

MARTEN TRANSPORT Transporter



FIRST QUARTER, 2011

◀ FEATURE STORY

“Expect the Best” in 2011

Marten overcame many challenges in 2010, now excited about a promising new year



Before we launch 2011, we need to take a moment to reflect on the successes of 2010. The company had a fairly successful year in light of a difficult freight environment. We would like to send out a special thank you to our drivers for their efforts and understanding as we worked together to make the year a success.

To begin, we heard our drivers concerns about the shortage of mileage and take home pay, so we addressed our change in providing consistent work by changing our layover policy from \$25 to \$100 the first night. Marten also recognized the large amount of time lost and out of route

miles incurred to get paperwork scanned by payroll deadlines. To tackle this problem the company added in-cab scanning capability along with Wi-Fi internet access to allow drivers e-mail capabilities. Additionally, our Accounting Department shortened the payroll cycle which extends the amount of time a driver has to submit paperwork to payroll. Also, from the Benefits standpoint, all employees will receive another year of medical, dental and vision insurance without an increase in premiums. Turn by turn navigation was included with our new Qualcomm Systems to help our drivers locate shippers, receivers and fuel stops efficiently, thereby, eliminating

unnecessary miles that reduce valuable drive time. Finally, the jobs that were created with the expansion of our regional platform in Lakeland, FL, Phoenix, AZ, and Memphis, TN all added to the quality of life for our drivers. We expect these successes to continue throughout 2011.

Job creation is at the top of the list. With new regional operating centers in Eastern Pennsylvania and Kansas City, KS scheduled to open in the spring, our drivers will have new home bases of operation to interact more frequently with their fleet manager and get equipment serviced, as well as get home more often. Together these operations will grow to support

another 100 driving jobs at Marten. This represents a large part of the nearly 450 good driving jobs that will be created as Marten continues down a path of consistent success in 2011.

As we expand these regional operations, our Sales efforts are continually evolving to meet the utilization targets required to make good jobs for our drivers. Our current book of business has expanded with recent new volume awards from Kellogg's, Anheuser Busch and Wrigley's to name a few. It's this type of consistent sales activity that will increase the freight volume and fuel this growth.

As we face heightened regulatory and service requirement expectations in 2011, the management team at Marten is very confident that we are positioned well in the market place, in our operation and in the minds of our customers to exceed every challenge we face in the coming year. Marten will always “Expect the Best” and work diligently to be the best every day!

Thanks in advance for all the teamwork.

◀ DESOTO TERMINAL

Making Progress

Work on new Texas terminal taking shape

The new facility in Desoto is coming along as planned. It is expected to be open the end of April. See photo at right to see how the walls and foundations are starting to take form.



◀ SAFETY DEPARTMENT

New Safety Program Launched

FMCSA holds carriers and drivers responsible for their safety performance



Compliance Safety Accountability program (called CSA) is designed to help reduce crashes and increase overall road safety.

On December 12, 2010 the long awaited Compliance Safety Accountability (CSA) program was released by the Federal Motor Carrier Safety Administration. The goal of CSA is to reduce commercial motor vehicle crashes, fatalities, and injuries. CSA will help the FMCSA to impact the safety behavior of carriers and drivers by using continually improving data to better identify high risk carriers and drivers.

WHAT ARE THE BASICS?

CSA uses six Behavior Analysis and Safety Improvement Categories (BASICS) as well as crash involvement data to rate carriers and drivers. The six BASICS are:

- Unsafe Driving- Example violations: speeding, not wearing seatbelt, following too close
- Fatigued Driving- Example violations: all HOS and logbook violations
- Driver Fitness- Example violations: all CDL and medical qualification violations
- Controlled Substances and Alcohol
- Vehicle Maintenance- Example violations: brakes, lights, tires, and mechanical defects
- Cargo- Example violations: all cargo securement and hazardous material issues

HOW IS CSA SCORED?

FMCSA has assigned a severity weighting to every violation that can

be received. This severity weighting is on a scale from 1 (least likely to cause an accident) to 10 (most likely to cause an accident). For instance, a speeding violation carries a severity weighting of 5. Newer violations count higher than older violations. For drivers, all violations in the first year are multiplied by 3. This means that a speeding violation with a severity of 5 is multiplied by 3 ending up being 15 points against the driver and carrier.

HOW LONG POINTS STAY WITH YOU

Drivers and carriers differ on how long points stay on the record. For carriers, points stay on for two years and for drivers it is 3 years. These points stay with a driver regardless if they change carriers.

