



THE MARKET

In today's extremely competitive transportation market, Yellow® is delivering on its "Yes We Can" brand promise for customers around the world. As a result, while other transportation companies are closing their doors, Yellow is expanding its service offerings, developing a "one-stop shop" that makes global commerce work.

This evolution is part of ongoing changes in the transportation industry. Increasing fuel costs, insurance rates, and a slow economy have put many smaller companies out of business, and have driven the surviving larger companies into a service-focused, high-tech arena. The Internet continues to grow in importance for transportation companies and their customers. The services that customers want — and which Yellow provides — range from time-specific delivery to total supply-chain management.

ACHIEVEMENTS

Can Yellow set the pace for excellence? "Yes We Can." While the Yellow Number 1 race car continues to gain NASCAR fans, Yellow is gaining accolades for everything from its 24-hour-per-day, 365-day-per-year customer service centers, to the trend-setting *myyellow.com* Web site, to its global commerce capabilities.

Along the way, Yellow became the first transportation provider to receive ISO 9001: 2000 certification from the International Organization of Standardization. Yellow achievements go back 78 years, but a few of the most recent are as follows:



- Ranked "No. 1 in its industry", *Fortune* magazine, March 3, 2003, "America's Most Admired Companies" issue
- Best Transportation Web site: annual *Internet-Week* 100
- "President's E" Award for excellence in export service, 2002, the nation's highest honor for American exporting firms and service organizations; presented by the U.S. Department of Commerce
- Honored as a technology leader in *Information-Week* 500: ranks eighth as leading information

Making Global Commerce Work By Connecting People, Places And Information.



technology innovator, second in logistics and transportation; also cited for creative use of technology

- 2001/2002 "Quest for Quality Award" winner by *Logistics Management and Distribution Report* magazine
- Named to the CIO 100 by *CIO* magazine three years in a row for implementing innovative business solutions
- 2001 "Motor Carrier of the Year" award, *Inbound Logistics* magazine

HISTORY

In 1924, A.J. Harrell, an Oklahoma City entrepreneur, founded a bus and taxi company and named it Yellow Cab and Transit Co. In 1926, he shortened the name to Yellow Transit Co.

A long time ago, Yellow wasn't orange. The "Yellow" part of the name was truly descriptive until 1929. Harrell commissioned the E.I. DuPont Co. to research and

determine which color would be the most visible on tractors from the greatest distance on the nation's highways. The DuPont analysis concluded the color was Swamp Holly Orange — not yellow. Given the company's emphasis on safety, there were no boardroom arguments about what to do. The color for Yellow became, and remains, Swamp Holly Orange.

And, as the market would have it, that color is more than visible — it's highly recognizable and a color that has come to represent safety, quality, and reliability in the minds of consumers.

Over the next 60 years, Yellow developed many state-of-the-art service and technology offerings and led the industry with its capabilities. During the 1980s, after industry deregulation, Yellow embarked on a growth plan that focused on constructing new terminals and large distribution centers in an all-new design.

Today, with 78 years of successful experience, Yellow remains a leader in transportation and a business partner to customers around the world.

THE PRODUCT

Yellow makes global commerce work by connecting people, places, and information. The company specializes in international and national services as they relate to the movement of goods and materials. The company's customer-centric focus has produced one of the industry's most comprehensive service portfolios, emphasizing a vast array of transportation solutions.

The Yellow portfolio of services includes:

- **Yellow® Transportation™:** A leading one-stop provider of national and international transportation and related services.
- **Exact Express™:** Expedited, time-definite air and



ground service with same-day, next-day, and any-day service, featuring proactive notification and an industry-leading 100% satisfaction guarantee.

- **Definite Delivery™:** Guaranteed service with constant monitoring and proactive notification for standard transit-time shipments.
- **Standard Ground™:** The fastest, most reliable ground service with more direct points than any other national transportation provider.
- **Standard Ground Regional Advantage:** An advanced high-speed network that significantly reduces short-haul transit time between metropolitan areas.
- **Cross-Border:** Door-to-door transportation solutions between Canada, the United States, and Mexico.
- **Yellow Global®:** Fully integrated international solutions via air, ocean, and land, powered by the industry's first online instant booking, tracking, and tracing application.

Meridian IQ™: A global transportation management company that offers fast, flexible, and easy-to-implement solutions that are guaranteed to deliver on the promise of real return on investment (ROI). The company offers both transportation solutions management and shipment management services such as:

- **PowerTMS™:** A web-native transportation management system that can be implemented quickly and is easy to use. In addition to offering planning and optimization tools, TMS also provides order management, administration, and tracking, as well as settlement and reporting functions.
- **Solutions Design and Consulting:** Consistent and proven processes, Web-native technology, and experienced professionals who design, implement, and manage solutions that deliver rapid improvements and overall long-term value.
- **Global Services:** Integrated air, ocean, and land



services, including complete customs brokerage. Through a network of partners covering more than 88 countries, a seamless source for door-to-door services through major world markets.

- **Multi-modal Domestic Services:** Procurement of transportation providers to fit your service requirements at extremely competitive rates. This service is great for companies with truck-load or specialized capacity requirements, or those with special or expedited shipping needs.

