



BIG BLUE *news*

MAGNUM COMPANIES QUARTERLY NEWSLETTER | Winter 2019

A Message From the President...

There are several take-aways from 2019: politically polarizing year, flat year for freight, staffing challenges and rising expenses. Even with these challenges, Magnum was able to continue our 7 to 10% growth, and Magnum was listed as one of the best places to work in Fargo-Moorhead. Our goal continues to be “Innovation with Value” for both our customers and employees. We appreciate all who make Magnum successful and will continue our efforts to be best in class for another year. Thank you!

We wish our customers and employees a Merry Christmas and a Happy New Year!

- *Wayne*

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We post daily; fun facts, celebrations, giveaways, position openings and more!



ADMINISTRATION

We have continued to see growth in the five companies at Magnum. The managers of each company are budgeting growth again in 2020. We are continuing to work toward the five-year growth levels set in our strategic planning meetings in 2018. Our growth continues due to the confidence that our customers place in Magnum, its employees, equipment, and facilities.

We continue to assess the threat of a recession in 2020/2021. A recession can have a negative effect on growth and costs for Magnum. If we continue to focus on our growth opportunities, we can continue to be successful by finding good, profitable business. With a recession, we will also need to focus on our expenses. We need look at every area of our business to control our costs and improve our efficiencies. We accomplished that during the last recession and came out a better company. With the employees at Magnum, we will overcome any downturn and be a better company in the future.

In 2020, we will be looking at new projects to continue improving the efficiency of all our companies. There will be an addition to the Sioux Falls terminal and to the Fargo Tractor Shop. There will be an additional location in Lakeville, MN. We will be updating the operation software for Truckload, Logistics, and Dedicated. We will also be updating the accounting software for all our companies moving to Great Plains Dynamics, which will include a new employee portal. We are also in the process of completing an Enterprise Risk Assessment for all Magnum Companies to evaluate and develop processes to assist in controlling our future business risks.

Magnum has grown to over 1000 employees in 2019. Our success is due to the dedication and efforts of all our employees. At this holiday time, we would like to thank you for your ongoing support of Magnum Companies. We also thank your families for the support of our employees in their daily jobs at Magnum.

To all our customers, vendors, employees and your families, we wish you a Merry Christmas and a Happy New Year.

- Don Jemtrud, CFO

In the past year, Magnum has many things to be thankful for. We continue to strive each and everyday to be better, find more opportunity, maintain company culture all while continuing to move forward as one company.

In 2019, decisions were made to vest into the company, with medical benefits and 401k to ultimately recruit/maintain the great workforce we have today. As a growing organization, Magnum will continue to provide great customer service while being competitive in the market. I am proud to say we have reduced turnover, which is directly related to the decisions and hard work of current Magnum Staff.

Everyday we look to be the safest company on the road. Moving forward in 2020, we are focusing our efforts on becoming better from a risk standpoint. We have recently engaged in an ERM (Enterprise Risk Management) program that is helping Magnum identify risk, and what we can do to minimize or eliminate the particular risk. The decision to engage in the ERM program was simple, for Magnum to keep improving and provide the services, we need to look at all aspects from financial risk, growth risk and incident risk. Everyone within the Magnum Family can help reduce our risk now and moving forward.

Thank you for all you do to keep Magnum moving forward, its exciting to see what we have accomplished over the past years and look forward too many more to come.

From my family to yours...Merry Christmas and a Happy New Year.

-Matt Gadberry,

As I reflect on the past year and ponder future years, I remind myself that Magnum is not just transportation...it's a dynamic transportation solution! Magnum is full of variety and has much to offer current and future employees. I have the enjoyment of working with spontaneous and passionate people every day, across Magnum's many different groups. What makes me excited about Magnum's future is that Magnum is able to solve logistical issues for current and potential customers. Our passion to provide solutions is transparent in the efforts of our people, which is shown day in and day out through teamwork. Magnum has been able to grow organically by providing a best in class product, along with solutions for the changing market. Magnum stands by Innovation with Value by Investing in People, Technology, Equipment and Future Land/Buildings. This is what will form our visionary path today and for years to come. Now as we creep into the holidays, I want to thank all of Magnum for what we provide every day. Magnum's future is dependent on our people and will be packed with presents for all, so thank you and keep the good times rolling! Happy Holidays to you and yours!

