CENTRAL FREIGHT LINES YEAR IN REVIEW
LOOKING BACK ON 2017

Measured growth
Building an optimum LTL and distribution network at Central Freight Lines

In mid-February of this year, Central Freight Lines announced plans to purchase Wilson Trucking, effectively expanding its terminal network by 50% and extending its operating area to include the entire southeastern U.S. and Puerto Rico.
Central Freight Lines Expands Coast to Coast

“The Wilson Trucking network of 26 terminals in the southeast matched up with our western and southwestern footprint of 56 terminals,” says Donald A. Orr, president and chief executive officer of Central Freight Lines. “This purchase fits our business plan to grow by serving regional markets, gives our customers the extended coverage they’ve been asking us to provide and improves our long-term competitive position in the LTL and distribution markets.”

With the Wilson Trucking acquisition, Waco, Texas-based Central Freight Lines now operates 82 terminals in 24 states and fields 1,600 tractors and 8,000 trailers. The fleet also includes straight trucks for some local routes. Central’s trailers range in size from 28 to 57 ft. to meet a variety of route and freight density needs.

“There’s a lot more to the LTL and distribution business today,” Orr says. “The increase in multi-channel and final mile delivery activity is a big change. It involves other entities like 3PLs and it can require different equipment. It creates challenges that stem from needing dynamic operations to meet the needs of new and different freight distribution patterns.”

Looking at the details

“Overall, it takes a lot more sophistication when it comes to data management to succeed in today’s LTL and distribution markets,” Orr continues. “You need the ability to look deeply into the details, of all your costs, so you can price your services competitively.”

For Central Freight Lines, many of those details are found in the Less-Than-Truckload Cost Information System (LTL/CIS) from TCG. “Every LTL shipment is a unique combination of weight, pieces, density, origin and destination, susceptibility to loss and damage, handling requirements and other factors,” Orr explains.

“Shipment variances must be accounted for if we’re going to make accurate pricing and operational decisions,” Orr adds. “We use TCG to establish the cost of all our activities,

April 3, 2017 - Fort Worth, Texas
For Immediate Release
Texas based less-than-truckload (LTL) carrier and transportation services provider Central Freight Lines announced today it has completed the transaction to acquire Wilson Trucking business assets. With the completion of the transaction, Central Freight Lines has strategically increased their service offerings to include 19 states coast to coast throughout the southern U.S. Central Freight Lines terminal network has increased by 27 terminals for a total of 83, expanding coast to coast, from Virginia and the Carolinas down to Florida and across to California, Central Freight Lines now provides LTL service to over 40% of the US markets.
January 2017 found Central Freight Lines to be a solid regional LTL carrier providing service to the states shaded on the map in green and utilizing partners to continue the service product into the brown shaded states.

Central Freight Lines had completed the acquisition of DTI, a carrier that expanded the Central Freight Lines coverage to include the state of Georgia.

Central Freight Lines partnered with a few select carriers to deliver our freight in the final mile where Central did not have terminals. Wilson Trucking provided a much needed access for our customers to Florida and the Carolinas, they were a valued partner.

By March 2017, with the acquisition of Wilson Trucking by Central Freight Lines, the Central Freight footprint of services provided, changed dramatically.

Central Freight Lines became the preferred inter-regional LTL coast to coast provider. From Charleston to Los Angeles across the southern belt, Central Freight strategically grew with the coming together of two well respected LTL carriers that now provide service to 75% of the manufacturing markets in the U.S.

Today, Central Freight Lines maintains a world class operation that spans from coast to coast.

Central has partnered with an industry wide much respected LTL carrier to provide service to the Northeast, giving our customers secure options to that area with a LTL carrier we trust with our business.