HOW TO AVOID POINTS

The best way to avoid points is to have clean inspections and no moving violations. Marten has installed inspection lanes at the majority of our terminals. Please use them every chance you have. We can identify and fix mechanical problems, ensure that your CDL and medical card are in your possession and current, update permits, and relay new information. Minutes spent in the inspection lane can save hours on the road for breakdowns or stops at scales. Trust and use the e-logs. The on board recorders will almost eliminate all hours of service violations. Do daily pre/post trip vehicle

inspections and report defects found. Again, use our inspection lanes or call road service if you are away from a terminal.

ARE SOME STATES WORSE THAN OTHERS FOR INSPECTIONS?

We must expect to be inspected in any state but here are the top six states and the number of inspections Marten has had over the past two years:

- California- 3457 inspections
- Indiana- 782 inspections
- Illinois- 717 inspections
- Tennessee- 664 inspections
- Missouri- 652 inspections
- Ohio- 575 inspections

ARE SOME STATES WORSE THAN OTHERS FOR VIOLATIONS?

Even though California leads the way by far in the inspection count, 2165 of those inspections were "clean" inspections. In Indiana only 51 of 782 inspections were "clean" inspections. Bottom line is if you are stopped in Indiana you are getting a violation. For moving violations the top five states are Indiana, Illinois, Ohio, New Mexico, and Oklahoma.

We appreciate your continued efforts in paying close attention to physicals, compliance and post trip inspections to ensure clear roadside inspections.

◀ INTERMODAL

Marten Setting New Heights on Rail

In just over five years Marten has become largest reefer carrier on BNSF Railroad



Expectations were high in 2010 as Marten Transport entered its 5th year of Intermodal services. Just six months prior, Marten became the largest reefer carrier on the BNSF railroad. This growth brought new business as more customers moved their Intermodal freight to Marten Transport.

One main factor that we are proud of is our ability to control the dray movement of freight for

pickups and deliveries with our drivers and equipment. We utilize Marten Intermodal drivers as well as OTR and Regional drivers in order to provide customers with the same service expectations as our truck load services.

Prior to coming to Marten, our Intermodal customers were lacking the level of service that was critical for their inventory schedules. Therefore, shippers transitioned a large amount of

Intermodal freight from other carriers to our company and allowed us the opportunity to provide them with seamless service.

In 2010, we continued to grow our Intermodal customer base. Our load volume increased 11.4% from the previous year. Our largest growth customers include many of the same customers we use on our truckload side, however, the shipments we

move for customers like Hormel, LXP, and Kraft are specifically designed for Intermodal movement. Without the support of our drivers and employees controlling our dray moves, Marten Transport would not have evolved into the best Intermodal carrier and solution provider in the industry.

Thanks to everyone for once again setting Marten Transport apart from the rest.

◀ EMPLOYEE CONTRIBUTIONS

Hair Raising Experience

Marten employees gather together to help support a young girl and her family



Marten employees show their support for a young cancer survivor by shaving their heads in December 2010. Thanks to all who were able to show their generosity in one form or another.

◀ MAINTENANCE

Inspections Now Even More Essential

Marten identifies most common ticketed issues involve tires, lamps and air hoses

Post and pre-trip equipment inspections are more important than ever. The days of missing a post and pre-trip inspection are now gone with the launch of CSA 2010. We are up to 1,000 safety inspections per week throughout our network at our terminals. Keep up the good work on utilizing the safety lanes. Our over the road breakdowns have dramatically decreased with the integration of these safety inspection lanes throughout the system. Our safety inspection lanes have also been instrumental to our CSA

maintenance score which is one of the best maintenance scores within our peer group. The safety inspection lanes are designed to keep you running when you're out on the road so make sure to swing through them every chance you get. These safety inspection lanes also afford Marten Transport the ability to react quickly to an ever changing environment which is core to our overall success.

The following items layout the majority of maintenance issues we are continuously being ticketed for at the scales. Please have a height-

ened awareness of these issues!

TIRES

- Under-inflation
- Fabric exposed
- Tread depth (they will find the lowest depth on the tire)
- Audible air leak

LAMPS

- Tail lamps
- Head lamps
- Stop lamps (same light as hazard lamp so check them by turning your hazards on during your post and pre-trip inspection)
- Turn signals

AIR HOSES

- Kinked or chaffed hose will be an issue at the scale
- Air leaks within the air hoses
- Air hose rubbing on trailer axle (this will occur if the springs go bad) the air hose cannot be rubbing on the trailer axle.
- Unsecured air hose, this results when the air hose is rubbing on the cat walk because it got stretched out at some point.
- Bobtails, make sure to secure the air hose to the back of the cab.

◀ EMPLOYEE RECOGNITION

Marten Says "Good Bye"

After nearly four decades and lots of smiles, Jim Pendergast retires



After almost 40 years of working for Marten Transport Jim Pendergast is retired.

