

PASHA PEOPLE



Pasha People
A publication by The Pasha Group

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Our name stands behind every move™

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Celebrating in San Diego

Over 50,000 Hyundai and Kia brand automobiles a year are coming through the Port of San Diego thanks to a new three-year agreement between Pasha Automotive Services (PAS) and GLOVIS America, Inc. The Costa Mesa based U.S. division of the South Korean integrated logistics provider, recently joined Hyundai and Kia executives, Port of San Diego officials and Pasha representatives for a ribbon-cutting ceremony. On a perfect August day, a flawless operation saw EUKOR's Cypress Trail offloading almost 1,300 of these shiny new vehicles into perfect load lines at the National City Marine Terminal.

PAS provides basic processing services before the units are quickly loaded onto railcars for inland distribution to Hyundai's accessory/processing location in Alliance TX, and Kia's in Midlothian, TX.

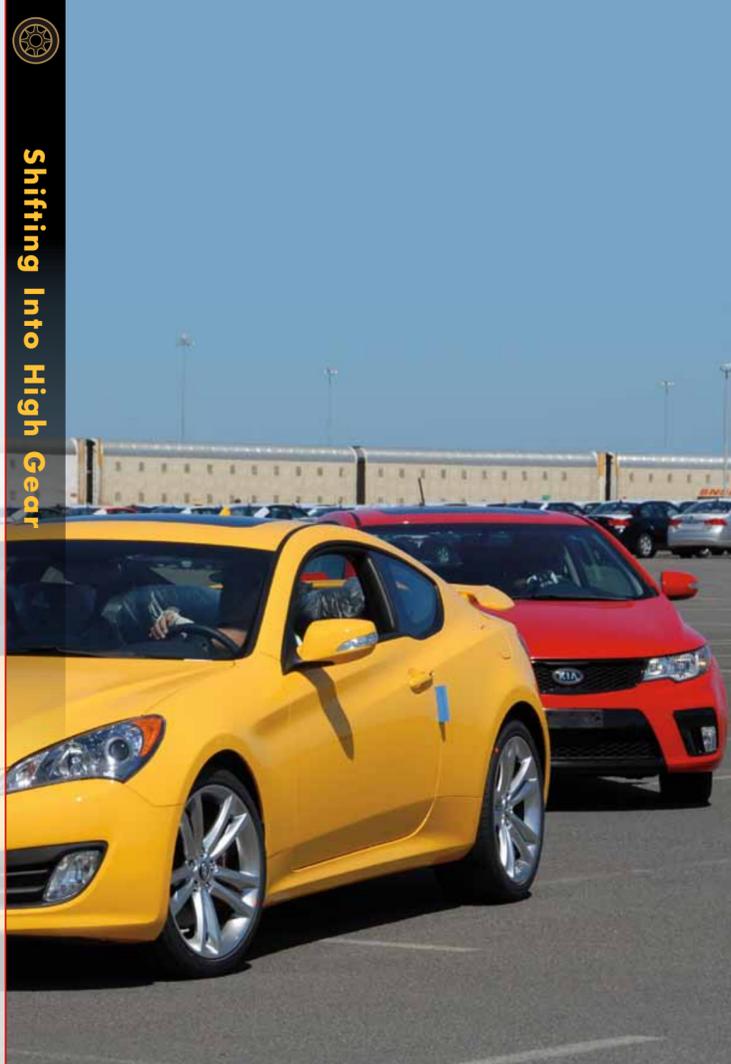
Glenn Clift, Vice President and Chief Operating Officer for GLOVIS America, Inc., notes, "We selected the Port of San Diego for its strong work force and excellent rail system. We have had an excellent business relationship with The Pasha Group for several years. Pasha Distribution Services manages the logistics from Southern California to the Port of San Diego for Hyundai and Kia vehicles destined for Hawaii dealers. From San Diego they are transported via Pasha Hawaii's Roll-On/Roll-Off vessel, the Jean Anne.

The GLOVIS philosophy is 'When Performance and Quality Matter' and we choose our partners in transportation based on those criteria."

In a still-uncertain economy, this new traffic is providing jobs in San Diego and putting wheels on the road again.

