

◀ FEATURE STORY

FIRST QUARTER, 2013

Past, Present & Future Bright

Reflecting on success has Marten thinking positively about the road ahead



From increased detention and holiday pay to performance bonuses and reduced CSA points, Marten's recent accomplishments set the tone for a promising new year.

Welcome all to a bright 2013. Every new year most of us take time to reflect on our accomplishments of the previous year, and also take time to plan goals for the upcoming time in our life. These "resolutions" are important particularly in business, as it becomes the foundation for improvement and sets the table for good feasts to come. We fully expect 2013 to be one of the best years on record for Marten and its' employees. However, before we discuss this bright future, let's reflect on the many positive changes and accomplishments created in 2012.

• On February 1st, detention pay was raised from \$12/hr. to \$15/hr.

• On March 19th we increased our detention pay again to \$17/hour.

• Also on March 19th we added an industry leading

break down pay initiative of \$20/hr. for drivers waiting to get our equipment fixed.

• On April 16th, we raised our detention pay AGAIN to \$20/hr.

• In July, we increased our holiday pay from \$50 to \$150.

• We improved our performance bonus in July, changing it from a quarterly pay out to a monthly pay out. This change created the opportunity for our solo driver to earn up to \$2,400/year more and our team drivers to earn an additional \$3,600/year.

• Our safety bonus program was also changed to a monthly program. This change provided our drivers the opportunity to give themselves a 5% raise or an additional \$840/year.

As you can clearly see, Marten values its' drivers greatly and is undeniably the industry leader in pay programs. Our focus doesn't only reside in pay plans. We also focus on improving utilization and miles per tractor, which ultimately increases driver take home pay. Through the efforts of many, we've reduced the amount of time spent unloading by 1.5 hours and for loading almost 1 hour. We've increased the miles/truck over 5 % which equates to about 100 more miles per week in your pay checks.

Other accomplishments were made with the help of our drivers as well. We reduced the total amount of CSA points by 38%, and increased the percent of day driving time by about 3%. Marten could not have made these improvements without the engagement of our drivers with regards to equipment inspections and management of log books.

As we roll through 2013, we are all going to need to

rely on each other to keep improving. The continual threat of rising fuel costs will require us all to work smarter by making economical fuel purchasing decisions. We need to continue to manage idle time, as every 1% we operate below our 4% goal saves the company approximately \$11,000/month. Operationally, we are committed to reducing driver wait times even further which will also increase your earnings potential. Furthermore, our focus on job creation hasn't let up. We continue to evaluate lane densities in an effort to put more drivers in predictable traffic patterns that ultimately increases home time predictability.

Hopefully everyone can see from the highlights above, that Marten shares the savings with its employees. Let's continue to work hard and smart for a successful 2013. ◀ OPERATIONS DEPARTMENT

Dedicated Expansion in Mississippi

New contract means many new jobs and increased revenues for company

In 2012, Marten set goals toward the expansion of both our dedicated services division, as well as increased business with current customers. We are pleased to announce that the hard work we have all put in has paid off.

Marten Transport was awarded a contract for a dedicated fleet located at a grocery distribution center in New Albany, MS. Our dispatch will work with the customer's corporate office and on-site personnel to route drivers from the distribution center to the regional stores within a 200 mile radius.

What will this mean for Marten?

- Drivers 95 Estimated jobs
- On-Site Dispatch 8 Estimated jobs
- On-Site Maintenance 8 Estimated jobs
- 5 Year Contract
- Marten Tractors hauling Customer's
- Tri-Temp Reefer Trailers
- 85 Tractors (73 Lightweight Sleepers

Increased Revenues

This is a very large win for our company and is part of our continued focus to improve and grow dedicated services. In the future we hope to have many more of these opportunities to continue the growth of Marten Transport.

A large thank you goes out to everyone for all of your efforts. This could only be done with the strong team that we have nationwide. We appreciate the hard work and dedication that allows us to make these opportunities a success.

