



Kevin Hogan Writes...

We have started the New Year with hope of good things to come. There continues to be lots of changes as we move Belvidere West to Rockford and the expansion of Belvidere East. We have hired a new Business Manager, Steve Ganss, to service the East Coast and a new Corporate Human Resource Manager, Kristine Hoover. We are still looking for a new Business Manager who will be based out of our Las Vegas facility and will service the Southwest. Pierce is constantly searching for companies to join us with abilities and

business practices that complement our own. I believe we will be having our 1st Quarter Manager Meeting at our new Ripley plant. I know that Dino McNabb and John Mullin are working on the details. This will give Jay an opportunity to show off one of our newest facilities. I also believe that we will probably have an open house at our new Rockford operation sometime in the near future so Larry can show his new operation.

We all need to work together to exceed our customers' requirements in 2012. Without them, there

is no Pierce Distribution. Please keep this in mind when you meet them or talk to them on the phone. Let's keep all plants 'tour ready'.

Finally, I would like to thank all who celebrated service anniversaries in January. There are some who hit some milestones. Jeremiah Arnold (Belvidere East) and Leticia Medrano (Rockford) each celebrated their five year anniversaries. Beth Futrell (Rockford) celebrated her 10 year anniversary. Adan Flores (Bolingbrook) celebrated his 20 year anniversary. I want to thank each of you for your service and dedication to Pierce Distribution.

Kevin Hogan

improve quality?

It's important to understand that these simple questions can have an impact on quality. As you know in our business, staffing needs may change on a regular basis. But with each change it's important to remember: every individual that steps into our facilities and becomes a part of our Team, either for a day or a year, affects each and every associate within this company. The lack of training, knowledge and understanding of any associate conducting even the simplest functions can impact quality and overall customer satisfaction. As we start out the New Year we need to look back at past mistakes, learn from these mistakes and strive to eliminate these mistakes.

Virgil Sansone



Jack's Words Of Wisdom
"My problem lies in reconciling my gross habits with my net income."

Quality Writes...



Quality Basics.... Can you answer these questions?

1. Do you know the Pierce Quality Policy Statement?
- If not, do you know where to find it?
2. What does the Quality Policy Statement mean to you (in your own words)? How does it apply to the work you do?
3. What is your job? How do you know how to do your job and if you are doing it right?
4. Who do you ask if you have any questions about your job?
5. Do you have a work in-

struction or procedure explaining how to do your job? If so, where are the work instructions or procedures located?

6. What do you do if the work instructions or procedures are wrong or need to be updated?
7. What do you do if you are packing a product and find it's damaged? Who do you notify?
8. How do the errors you create or created by others impact our customer? What impact does this have on Pierce?
9. Do you know how many errors have been reported internally or by our customer this week or month? Where is this information posted or available?
10. How can you help to

Our CFO Writes ...



Be a Safety Leader

Each and every day, we all provide leadership and guidance to those around us. This leadership and guidance can be positive or negative depending on what

we say and do. Being around other associates who support, encourage and practice safety in the work place creates a safer environment for all.

New associates at Pierce watch the established associates and take their guidance from what they say and do. No matter how much safety training a new associate receives, if the more experienced associate does not practice good safety habits eventually, the new associate will follow their habits. This creates an unsafe work environment and puts all associates at risk for

injury.

No matter what your position is at Pierce, you can be a safety leader by practicing good safety habits, following all safety policies and procedures and promoting the safety culture at Pierce to any fellow associate. If someone asks you about a safety procedure or policy, be an advocate and encourage the associate to comply. Make sure you do not take shortcuts, use all safety tools provided and focus on what task you are completing and not letting distractions hinder your performance.

Anyone in our facility will observe what you do when it comes to safety. This includes your fellow associates as well as visitors. Sloppy safety practices reflect on a sloppy operation and make a poor impression. Be a safety leader. You will stay safe and you will help those around you stay safe as well.

Tony Chiodini

Ripley Writes ...



Hello and Happy New Year from Ripley Tennessee! Between moving the entire plant from Humboldt to Ripley and training a whole new work staff, we had an absolutely fantastic, adventurous, and productive 2011! But now that we are moved in and getting comfortable, it is time to attack 2012! Already the workload in January is pouring in.....so we are off to a great start!