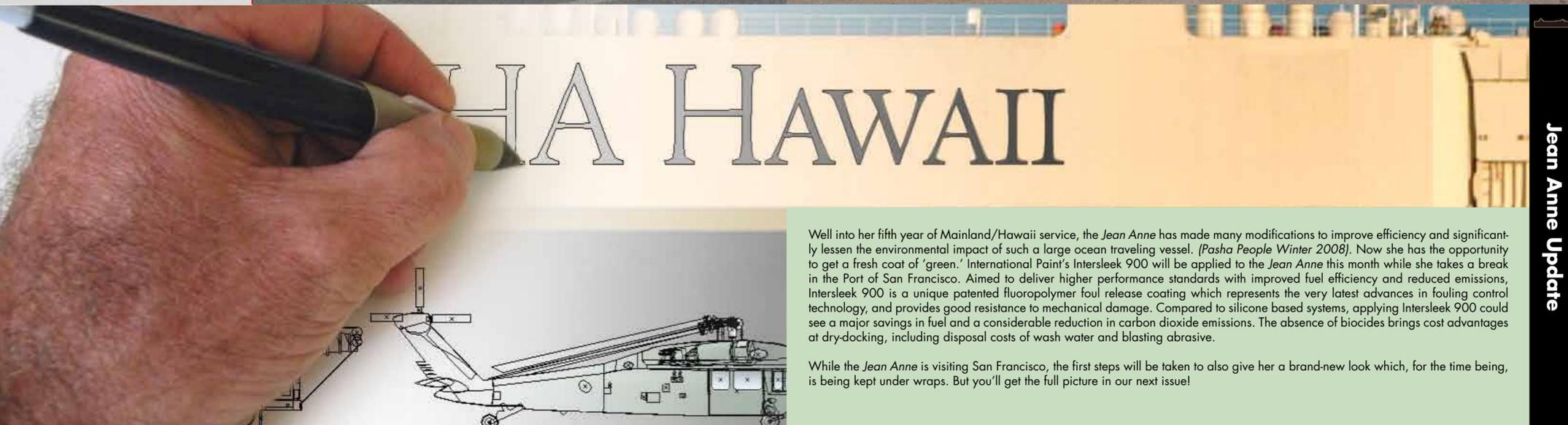
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Shifting Into High Gear



Ribbon Cutting Ceremony (Left to Right): Sean Cho, Executive Coordinator Service, Hyundai Motor America; Charles Wurster, President/CEO, Port of San Diego; John Pasha, Vice President, Pasha Automotive Services National City; Robert "Duke" Valderrama, Vice Chairman, Port of San Diego; Robert Prodzinski, Director National Sales Operations, Hyundai Motor America; Glenn Clift, Vice President and C.O.O., GLOVIS America, Inc.; Max Cho, Senior Executive Coordinator, Kia Motors America; Scott Peters, Commissioner, Port of San Diego; Rich Frick, Senior Vice President, Pasha Automotive Services.

Courtesy Dale Frost, Port of San Diego



Well into her fifth year of Mainland/Hawaii service, the *Jean Anne* has made many modifications to improve efficiency and significantly lessen the environmental impact of such a large ocean traveling vessel. (*Pasha People Winter 2008*). Now she has the opportunity to get a fresh coat of 'green.' International Paint's Intersleek 900 will be applied to the *Jean Anne* this month while she takes a break in the Port of San Francisco. Aimed to deliver higher performance standards with improved fuel efficiency and reduced emissions, Intersleek 900 is a unique patented fluoropolymer foul release coating which represents the very latest advances in fouling control technology, and provides good resistance to mechanical damage. Compared to silicone based systems, applying Intersleek 900 could see a major savings in fuel and a considerable reduction in carbon dioxide emissions. The absence of biocides brings cost advantages at dry-docking, including disposal costs of wash water and blasting abrasive.

While the *Jean Anne* is visiting San Francisco, the first steps will be taken to also give her a brand-new look which, for the time being, is being kept under wraps. But you'll get the full picture in our next issue!

The Clean Fleet

Pasha Distribution Services LLC, of St. Peters, Missouri, operates about 75 auto haulers across the U.S., in addition to a dedicated fleet of 11 vehicles for trips primarily through San Diego and Southern California. In early July Pasha accepted delivery of seven brand new beautiful auto haulers from the Cottrell factory in Gainesville, GA to replace seven of the older California trucks. Last September, Pasha was one of the first auto transport companies to apply for grant funding under California's Goods Movement Emissions Reductions Program which offered substantial financial aid to trucking companies willing to replace their older vehicles with state of the art, clean technology vehicles.

