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Welcome 2012!



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PENN Team Leaders Employee Memo

Due to the downturn in the economy, 2011 was one of our most challenging years, but as we write to you, the decisions we are making today will help us stay in business for many years to come.

Despite all these economic challenges, our company is still one of the most cost effective warehousing & distribution terminals in the market today. We continue to adjust to the changes throughout the industry and across the world.

Some of our vendors had price increases for materials. Consequently, we focused on making internal changes to reduce operating costs to ensure we remain in business and perform at the highest levels possible. A hearty "thanks" goes out to all our employees for their hard work and to our customers for their loyalty and business.

It should be noted that we gained a few new accounts and managed to minimize employee layoffs as much as possible. We welcomed some new members and said good bye to some old. A

special thanks goes out to all Team Members for working safely and to the Safety Team for making suggestions to help keep workers healthy and safe. Our goal was for each and every one of you to arrive home alive every day to your loved ones and families. Indeed, we only had one recordable injury for 2011. The Department of Labor and Industry has approved, again, our Application for Certification Renewal of our Workplace Safety Committee. Our initiative in establishing and maintaining this certified committee continues to demonstrate our strong commitment to workplace safety. Thank you for making Penn a safer place in which to work.

Alone, each of these accomplishments is impressive. Together, they reflect the great performance and leadership that you bring to the Penn Warehousing Team every day. We are stronger because of your dedication. We are very grateful for your efforts and very proud of your hard work.

We hope the holiday

season was joyful and wish all of you a very happy, healthy, safe and prosperous New Year!

PENN Leadership Team:

John Brown, President

Terence Brown,
Vice President

Shanna Gattuso,
Executive Assistant

Don Hills
I.S. Manager

Hubert Manns,
Controller

TEAMWORK

"Coming together is a beginning, keeping together is progress, working together is success."

Jeff Schultz/AlaskaStock.com



Signal Safety Training

As part of Penn's ongoing commitment to keeping safety in the workplace a number one priority, both the executives and managers at PENN participated in a safety training hosted by Signal Representatives. The training took place on site from October 31 – November 4, 2011.

The Executive Safety Leadership briefing was designed to develop executive leadership "best practices." Topics included executive level commitment, employee

involvement, organizational integration, metrics and continuous improvement.

Highlights of the Shipyard Supervisor/Manager Safety training course included presentations about management's role in safety, introduction to OSHA, supervisor safety leadership, accident/incident investigation, root cause analysis, facility and shipboard safety inspection and observations, gangway safety talks, corrective action plans and job

safety analysis.

In summary, a successful Safety Management System must have leadership at all levels who believe safety is a core value that helps drive the culture of the organization. All employees must be involved in the overall process to insure adoption and adherence.

"The key to successful leadership today is influence, not authority."

Kenneth Blanchard

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Signal Safety Executive Training (Front L-R) John Coulahan, President, Murphy Marine Services (MMS) and Dennis Monahan, Chief Financial Officer, MMS. (Rear L-R) Tim Brown, President, Horizon Stevedoring, Ed Heinlein, VP Operations, MMS, Terry Brown, VP, PENN Warehousing & Distribution, Jim Lyons, President, JH Stevedoring and Pat Farrell, VP, MMS.

Cargo Increases, Land Gains, Facility Improvements, And Progress in Channel Deepening Among Port of Philadelphia's Recent Successes.

Philadelphia, October 14, 2011 – With newly-released cargo statistics showing a healthy 12 percent gain in cargoes handled at the Port of Philadelphia during the first eight months this year compared to last, cargo activity was only the latest highlight among many

successes this year at Pennsylvania's international seaport. Other notable advances include:

- The acquisition of significant acreage and facilities at the former Philadelphia Navy Base, which can be used immediately for various

port projects as well as become a future component of the Port's ambitions Southport project, the first major expansion of the Port of Philadelphia in more than 50 years.