- David Gadberry



SERVICE

The Magnum Service Department, with its staff of 37 employees would like to wish you all a Merry Christmas and a Happy New Year for 2020. That must mean we are heading into winter conditions and I would like to take this time to stress to all our drivers to take a little extra time and be prepared for conditions. I am a strong believer in the old adage that "on ounce of prevention is worth a pound of cure". Be prepared for the worst and anything else doesn't seem too bad. A couple of items I would like to mention as we go into winter.

- 1.** We have switched the fuel blend in the Magnum yards. Fargo has switched dispensers 3 and 4 with a 50/50 product and dispensers 5 and 6 are still #2 diesel fuel. The "dyed off road" fuel in dispensers 7 and 8 are also 50/50 blend. The Coon Rapids fuel terminal diesel pumps are a 35/65 blend.
- 2.** I encourage sleeper drivers to let the trucks run when it gets below zero to hopefully eliminate potential starting, fuel and air problems. You do not need to idle them 24/7 while you are parked in sub-zero temps but at least for the 8 hours that you are sleeping, you should and run the truck and supplement with the APU the remaining hours.
- 3.** My rule of thumb is that # 2 fuel is good to 5 degrees above zero and a 50/50 will flow to around -20. The disadvantage of blended fuel is that you lose 1 mpg, 30 hp and costs 30 cents more per gallon. You typically treat fuel for when the truck is shut off because with return fuel and heaters, the fuel will stay warm while you are running. We would prefer running a good blend of fuel vs running additive as additives can be hard on after treatment systems. If you have further questions on fuel just stop in or give me a call and I will be happy to go over fuel in more detail.
- 4.** One of the most important task truck drivers can do is keep the 5th wheel well lubed. This is especially important in the winter. On a well lubed 5th wheel the trailer follows you. If it is dry and sticking, it is pushing you and makes turning more difficult. I feel this is one of the most overlook task in our industry.

5. If you are heading west over the winter months you will need to make sure you have tire chains.

6. Prepare for yourself and your truck for winter. You should have plenty of warm clothing – boots, hats, gloves and a parka. Also take this time to make sure your truck is stocked for the winter. Some recommended items would include winter survival kits, some fuel additive and floor dry for traction. If you have not experienced a winter in the north country, you may not take the temperature seriously – but it can be deadly even with short exposure - especially if it accompanied with a wind chill. Remember, if conditions are too bad for you to move it is a good chance that it will be difficult for any assistance to come to you. You may be stuck for a while so have provisions to make the best of a bad situation.

7. I would recommend keeping your fuel tanks at least half full whenever possible. It is very common in colder weather for the fuel to draw from one tank more than the other and you will run out as soon as one tank is empty, even if the other tank has fuel in it. One can be full and the other side empty.

8. Part of getting into winter driving mode will require you to watch your wheels for frozen brakes. Whenever taking off do a slight "S" turn so you can watch the tires turning. We buy a lot of tires that we should not have to because they are skidded flat. A 2 lb. hammer is good to carry in case some are frozen – also works well to thump tires.

9. Drivers can experience extremes of weather in a matter of hours and we appreciate their professionalism.

I would like to also wish all Magnum employees and our valued customers, friends and family a Merry Christmas and a Happy New Year from your maintenance staff at Magnum. - Randy Gilbertson

SALES

Magnum LTL welcomes new additions to our Sales team. We are proud to announce the following new additions:

We are very excited and feel fortunate to be able to bring these new members on board to our sales team. The experience and talent of each of them will continue to drive our growth and provide quality service for our customers.

From all of us at Magnum we thank each of you for the opportunity to serve your transportation and warehousing needs. We wish you all a Very Merry Christmas and a Happy and Prosperous New Year!