After applying for the funds, Pasha ordered the new Cottrell trailer/Peterbilt tractor combinations, with special gearing and other features to maximize their efficient operation as part of Pasha's Southern California-based fleet. The California Air Resources Board awarded Pasha \$50,000 per replacement truck and the Port of San Diego agreed to match that funding under their Clean Truck Program. In April 2009, the Board of Port Commissioners approved a resolution allowing the Port to continue to provide funds for truck retrofits and new trucks without waiting for grant funds from the state. Under the amended program, truck owners pay for the truck replacement costs that would have been covered by

the state. Pasha was determined to fulfill its commitments to Cottrell and to the San Diego community, and readily agreed to the program.

"Pasha really stepped up to the plate to get its older trucks off the roads," said Commissioner Scott Peters, who chairs the Port's Environmental Advisory Committee. "This program is still voluntary and by replacing these trucks, despite the frozen grant funds, Pasha demonstrated its commitment to

improving the air quality around the tidelands."

The new trucks meet or better the EPA's stringent Model Year 2007 Particulate Matter and Oxides of Nitrogen emission levels, and are certified to receive the "Certified Clean Idle" decal, a badge of honor for Pasha Distribution Services LLC. It took perseverance to work through the process and Pasha is grateful to the Port of San Diego for its continued stake in keeping California green.



Pasha's Europe and Asia Directors schedule productive on-site visits to Department of Defense Transportation Offices in Germany, Italy and Asia.

This summer saw Personal Property in-transit visibility options provided to USAG Grafenwoehr in Germany and Kadena AFB and U.S.M.C. Transportation Office Personal Property chiefs and staff members on Okinawa.

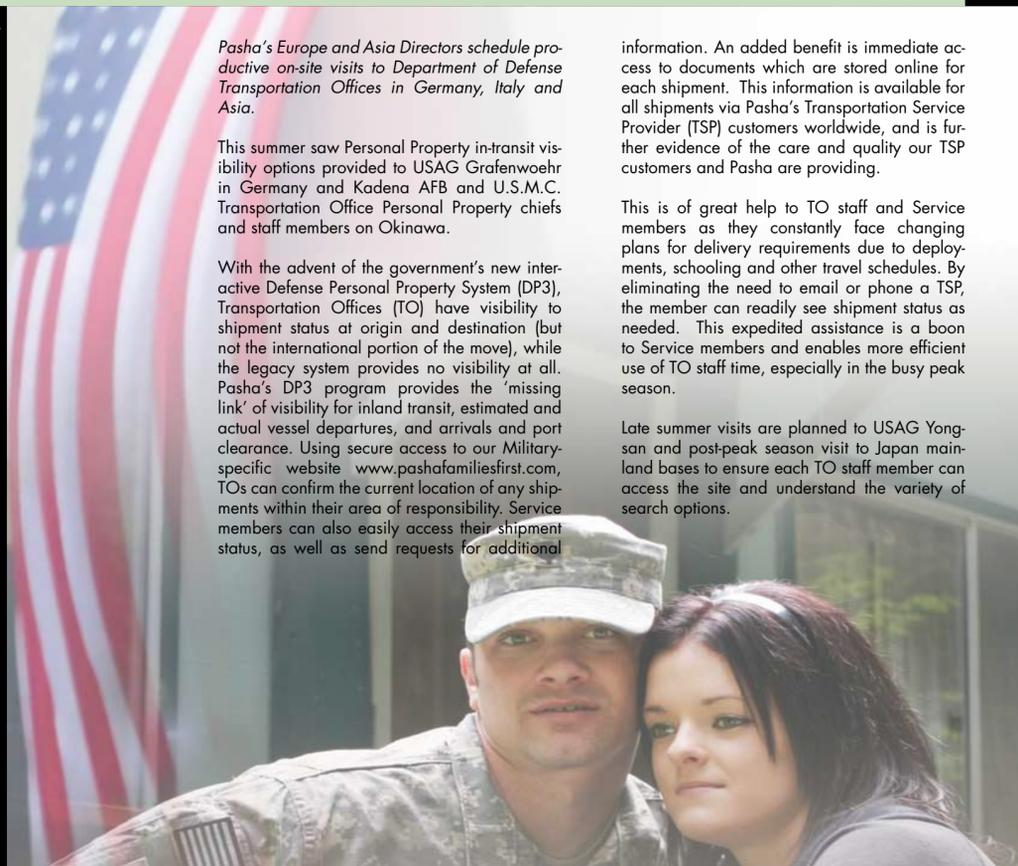
With the advent of the government's new interactive Defense Personal Property System (DP3), Transportation Offices (TO) have visibility to shipment status at origin and destination (but not the international portion of the move), while the legacy system provides no visibility at all. Pasha's DP3 program provides the 'missing link' of visibility for inland transit, estimated and actual vessel departures, and arrivals and port clearance. Using secure access to our Military-specific website www.pashafamiliesfirst.com, TOs can confirm the current location of any shipments within their area of responsibility. Service members can also easily access their shipment status, as well as send requests for additional