- The start of a comprehensive capital program to make

significant improvements to virtually all Philadelphia Regional Port Authority (PRPA) facilities along the Delaware River, based on the recommendations of a 2009 Strategic Facilities Assessment, a report commissioned by PRPA to assist the agency in charting its future.

Port's Success (Continued)

-The release of \$15 million in state funds by Governor Tom Corbett last month to permit continued work on the Delaware River Main Channel-Deepening Project, currently in the process of deepening the Delaware River's main navigation channel from 40 to 45 feet, permitting larger, more modern vessels to reach the Port.

But it was recent cargo figures that have provided the most immediate good news for the region. With 1,424,710 metric tons of

containers handled this year through August compared to 1,302,386 metric tons handled during the same period in 2010, container tonnage was up over 9 percent. Counted as individual containers, the 205,221 containers handled year-to-date in 2011 was a sizable 15 percent gain over the 178,250 containers handled during the same time in 2010.

Breakbulk cargoes, which include palletized

cargoes and other products not shipped in bulk or containers, also showed a healthy gain year-to-date in 2011 compared to the same period last year. Comprising cargoes such as steel, fruit, forest products, cocoa beans, and project cargo, breakbulk cargoes were up over 7 percent, with 753,346 metric tons handled during the same period last year. Particular highlights among breakbulk cargoes included cocoa

beans (with 91,410 metric tons handled, up 15 percent), forest products (with 297,313 metric tons handled, up 19 percent), and project cargoes (with 32,565 metric tons handled, up 63 percent).

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Philadelphia Regional Port Authority Congratulates Pennsylvania Governor Tom Corbett for Major Recognition by Chilean/American Trade Group

Philadelphia, November 15, 2011 – Philadelphia Regional Port Authority (PRPA) Chairman Charles G. Kopp, Esq. and PRPA's entire staff congratulate Pennsylvania Governor Tom Corbett for being named the 2011 recipient of the prestigious "Friend of Chile" Award by the Chilean & American Chamber of Commerce of Greater Philadelphia (CACCGP). The award was presented to Governor Corbett at the organization's 14th Annual Award Luncheon, which was held at Philadelphia's Union League on Thursday, November 10, 2011.

The award is presented every year to an individual who has demonstrated, through support, policies, and/or activities, that he or she is a true friend and

ally of trade between Philadelphia and the nation of Chile.

The Port of Philadelphia has been a major handler of Chilean agricultural product for more than thirty years, with substantial support by the Commonwealth of Pennsylvania helping over the years to keep the Port's maritime facilities efficient and modern. Commonwealth support has been directly responsible for improvements and enhancements to the Port's refrigeration capacity, square footage, and other important facility attributes, all assisting the Port to retain and expand cargoes such as Chilean grapes and other fruit and agricultural products, as well as other cargoes. Governor Corbett's administration has

continued the long tradition of the State of Pennsylvania recognizing the economic importance of a healthy and thriving seaport in Philadelphia.

"With the annual Chilean fruit season about to begin here at the Port of Philadelphia, it was especially appropriate to take a moment to celebrate this trade that is integral to the livelihood of so many on our working waterfront, and to acknowledge the people who help to keep it going," said Chairman Kopp. "I salute Governor Corbett, Mr. Kopke, and everyone in the regional maritime industry who are tirelessly dedicated to this important business."

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(L-R) Robert Palaima, President of Delaware River Stevedores (DRS) and current President of the Chilean and American Chamber of Commerce, presents PA Governor Tom Corbett with the Friend of Chile Award



(L-R) PRPA Chairman Charles G. Kopp & PA Governor Tom Corbett at the Union League

Employee Spotlight – Dawn Kohn

Dawn Kohn was initially hired in 1983 as a Shipping Clerk. In 1986, she received her first Customer Service Account. Dawn left PENN in early 1990 to have her first child and become a “stay at home” mom.

Dawn was rehired in 2007, at which time she became a full time Customer Service Representative.