Over 93 years of continuously providing transportation solutions to the shipping public speaks volumes about our people, our management and our valued customers.
Central Freight Investing in a Suite of Safety Systems on 2018 Freightliner Trucks

RADAR SYSTEM

ACTIVE BRAKE ASSIST (ABA) is always on, automatically tracking the distance from the front of the truck to other vehicles in its path using a bumper mounted radar. When a truck gets too close to another vehicle, three phases of collision mitigation are activated:

1) AUDIO/VISUAL WARNING: The driver receives a visual alert of impending objects via the Instrumentation Control Unit (ICU4ME) and the radio mutes and sounds an alarm.

2) HAPTIC WARNING: If the driver does not respond to the audio/visual warning, ABA sends a physical warning by partially braking the truck.

3) ACTIVE BRAKING: If there is still no driver input, ABA slows the truck using the transmission, engine brake and service brake.

ADAPTIVE CRUISE CONTROL (ACC) automatically adjusts the truck’s cruising speed to maintain a safe following distance - 3.5 seconds - from other vehicles in its path, allowing the truck to remain in cruise control longer. With the optional headway switch, distance can be adjusted between 2.3 and 3.5 seconds.

ACC progressively reacts to detected risks:
- Decelerates truck when sensing a slower vehicle ahead
- Maintains reduced cruising speed
- Reaccelerates to set cruising speed when the slower vehicle clears

LANE DEPARTURE WARNING SYSTEM: Lane Departure Warning (LDW) tracks the truck’s position and sounds a warning if the truck veers out of its lane. A windshield mounted, forward facing camera detects the reflective paint and raised reflectors in lane markers. If the truck crosses those markers without using a turn signal, the radio is muted and an audible warning is sent through the speaker.

DISC BRAKES: The new trucks are equipped with air disc brakes that offer the shortest stopping distances in the market today, providing a compact design, minimizing weight, reducing maintenance and improving both vehicle and operator efficiency.

Central Freight Lines invested in 100 new 2018 Freightliner trucks in the second quarter of 2017. Our Greensboro terminal has taken possession of the vehicles and once tagged, were repositioned throughout our system.
Central Takes Delivery of 1st Freightliner Bobtail

In December, Central Freight Lines took possession of the 1st of 53 new, 2018 Freightliner bobtails. Twenty more are expected to deliver directly to our Charlotte terminal in February/March with the final 30 delivered to our Greensboro terminal in March/April. From Greensboro, the bobtails will be dispatched to replace the older, less efficient bobtails in the system.

This order of bobtails are the Freightliner M2 106 models with the new, low emissions-Detroit Diesel DD8 engine, Allison 3000 automatic transmission and disc brakes.

The lift-gates have a 2,500 pound capacity for ease of use. The trucks are equipped with “ServiceLink diagnostic tools making maintenance and repairs quick and easy.
Central Freight Invests in Yard Spotters and Forklifts

Spotters are used to move equipment around in a terminal yard. Central Freight Liens has invested in 5 new models with the assistance of a state grant to replace lesser efficient equipment. The new equipment will be domiciled in Fort Worth, Houston and San Antonio.

“The new models are built for safety and will support our clean air initiative with being a more fuel efficient vehicle, producing less environmentally harmful gases” said Colin Owen, VP Maintenance.

The 2017 model Autocar spotters are equipped with extra-large foot grips on the walking surfaces and large, highly visible grab handles for safety.

The operator space is large enough for a driver to stand in and move in and out comfortably, it has more safety glass and fewer blind spots, a premium cab suspension system, powerful AC system and steering system for the tightest turning radius.

Central Freight Lines made an investment in supplying the above models to our terminals. The environmentally kind propane use was a consideration in the purchase.

Crown Equipment is a privately held, family-owned US company headquartered in New Bremen, Ohio. Crown is the fourth largest manufacturer of powered industrial forklift trucks in the world. Central Freight Lines depends on the quality and reliability of our new Crown forklifts to perform efficiently and safely. The Crown forks are domiciled in our heavier volume terminals because of their “workhorse” capabilities.