information. An added benefit is immediate access to documents which are stored online for each shipment. This information is available for all shipments via Pasha's Transportation Service Provider (TSP) customers worldwide, and is further evidence of the care and quality our TSP customers and Pasha are providing.

This is of great help to TO staff and Service members as they constantly face changing plans for delivery requirements due to deployments, schooling and other travel schedules. By eliminating the need to email or phone a TSP, the member can readily see shipment status as needed. This expedited assistance is a boon to Service members and enables more efficient use of TO staff time, especially in the busy peak season.

Late summer visits are planned to USAG Yongsan and post-peak season visit to Japan mainland bases to ensure each TO staff member can access the site and understand the variety of search options.

Pasha's DP3 Capability Provides 'Missing Link'



Jean Anne Update

Green Scene

A new 'Partner' in Transportation

Pasha Stevedoring & Terminals (PST) has now formalized its relationship with the Port of Grays Harbor to not only handle the *Jean Anne* cargo, but that of a new entity in the steamship industry, Partner Shipping AS. Partner Shipping launched their Roll-On/Roll-Off service last year and chose the Port of Grays Harbor as one of two West Coast ports, with Los Angeles providing a link between the North American market to Asia, Australia and New Zealand (NAPA).

PST successfully demonstrated the benefits of Grays Harbor to Partner, and has been designated the stevedore of choice for Partner's West Coast ports. The vessels are now on a monthly rotation calling Los Angeles, Grays Harbor, Singapore, Australia and New Zealand. Partner Shipping is staffed by an experienced and innovative team of professionals in Norway and Australia who aim to provide unparalleled customer service via partnerships with vehicle manufacturers, shipping lines and logistics companies.



