



HERMANN SERVICES, INC. Holiday '08 Newsletter

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Striving to Be Green

A Message from the President

I've been hearing the word "green" used quite often over the past year. If everyone were to be more green we could reduce our consumption of energy and improve the environment. What does it mean to be green? In our personal lives it can mean recycling paper, plastic, glass, and aluminum. Some of us have reduced energy use at home with better insulation and energy efficient windows. Many of us drive more fuel-efficient cars.

I am pleased to announce that Hermann has made a determined effort to change some of its business practices to become more green conscious. We created a team of individuals within the various branches and asked them to think green. As a result of this initiative we are on our way to becoming a more green organization. During our journey we uncovered several organizations whose sole purpose is to assist companies like ours in that endeavor. Our leadership team continues to challenge our organization to learn more about becoming environmentally-responsible and I am pleased to announce that Hermann Services is already taking great strides on the following initiatives.

- We have joined the SmartWay Transport Partnership run by the Environmental Protection Agency to help reduce transportation-related emissions.
- We are becoming an Operation Clean Sweep Partner to reduce the waste of plastic pellets in our transporting and warehouse handling chain.
- We are a member of the American Chemistry Association's Responsible Care Partner Companies who share a commitment to advancing the safe and secure management of chemical products and processes.
- We are in the preliminary stages of sourcing more energy efficient lighting systems.

Please read more about these initiatives in the articles featured in this issue of our newsletter. Visit the websites listed at the end of each article to learn more about what you and Hermann Services can do to fully meet our obligations to these organizations. I encourage everyone to keep our commitment to environmental responsibility top-of-mind. Discuss it with your associates and ensure that we are complying with the recommended practices that we can put into place to become better corporate citizens.

Let's keep our eyes open for how Hermann Services can improve upon our commitment to become greener. Please feel free to make suggestions that can help in any area of activity.

On another note, as we head toward the holidays and the new year, I am also pleased to report that all Hermann divisions, warehousing, leasing, transportation, and logistics experienced a prosperous and strong 2008. New software was implemented for our operations, fleet maintenance, and accounting departments. Additionally, environmentally-friendly equipment was added to our fleets.

With modesty I say the meaning of "teamwork" is not only practiced within each division but throughout the entire organization. The Hermann Services management team foresees that 2009 will have its fair share of uncertainty and challenges. As well stated by a senior member of our team, "Challenges are like coal before they become diamonds, opportunities in the rough."

From the entire family of companies I extend to you my wishes for a healthy and happy holiday season and only the best to all in 2009.

Dennis W. Hermann, President



"Our choices at all levels—individual, community, corporate, and government— affect nature. And they affect us."

— David Suzuki,
Suzuki Foundation

Hermann Services Becomes an “Operation Clean Sweep” Partner

By Jim Capra, Packaging Division Manager

A joint program of the American Chemistry Council and The Society of the Plastics Industry, Operation Clean Sweep was developed to prevent the release of resin pellets into the environment. There is always the potential for plastic handling and transporting operations to inadvertently spill pellets, which make their way into local waters and eventually end up in our oceans where they create both a litter problem and a deadly threat to sea life.

To that end, Hermann Services has taken this Pledge to Prevent Resin Pellet Loss:

Our company recognizes the importance of preventing the loss of resin pellets into the environment and we are committed to implementing the Operation Clean Sweep program.

As an OCS Program Partner, we will strive towards zero pellet loss. It's the little things that count – a few pellets here, a handful there. They all add up when you consider the thousands of facilities in the industry and the many times resin is handled. Commitment by everyone in the company is essential to eliminating pellet loss.

We will make changes wherever possible and practical to:

- Improve our worksite set-up to prevent and address spills.
- Create and publish internal procedures to achieve zero pellet loss goals.
- Provide employee training and accountability for spill prevention, containment, cleanup, and disposal.
- Review our performance regularly to comply with state and local regulations governing pellet containment.

Pellet loss has many negative repercussions:

- Slips and falls are a major cause of plastics industry accidents.
- Accidents mean lost time, higher worker compensation costs, and lower employee morale.
- Spilled pellets eventually end up in our oceans. Whether they're handled inland or at a seaside facility, they get to storm drains that lead to oceans causing a threat to marine life.
- Violations of storm water regulations in some states can result in financial penalties.
- Any person discharging unauthorized waste could be found guilty of a misdemeanor and fined.

To learn more about how we can reduce the loss of pellets to the environment, please visit www.opcleansweep.com, where you can download brochures and obtain checklists for implementing Operation Clean Sweep in your department.

Please do not hesitate to contact me with any questions or suggestions regarding the program. Call (800) 524-0067 ext. 268 or send an email to jcapra@hermanntds.com



Hermann Services Working Towards Becoming a Responsible Care® Partner

By: Lori Nesta, Responsible Care Coordinator

Committed to advancing the safe and secure management of chemical products and processes, Hermann Services has decided to join the American Chemistry Council (ACC) and gain certification as a Responsible Care® Partner Company.

