

The Diamond Dust

Diamond Turns Profit Through June!

All companies have goals to meet and Diamond is no exception. Diamond has had an impressive six months resulting in an overall profit for the first half of 2005.

We are proud of the efforts everyone is making toward our goals. We have seen goals met in four of the six months so far this year and the other two months were not far below the goals set.

There has been a continual growth in our fleet of owner operators with less deadhead and higher revenue per mile being accomplished. These are positive signs that changes made (including an additional customer service representative covering the South) over the past months are helping our business to grow.

As we continue through the balance of 2005, we will see more changes. Some areas we are working on include expediting permit ordering and providing more legal loads for weekend running in the eastern states. Both of these will result in an increase in miles per week and higher earnings to both our owner operators and Diamond.

We know that there are other areas that need attention and we all will be working together to create a continual positive environment for all of us to work in. If anyone feels they have a suggestion that will benefit the organization, please drop Paul Martinson a note. Thanks to everyone for your part in the success we have experienced to date in 2005.

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Committee Approves Highway Bill -From the ATA

Following nearly two years of debate, 11 extensions and a contentious dispute over funding levels that was spurred by White House veto threats, Congress finally appears ready to pass a highway bill that the President is willing to sign.

The bill authorizes \$286.4 billion in spending during 2004-2009, including a 30% increase in funding for highways and bridges. It also ramps up the minimum return on each state's contribution to the Highway Trust Fund from 90.5% to

92% by 2008. Funding is as follows: Highway construction and maintenance: \$193 billion; State Motor Carrier Safety Grants (MCSAP): \$984 million; Transit: \$45 billion; The conference report also included more than 6,300 earmarked highway and transit projects totaling approximately \$20 billion.

The following is a description of how the report treats major issue areas of interest to ATA and the trucking industry.

Tolls: A new "Express Lanes Demonstration Program" allows tolls on up to 15 projects, including projects on the Interstate System, to reduce congestion. However, tolls must be on new lanes only, with the exception of HOV lanes.

Mandatory Fuel Surcharge: Conferees rejected a provision in the House bill that required motor carriers, brokers and forwarders to charge their shippers a fuel surcharge when the regional price

See Highway Bill Details page 4

Owner Operators of Month - Featherston, White & Best

Congratulations to Dicky Featherston, Jay White and Robert Best who earned Diamond's Owner Operator of the Month awards in April, May and June, respectively.

For Dicky this was the second time he has achieved this honor. Dicky brought with him plenty of industry knowledge and professionalism made him a valued member of our team.

Jay, with Diamond since May 2005, brings with him 32 years of trucking experience, most of that in open freight. His extensive trucking background coupled with a most enjoyable personality have made him a significant contributor and valued member of the

Diamond team. Jay lives in Illinois with his wife Sharon and when he takes a break from the road, they spend time golfing (Sharon drives the cart) and puttering around the house.

Robert came to Diamond in November 2004 with a strong desire to succeed, and he has certainly done that! Part of the key to Robert's success is his dependability and self-motivation, both very important when running your own business. Robert splits his time between Spring, TX and Monroe, MI which is home to his 8 month old daughter, Daisy. When he's not running the truck, you can usually find Robert at the nearest fishing hole, his favorite way to relax.



Featherston



White



Best

CUSTOMERS AND AGENTS

SHIPPER NEWS: Canadian Shipments Have an Increased Rate

Near the end of June we began transporting a large amount of freight from the Case New Holland (CNH) facility in Belleville, PA to western Canada.

This was a facility in which we had seen little previous activity before New Holland came to us about moving loads to western Canada. We had already been approached by another customer out of the quad-cities to move traffic into western Canada and found that it was a great opportunity to make a profit.

We reviewed the situation and determined that if we had a reloading location in the Fargo, North Dakota area we could utilize trucks that were not authorized to enter western Canada. We did this by leasing space in Mapleton, North Dakota.

Trucks not authorized to go into western Canada are trucks with a wheelbase over 244 inches in length. Drivers are also not allowed into Canada when there are issues like a DUI or other felony at any time in the past.

