

GRAMMER INMOTION

SUMMER 2022



CEO CORNER

The word SAFETY is derived from the Latin word SALVUS, meaning uninjured or in good health. SAFETY'S English meaning came from the French word SAUF, meaning unharmed.

SAFETY is returning unharmed and in good health to your family.

Grammer, as a certificated motor common carrier, is PERMITTED to use the highways of the United States to transport public goods in a SAFE manner. In Grammer's instance this often means hazardous materials which require the additional regulatory responsibility, to protect the public from harm or injury to the public's health. The Grammer DOT Permit is granted on the condition of public SAFETY & trust, without which, our wheels would stop.

SAFETY is respect for our self, our family and the public. At Grammer, SAFETY is our internal cultural core. SAFETY must be our first thought action in every step.

You, as a Grammer Team member are a foundational building block of Safety. To assist your quest to be the best, Grammer is continually investing in your training and technology to assist your return unharmed and in good health. Make sure your SAFETY voice is heard. You have the right to call an ALL WORK STOP at any instance that you believe could cause harm, injury to you, the public or our health.

As a Grammer, leadership component of SAFETY, we are pleased to welcome, Vice President of Safety & Risk, Chad Hall. He is an experienced motor carrier risk professional, with decades of continual SAFETY improvement. Make your SAFETY voice heard to Grammer, to Chad, our customers and most importantly, to your family.

Be Professional, Be Safe, Be Grammer

Our OVOTOG mission continues.



Mike Wysocki, CEO

WELCOME!

Please join us in welcoming Chad Hall, our new VP, Safety and Risk. Chad has spent the last 20 years as a Safety and Risk Management leader with several logistic companies, most recently with CKJ Transport. Chad has an exemplary history of creating and driving a culture focused on safety. His breadth of experience in DOT and OSHA regulations, creating and developing compliance-related training with a strong focus on continuous improvement, will serve our organization well as we pivot to the next stage in our journey.



Prior to his logistics background, Chad served as a police officer where in 1996 he was awarded the Texas Medal of Valor and Officer of the Year. His other accomplishments include Distinguished Safety Award, Grand Trophy Winner (Safest Fleet) and Division Winner (Fleet Safety), all from the Texas Trucking Association.

In addition to his vast work experience, Chad has a Bachelor's Degree in Occupational Health and Safety and holds the following certifications: Safety Director, Advanced Safety Certification, OSHA, and Director of Safety.

Welcome to Grammer, Chad!

LEADERSHIP CULTURE

Congrats to Regional Operations Manager, Ken Epling for being appointed Transportation Committee Chair with the Ohio Propane Gas Association in June 2022. Ken will represent Grammer and our industry partners with excellence!

**ONE VISION,
ONE TEAM,
ONE GRAMMER.**



THE CASH CORNER



Mike Rees, CFO

How does safety affect the accounting department's ability to grow and reinvest?

Safety is paramount at Grammer. It directly impacts our prospects in multiple ways. Two primary ways the accounting group sees the effects are through insurance. Insurance costs can directly increase or decrease our Net Income (depending on the frequency and severity of incidents). In addition, cash can be restricted to reserve for the Self-Insured Retention (SIR) credit amount to pay potential future claims.

Grammer's insurance costs have dramatically risen since 2020. From 2020 to 2022, insurance costs have increased \$1.5MM for

our auto liability and excess insurance policies due to multiple safety factors. To help decrease insurance costs, cameras are being installed for all drivers. The cameras have supported Grammer drivers multiple times in showing they were not at fault in an accident. This concrete proof has saved the driver time and reputation damage. It has also saved Grammer money fighting claims where we were not at fault.

In addition to Grammer's rising costs for insurance policies, our SIR has risen \$700,000 over the last two years. When an accident occurs, the insurance company requires Grammer to fund a reserve on the claim (for potential payout). Due to Grammer's recent frequency of accidents over the last two years, the company had to post an additional \$700,000 of cash to cover our share of potential claims.

Grammer's leadership, finance, operations, safety and risk teams, as well as our insurance carriers/brokers have regular meetings to discuss our claims and loss runs. We are strategically looking at the cause of each accident and devise actions to prevent future accidents. Along with every other department within Grammer, the finance team is working diligently to help keep insurance costs down. Please contribute to these efforts by making your Safety voice heard.

Safety is everyone's responsibility.