Jim started driving truck back in the 70's and was part of the first group of Million Mile Drivers inducted in 1997. In 1987 Jim started working in the Recruiting Department. At that time Marten did not have a Road Service Department so Jim also worked nights and weekends doing breakdown calls. Throughout his career with Marten Transport, Jim has been a Manager in the Recruiting Department,

Driver Training and the Equipment Manager until his retirement.

Jim and his wife Judy plan on spending their winters in Texas and their summers at the lake in Chetek, WI. Jim's gift of making people smile and his sense humor will be missed.

◀ BENEFITS DEPARTMENT



Time is Running Out on Flex Spending

The year has ended but you still have time to accumulate expenses to use up money left in your 2010 flex spending account. You have until March 15th, 2011, to incur medical expenses.

Some last minute expenses might be contact solution, new eye glasses, over the counter meds such as Tylenol, ibuprofen, cold meds, etc. If you have money left in your 2010 flex

account and incur expenses from January 1, 2011 and March 15, 2011, it will automatically use your money left in your 2010 flex account first. You have until 6-15-2011 to file these claims. To find out about your flex account or other benefits log on to anthem.com.

If you have further questions feel free to call the number on the back of your Anthem card 877-267-4928.

◀ BENEFITS DEPARTMENT

401K Opportunity Knocking

New year, decrease in taxes offers perfect timing to take advantage of investment plan

You've likely noticed more money on your paycheck this year due to the government decreasing Social Security taxes. The Social Security taxes paid on wages has been reduced by two percent for 2011.

This is a perfect time for you to make this opportunity count for you and your 401K. Instead of spending the extra money on trivial expenditures with nothing to show for it, consider investing that amount into your 401K.

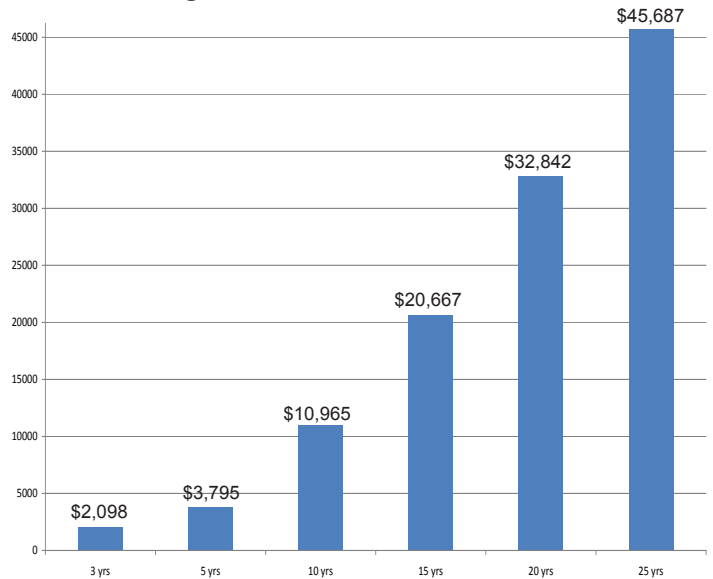


The graph at the right illustrates how an extra two percent contribution can grow throughout the years. Changes to your 401K deferral can be made quarterly.

Keep in mind, if you elect to continue the extra two percent contribution for 25 years, it will result in 10 times more assets than decreasing the contribution after one year.

If you are interested in taking advantage of this investment opportunity, contact Emjay at 888-365-2926 or www.gwrs.com/emjay.

Continuing the Extra 2% Contribution For 25 Years



Based on a \$30,000 salary/monthly contributions invested in a balanced portfolio. Source: Morningstar - DJ Moderate TR Index from 1/01/86 to 12/31/10. Cannot invest directly into an index. Past performance is not an indication of future results.

Make This the Healthiest Year Ever

In-network providers, Teladoc provide opportunities to keep health care costs down

With each new year comes goals and resolutions for the next twelve months! One resolution we should all have is to be health conscious in our daily lives, in doing so, you will also help keep health care costs down.

For the past three years Marten Transport has been able to keep medical, dental and vision premiums flat. This is almost unheard of with the increased health care costs and the current economic environment. The primary reason we've been successful in keeping our health care costs down is our employees efforts to use in-network providers. Just over 98% of Marten employees used in-network providers in 2010. By using these providers, we receive discounted rates and are able to maintain our current plan coverage and premiums.

Another reason to use in-network providers is because of deductibles. There are two separate deductibles for out-of-network providers vs in-network. Meaning if you've met your in-network provider deductible then choose to go to an out-of-network provider, you will need to meet a second, higher deductible. In addition, out of pocket expenses are much greater when using out-of-network providers.