The ability to set up in the Mapleton made the use of these trucks and drivers possible. The move provides a good rate into the Mapleton transfer location and the delivering driver is also provided enough revenue to return to Fargo if necessary from the western Canada delivery locations.



This flag can mean big \$\$\$ for you.

The customers both agreed with the financial way we set up the program and we have since been moving a fair amount of loads in this manner.

If you, as an owner operator, are offered a load to western Canada be aware that if you can't go in for the reasons stated above you will be directed to take it to Mapleton and drop the load where one of our Canadian authorized owner operators can continue the load to its final destination in Canada.

A new method to solve a customer issue was addressed and a satisfied customer was the result. Now we are also going to be receiving freight into U.S. locations where we have not been a major carrier in the past.

-Paul Martinson, President

Federal Heavy Vehicle Use Tax Changes

The American Jobs Creation Act of 2004 - the JOBS Bill - made four changes in the statute imposing the federal Heavy Vehicle Use Tax. All these changes are effective July 1, 2005.

Most important for many motor carriers is the elimination of the option to pay the HVUT in four quarterly installments. As of July 1, 2005, the full tax must be paid all at once. This change was made at the instance of the IRS, which believed that the quarterly payment system was the source of significant tax evasion.

A partial offset to the elimination of the quarterly payment option is the establishment of a new HVUT credit for a tax-paid vehicle that is sold during the tax year. Prior to this change, such a credit had been available only for a vehicle that had been wrecked or stolen.

A third change in the law is the requirement for HVUT taxpayers who are reporting tax on at least 25 vehicles to file electronically. As of July 1, 2005, IRS announced it is not prepared to receive such filings, and taxpayers are to continue to file their Form 2290s by mail or in person, just as they have done in the past. The electronic filing requirement may be implemented later this year.

TOP-FIVE AGENTS

APRIL—JUNE

1. Frank Lantrip
2. Debbie Murphy
3. Brenda Suttles
4. Joe Haskins
5. Rob Hartman

Diamond congratulates all of our agents! Our agents are considered a large part of our sales force and customer base. Remember commission invoices are due on Tuesday for Thursday payment.

THE DISPATCH PERSPECTIVE

MAKE THAT CHECK CALL!

One complaint I get from owner operators is regarding pre-planning. Naturally, I get those calls when operators are waiting for dispatch and wondering why there is no load for them.

Now I don't mean to get on my communication soap box again, but it is a major factor in pre-assigning loads to trucks...and lack of it is a major factor in not being pre-assigned.

One reason a truck may not be pre-assigned is because the customer service rep. (CSR) has limited information about the current load's ETA. The timeliness of your current load's delivery will have a direct affect on your next pickup. Our CSRs often take loads based on a mandatory pickup time. If they cannot assure the customer that a truck will be there by a certain day/time we may not get the load.

We have a policy by which owner operators are to check call twice daily. This was put into effect so our CSRs have visibility to see your check calls and your progress on your load.

Also, it is mandatory that our owner operators have cell phones and those cell phones should be on and with you at all times. When securing a good load in a non-forced dispatch environment it is vital that we are able to contact you to get your acceptance of the load. This can't happen with the phone off or in the truck while you're fueling up.

I am not pointing a finger at the owner operator, because there are areas and times when freight is scarce, but it can get more scarce if we have to pass on freight because we don't know where you are and cannot contact you.

-Jon Coca, Vice President—Operations

SAFETY & COMPLIANCE

DRIVE SAFE: Haste Makes Waste & Patience Is a Virtue

These clichés may have more meaning to those of you who are over 40, but they have a significant impact on all of us. These are two critical areas I would like to cover with you as they each have a tremendous relationship to safety and cargo claims.

The first, haste, is the desire to hurry and get something done (most times leaving out important steps or details) so you can move onto something else. The other related subject is patience. Patience is the ability to endure calmly, or wait.

In our business, lack of patience and hurrying to get done can have devastating consequences. Failure to check a load for damage before leaving a shipper, or failing to add that last chain or strap because you want to get moving can end up costing you and the company a lot of money.

A lack of patience while driving can cause an accident or a

cargo damage situation in a heartbeat.