THE OPS ANGLE

Our people are the greatest resource we have, and we are committed to building the type of organization where everyone knows that. Each day, our delivery experts start their day with one goal in mind – servicing our customers. But do they know how valuable they are to us?

We owe it to them to make sure they know we are here to serve them. As a servant leader, we believe our staff's greatest responsibility is to serve others, and we work hard to make sure that happens. Over the last week, think about times when someone was supplying a service to you. Did they exceed your expectation?

When you investigate service failures you discover that someone was either not trained or they failed to execute. Often people make excuses when service was not supplied but rarely do they investigate the event and then develop methods to prevent a recurrence. We are committed to providing outstanding service and making it an event when something does not happen as planned.

We take customer service very seriously at Grammer and seek to make it the best encounter with the other person. With the complexity of the workforce, we must be careful not to adopt a 'one size fits all'



James Winton, COO

approach. Every interaction is unique, and it is vitally important we ensure that we fully understand the issue and proactively address it. A study published in the Harvard Business Review reported that a complaining customer managed proactively in less than 5 minutes will go on to spend more on purchases in the future. Outside of safety performance, is there anything more important than taking care of our customers and our delivery professionals? We are making a significant investment to enhance our team's training. Specifically, we will be growing our orientation process, working directly with our safety professionals on delivery training, and developing a comprehensive terminal operations training program. We are taking these steps with one reason in mind – to be the most responsive bulk carrier in the industry.

GET SOCIAL WITH GRAMMER DRIVERS

Get social with Grammer Drivers by following us on **Facebook, Twitter, and Instagram!**

Like us, share us, and tag us with your photos on the road, in the shop, or the office. We love to see you!

@GRAMMERDRIVERS @GRAMMERDRIVERS @GRAMMER_DRIVERS



WELLNESS IN MOTION

SUMMER SAFETY

Did you know that summer safety isn't just for the beach? Whether you're spending time behind the wheel of a truck or your personal vehicle, there are ways to prepare and protect yourself during the hottest spots of the season.

SUNSCREEN

This may seem like a no-brainer, but it's at the top of our list for a reason. Sunscreen is very important during a lake day, beach day, or even driving. As you spend time in a vehicle traveling, your hands and arms are being exposed to the sun for an extended amount of time. Skin cancer is not selective on where or how it appears. For the best defense against the sun's harmful rays, you will want to apply sunscreen to any exposed area of skin and make sure to reapply every two hours. Also - don't forget a hat and sunglasses!

HYDRATION

While a cold soda or lemonade at a cookout is appealing, nothing beats rehydrating with water. As your body adjusts to the rising temperatures of summer, it is important to replenish the fluids and electrolytes you lose by drinking plenty of water. Signs of dehydration and heat exhaustion can include low energy, headaches, and dizziness. If you start feeling any of these symptoms - take a break from the heat, and throw back a glass of H2O.

MAINTENANCE

As a professional truck driver, you understand the importance of keeping up with your truck maintenance. This is important in summer as the heat can have negative impacts on the operation of your truck or any vehicle. Coolant and other fluids should be frequently checked. Check that tires are properly inflated to prevent blowouts. Summer is a good time to refresh your road emergency kit as you'll likely need to update and replace some items from winter.

PLANNING

Driving lends itself to different types of distractions and summer travel is not an exception. There are more people on the road during summer, increasing the likelihood of accidents and delays. Take the time to plan your route considering weather, construction, and delays from increased traffic. Although you may be motivated to get to your destination, work in plenty of opportunities to rest during your trip. This ensures you'll get to your destination safely.

We hope you find these tips useful when you're on a long haul job or hitting the road with your family.

It starts and ends with safety at Grammer.

GRAMMER SPOTLIGHT

RAY WILLIAMS

This quarter, we are spotlighting Ray Williams who recently reached 2,000,000 safe driving miles! This is a huge accomplishment, so we wanted to chat with Ray on this achievement and his advice for reaching an important milestone in your own career.



Q: What does this milestone mean to you?

A: It means quite a lot. I set goals to reach for myself and that was next in line. It's nice working for someone that recognizes achievements like this. The reward [money] was very nice, but I can frame the award and always look at it and say, "I did that!!"

Q: What do you enjoy most about your job?

A: Having well kept equipment, great people to work for and with, feeling respected as a driver, and knowing I have a great team trusting me to get the job done.

Q: Do you have any advice for others who are hoping to reach a similar achievement in their careers?