Yellow Technologies: Cutting-edge capabilities, resources, and expertise that deliver state-of-the-art

transportation solutions and services. This Yellow subsidiary's mission is to explore new technology and provide innovative information solutions and exceptional technology services to create a competitive advantage for Yellow businesses.

RECENT DEVELOPMENTS

Yellow is transforming itself, and in the process, transforming the way customers look at transportation solutions providers. After the company launched the Transformation Conference, the meeting quickly became a much-anticipated and highly regarded industry event, featuring such speakers as Rudy Giuliani, former President George Bush and former First Lady Barbara Bush, and best-selling authors such as Jim Collins, Jason Jennings, and Tom Peters. This award-winning business and logistics conference includes educational and professional development programs for senior-level executives. Attendees at previous conferences have called it "superb," "outstanding," and among the "best conferences" ever attended.

In March 2002, Yellow announced the launch of Meridian IQ, a non-asset services company that utilizes Web-native technology to provide customers a single source for global transportation management and improved return on investment through fast, flexible, and easy-to-implement solutions.

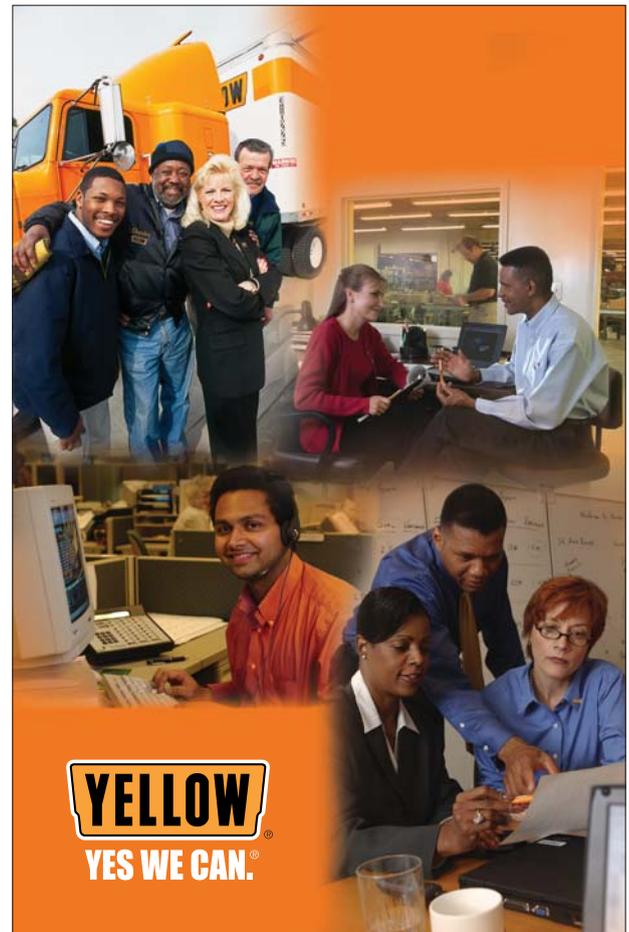
The year 2002 also marked the company's successful spin-off of small, regional trucking companies, a move that solidified the Yellow position as a global business and logistics partner and a one-stop shop for transportation solutions. Customers' regional needs are handled by Standard Ground Regional Advantage and other Yellow services.

PROMOTION

As a worldwide leader in transportation and logistics services, Yellow is one of the most recognized and respected transportation companies in the world. Advertising began in 1983, three years after deregulation, with the inclusion of institutional ads in trade and business publications. Before then, the industry and the company were accustomed to regulation and its influences, with little advertising or marketing effort allowed.

Yellow has recently focused on re-energizing the brand and making it more visible. In addition to print advertising in trade journals, the company has developed an innovative approach to communicating the company's brand proposition. The "Yes We Can" bobblehead only knows how to say "yes" to all customer needs, demonstrating the corporate-wide "Yes We Can" attitude.

In addition, Yellow sponsors a racing team in the NASCAR Busch Series. This association strengthens the brand's awareness through increased exposure to motorsports fans. Team Yellow Racing creates excitement and builds loyalty with both



internal and external audiences; it's a proven value in building customer relations.

BRAND VALUES

At the foundation of the Yellow mission are core values: exceed customer expectations, value employees and associates, work safely, demonstrate good citizenship, act with integrity, and embrace teamwork. Rooted in these values, the brand promises to do "whatever it takes" to more than satisfy the customer at every turn. Yellow delivers on that promise in offering the widest array of services, the broadest domestic network, and award-winning technologies to meet the ever-changing needs of today's transportation marketplace. At Yellow, "Yes We Can" is more than just an advertising slogan. It is a very real expression of the commitment of 24,000 employees to live by these brand values and exceed the customer's expectations in everything they do.

THINGS YOU DIDN'T KNOW ABOUT YELLOW

- Yellow originally operated as a bus and taxi company serving central Oklahoma.
- Yellow commissioned DuPont to determine what color was most visible from the greatest distance for the fleet. After careful research, DuPont presented a color, dubbed "Swamp Holly Orange." And so the company named Yellow gained its official, distinctive color — the safest color on the road.
- Yellow supports many local and national organizations, such as the United Way, American Heart Association, Habitat for Humanity, Heart to Heart International and the National Center for Missing and Exploited Children.