There is another old phrase "Time is money". This is true! But failing to take the appropriate amount of time to do the job right or failing to have the patience to keep the proper distance between you and the vehicle in front of you or to wait those extra few seconds before making a move can have devastating effects and end up costing you a lot of money.

The bottom line is: by taking a few extra minutes in those areas critical to safe loading, safe unloading and safe driving, you will actually save yourself time by not having to redo the job that should have been done right in the first place. You will, in the long run,

make more money, have fewer claims and maybe something even save a life.

BE THOROUGH, BE PATIENT AND BE CAREFUL.

- Pat McLeod, Vice President—Administrative Services



Could haste turn this into your load?

News and Notes

PICTURES REQUIRED—It is critical that you take and submit pictures to us immediately when an accident occurs, regardless of who is at fault. We have seen an increase in the number of incidents wherein pictures were either not taken, or taken but not submitted. Please keep a camera only for accidents and claims. Take pictures and submit them ASAP.

PHYSICAL DAMAGE—If you get your physical damage insurance through Diamond and you have the deductible buy down, it is a requirement of the policy to have pictures of any cargo damage. So once again, keep a separate camera with you.

CELL PHONES EMERGENCY—There is a campaign encouraging people to enter an emergency contact number in their mobile phone's memory under the heading/name ICE (In Case of Emergency). ICE allows paramedics or police to be able to contact a designated person in an emergency situation. It can't hurt.

ATA TRUCK SAFETY CONTEST—Diamond placed 4th in the Heavy-Haul/Line-Haul Division, Unlimited Mileage Category in 2005. Diamond is pleased with this finish and congratulates our fleet and thanks all involved in this success.

Employee News & Anniversaries

Employee Anniversaries

- Rebecca Beck—19 yrs. July
- Chad Thur—2 yr. July
- Debbie Petkus—3 yrs. August
- Jeff Schimanski—2 yr. August
- David McGuire—2 yr. August
- Liz Bruns—4 yrs. September
- Tim Wolf—4 yrs. September

New Owner Operators

- | | |
|-------------------|--------------------|
| • Duayn Tatro | • Cliff VanTassel |
| • Joe Moore | • James Hunt |
| • Bill Cleary | • Creig Tolbert |
| • Jay White | • Don VanGelderren |
| • Sandra Johnson | • Joe Eads |
| • Scott Maghakian | • Mel Scalia |
| • Ralph Ashley | • Michael Disney |
| • Ted Everhart | • Paul Sizemore |
| • Kevin Bennett | • Robert Buchanan |
| • Corey Coffin | • Scott Unangst |
| • Thomas Murphy | • Tom Loveless |

Owner Operator Anniversaries

- Larry Akers—8 yrs. Sept.
- Chuck Burton—12 yrs. July
- Larry Cavanagh—1 yr. Aug.
- Dave Gilliland—1yr. Sept.
- John Griffin—1 yr. Sept.
- Mark Healy—1 yr. July
- Lenny Hughes—1 yr. July
- David Dake—2 yrs. July
- Dennis Egeness—4 yrs. Aug.
- Brian Garbes—4 yrs. July
- Robert Key—1 yr. Sept.
- Tom Killion—1 yr. July
- Charlie North—4 yrs. Aug.
- Richard Ruger—28 yrs. Sept.
- Paul Schneider—6 yrs. July
- Casey Skillingstad—7 yrs. Sept.
- Glenn Virden—4 yrs. July

THE BACK PAGE

Last Word: Help Increase Our Fleet

Last year at this time, Diamond had 85 trucks and we now have 100. At a time when most trucking companies are losing trucks/drivers, at a high rate, this is a tremendous accomplishment for Diamond.


Recruiting owner operators is never easy and the talent pool is getting smaller, so word-of-mouth is more important now than ever. Two of our owner operators, Don Losey and James Reynolds, referred new hires in this past quarter. We would like to thank Don and James for

the referrals and hope they did something special for themselves with the \$1,000 they earned for their efforts.

Keep in mind that more trucks mean more power which gives Diamond the ability to take on new customers. Obviously, more customers will give you more choices on loads and hopefully reduce your deadhead miles.