A: You have to be constantly aware of your surroundings - in traffic, at customers', no matter where - always be alert and ready for anything. And give 100% always.

THE MAIN NUMBER FOR OPERATIONS, SAFETY, HR, AND ON CALL:
812-579-5655

SAFETY DEPARTMENT CONTACTS:
JP Pincumbe
- Director of Safety, Training, & Security

HR CONTACTS:
Dawn Kutruff
- VP of Human Resources

Mary Ann Plofkin
- Benefits Manager

Angel Moffatt
- Payroll Supervisor

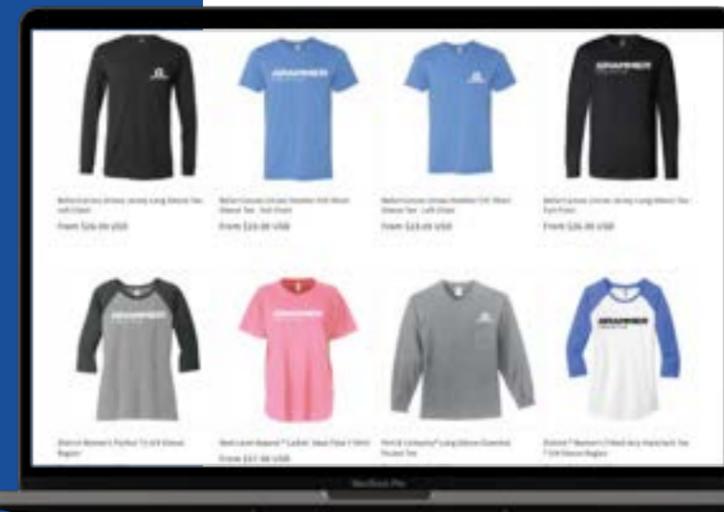
Angie Fletcher
- Talent Manager

Kate Shoemaker
- HR Generalist

GRAMMER GEAR

Have you heard about the Grammer store?

Visit GrammerStore.com or access the store from the Grammer website. The store is stocked with the latest Grammer gear and merchandise including an assortment of mens, ladies, summer gear, bags, hats, and more!



Check back often as we are continuing to update as new products become available.

GO GRAMMER!



GRAMMER'S AWARD-WINNING TEAM

On Saturday, April 30th, nearly 250 IMTA members gathered at the Plainfield Embassy Suites Event Center to celebrate 2021's Best of the Best Trucking Professionals for their dedication to safety and relentless work ethic to keep America Moving Forward.

Congratulations to the following Grammer teammates who were honored at this event!



Larry Maller, 2021 Driver of the Year

2021 DRIVER OF THE YEAR

LARRY MALLER (TOTAL CAREER MILES: 2,000,000)

Larry has been a professional truck driver for 58 years and joined Grammer Logistics in January of 2017.

Larry spends his free time doing community service with his church. Larry served in the Army and served in Germany from 1965-1966.

Larry is married to Gwen and has four children: Kelly, Chris, Mistylee, and Ashley.

TECHNICIANS OF THE QUARTER

JAMES TUSSEY - FIRST QUARTER 2021

JASON KUMMER - THIRD QUARTER, 2021

2021 DRIVERS OF THE MONTH

OVER 25 YEARS OF DRIVING:

BRIAN BERKSHIRE - JULY

JOHN MYERS - SEPTEMBER

BRIAN "BUTCH" JENNINGS - NOVEMBER

LARRY MALLER - DECEMBER

UNDER 25 YEARS OF DRIVING:

JAMIE RHOADES - JANUARY

KEVIN RYAN - DECEMBER

OVER THE ROAD FLEET: 1,000,001 TO 2,000,000

GRAMMER LOGISTICS

INDIANA FLEET SAFETY GRAND CHAMPION

GRAMMER LOGISTICS

CUSTOMER VIEW

Transportation markets are notoriously cyclical. The ups and downs of the freight market can seem like feast or famine for trucking companies and drivers alike. There are many factors that go into the reasons for such shifts on both the supply side (available trucks) and the demand side (amount of shipments available). External factors like regulations, loading times, and even availability of physical assets like trucks and trailers play a part.

No matter the market or the broader economy, trucking remains a service business, based on human interactions between dispatch centers, drivers on the road, and our valued customers. Real-time communication, problem resolution, and changes happen quickly.