We just successfully finished our first Kaizen (Japanese for continuous improvement) blitz with Komatsu. The five main elements of a Kaizen are:

- Teamwork**
- Personal Discipline**
- Improved Morale**
- Quality Circles**
- Suggestions for Improvement**

This individual blitz has involved all levels

of associates and ideas from both companies. The enthusiasm within the Team has been very exciting. I am looking forward to the final presentation and seeing the results!

Please keep up all the hard work here at the plant level, and the super positive attitudes!

Jay Hogan



Hello To All From Ripley, TN

We are busy here in Dealer Return. Work is continually rolling in. Everyone has made a great effort and pulled together moving the products out in a timely

manner. Thanks everyone for a job well done.

I went to Rockford, IL for the Christmas holiday and the weather was surprisingly

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Happy Birthday

February Birthdays

Name	Date	Plant
Beth Palmer	04	7
Donna Hogan	05	C
Susan Lovett	08	7
Marcus Boykin	08	7
Gabe White	14	4
Samuel Palmer	16	7
Maria Juarez	17	3
Sarah Hinchee	20	4
Craig Mann	24	7
Cynthia Wonzer	25	8
John Bednar	25	8
Stan Bowie	27	7
Brandon Spitson	28	8

Happy Anniversary

February Anniversaries

Name	Date	Plant
Donna Oliver	2/05/01	7
Tom Hogan	2/02/04	C
Andy Oltremari	2/16/05	C
Warren Smith	2/06/06	9
Jerry Hankins	2/20/06	7
Michelle Puente	2/27/06	7
Pamela Bond	2/19/07	7
Don Ingram	2/25/08	7
Tony Lineberry	2/07/11	7
John King, Jr.	2/07/11	7
Randy Terrile	2/07/11	10
Edwin Lopez	2/07/11	10
Capas Speight	2/07/11	10
Kristin Rice	2/14/11	7
Melissa Millner	2/14/11	7
Marcus Boykin	2/14/11	7

Ripley Continues ...

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very mild. My daughter and son-in-law moved from Garland, TX to the small town of Pearl City near Freeport, IL, and I went up to help them with the move. They have started a pizza restaurant and my son-in-law, Steve, is also a minister. It took two days to get them moved, but they are now settled in and the grandkids are enjoying the snow. We would like to welcome to our department and to the Pierce family Trevon Farrow, Janice Jones, Cory Eastep and Kiah Ewer. (See the picture right - I'm the good looking one in the middle of my guys). Everyone be safe and be prepared as we enter our tornado season here in the south.



Judy Borgmann



Ripley Welcomes New Supervisor Beth Palmer.

Beth started out with staffing service, Job Express, working in the Breakdown Department before becoming a Pierce associate in January 2005. She was then moved to the office area with Moe Jordan as her supervisor keeping up with trucks shipping product from Humboldt to the Komatsu plant in Ripley. Beth states one of her most invaluable experiences was learning the functions of our Exports Department from Jackie Freeman. A known "problem solver" with excellent computer skills, Beth excels working with the "guns" - the scanning guns that is - (she also refers to the guns as "her babies"). The year 2012 started off with a real challenge for Beth as she moved in to the position as Komatsu Representative for Pierce. As Beth is comfortable with the "shipping side" of her new job, she is eager to learn the "receiving side". As luck would have it, Komatsu invited her

over to participate in a week long training using the Japanese Kaizen (continuous improvement) program. The brainstorming event was very beneficial and eye-opening as they dealt with improving/eliminating current receiving problems. When she is away from the plant, Beth has an unbelievable menagerie of cats and fish. Her three cats Chloe and Casper (both Siamese) and Cali (Maine Coon) have free run of her home and she and the cats enjoy the entertainment of her freshwater fish in a 30 gallon and 55 gallon aquarium. Beth tells us she is engaged and in the summer, you'll find Beth cruising in and around the small city of Halls, TN in her black 1999 Chevrolet Camaro convertible (but trying to be careful with her heavy foot). Halls is quite a difference from the large city of Jackson, Michigan which she will always call "home". We are proud of you Beth, we know you're up for the challenge.

Congratulations



**Beth Palmer
Komatsu
Representative**

Mike Moore

Belvidere East Writes ...