Hyster is a leading provider of forklift trucks and one of the better known names in the industry. Hyster has a dedication to quality in every aspect of designing and manufacturing. Central Freight Lines made an investment in supplying the above models to our terminals. The environmentally kind propane use was a consideration in the purchase.
Central Freight currently utilizes trailer “skirts” that have been proven to reduce fuel consumption and assist with trailer stabilization as we traverse our cross country network. The combination of compressed natural gas in our trucks, side skirts, well maintained equipment and proper tire pressure have all influenced a reduction in fuel on every mile. Central Freight ran over 33 million miles last year, at a projected 2.23% in fuel savings utilizing the FlowBelow system, the impact could be substantial.

Central Freight Lines will continue to make customer centric investments in the future to meet market demands.

Central Freight Lines Evaluates Energy Saving System

300-28’ skirted trailers and 100 gears

Our current fleet:

1,885 Tractors and 7,364 Trailers

With the majority being less than 3 years old

200 47’ vans

200-53’ vans

28’ skirted trailers and 100 gears
Ft. Worth Yard Project Terminal Improvements

The Fort Worth terminal is a major hub for our entire system. On average, 3 million pounds of freight move through this break nightly.

The company is heavily vested in this multi million dollar project to repave the entire yard to create a safer and more stable driving experience in which our drivers can operate. The yard consists of approximately 6 acres with 400 additional parking spaces. Fort Worth is a 202 door terminal supporting a dock that is 1,130’ long by 180’ wide with a total span of 204,000 square feet including office space.

The project includes digging up the current pavement and re-engineering the land to prepare for a 6” to 8” new concrete pavement throughout the yard.

The Fort Worth terminal is a 24/7 operation with a perimeter fence, electric guard fence, cameras and 24 hour security.

The paving project commenced in November with a completion date of March of 2018. Traffic is being redirected each time the construction crew begins another phase of the project.
Central Freight Lines Expands Into New Atlanta Location

Central Freight Lines’ growth in the Georgia market has precipitated the move into a more strategically located terminal to efficiently handle the growing customer base.

Major highways are easily accessed from the new Atlanta location: 2100 Royal Palm Ct. Norcross, GA (picture to the left)

Central Freight Lines newest addition is the Harrisonburg VA Terminal. Currently, the terminal is managed by Mike Gilley/Terminal Manager Roanoke and is located at: 241 Blue Ridge Dr, Harrisonburg, VA

Central Freight is Committed to a Clean Air Initiative

By committing to the U.S. EPA SmartWay Transport Partnership, Central Freight Lines continues to demonstrate its strong environmental leadership and compelling corporate responsibility.

Central Freight Lines will continue to contribute to the Partnership’s savings of 170.3 million barrels of oil, $24.9 billion in fuel costs, 72.8 MMT of carbon dioxide (CO2), 1,458,000 tons of nitrogen oxides, and 59,000 tons of particulate matter. This is the equivalent to eliminating annual energy use in over 6 million homes. Carbon dioxide is the most common greenhouse gas, and nitrogen oxide is an air pollutant that contributes to smog.
“Safety” Is Not Just A Buzz-word at our Conover, NC Terminal

Led by Terminal Manager Richard Moore, the Conover Terminal Driver Team is laser focused on safety. Having gone over 1,375 days with no lost-time accidents, they are the model terminal for what it takes to be successful.

CFL Honored By The State of Texas for Safety, Service and Sustainability

On February 15, 2017 at the Texas State Capitol in Austin, State Senator Konnie Burton presented Central Freight Lines with a Resolution from the State of Texas.

The resolution was written commending Central Freight for its achievements and honoring the work Central Freight Lines has done to promote safety on the Texas Highways, continuous service to the shipping public since 1925 and Central Freight Lines commitment towards supporting the natural gas industry in Texas thereby helping to promote our nation’s energy independence.
2017 Texas Driver of the Year: Gary Hinze

At a filled to capacity luncheon, at the Barton Creek Resort in Austin, Central Freight Lines Driver, Gary Hinze was officially recognized as the 2017 Texas Driver of the Year by the Texas Trucking Association.