Our customers continually express their gratitude for our drivers, logistics specialists, and everyone who makes it happen each day on the Grammer Team! We believe that customer service is everyone's responsibility vs an individual person or department.

How we react and respond to our customers is often our key differentiator. Our customers are entrusting us with their business, their cargo, and often their own personal reputation in choosing Grammer. Our job is to deliver safely, on-time, and always communicate with kindness, professionalism, and a sense of urgency.

Iconic service-oriented brands like Southwest Airlines, Amazon, and Chick-fil-A have all set the standard in their industries through exceptional customer service. Just like transportation, each operates in a crowded marketplace but took the actions needed to stand out above the rest. Simply put, these companies improve the lives of their customers.

At Grammer Logistics, it's our vision to set the industry standard for service and customer performance within bulk tanker transportation. Our 50-year history of service with safety gives us an excellent foundation and confidence to achieve long-term success.

Over the next several months, we will be rolling out plans to continually train, coach, and equip our teams to better handle customer inquiries, deal with issues, and communicate more effectively with each other through the various methods of technology available.

Thank you for your part in making Grammer Logistics a Carrier of Choice!



Patrick Maher, CCO

**QUESTIONS, COMMENTS, CONCERNS, OR IDEAS?
GRAMMER CONFIDENTIAL
COMPLIANCE LINE
1-888-867-2594**

ACCESS PERKS

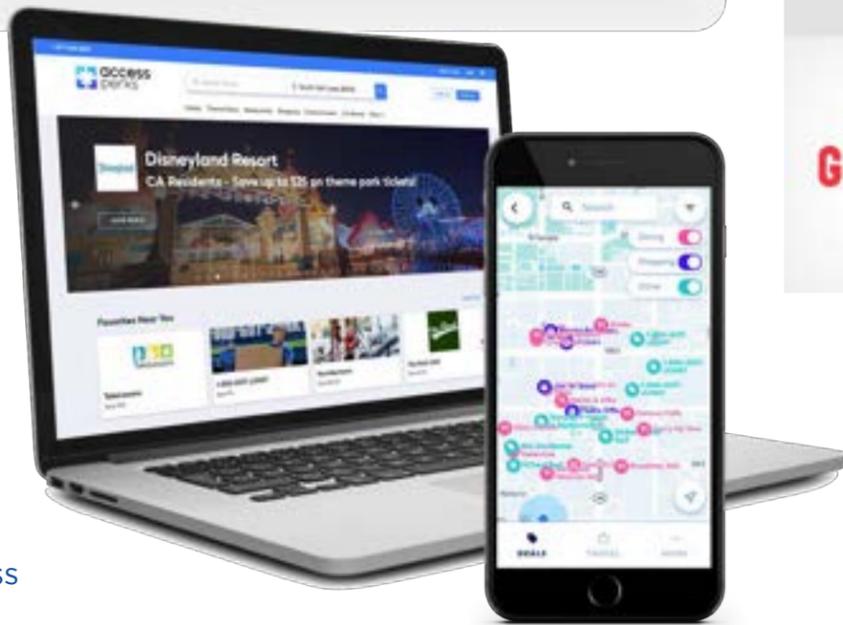


GRAMMER IS OFFERING A NEW EMPLOYEE BENEFIT THAT CAN SAVE YOU UP TO \$1,000 (OR MORE) PER YEAR!