There are in-network providers all across the country. If you have questions or would like more information on providers in your area call 1-877-267-4928. This is the number on the back

of your medical card. You will need your group number and identification number from your card.

TeleDoc is another option that will help keep medical costs down. TeleDoc is a benefit service that provides access to licensed Primary Care Physicians, over the phone 24 hours a day, 7 days a week. Once you are pre-registered with TeleDoc 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.

TeleDoc 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 TeleDoc visit. Pre-register now at www.TelaDoc.com. After that you will be able to call 1-800-TelaDoc or 800-835-2362 to talk to a licensed physician.

Again, thank you for your diligence in keeping our health care costs down by using in-network providers and TeleDoc. This year more than ever we need to continue to be mindful of the health care costs incurred to insulate us from increased benefit costs down the road.

Kick off the New Year by keeping your resolutions and you'll thank yourself at the end of the year!

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 in a Trip Pak envelope, ATTN: HR - to be routed to the appropriate department for a response. Office and terminal employees should submit to HR for departmental routing.

COMMENTS:

Name: _____ Driver No.: _____

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

Coming Soon!



Driver's of the Month

Congratulations to the men and women below, who have been selected as Driver's of the Month. Each driver receives a certificate of recognition, a Marten hat and will be acknowledged on the company web site.

APRIL HONOREES: Matthew & Joy Conner, Johnny R. Brown, Michael Baldree, Smain Bouamrane, William A. Affonso, Michael Leichty, Wayne Brazle, William D. Munn, James A. Toomey, Ramiro Rivas, Phil Tackett, Remun Mayo, Robert Marshall

MAY HONOREES: Jack Vargo & Deb Marsh, Aslan Zejnel, Pascal Odom, Enrique Cisneros, Michael James, Chester Becker, Barry Lawrence, Darryl D. Ford, Melissa Depas, Bob Larson, Brian K. Parker, Chris Singer, Frank Berk, Mike Nelson, Doug Pennington

JUNE HONOREES: Charles Mock, Corey D. McCants, Kipp Parker, Kevin Babcock, Janet Medlock, Beau Hearn, Sterlin Lankford, George Quinn, Gregory Mosier, Andrew Wojciechowski, Mark Given, Henry Martinez, Marty Sprague

JULY HONOREES: Corey H. Baker & Alfredo Almodovar, Patricia Upton, Anthony Maes, Anthony Watford, Bonita K. Haugh, Rembert Dash, Steven Hays, Larry Pence, Joshua Clark, David Schlarbaum, Ahmed B. Diop, Robert Elder, Abdellilah Merqi, Duncan Walton, Pisaga Saau, Jamie Hundley, Raymond Lamb, John Forder

AUGUST HONOREES: Kevonte West, John Jones, Keith Steele, Jan Donselman, Ken Scacco, James Stanton, Jesse Francis, David Zdanis, Billy Daniels, Scott Peterson, Shawn Byrd, Ted Genetiano, Eric Golden, Donald Zimmerman, Michael Staten, Frank Berk, Jerry Johnston, Charles Davidson

SEPTEMBER HONOREES: Tony McCormick & Sandra Klein, Robin Walker, Michael Ferraro, William Carter, Clinton Foley, Earl Gosnell, Donald Spurr, Michael Pool, Joshua Mills, Paul Gilstad, Bob Larson, Richard Roth, Lowell James, Curtis Bankes, Jeremy Arceneaux, Allan C. Purret, Norman E. Taylor, Everett Kays, Charles Fenderson, Adrian Mobley, Hassand Miller, Feuang Lovan, Matt Graham

OCTOBER HONOREES: Corey H. Baker & Alfredo Almodovar, Randy Anderson, John Wright, Charles Sapp, Jeff Claggett, Brian Payton, Don Franz, Matthew Dekalaita, Bill Lee, Shane Wood, Tony Chou, Ronald Pass, Stephen Serban, Nathaneal Whittlesey, Roman Anselmo

NOVEMBER HONOREES: Jack Vargo & Deb Marsh, Peter Lynch, Roger Cook, Juan Pena, Jr., Jamie Anderson, Sigfredo Moreno, Steven Raymond, Debra Daniels, Ovidio Orellana, Everett Kays, Raymond Lamb, Charles Champlain, Stephen Johnson, David Kuharich, Anthony Collins

DECEMBER HONOREES: Mark & Merrie Ekern, Denis Yeboah, William Thomas, Garry White, James Wright, James Bates, Michael Thomas, Robert Dale, Allen Zavert, David Schlarbaum, Dan Muhs, Sean Scheewe, Doyle Cheney, Ricky Whitman, Jeffrey Lindquist, Andrew Wojciechowski, Chad Lingafelter, Michael Staten, Phyllis Ashe, Brian Tyler, Robert Marshall