• MAINTENANCE DEPARTMENT

Proper Air Pressure Key to Tire Program New service intervals helping to decrease downtime and increase productivity

We have collectively made huge improvements within our overall tire program. The main focus of any tire program is to maintain proper air pressure in all wheel positions. Our program calls for 100 PSI in all positions. Marten drivers and maintenance personnel have put more focus on proper air pressure which continues to pay dividends in many facets of our operation. MPG gains and longer run out on tires have helped mitigate some of the huge price increases from last year. The average tire price increases anywhere from 45-60% year

over year. Maintaining proper air pressure not only helps us lessen the impact of these huge tire price increases but provides drivers better tire performance which is a huge safety benefit for everyone. Proper air pressure allows the tractor to corner better, stop quicker and ride better. Please continue the outstanding focus on checking your tires daily to insure proper inflation.

Service Interval Changes

Marten Transport has also changed our service interval with our tractors. We no longer have D services, and lowered our E services to 45K. This decreases each tractors internal downtime by 30% throughout a year and increases productivity. This also lowers in-direct costs (OOR miles), providing more operations flexibility. We were able to make this change because of our inspection lanes which are so critical to our success.

Marten Transport's inspection lanes are also very critical in decreasing our vehicle CSA scores. Our top vehicle violations continue to be flat tires or fabric exposed, failing to secure brake hose/tubing against mechanical damage, ABS-malfunctioning lamp/indicator connection, inoperative head lamps and unapplied air loss/air leaks. Please make sure you go through the inspection lanes whenever you arrive to a terminal. Remember, it's critical for your tractor and trailer to go through the lane.

All of these improvements equate to less over the road downtime, more productivity, better fuel economy, and a much safer fleet. Marten Transport would like to say thank you to all of our drivers for their continued focus on vehicle inspections.

• HUMAN RESOURCES DEPARTMENT

Marten Says "Farewell" to Richardson After Nearly 20 Years

Things have changed alot since 1993. Back then the internet and e-mail were new innovations, and Stephen Richardson was just starting his career at Marten Transport. After nearly two decades of being out on the road, Richardson bid Marten a fond "bon voyage" on January 21, 2013.

Richardson started with Marten on November 4,1993 and was inducted into the Million Mile Cub in 2004. We wish Stephen all the best of luck in his retirement.



and 12 Daycabs)

From a Mentor's Point of View

Marten driver Robert Salerno shares his experiences as a driver mentor

By Robert Salerno

The Driver Mentor Program originated at the Indianapolis Terminal approximately two years ago. I was assisting Diana Shiflet with road testing and after a



couple of weeks Jerod Aikman asked if I would be willing to give my phone number out to the new drivers and help train them on sending macros, computer logging, and day to day operations. After the next

Salerno

class, within a half hour of receiving their trucks, seven out of the eight drivers had called me for assistance. Since that time my phone rings anytime of the day or night.

Diana and I began keeping track of different questions asked by the drivers

COMMUNITY RELATIONS

so we could address them in the next class. After a period of time, I talked to the drivers for half an hour to an hour, addressing potential issues during class to try to make their transition to Marten easier. I also talked to the drivers about what Marten expects out of them. Some of these things include: how to scale their loads, sending qualcomm messages, expectations for computer logging and home time.

This program works because mentors and drivers can work together to solve issues. Team leaders are also available to the mentor 24 hours a day.

On occasion Jerod has made it his personal concern to keep the drivers happy by working with me on the weekends and after hours to make sure the drivers concerns and issues are fixed. There have been several occasions when a driver will call me with a problem. I then call Jerod and he helps resolve the problem. This communication has helped improve our turnover on the Great Lakes Regional Fleet. Sometimes drivers feel more comfortable talking to another driver.

Even though I drive a freightliner, I get questions about various mechanical issues on all the different trucks. If I don't know the answer I will try to get an answer and get back to them.

As a driver mentor, I take phone calls 24/7, even while at home, to help new drivers learn Marten's system. This program can take a driver that has no qualcomm or computer logging experience to sending messages and logging on their own within a week.

The greatest satisfaction of being a Mentor is walking across the terminal lot or a truck stop and drivers come to shake my hand and thank me for what I have done for them.