Each year exceptional CDL drivers from across the State of Texas are considered by the Texas Trucking Association in their search for the elite driver that most represents the very best that our industry has to offer.

Gary Hinze has been a P&D driver for Central Freight Lines for over 40 years. Gary is the epitome of safety. Gary has driven our Texas roads for over 45 years with no preventable vehicular accidents to his record. He is the prototype for the professional driver, a person who is committed to the profession and represents our industry and our company in the most positive way. It is for these reasons Gary was selected to this prestigious position.

Central Freight Recognized by the Journal of Commerce

Over the years The Journal of Commerce has been a respected voice on subjects as diverse as banking, commodities, insurance, energy and transportation. Today, the Journal of Commerce recognizes Central Freight Lines as an LTL leader in the transportation industry by listing them as one of the TOP 50 for HIRE CARRIERS.

The Journal of Commerce states “among mid-sized carriers, growth may be fueled by acquisitions. Central Freight Lines, ranked 25th on the Top 50 list, acquired Wilson Trucking. That should add more than $100 million to Central Freight’s top line by 2018.”
Once again, Central Freight Lines has been recognized by Commercial Carrier Journal as a Top 250 Carrier for 2017.

Commercial Carrier Journal has ranked the top for-hire trucking companies since the late 1960’s.

The CCJ’s Top 250 is the most comprehensive ranking of active carriers. Central Freight Lines continues to grow and be consistently recognized as a top carrier.

CCJ’s ranking of companies is a blended scale based on a combination of revenue, total power units and number of drivers.

Each year Transport Topics ranks carriers throughout North America, Central Freight Lines has continuously been recognized by Transport Topics as one of the Top 100 Carriers. Named as Top 100 For Hire Carrier for 2017, Central Freight Lines continues to be a leader as an inter-regional LTL carrier. Shown to the right are Central Freight’s investment in compressed natural gas, heavy duty trucks. Central Freight’s commitment to clean burning alternative transportation fuel has reduced NOx emissions by .2877 tons per P&D truck per year and reduced NOx by .6319 tons per line haul truck per year.

With over 200 CNG units on the road, Central is making a significant impact on local air quality in the communities we service.
Central Freight Honored With Lone Star NGV Award

This year the Natural Gas Vehicle Alliance, during their annual “From Sea-to-Shinning-Sea Road Rally Across American” included a Texas leg that ran from Houston up to Conway Arkansas.

The purpose of the event is to highlight the benefits of using CNG-LNG-RNG in transportation and to showcase the variety of vehicles available today that operate on Natural Gas by incorporating them into multiple stops throughout the country over a two-week period. The coast to coast rally not only dispels the myth of NGV “range anxiety” but also draws media attention to the historic VW settlement program and serves to educate state officials on how NGV are the most cost-effective use of funds for clean transportation projects.

Central Freight Lines was recognized as the only Texas LTL carrier to utilize CNG in their heavy duty vehicles in support of a cleaner environment.

Central Freight named a Top 100 Trucker for 2017 by Inbound Logistics

Each year, Inbound Logistics selects the leading transportation providers that “best meet and surpass readers’ evolving transportation needs” after evaluating submitted information, conducting personal interviews and online research.

Central Freight Lines has been repeatedly recognized by Inbound Logistics as an outstanding LTL carrier.

Editors selected this year’s class of Top 100 from a pool of more than 400 organizations. The Top 100 list appears in the September 2017 edition.
Central Freight Lines Earns National Attention

The American Trucking Associations’ (ATA) National Truck & Industrial Safety Contests recognize the extraordinary safety accomplishments of motor carriers across the United State by operation type and size. Carriers are judged on their safety records relative to others within their classes of competition. Safety records are determined from the carriers’ vehicle collision rates or lost workday case rates.