Prior to working at PENN, Dawn worked at Amstar Corporation doing a variety of office work. During her 17 year absence from PENN, Dawn worked part time in the Philadelphia school systems as both a noon time aide and receptionist. Dawn currently resides in Northeast Philadelphia and has three children, Jason, 21, Dana, 18, and Kaitlin, 17. In her free time Dawn enjoys spending quality time with her children, baking and being an active member at her Church.

Dawn is currently the

Customer Service Representative for Stora Enso, a Finnish pulp and paper manufacturer and one of PENN’s valuable customers. Recently, one of Stora Enso’s customer service representatives sent the following e-mail to Terry Brown, Vice President, and to Tom Mutz, Director of Global Business Development at PENN:

“Hi, Dawn, the Transfighter that just unloaded and from which we’re still shipping out was/is a tough one! Unfortunately it was delayed almost a week from original schedule and it caused a LOT of hot hot shipments – unbelievable....But you did it again!

I know I’ve said this before, but I really think it’s appropriate to say it again after a vessel like this – and it’s important for me as well that your superiors are aware of your extremely hard work and effort....it is a true pleasure working

with you – I always know that you do your outmost and go that extra mile and I never ever worry when I have you working on our cases – it means SO much to have you on the other end, bending backwards and going above and beyond to make things happen.

As I said, this vessel was a real tough one and you just proved yourself again to be THE BEST!!

Thank you SO much!

Tom/Terry – don’t even *think* about ever ‘taking Dawn away from us’! You have a pro’ there that sure is a keeper!”

Birthe / Bea Poulsen
Customer Service Representative
Stora Enso North American Sales, Inc.

Tom Mutz commented on the e-mail. “It’s always great when a customer recognizes one of our employees. After all, we are an extension of our customer’s services to

their customers. Clearly, Dawn’s recognition is characteristic of our entire process, from vessel discharge, to the warehouse, and all the coordination throughout the distribution process. Providing a consistently reliable service requires an entire Team effort. Well done by ALL!”



Dawn Kohn – Customer Service Representative.

COMMENTS? SUGGESTIONS?

This is your Port Side Post! If you have ideas for future articles or information you’d like to see included in *The Port Side Post*, please let us know. To submit ideas or suggestions, please contact:

Donna Lasch – reception@pennci.com



Annual Employee Holiday Luncheon



PENN's Annual Employee Holiday Luncheon was held Tuesday, December 20th, from 12:00 Noon to 2:00 PM at PENN's main office. The Holiday Luncheon has been a tradition here for many years.

The luncheon is not only a celebration for the holiday season, but a way of saying "Thank You" to all the PENN employees for their dedication and commitment to making PENN Warehousing & Distribution, Inc. a continued success.

The two hour luncheon allowed employees to take a break from their busy work schedule to relax with co-workers and friends in the festive atmosphere.

The luncheon was catered by CFM PHILA LLC,

Innovative Catering Concepts and included a buffet menu, appetizers, salads, vegetables and a dessert table to die for!

A great time was had by all!



(Front L-R) Tracey Wendrychowicz, Shipping Clerk, Dawn Kohn, CSR, Janis Peterson, CSR, Joe Scarduzio, CSR. (Rear L-R) Roberta Langley, Shipping Clerk, Terry Brown, Vice President, and Laurie McDonald, CSR.



(Front L-R) Tony Bannister, Assistant Controller, Lisa Colon, Inbound Coordinator (Back L-R) Hubie Manns, Controller, Kim Ewe, Accounting Clerk and Jim DeCorpo, Senior Accounting Clerk.



Ernie Lucas, Yard Coordinator



(L-R) Bill Collins and Brian McCabe, Warehouse Leadmen.



(L-R) Mike Lennon, Ship Foreman, Jim Lyons, President and Don Reimer, Chief Clerk, JH Stevedoring.



Don Hills, I.S. Manager

Best wishes for a happy, healthy, safe and prosperous New Year!



(L-R) Tom Mutz, Director of Global Business Development and Brian McCabe, Warehouse Leadman