◀ BENEFITS DEPARTMENT

Fighting Hunger More than 300 pounds of food and nearly \$7,000 donated to food banks

As part of the holiday celebration and in the spirit of giving, Marten Transport employees at the Mondovi headquarters showed why we are truly "better in blue" and held both a fundraiser for the Feed My People Food Bank and also a food drive for the Mondovi Food Pantry. The Feed My People organization is located in Eau Claire and serves 14 counties in Western Wisconsin. The Mondovi Food Pantry is located just off Main Street and helps the less fortunate right here in the community. In response to the fundraising efforts, Marten Transport committed to triple whatever amount their employees raised for FMP.

Similar to last year, employ-

ees were encouraged to donate cash for Feed My People due to the food bank's purchasing power with all food donations going direct to the Mondovi Food Pantry. Fundraising for both organizations kicked off December 1st and ended on December 21st.

In all, employees contributed \$2,320, with the company contributing another \$4,640 for a total donation to Feed My People of \$6,960. Approximately 300 pounds of food were donated to the Mondovi Food Pantry. Dave Parrett, Director of Marten's Brokerage Division, delivered the check to Emily Moore, Executive Director of the Feed My People Food Bank in Eau Claire on December 31st.



Still Time to Flex!

Even though 2012 has ended, if you still have money in last years' flex spending account, you have until June 15, 2013 to file claims. REMINDER: medical and dental expenses must have incurred between January 1, 2012 and March 15, 2013.

To find out about your 2012 flex account or to get a claim form, log on to www.tasconline.com. If you have further questions feel free to call 1-800-422-4661. Please note, if you currently have a Tasc card, keep this card for 2013 flex spending.

◀ SAFETY DEPARTMENT

Medical Qualification FAQs

Frequently asked questions about medical requirements to drive a CMV

Do you know the facts when it comes to remaining medically qualified to drive a commercial motor vehicle (CMV)?

• Who can perform my medical exams?

Anyone who is state-licensed can perform physical exams and knows the DOT rules and the demands of being a CMV driver. After May 20, 2014, in most cases, you'll need to find an examiner who's listed on the National Registry of Certified Medical Examiners.

• Can I be placed out of service if I forget my medical card or it's expired?

Yes, but only if you've had a history of failing to carry your medical card or of having an expired medical card, or you're driving a bus.

• My med card has a space for "National Registry No." but it's blank. Is that ok?

Yes, for now. It will need to be filled in for all interstate driver exams complete after May 20, 2014.

• Why are doctors looking at body mass and neck size?

Excessive neck size and body mass, as well as being an older male, are all risk factors for sleep apnea. If you are diagnosed with sleep apnea, you may be temporarily disqualified until the condition is ruled out or treated.

• The state DMV is asking for my medical card. Do I have to give it to them?

Yes. Federal rules require states to collect medical cards (the original or a copy) from certain CDL holders by early 2014, especially those involved in interstate commerce. Your medical qualification status will be entered on your driving record for your employer and roadside enforcement officers to see, and you must give the state each new medical card you receive.

Can I be qualified if I have diabetes?

If your condition can be controlled using oral medication and diet, yes. If using insulin, no, but you may qualify for an exemption.

• Do I need to carry the long medical exam form that the doctor filled out?

No. Some states require – and some employers ask – that you give them a copy of the "long form," but it does not need to be in the vehicle.

• Do I still need to carry my medical card?

Yes, at least until January 30, 2014. After that date, certain CDL holders who are giving their medical cards to the state DMV will no longer need to carry them.

• SAFETY DEPARTMENT

Unsafe Driving Violations Charted by FMCSA Accumulation of CSA points may trigger audit and hurt business efficiency

Compliance, Safety, Accountability (CSA) started in December 2010 and is a major Federal Motor Carrier Safety Administration noted in a roadside stop. These points accumulate for both the driver and the carrier. For the carrier, high CSA points may

program. CSA is made up of three key elements: Measurement, Safety Evaluation and Intervention. In the Unsafe Driving BASIC, the main violation continues to be speeding.

The graph above shows a steady decrease in Unsafe Driving violations in the first months of 2012 followed by an increase in the later months.



trigger an audit by Federal Motor Carriers, increase insurance costs and limit freight opportunities. For the driver, CSA points will stay on your record for three years which could seriously affect employment advances and further opportunities.

Always pay attention to changing speed limits coming into and leaving towns. Be aware

Remember that CSA points are assigned for every violation

of different speed limits for work and school zones. It is your career; do not let a speeding violation ruin it.