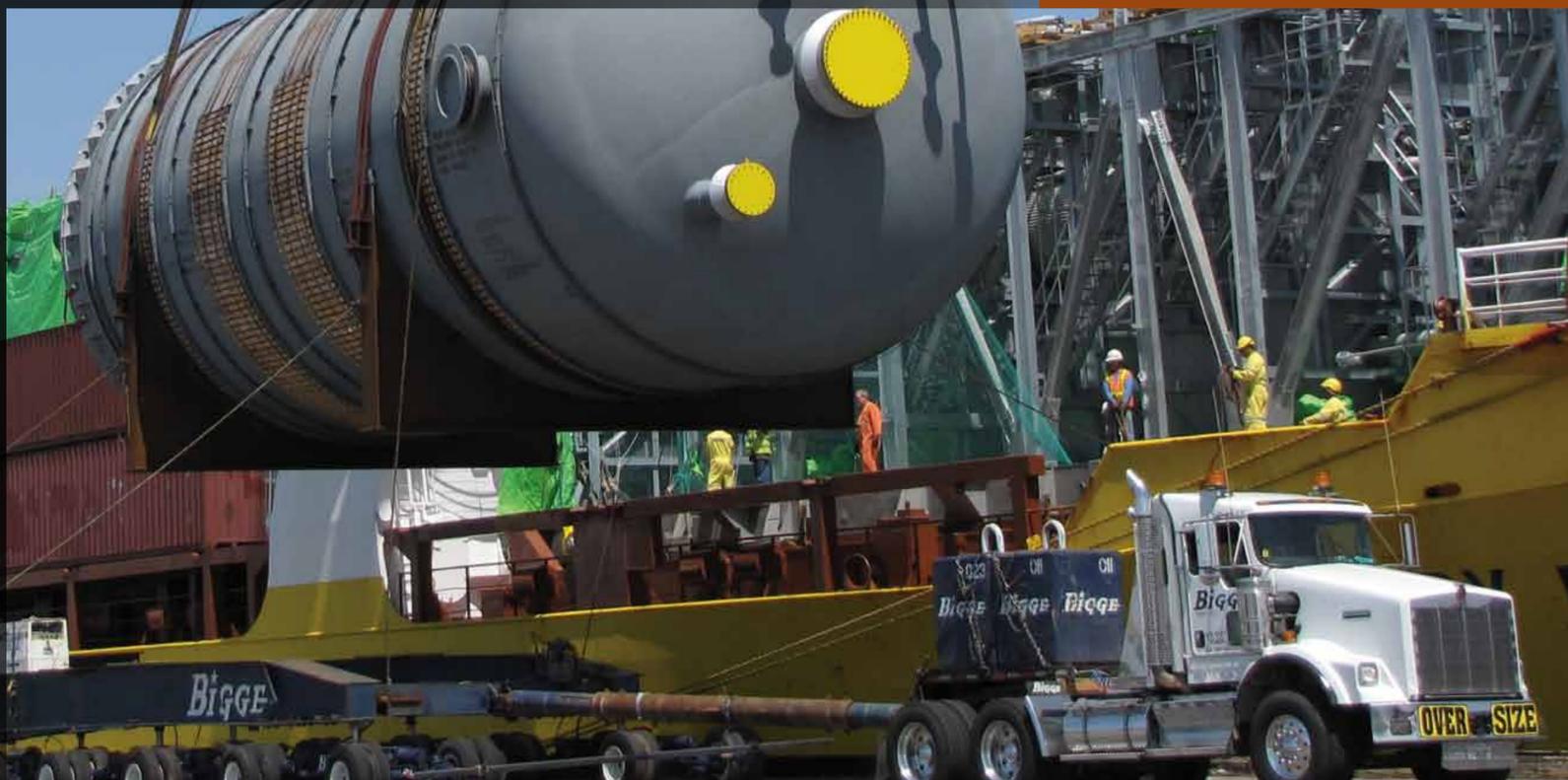
Jeff Burgin - PST, Kathryn McDermott - Port of Los Angeles

On its maiden voyage, the 592-foot red and white *Silverstone Express* sailed into Los Angeles on June 10, followed by its arrival in Grays Harbor June 13, where it was loaded with several pieces of rolling stock bound for Australia. A sister vessel, the *Positive Passion*, arrived in Grays on July 13. Partner Shipping and their Australian colleague, Praxis Logistics, have exciting and aggressive plans for their service and the Port of Grays Harbor, with auto and high and heavy cargoes targeted for a market previously underserved. With full-time representation at Grays Harbor and Los Angeles, PST intends to help them meet their goals.

Hanging Heavy in Los Angeles

PST's crew in Los Angeles were recently challenged with the stevedoring of three pieces of heavy lift project cargo consisting of two coke drums, each weighing 213 M/T and a smaller crate weighing 1.25 M/T. Shipped by Valero Energy Corporation from Kobe, Japan on BigLift vessel *Happy Rover*, the cargo was destined for Valero's refinery in nearby Wilmington. PST received the stevedoring award a week before the vessel's arrival and needed to create a complex

project packet in a record amount of time, including hiring an outside engineering firm to put its stamp of approval on the move. What normally takes weeks was accomplished in days. Bottom line, the first piece was successfully discharged before lunch, and the second was landed by 4 p.m., without issues or incidents. The Pasha 'can do' attitude impressed Valero and BigLift enough to commit to using PST for their future shipments of project cargo.



Rolling Down the Ramp

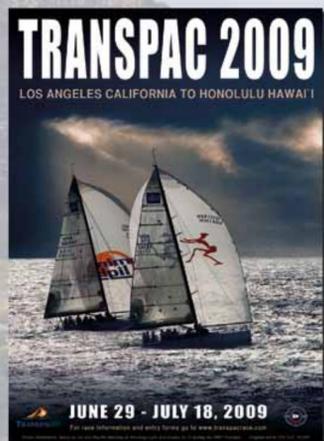
Both Hyundai and Kia ship from South Korea with EUKOR Car Carriers, Inc., one of the world's largest automobile transport lines. EUKOR has contracted with PST to provide automotive stevedoring services at the Port of San Diego. PST was involved in the recent highly successful offload of Kias from EUKOR's *Morning Menad* at the Port of Grays Harbor, WA.