- Stan Wiens,
LTL Business Development Manager



Roger McGillis, *Business Development Manager*
Roger has 26 years in LTL sales management and driving new revenue growth. Roger will be responsible for leading new business growth and overseeing the sales team.



Gordy Salmen, *Sales Representative*
Gordy has 29 years of LTL sales and operations experience. Gordy will be providing sales and service for the regions serviced by the Sioux Falls Terminal and Omaha Terminal



Amy Gwiazdon
Amy has 26 years of experience in LTL Customer service and sales. Amy will be providing sales and service in the Minneapolis and St. Paul region serviced by our Coon Rapids terminal.



Aaron Hoste
Aaron has 34 years of LTL Sales and operations experience. Aaron will be providing sales and service covering the Iowa region supported by our Des Moines terminal along with northern Illinois.

The dedicated Division on behalf of Magnum Companies, would like to wish all of our customers, and their families, a Merry Christmas and a safe and Happy Holiday season. I want to thank all Magnum employees for their dedication and efforts this past year and going forward into 2020. Your commitment to meet/exceed customer expectations and operate in a safe and efficient manner is a major contribution to the growth and success of the Magnum Dedicated Division and Magnum Companies, Again, Thank you!

We start the 2020 year with new startup operation in Shell Rock IA, that involves segments of the operation outside our past experiences including transloading and Container rail movement. We are excited to expand not only our foot print, but also the experience in different/new Models of transportation. This fits the growth strategy of increasing operational foot print and expanding into different segments of transportation.

As we budget and set goals for 2020, the integration of technology in Equipment, and software reporting capacity

will be key providing timely information to manage operations to meet customer needs/requirements, increase efficiencies, while providing timely status updates, and KPI reporting capability.

Everyone at Magnum Dedicated wants to thank our customers for the opportunity to service your needs with the intent to add value to your products and customers, while providing cost efficient service. I wish all our customers, employees, and families a Merry Christmas and Happy Holidays and look forward to 2020 for new challenges and opportunities.

- Kevin Kostman
Dedicated Manager

DEDICATED



2019 was a year of progress and growth for our department.

- Three new team members have joined Logistics helping to better serve our customer's needs.
- New tracking software has been implemented to better help Logistics meet the needs of our customers and carriers.

MAGNUM ASSET BRANCHES

As always, we are appreciative and very fortunate to have our asset branches! The level of service they provide to their customers greatly helps us when adding new lanes and also adding new customers. Thank you for your continued support and effort to help us grow. We look forward to continuing to show Magnum customers what a unique and team-oriented company we are.

WHAT'S IN STORE

Looking ahead into 2020, we will be rolling out a new software. We are very excited for the efficiencies and automation the new software will bring. This will once again help us service the needs of customers as well as bringing an easier to use system for our team members.

THANK YOU

I wanted to also take the time to say thank you to our Logistics' team members. I could not be happier with the progress and growth we have made. They have gone above and beyond for our customers' needs and of what we ask of them here in our Magnum family. I am very proud of the effort and dedication they have toward their work and also toward their fellow team members.

Merry Christmas to all and cheers to 2020!

- Nick Dahlen

Logistics Operations Manager

THANK YOU

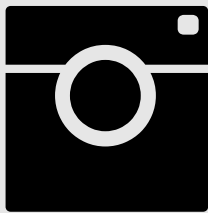
I have had the pleasure of working with Sheldon now for over 20 years. He has been through many projects, positions and changes with us. He started with our linehauls, while helping on docks, terminal openings, dedicated programs and running routes. You know you can count on Sheldon to take excellent care of equipment, ensure job gets done right and always looks out for our customers. He genuinely cares about Magnum and his coworkers.

He and his wife Michele are a lot of fun and have raised two great kids, Megan and Nathan. Now they are welcoming their first grandchild to the family. A welcome addition to camping weekends, but maybe not allowed on the 'fun bus' trips yet!

I congratulate Sheldon for all the great years and look forward to the years to come!