And besides that, who can't use an extra 1,000 dollars in their pocket?

Liz Bruns—Recruiting Director



DIAMOND
TRANSPORTATION
SYSTEM
INC.

5021 21st Street
P.O. Box 1557
Racine, WI 53401

Comments and Questions
Phone: 262-554-5400
Fax: 262-598-2821
Email: rjcoca@diamondtrans.net

The Daily Routine

TA TRUCKSTOPS—Travel Centers of America have notified us of some additional savings at two Missouri truckstops. The TA locations in Mt. Vernon, Mo. and Strafford, Mo. have offered a cost plus \$.01 or retail minus \$.04 pricing (whichever is better) to Diamond Transportation if you utilize your Com-data card for purchase.

FREE SIRLOIN—Participating TA locations are offering a free sirloin steak dinner with the purchase of a Mobil-Delvac Ultimate PM, Premium PM or Rapid Oil Change through the end of August. TA has overhauled their PM service to better meet your needs and as you know we have a rebate discount on all shop services at participating TA locations.

NEW IDENTIFICATION STAMP—We recently sent each of you a self inking stamp which contains your truck number and a blank space for your pro number. As you are aware, we require your truck number and pro number on every document you send to us. Without this we cannot always identify who should get reimbursements, credits, etc. We believe this individualized stamp will help you to get this done. Please note that company policy states that you must identify (on each fax receipt) what the receipt is for. Examples include: pickup of load cards, OD permits, scale tickets, etc. All OD permits must be attached to the receipt in order to be reimbursed.

REPAIR RECIEPTS—It has always been Diamond's policy that you send in receipts for any trailer repair work or other work which Diamond is paying for. We are having some difficulty getting these in which causes major problems for our accounting department. Effective immediately you must forward repair receipts to us within 30 days or you will be charged for the work. Once the receipt is received, you will of course be credited. We appreciate your cooperation.

DRIVERS COMMENDED—Diamond had three different customers call specifically to congratulate our drivers on their courtesy, professionalism and service. Those drivers were James Reynolds, Don Losey, and James Hunt. Diamond also extends a congratulation to those owner operators.

DRIVER APPRECIATION WEEK—August 21-27, 2005 has been designated National Truck Driver Appreciation Week. We at Diamond also appreciate you, so please be on the lookout for your gift. It will be sent to your house. Thank you!

Newsletter by Email

Would like to have this newsletter emailed directly to your computer? Let us know. Simply send your email address to webmaster@diamondtrans.net with the subject "Diamond Dust." We will then send you our newsletter in Adobe Acrobat format.



Highway Bill Details

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of diesel fuel rises above a benchmark price.

Hours-of-Service: Conferees rejected a request by the Bush Administration and fully supported by ATA to codify the current hours-of-service rules. ATA will continue to pursue codification language.

Single-State Registration System (SSRS): Conferees eliminated SSRS and replaced it with a Unified Carrier Registration Agreement. ATA supported this language.

Medical Program: The report contains language creating a new medical oversight program for commercial drivers. The new program includes a medical review board to advise FMCSA on driver medical standards and guidelines, a chief medical examiner position within the agency, the creation of a national registry of certified medical examiners, and greater authority for FMCSA to oversee medical examiners.

Pre-Employment Safety Performance History Screening of Drivers: The report contains language, supported by ATA, allowing the trucking industry to gain electronic access to driver-related safety information, contained in FMCSA's safety database, during the pre-employment driver screening process.

Truck Parking Pilot: The report provides \$25 million for a new pilot program that gives grants to state and local governments for improving the availability of long-term parking for trucks. ATA supported the pilot.

Truck Size and Weight: The report increases the maximum allowable length for driveaway saddlemounts from 75' to 97'. The report also gives a length exception to Nebraska for the operation of custom harvesters.

The bill is available at the following Internet address: <http://www.house.gov/rules/109textTEALU.htm>. For a state by state breakdown of funding, go to the Internet address: <http://www.highways.org/pdfs/state-by-state-SAFETEA-LU.pdf>