Winter is finally upon us with the first blanket of snow yielding six inches. Ironically the day prior was 59 degrees and there was a spring feel in the air. However, it officially feels like a new year and as we step into it, we are establishing our first quarter goals. We were taught in "Action Coach" to make sure they are S-M-A-R-T. Preparing Goals the S-M-A-R-T way: by Wayne Kurzen

Start each goal with "Q1....." e.g., "Q1 – Lower error rate by .02%. Do your best to make it a SMART goal

S – Specific - avoid vague terms.

M – Measurable (if not – we don't know when we make it and our Reticular Activating System (RAS--unconscious mind that moves us towards a-e current dominant thought) doesn't have a target – the RAS is like a heat-seeking missile – needs a clearly defined hot spot to aim at...

A – Achievable – if it is too easy – it is a "to-do list" ...if it is too hard – it won't motivate...it should "stretch" us but not be impossible.

R – There are several "R's"- Realistic, Relevant etc. (makes sense with regard to the other goals). You could have a goal that is achievable but not realistic or relevant – doesn't move us forward in terms of overall goals.

T – Time – there should be a time limit – if it is a Q1 goal then it is due at end of 1st quarter – if you want it in less time – specify in the name.

We like to establish SMART goals in each department in the operation.

In Mastering the Rockefeller Habits by Verne Harnish – it is very important to use a tool to effect change in thinking... Three underlying habits or tools...help develop a successful business.

Priorities – List the top five long term priorities annually. Identify the one main priority goal. Each department will list three goals to aid in achieving the top five goals. Establish quarterly goals aimed at achieving the long term goals. Change the quarterly goals as you make progress.

Data – metrics, (daily, weekly, monthly, quarterly, annually) How do you eat an elephant? One bite at a time... track the change in performance, efficiency, cost, profit, and attitude.

Rhythm – Meetings, (weekly, monthly, quarterly) are held to keep the goals aligned.

These tools have helped our staff and our operation become better and more successful. They are not all easy to implement but over time, just using one tool consistently will yield many benefits and create ripples of long-lasting change. Quotes seem to be overrated but "change isn't change until there is change". Once you see the change, you feel it, then it becomes a culture and more natural; just a normal day at work. We are learning and continuing to grow at Plant 8 as we focus on continuous improvement and using tools to help us drive the operation! Just like a dashboard on a car, I couldn't imagine driving my car without a speedometer, gas gauge, etc. These tools are necessary not only when you're driving a car, but also while driving any successful operation.

On a different note; one thing that does change each month are the associate of the month awards! Each month, we recognize this person and their job performance, attitude, attendance, work ethic. These are the platform on which these associates selected. The January associate of the month was awarded to Brad Foote. Brad's primary role is in the shipping department as a packager. Brad has swiftly grown into other positions in the receiving department and has also taken a role of one of our trainers for small packaging. Brad has such an "easygoing" personality and is very refreshing to be around. We are excited about your award and look forward to your continued growth! Brad also is a veteran and we honor his military background.

Joshua Moorehead



Hello from Plant 8. Happy New Year to everyone! It's going to be a great year! Everything is going great here in the shipping department. I would like to thank all the associates who

have done such a great job this last year. I would also like to thank Larry Sindelar and Cindy Mena for giving up a Saturday so we could get the wheels replaced on the carousel. I would like to congratulate this month's Associate of the Month, Brad Foote. Brad is a UPS packer and has been doing very well. He is also training to back up the UPS operator and has been helping in receiving and the truck department. Way to go Brad, keep up the great work.

Brandon Spitson



Snow, snow go away, come again some other day! That's the way I feel about snow in Illinois. Unfortunately, I do live in Illinois so I have to deal with it. Driving to work this morning was interesting...sliding a couple of times made the heart beat a little faster.

One good thing is this is already the end of January and spring is not far away!

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Belvidere East Continues ...

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Happy Anniversary to Carol Hebel, 8 years; Joshua Moorehead, 7 years; and Jeremiah Arnold, 5 years!! Congratulations to all!

Happy Birthday to Nick Asprooth and Brent Hultgren!

Congratulations to our "Associate of the Month" Brad Foote! Great Job and keep up the great work! Every month we take a few minutes to have a plant meeting and introduce the Associate of the Month. During this meeting we go over current events going on in the plant as well as any HR announcements. We also introduce any new associates we have. After the announcements are made, the Supervisor of the "Associate of the Month" says a few words about

this individual, his/her performance, etc., without using their name. He/She then announces who the "Associate of the Month" is. It adds a little anticipation to the meeting. While the Supervisor is talking about this person everyone is trying to guess who it is. The "Associate of the Month" then gets to spin the wheel for their award. For those associates in the winter states, please drive safely and watch out for the other guy and the occasional street sign, pole or ditch that may jump in front of you!