- Eric Grove

West Regional Manager, LTL



Here are a few photos submitted recently from our drivers all over!

We really enjoy seeing our trucks around the United States and hearing where you are!

Have a cool photo you want to share with us? Please send them to kmcpherson@magnumlog.com



Jeff Clark



Josh Claborn



Jeff Clark



Scott Jongeling



Shenlee Solon

TEAMWORK

Heading in to the end of the year I want to thank everyone on our Magnum Team. As a company, we have made great strides in the last 12 months. Our service levels are high, we are hard at work implementing new ways to enhance our safety culture and we have added several new people to our company. We are 1 year in to a 5-year growth plan for Magnum and we are on track. Magnum has again made substantial investments in our infrastructure to improve our operation and look to be ready for our growth as we execute on our 5-year plan. I would ask all of us to hold your teammates in high regard, lift them up and maintain a positive attitude always!!

Merry Christmas and best wishes for the new year!

- James Johannesson
VP Magnum LTL



Investment in safety equipment

Safety is our number one priority at Magnum. Our staff works very hard to ensure employee safety in the work environment. LTL is a labor-intensive job and majority of our injuries are caused from pushing and pulling of heavy freight with a pallet jack. Magnum LTL has invested this year in 52 electric pallet jacks for our driving staff. We have distributed these jacks out to 10 of our terminals so far and will be testing these units extensively throughout the next year. We will be looking to add more electric pallet jacks in the future to all terminals. We are very hopeful that we will have less pushing/pulling injuries at these terminals moving forward with the electric pallet jacks in use.

The Holiday season is upon us and is the perfect time to give thanks to all the employees at Magnum. We have had another busy and challenging year in LTL and we could not succeed without the great employees. Thank you for all your hard work and dedication throughout the year. I am looking forward to what next year will bring and continue to watch Magnum Companies grow.

Thanks again,
Craig Mahan

SAFETY

LTL EAST REGION

As shared in our summer edition the East region condensed with the goal of working on efficiency and how to handle growing density at the Coon Rapids distribution center. We have established a number of new processes and have had good results to date. Possibly in this news letter or soon into the year some additional vision can be shared as to our continued plans to keep the distribution center current and fluid to support our satellite facilities, customer needs and employees. In the meantime we are ready for the winter season and the many challenges we have and may face. Safety is paramount at Magnum and should always be our first consideration while we operate during extreme and ever changing conditions. Other initiatives are under way as well. Getting paid a fair price for what we do is obviously important to all of us. We have seen many carriers struggle this year while we have been able to continue to add new equipment, software and hardware to support our growing operations. Each of us shares skin in the game of protecting the bottom line. No matter what your role each and every one of us controls a huge part of our ability to grow profitably. Such initiatives will never go away, improve on what you control and embrace new ideas as they are identified. We look forward to the new year and growing together as always.... Thanks to all for doing what you do. Have a safe and Happy Holiday season.

- Mark Heining
LTL Regional Manager

Please help me welcome our new employees who have joined the East Region since our last newsletter...

Coon Rapids

Branden Merten
Joe Miithun
James Burg
Victoria Eggert
Jacob Green
Alec Hanson
James Paulson
America Rodriguez
Tre Vaughn Wigley
Ricky Arndt
Darrin Erickson
Don Gross
Quintrell Robinson
Joel Bodinski
John Carter
Jack Dunn
Chad Larson
Endalkachew Mojo
Nick Sarff
Charles Evans

Mariela Lopez
Richard Shannon
Taylor Schleif
Phoup Phommachanh
Jamil Poindexter
Derrick Whitfield
Nate Kramber
James Lebrasseur
Brady Paden
Charles Bliss
John Daniels
Westley Walker
John Ruikka

Willmar

Alan Williams
Eric Stein
Don Pence

STAYING SAFE DURING THE HOLIDAYS

The feel of the Holiday's has been our present for the last couple weeks with the colder temps and the snow covering the ground. What a wonderful time of the year to catch up with friends and family and enjoying the season.

