS' goal is to stylize its information technology, inventory management and operations systems to serve the various nuances of customer's business, as they evolve along with the market trends and other specific influences to which our customers are subjected. NOCS' philosophy is to learn its customer's business, in an effort to offer them what they need, and grow with them in a partnership as their agent, and as an integral part of their planning and development.



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