



Celadon Trucking Services, Inc

About Celadon

Truckload & Logistics Provider for North America

Trucking Operations

- 3,100 Tractors (including 300 Canadian, 250 Mexican)
- 10,000 Trailers
- Young Fleet

Financial Strength

- Transferred from NASDAQ to NYSE November 10, 2009 (NYSE:CGI)
- \$550 Million in Annual Revenue
- \$141 Million in Net Worth
- \$6.8 Million in Bank Debt

Unique Driver Culture

- Avg. age 47
- 13% women
- Respect
- No Trainees or Felons



International Footprint

Door to Door Service between Canada and Mexico

- Acquisition of Jaguar Transportation 1995
- Acquisition of Gerth Transport Ltd 1998

More than 3 Million Border Crossings since 1985

- In 2008: 36,100 at Canadian Border and 58,000 at Mexican Border

International Expertise

- Customs – Trade Partnership Against Terrorism (C-TPAT)
- Partners in Protection (PIP)
- Automated Customs Environment (ACE)

***First Carrier to Participate in both C-TPAT and ACE Programs**



Cross-Border Security Initiatives

C-TPAT PROGRAM

Voluntary Government-Business Partnership

- Industry Plays an Active Role in Securing the Supply Chain
- Government Officials Work Directly with Industry to Enhance Security

Benefits to Carriers

- Reduced Inspections at Borders
- Priority Processing for Inspections (Front of Line Privileges)
- Access to FAST (Free and Secure Trade) Lanes

Issues

- One Strike and You're Out
- Carriers Removed from Program Immediately Pending Investigation
- Exposure of Large Carriers vs. Smaller Carriers
- Single Incident vs. Systemic Security Problem



Cross-Border Security Initiatives

FAST PROGRAM

Expedited FAST Lanes at Land Borders

- C-TPAT Members Have Access to FAST Lanes
- Drivers Undergo a Thorough Background Check for FAST Privileges

Benefits to Carriers

- Expedited Clearance if Transporting for C-TPAT Importers
- Reduces Duration of Border Crossings

Issues

- Current Infrastructure Inhibits True “FAST Lanes”
- C-TPAT Carriers Wait in Traffic with Non-C-TPAT Carriers



Cross-Border Security Initiatives

ACE Program

Electronic Manifest System

- Captures Trade Data
- Clears Cargo Entering the U.S.
- Enables CBP to Target High Risk Cargo

Benefits to Carriers

- Reduces Paper Crossing Documents
- Eliminates Need For Brokers
- Reduces Duration of Border Crossings

Issues

- Information Sharing between Agencies Requires Multiple Entries
- Standardization between Agencies will Increase Efficiency, Reduce Crossing Times and Improve Security



Cross-Border Security Initiatives

Driver Identification/Endorsements

- Land Borders - FAST Cards
- Ports - Transportation Worker Identification Credential (TWIC) and Individual Port Identification Cards
- Military Freight - DOD Identification Card
- Hazardous Materials - HAZMAT Endorsement
- International Freight - Passports

Benefits to Carriers

- Necessary for Specific Applications

Issues

- Repetitive Background Checks, Databases, and Expenses
- Harmonize Identification Cards to Improve Security and Reduce Strain on Drivers, Carriers and Shippers



Security Versus Efficiency

Absolute Security Impossible without Stopping Trade Trade Efficiency and Security can be Improved Jointly

- Managing Risk
- Increasing Security Awareness for Exporters, Importers and Carriers
- Implementing Simple, Cost-Effective Security Measures (Employee Background Checks, Inspections, Etc...)
- Cooperation / Understanding between Industry and Agencies
- Communication between Carriers and Government Agencies

Business Mantra #5

Don't get ulcers, give them.



Business Mantra #4

The true test of a good business person is one who can turn a liability into an asset.



Business Mantra #3

IDS

Leadership

Intelligence

Dedication

Street Sense



Business Mantra #2

People act in their own self-interest.

As Warren Buffett says, “If you want someone to trust in business, get a dog.”)



Business Mantra #1

**To be happy, one needs to
'can't wait to get to work in the
morning' and 'can't wait to get
home at night.'**