As an ACC Responsible Care Partner, we are excited about the opportunities that will be afforded to Hermann by joining companies in 53 countries around the globe that have reduced environmental releases by more than 80% over the past 17 years and achieved an employee safety record that is more than five times safer than the average of the U.S. manufacturing sector.

Two current members of the ACC, BASF and Honeywell, have agreed to sponsor Hermann Services in order for us to gain Responsible Care status. We have also submitted an application detailing our adherence to strict safety and security standards.

Our participation in Responsible Care requires that we uphold these program elements:

- Measure and publicly report performance;
- Implement the Responsible Care Security Code;
- Apply the modern Responsible Care management system to achieve and verify results; and
- Obtain independent certification that a management system is in place and functions according to professional standards.



The Code, which addresses facility, cyber, and transportation security, requires us to conduct comprehensive security vulnerability assessments (SVAs) of our facilities, implement security enhancements, and obtain

independent verification that those enhancements have been made. The Code also requires us to maintain security management systems, which are documented to provide quality control and assurances.

As part of the ACC Guiding Principles, Hermann Services is committed to operating in a manner that protects the environment and the health and safety of our employees and the public.

As the designated Hermann Services Responsible Care Coordinator, I am responsible for its implementation within the company. Please do not hesitate to contact me with any questions or suggestions regarding the program. Call (800) 524-0067 ext. 205 or send an email to lnesta@hermanntds.com.

To learn more about this important initiative, please visit www.americanchemistry.com/s_responsiblecare.

TDS



"Litter is not an issue of type of debris, but one of personal responsibility. We ALL share in the responsibility to prevent litter. Stopping debris before it reaches our stormwater drains where it can drift to our oceans. Protect our oceans and we protect ourselves"

— Jean-Michel Cousteau

Explorer, Environmentalist, Educator, Film Producer.

Hermann Transportation Acquires Energy Efficient Tractors and Gains EPA SmartWaySM Affiliate Status

By: Bryan Hermann, Maintenance Director, Hermann Transportation

In an effort to reduce the environmental impact of our freight transportation services, Hermann Transportation has earned the designation as SmartWay Transport Affiliate. This innovative collaboration between the Environmental Protection Agency (EPA) and the freight sector is designed to improve energy efficiency, reduce greenhouse gas and air pollutant emissions, and improve energy security.

As a SmartWay Affiliate, we are purchasing new equipment and tractors that are very conducive to obtaining a higher level designation as a SmartWay Transport Partner.

Steps that we are taking toward a long-term solution of reducing emissions and fuel consumption:

- We are adding lightweight, fully aerodynamic Volvo trucks to the fleet. These new trucks are powered by fuel-efficient, carbon reduction emission motors, which reduce diesel fuel emissions.
- We've added auxiliary power units to existing units to reduce idle time and fuel use.
- We have installed Idle Air systems enabling drivers to hook up to electricity and air systems at truck stops, which allows them to shut off their engines. In addition to reducing emissions, Idle Air systems provide drivers with greater comfort and the ability to power computers and televisions.
- We are researching and testing innovative tires designed to keep fuel efficiency at a maximum and installing tire inflation systems that maintain proper inflation at any temperature.
- We are educating our workforce on how to lower our impact on the environment by reducing engine idle time and abiding by speed reduction policies.
- We are obtaining GPS systems for our tractors and planning drive routes as efficiently as possible to reduce road mileage.
- Our young fleet has an average age of just 2.8 years old.

It is truly the smart way for us to contribute to a cleaner environment and improve our bottom line at the same time!



Please contact me with questions or suggestions regarding the SmartWay Transport Partnership. Call (800) 524-0067, ext. 243 or email bhermann@hermannTDS.com. To learn more about SmartWay, go to: www.epa.gov/smartway/transport.



"Houston... We Have a Warehouse Solution!"

By Jeffrey Hermann, Vice President, Hermann Transportation, Southwest

I am proud to announce that Hermann Services has cut the ribbon on more than 300,000 square feet of public, contract, and dedicated warehouse space in La Porte, Texas. Offering same day distribution, the new facility offers ESFR, 34 ft. clearance, 50 doors, and 2 drive up bays and can scale as expertly as needed.

It wasn't by accident that we sited our new location here. Conveniently located near the Port of Houston, it serves as an important hub for our turnkey distribution services. With immediate access to major highways, we're piped-in directly with key shipping arteries for distribution throughout the United States. We also serve as a port terminal for the PTRA and Union Pacific railroads.



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Please do not hesitate to contact me for more information about our full service offering at Hermann Southwest. Call (713) 674-0805 or send an email to jmhermann@hermannTDS.com.

BUILDING REPUTATIONS SINCE 1927

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P.O. Box 7001
North Brunswick, NJ 08902

Tel: (800) 524-0067
www.hermanntds.com