ATA National Truck & Industrial Safety Contest Results

Central Freight Lines, Inc., Fort Worth, TX
Thomas Weeks, Director of Safety

2nd place General Commodities LTL/Line-Haul, Up to 10 Million Miles

3rd place General Commodities LTL/Local, Between 10 – 100 Million Miles

Central Freight Lines Makes the Forbes List

In a special production issue of Forbes Magazine, Central Freight Lines and their partner, Protective Insurance Company were highlighted several time on and inside the cover. Protective Insurance is a Baldwin & Lyons, Inc. company and insures our trucks liability while on the road. Central Freight Lines was given nationwide attention because of our strong relationship and mutual respect with our partners.
Hurricane Harvey Devastated the Houston/Beaumont Areas

Central Freight Lines worked closely with the State of Texas as an “Emergency Responder” providing truckloads of water and ice to those effected by the storms. Central’s crews worked tirelessly during this critical period. There were many unrecognized “Heros” that did all they could to help.

To all who helped in every way, we cannot thank you enough.
The Texas Highway Patrol Commercial Vehicle Enforcement Unit is a valuable tool in supporting our initiative of “Safety First” in the terminal and on the highways. Captain Verastequi brought his team to the Houston terminal for a refresher classroom course on safety followed by a mock roadside inspection performed by Sgt. Kevin Tucker and team members.

“The experience is invaluable as it keeps us all focused on the incredible responsibility we have as industry professionals. Beginning at orientation with new recruits, weekly safety meetings and daily communication, the optimum quality of both our people and our equipment can make the critical difference in any situation.” said Gary Bankhead, Houston Terminal Manager.

Central Supports Educational Project in Round Rock, TX

The Round Rock ISD’s curriculum includes a course titled “Law and Safety”. As part of the continuing education program, Central Freight Lines was asked to participate in the high school’s “Respect the Rig” show and tell event.
Central Freight Assists in Texas DPS Challenge

Annually, the Texas Department of Public Safety holds a Commercial Vehicle Enforcement Texas Challenge that brings in DPS officers from around the State to compete against each other for the grand championship.

This year the challenge was held in Corpus Christi where Central Freight Lines assisted in sponsoring the event with the use of our truck as a training vehicle. DPS officers use this event to hone their skills in performing roadside inspections throughout the year.

Central Freight Lines Opens Company Store

Don’t miss the fall savings at the Central Freight Lines Company Store

FREE Shipping on orders over $150.00

Time to stock up on jackets and hoodies.

New items and colors added monthly, including Tee-Shirt with pockets.

www.centralfreight.com “Start Shopping”
Driver Appreciation Week in Greensboro NC

As part of their week long driver appreciation celebration, the Greensboro terminal invited a member of the North Carolina State Highway Patrol to meet with the drivers to review roadside inspection expectations and other safety items. The Trooper talked about the importance of Pre-Trip Inspections, Safe Driving Techniques, DOT Inspections and what to expect during a roadside inspection. In a classroom setting, the Trooper reviewed what documents every driver must have with them while operating a vehicle including: CDL, Medical Card, Vehicle Registration, IFTA Documents, Bill of Lading (if loaded) and trailer registration.

Central Freight Rocked It

The Doobie Brothers 1970’s hit “Long Train Running” included Central Freight in the lyrics... see below:

Down around the corner
A half a mile from here
You see them old trains runnin'
And you watch them disappear
Without love
Where would you be now
Without love
You know I saw Miss Lucy
Down along the tracks
She lost her home and her family
And she won't be comin' back
Without love
Where would you be now
Without love

Well the Illinois Central
And the Southern Central Freight
Gotta keep on pushin' Mama
'Cause you know they're runnin' late
Without love
Where would you be now - now, now, now
Without love
Central Welcomed New Team Members in 2017

In no particular order, and due to "space" not everyone is represented in this issue of Centrally Speaking, but will appear in future issues.

Michael Brenner - Account Executive - Dallas/Fort Worth

Fernando Molina - Account Executive - Fontana

Cheryl Wallace - Director of Risk Management - Ft Worth.