L-R Jeremiah Arnold, Joshua Moorehead, Brent Hultgren, Carol Hebel, and Nick Asprooth

Jenny Ralston



Above—photos at our plant meeting as all hear the description of the recipient of the "Associate of the Month" award.



**Brad Foote [R]
Congratulated by Larry Sindelar**



Hi. My name is Wesley Hryszczuk. I am 26 years old and reside in Rockford, IL. I was born in Rockford in 1985 but moved back and forth from Lake Summerset. I didn't exactly take the "easy" road as far as learning life's lessons, but I have learned, nonetheless. I believe that the mistakes I have made in my life have actually

made me a better man today. I came from another company that I really liked and was saddened by the fact that I had to leave there...but after I started working at Pierce, I learned that it was a blessing in disguise. This is by far, the best company I have ever worked for! Pierce is an awesome company - I wouldn't change one thing about my job or the people I work with!! I am so grateful for this opportunity. Thanks Pierce!

Wesley Hryszczuk

Belvidere East Continues ...



Winter Greetings from the "Receiving Raptors" in Plant 8! Who prayed for the snow to come? I was enjoying our heat wave throughout the month of December. We ended the 2011

year with a 10.89 overall LPH. We are off to a good start for January 2012, with the goals of hitting 13 LPH again as we are very busy. Arrival receipts are averaging about 100 a day, and Returns are averaging 80 receipts a day. Our annual return season snuck up and grabbed us hard this year. Nick Asprooth's return shelves are filling fast. Unleash your inner "Marathon Man" and hold strong, Nick; we'll get through this busy time. Martina Pizano has been a

huge help as well with the long hours to help complete our return orders in a timely fashion. Thanks for your dedication guys.

I would like to take a minute and welcome a couple of new people to the Receiving area. Let's start off with my newest addition that came from shipping. Ashley Kettner has come down to help with returns, prepack, binning and anything you asked her to do. Ashley has done this over the last year. So when a spot opened up for my department, I jumped all over the chance to bring Ashley aboard our Team. Ashley has been placed on the Receiving dock and loves the interaction with everyone and is a pleasant fit to our department. Every day is a new adventure for Ashley as well as for us. Ashley is a cheery person and speaks highly of unicorns, rainbows, puppies

and kitties. She is a one of a kind. Welcome aboard, Ashley. Mike Powell is another addition we have in Receiving. Mike has been brought in to take care of our Maintenance Department. Great job, Mike; the place looks awesome. Last but not least, we have Wes Hryszczuk - that's right I said "Hryszczuk". A big name, for the big guy on campus in Receiving. Wes is our newest put-away guy. Wes is a joy to have in Receiving and enjoys learning new things daily while binning and continues to strive to be "best in class". Welcome aboard, Wes.

Cynthia Mena

Bolingbrook Reports...

Our Bolingbrook IT department is undergoing some changes. We are sad to say that Joseph Magliari is leaving Pierce to pursue other opportunities, but currently he's training our newest IT addition, Janina Rivera. Janina started in IT approximately ten years ago and since then has worked in various fields, including business management and running her own beauty business. She has recently returned to the IT field after she and her husband Julio relocated to this area three years ago. He is a Captain in the Army and returned in September 2011 from a year in Afghanistan. They have an 8 year old daughter, Janedis. In her spare time, she loves to travel, shop and watch movies. Welcome, Janina!

Las Vegas Reports...

NEW YEAR, NEW ATTITUDE!

Wow, a new year. This makes our second year as a Pierce Distribution Services Company...how time flies! Well, the Komatsu business is going strong. Totals lines handled in 2011: 83,083 vs. lines in 2010 of 54,662. We have also made some improvements in the warehouse by putting up 5S signage and shadow boards for warehouse tools. We also have over 5,000 square feet of additional warehouse space for new business, and with our sales team working on two new accounts for Las Vegas, 2012 looks brighter than ever!

Andrea Scott

Mark Tavarez



Joseph Magliari
Janina Rivera