George Pasha, IV, Pasha's President and CEO, notes, "PST has met several times with EUKOR Captains Jong Hwan Jo and Alex Tejada, as well as Mr. Seung Hyun Nam, EUKOR's Head of Region North America. The shipping line has reviewed our vessel reporting system and terminal operations in San Diego and enthusiastically endorses PST as their San Diego stevedore of choice."



EUKOR's Captain Jo and Captain Tejada with PST's Mike Caswell and Jim Lucas.

Taking the Short Way Home



The 2009 Official Transpac Poster Illustration based on the mid-Pacific meeting of Morning Light and Samba Pa Ti during the 2007 Transpac. Original art by Phil Uhl ©2009.

Samba Pa Ti, a Division I 52-foot sailboat, made an extraordinary clean sweep of the 2009 Transpacific Race between Los Angeles and Hawaii. The crew took first place in their Division, the Barn Door award (given for the fastest elapsed time of all traditionally designed sailboats), and five other well-deserved trophies. And then *Samba Pa Ti* rode back to California in style on Pasha Hawaii's *Jean Anne*. Held every two years, and with 44 races under its belt, the Transpac Yacht Race to Hawaii is well into its second century as the longest of the two oldest ocean races in the world. The *Jean Anne* has transported many of these world-class yachts since beginning service to Hawaii in 2005, and this year was no exception. Joining other Transpac yachts on board was the *Reinrag2*, enjoying her third voyage back with Pasha Hawaii. *Jean Anne's* enclosed over high and wide decks give these classic boats the ride home they deserve.

The Roy Disney documentary "Morning Light" is now out on DVD. This film about the youngest crew of sailors to participate in the biannual Transpac Race gave *Jean Anne* and the Pasha Hawaii Over High and Wide crew a privileged role to play by assisting with transportation during the 2007 race. Prior to the race, Pasha Hawaii shipped the *Morning Light* twice during crew practice. Also truckloads of support equipment were transported back and forth along with a 30-foot tender and a couple of SUVs. *Jean Anne* can be seen briefly in the film as the *Morning Light* is unloading. Nice to be an 'extra' in a great movie!

Toyota Logistics Services, after several site visits to National City and tours of the *Jean Anne*, agreed that the flexibility of our operation and history of success was enough to encourage Toyota to start shipping vehicles to Hawaii. The team observed vessel operations and reviewed our stowage/lashing standards aboard the *Jean Anne*. To date we've shipped their premier vehicles on five voyages, and are enjoying the prestige of handling the top-selling vehicle

in Hawaii. People in Hawaii love their Toyotas, especially the Toyota Tacoma pickup truck. Servco Auto Honolulu has expressed pleasure with Pasha Hawaii's expedited deliveries, particularly the company's ability to deliver cars immediately following vessel operations. This new and welcome business is the result of Pasha's team-targeting and selling the right service at the right time to the right client.

QUALITY PERFORMANCE TRAINING SCORECARD



With a steadfast commitment to quality and improvement, Pasha Automotive Services continues to keep the wheels turning with contract renewals. Recently signed are Volkswagen, Isuzu, Honda and Mazda.

Zoom Zoom

An extra perk with the Mazda contract is the full processing now being performed in San Diego. PAS is now providing full processing of the Mazda traffic previously handled at Mazda's Midlothian processing center. While the volume of traffic through the Port of San Diego remains the same, the operations previously done at Mazda's processing center provide additional work for the PAS crew and more revenue for San Diego and a boost to the local economy.

In addition, PAS picked up the full-processing traffic formerly routed through Tacoma and processed in Kansas City. The re-routing enhances order-to-delivery cycle times and provides Mazda with greater flexibility in assigning vehicles. Together with Burlington Northern Santa Fe, PAS is delivering excellence in supply chain solutions.

The additional traffic that Mazda has decided to move through San Diego is a great piece of business and a testament to a job well done. By adapting the current principles of LEAN production, the automotive team is improving production and the bottom line, which produces more value with less time. Pasha's processing operations are spotless, with every tool or piece of equipment in its place, and the recently retrofitted lighting spotlights every vehicle in process.

Moving Forward with Toyota and Pasha Hawaii