Travis Kelly - Account Executive - San Antonio

Lisa Miller - National Account Director - NY

Beverly Howard - Account Executive - Amarillo, Lubbock and Odessa

Erik Back - Account Executive - Fontana
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Greg Kocek joined Central Freight Lines in Waco as the Vice President of Information Technology and CIO (Chief Information Officer).

Jason Burris - Controller - Waco

David Wade - IT Director - Waco

Jesse DeHoyos - Terminal Manager - San Antonio

Stacy Hamilton - Safety Department - Fort Worth

Mike Smith - Region 5 Sales Manager - Charlotte, NC

John Roan: Information Systems, Director of Infrastructure - Waco/Ft. Worth
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Teresa Wilson - Credit & Collections Manager - Ft Worth

Sherri Connaghan - Account Executive - Tampa

Craig Conrad - Account Executive - Oklahoma City

Will Nail - Terminal Manager - Lubbock

Greensboro Team Members and Terminal

Ruben Del Toro – Terminal Manager – El Paso
Roland Millhollon began his career with Central Freight Lines at the Dallas Terminal on June 12, 1984.

Thirty-three years later Roland is a respected P&D driver for our Stephenville Terminal and making the most of every minute. Roland turns 80 in January.

Left to right: James Purvis, VP Southwest Division, Roland Millhollon and Mike Nichols, TM-Abilene Facility

Janice Reed has been with Central Freight Lines for over 40 years, she is the Office Manager at our Waco Shop,

**Bill Stevens,** pictured left, with Dallas Terminal Manager, Chris Hearne overlooking one of the Dallas docks he has worked for over 55 years and continues to work daily.

Lisa Thomas was very much surprised with a 40 Year celebration. Lisa is the Customer Information Specialist of the IT Department in Waco.
Retirements

After 39 years with Central Freight Lines as a P&D Driver at our Houston facility, Willis O’Neal has retired.

After a 44 career with Central Freight Lines, Barry Morris retired from P&D in Fort Worth.

The only Terminal Manager the Lubbock terminal ever had, retired after 42 years of service to Central Freight Lines. Richard McFadden show (right) with Mayor of Lubbock, Mayor Dan Pope.

Jim Turner retires From the Information Systems Team/ Waco

Larry Leshikar served as the Manager of Technical Services in Waco for 38 years before retiring this year.
Burnes W. Rock, 70 of Irving, Texas passed away on June 16, 2017 at Baylor Irving from congestive heart failure. Burnes was a long time driver for Central Freight Lines in Fort Worth.

Dustin Pace was a member of the Central Freight Lines Customer Service Department in Waco. At the time when we were highly involved with Amazon freight, Dustin was an integral part of the Amazon Customer Service Response Team.

Michael Adam Winter passed away peacefully at his home in North Richland Hills on April 5, 2017.

Mike was the Director of Information Technology (IT) for Central Freight Lines during the early 90’s in Waco, TX.
The Path Between the Seas
By David McCullough

Win this book by simply being the first to e-mail me with the words “The Path Between the Seas” in the subject line to: mborowski@centralfreight.com

The National Book Award–winning epic chronicle of the creation of the Panama Canal, a first-rate drama of the bold and brilliant engineering feat that was filled with both tragedy and triumph, told by master historian David McCullough.

Communication with our customers is critical as we evolve and focus on new initiatives. This newsletter is one way of keeping both our employees and customers aware of changes and providing a forum of sharing our vision. In today’s technical environment there are a plethora of medians for communication. Central now has a Facebook page for our audience to connect with us. Linkedin is a professional networking tools useful in fostering business relationships and reinforce the company brand.

You have the option to look at every copy of Centrally Speaking by going to our website: www.centralfreight.com, under “About Us”. If you are looking for a quick update of what is happening at Central Freight, you can view our LinkedIn page by logging onto www.linkedin.com/centralfreight. Connect with us on Facebook, but not while driving. Central has a safety policy of “No Cell Phone Usage” during business hours. Distracted driving is a number one cause of vehicle accidents. Stay connected, stay safe.