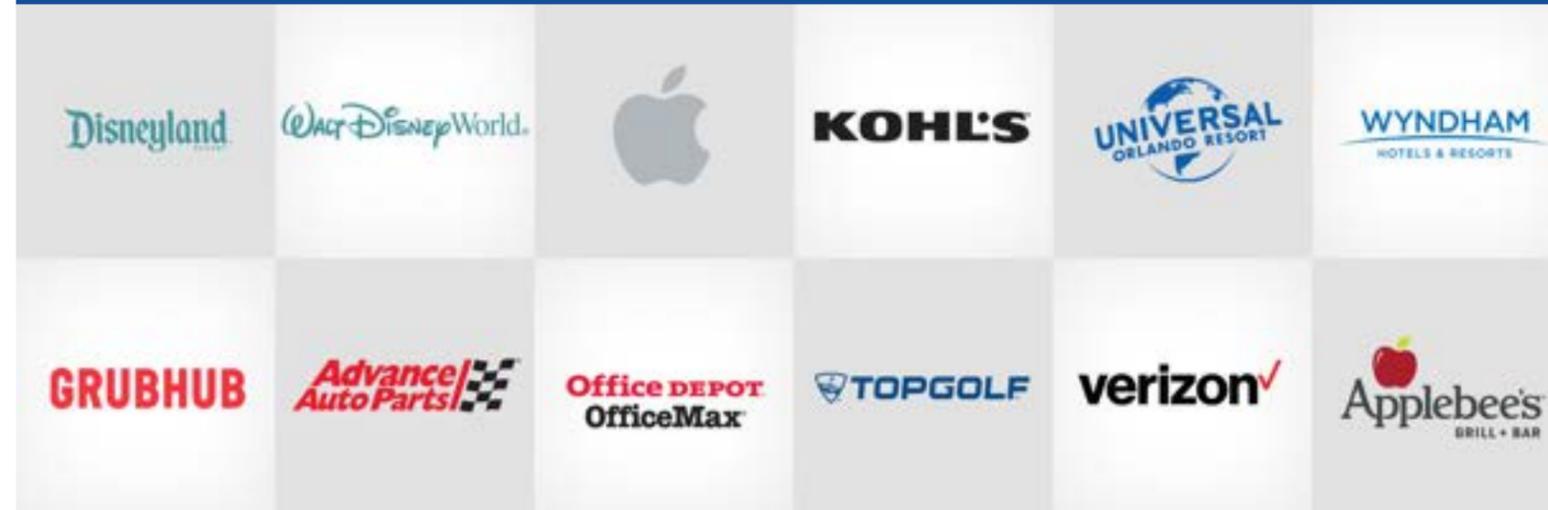
- Familiar brands you know and love
- Up to 50% off retail (avg. discount is 34% off)
- Convenient mobile coupon app to find deals nearby
- Online print-and-save coupons
- Save at local restaurants, retailers, & more
- Popular national theme parks, hotels, & car rentals
- Over 700,000 places to save nationwide

For a complete list of deals and providers, access your perks at grammer.accessperks.com.

- ★ Local businesses
- ★ Popular national brands
- ★ 700,000+ providers worldwide



ENJOY SAVINGS ON EVERYDAY PURCHASES WITH ACCESS PERKS



HOW TO START SAVING:

- Go to: grammer.accessperks.com
- Click "Sign Up" and use your email to register
- Enjoy the savings!

To download the app on your mobile device, search "Access Perks".

GRAMMER ANNIVERSARIES

33 YEARS

David Pfaffenberger

28 YEARS

Duane Plumley
Doug Stewart

14 YEARS

Christopher Dunaway

12 YEARS

Brian Henry
Ron Peek
David Edenburn

11 YEARS

James Ellis

10 YEARS

Russell Miller

10 YEARS (CONT.)

Norman Pryor
Joel Slusser
Bobby Adkins
Damien Tharpe
Paul Frank

9 YEARS

Michael Kirkland
Patrick Riley

8 YEARS

Jerry Graham
Scott Forti
Mike Sams
Brian Scharff
Kyle Jackson
Richard Winkler
Jim Ostrom

8 YEARS (CONT.)

Dean Pahl
Frank Blair

7 YEARS

John Mertz
Larry Berry

6 YEARS

Timothy King
John Hill
Kevin Ryan

5 YEARS

Russell Babineaux
Antoine Baylor
Barry Wells
Tony Smith
Robert Miracle

4 YEARS

Derrick Gordon
Alan Trador
Spencer Hurst
Anthony Thomas
Billy Magee
Anthony Reinhart
Frederick Williams
William Stephens
Steven Mose
Willie Hampton
Harold Canionero
Sean Gibbons

3 YEARS

Wilson Smith
John Sedore

1 YEAR

Teresa Lawless
Temmie Riley
Timothy Towns
Reginald Moore
John Sandoval
Hector Zuniga
Adam Baker
Laron Hicks-Campbell
Michelle Barrett
Thomas Hores
Darrold Demarco
Jacqueline West

MISSION

OUR MISSION IS TO EARN A PROFIT THROUGH SAFE, EFFICIENT, MOTOR TANK CARRIER CUSTOMER SERVICE VIA GRAMMER'S LOGISTIC NETWORK, TALENT, AND DECADES OF EXPERTISE.

CORE VALUES

01 SAFETY

02 TEAMWORK

03 SERVICE

04 ACCURACY

05 COMMUNICATION

06 EXPERTISE

GRAMMER
LOGISTICS

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