• BENEFITS DEPARTMENT

Changes in Out of Network Medical Coverage



REMINDER: During open enrollment information was provided stating effective January 1, 2013, there will be no out-of-network medical coverage. Medical coverage will only be provided to individuals who use innetwork providers. *Individuals who choose to use a provider that is out of network will be responsible for 100% of the cost and will not go towards a deductible.* For a list of in-network providers or to confirm your provider is still in-network for 2013 go to www. umr.com, call 800-826-9781 or check with your provider.

Tips for Fighting Off the Flu Influenza virus spreading in alarming fashion across country this year

Influenza activity is high across most of the United States. See the following tips from the Centers for Disease Control and Prevention. Take everyday preventive actions to stop the spread of germs.

• Try to avoid close contact with sick people.

• If you are sick with flu-like illness, Stay home for at least 24 hours after your fever is gone except to get medical care or for other necessities. (Your fever should be gone without the use of a fever-reducing medicine.)

• While sick, limit contact with others to keep from infecting them.

• Cover your nose and mouth with a tissue when you cough or sneeze. Throw the tissue in the trash after you use it.

• Wash your hands often with soap and water. If soap and water are not available, use an alcohol-based hand rub.

• Avoid touching your eyes, nose and mouth. Germs spread this way.

• Clean and disinfect surfaces and objects that may be contaminated with germs like the flu.

Teladoc Options A great benefit for Marten employees

If you wake up one morning with sudden cold-like symptoms: stuffy nose, cough, congestion and you don't want to sit in an urgent care or a clinic waiting room, Teladoc is a great option to get physician care for a fraction of the cost.

Teladoc is a benefit service offered to those who carry Marten's benefit plan. It provides access to licensed Primary Care Physicians, over the phone, 24 hours a day, 7 days a week. Once you are pre-registered, you will be able to speak with a national network of board certified, licensed Primary Care Physicians that can diagnose illnesses, recommend treatments and prescribe medications when necessary. TelaDoc is a convenient, cost effective alternative for minor medical problems and a current solution for the health care issues of cost and access.

The co-payment is \$35.00 for each TelaDoc visit, which can be reimbursed if you have Flex Spending funds available. It's great for people on the road, but also a great fit for families at home.

Pre-register now at www.TelaDoc.com! To talk to a licensed physician call 1-800-TelaDoc or 800-835-2362.

Take a Closer Look

It's that time of year again - are your deductions correct?

As each new year starts, we urge all employees to review your payroll deductions carefully to make sure that all appropriate charges are being made for your 2013 benefits.

Employee Communication

We appreciate your honesty. Please use this form for comments, complaints, or suggestions. Your input helps make Marten the best possible workplace for all employees. Drivers may submit this form ATTN: HR - to be routed to the appropriate department for a response. Office and terminal employees should submit to HR for departmental routing. Please include your comments, your name and driver number. Thank You.

COMMENTS:

Driver Name:

Driver Number:

Marten Transport, Ltd. 129 Marten Street Mondovi, WI 54755

◀ BENEFITS DEPARTMENT

Diversified Online Offers Opportunity Get your retirement planning started by using RetireTrack Tools for FREE!

If you have not already done so please take a moment and you how bright or cloudy your retirement out

get started with Diversified by visiting http://www.marten. divinvest.com and following the instructions to create your user ID and password (on the top right corner of the page). After that you can check your balance, make changes to your account, and use Diversified's helpful planning tools and calculators – including their RetireTrack tool. It will tell you how bright or cloudy your retirement outlook is based on your current level of savings and if you're on track for a funded retirement. Our plan now offers retirement planning...FREE!

As part of the transition you will also need to update your beneficiaries. Once logged in; go to Account Information/ Beneficiary Information/Change-Add Beneficiary.

Sign in at marten.divinvest.com and

- Set up your retirement income goal
- Create or fine-tune your strategy
- Update your profile
- Transfer between funds
- Check investment performance
- Update contributions and fund allocations

- Set up automated services like Auto-Rebalance
- Transfer outside retirement assets to your plan
- Open an IRA
- See what's happening on Wall Street and beyond
- Create retirement income plan
- Phone Number: 1-800-755-5801