I want to say thank you to our staff and drivers who make moving our customers products in a safe and timely manner during this time of the year. As you can imagine not an easy task when having to deal with weather during the day or night, but they continue to do a great job under these adverse weather conditions.

I would also like to thank our customers for their patience during these winter months. Our goal is to move your products safely. I know weather can put a delay in that, but know we want to keep everyone safe in the process. Our customers know that safety is our top priority and rely on us to keep them in constant communication of any delays. With our updated equipment and technology we can do that. Thank you again for your valued relationship. Have a Safe and Happy Holiday Season!

- Justin Leiseth
LTL South Region Manager



Over the last year we have maintained strong volumes and experienced continued growth. To the sales team and to our management group in Fargo, thank you for your effort and your guidance. We are consistently moving 1,200+ bills and over 1 million lbs nightly through the DC. We could not make it happen without all of our great employees here in Coon Rapids. To everyone on the Coon Rapids team I appreciate your hard work, professionalism and determination. Happy Holidays from all 170 of us at the Coon Rapids Distribution Center. Thank you!

Kelly Mastin (STP)
Coon Rapids Terminal Manager

COON RAPIDS

Introducing our new **Digital Marketing Specialist**

Hi Everyone! My name is Katie McPherson and I live in lakes country Minnesota about 30 miles east of our corporate office in Fargo, ND. I am originally from California but love the MN lifestyle (without winter!) I am married with 2 kids. I come to Magnum with over 10 years experience in Marketing and Graphic Design with a degree from California State Polytechnic University Pomona. My experiences have all been on the Marketing side of retail, community engagement and even the IT world.

One of my many goals here is to grow our marketing and social platforms by incorporating all of our employees daily with consistent messaging in mind. Everyone is important here and consistency is key to me. We are a growing company with the mindset that we are still small enough where employee engagement really matters to us. I am so excited to grow with Magnum and see where this next year takes us. I have a long list of to do's on the marketing side and I couldn't be more excited to get things started here in 2020.



OTR RECRUITMENT

Merry Christmas and Happy Holidays to everyone, especially our drivers! My name is Tony Doll and I'm responsible for hiring our LTD/OTR drivers.

I started with Magnum exactly 8 years ago as a trainee driver right out of truck driving school to drive truck over the road. I remember the first night in a truck (new year's eve) and hoping that I made the right decision to quit a stable job and pursue a dream of driving truck. After almost 4 years and a quarter million miles over the road I moved into a support role in dispatch. When a recruiting position for OTR drivers was available, I was encouraged to apply for the OTR recruiting position. I hesitated for a while, but finally applied and was offered the job. When I took over OTR recruiting in April of 2016, we had 10% trucks empty and was soon informed that we were adding additional trucks to the fleet. It took some late nights, good and bad days, some blood sweat and tears, but we finally made it! While I write this I'm proud to say that we have reached 98% capacity of full LTD trucks. We currently have over 275 trucks in our LTD fleet with only 4 empty. We will be adding additional trucks to our fleet this next year and gearing up to increase capacity in the Chicago region!

Speaking of Chicago, I'd like to welcome a familiar Magnum face that is new to our recruiting team. Luke Litterio had been our Terminal Manager in Coon Rapids for our LTL division for 5 years. Luke is from Chicago and was planning to move back home and retire. We offered him an opportunity to continue his second career in the transportation industry (he previously retired from UPS after 20 years before coming to Magnum) as an OTR/Chicago Recruiter for LTD. He has been working with the truck driving schools around the Chicago area and is working with our sales team to be our boots on the ground in Chicago! It's a change of pace for him, but he's handled it with great enthusiasm. His 25+ years in the transportation industry only helps make our recruiting better and stronger!

As we start a new year on top of our game, we plan to continue hiring the best drivers in the industry to move our customers freight safely and securely. If you or someone you know is interested in joining our team to drive for Magnum, please call us at 1-888-816-4727 or email us at OTRjobs@drivemagnum.com.

- Tony Doll



Tony Doll



Luke Litterio