

A black and white portrait of John Ruan, a man in a pinstriped suit and bow tie, looking slightly to the right. The portrait is the background for the entire page.

RED

The **RUAN** Magazine

Number 04 Summer 2010

FAREWELL.

FOUNDER. FATHER. PHILANTHROPIST. FRIEND.

The Extraordinary Life of John Ruan

February 11, 1914 – February 14, 2010

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A MESSAGE FROM

John Ruan III, Chairman & CEO



In February, my father John Ruan, the founder of Ruan Transportation Management Systems, passed away at the age of 96. While this was a tremendous loss to my family and our organization, his extraordinary life and contributions continue to be celebrated rather than mourned.

I am fortunate to have had John Ruan as a mentor, both personally and professionally. His core ideals of hard work, dedication, quality and commitment to others influenced not only me, but provided the foundation for the organization that exists today. While we have lost our founder, mentor, friend and loved one, his indomitable spirit remains ingrained within Ruan.

Through ongoing investments in programs that benefit our clients, employees and communities, we continue to strengthen our organization while honoring the values that have been inherent to our company since 1932.

Although it is a small tribute to a man who influenced us so greatly, we have dedicated this issue of *RED* to honoring John Ruan's life and legacy. In our feature article, we recount many of his most notable accomplishments, including the progression of Ruan Transportation Management Systems from a one-man operation to one of the largest privately held transportation companies in the nation; his commitment to his community through

real estate development and revitalization efforts, and his endowment and support of the World Food Prize.

In this issue, we also share information on topic areas that have long been important within the Ruan organization. With regard to current safety initiatives, our companywide ban on mobile device use while driving is discussed, as well as our proactive approach to CSA 2010. A feature article on current regulations and transportation initiatives in the area of food safety and security is also included. Chris Policinski, president and CEO of Land O'Lakes, Inc., provides his perspective on the obligation of U.S. agriculture to lead the way in meeting the increased food needs of an expanding global population. Land O'Lakes, a valued Ruan partner, has long been an advocate for alleviating hunger, and we have been grateful for Mr. Policinski's ongoing support of the World Food Prize and its programs.

This issue celebrates not only Ruan's 78 year heritage, but its commitment to the future. Through ongoing investments in programs that benefit our clients, employees and communities, we continue to strengthen our organization while honoring the values that have been inherent to our company since 1932.

Sincerely,

A handwritten signature in black ink that reads "John Ruan III". The signature is written in a cursive, slightly stylized font.

John Ruan III



OBLIGATION AND OPPORTUNITY FOR U.S. AGRICULTURE



CHRIS POLICINSKI,
PRESIDENT & CEO
LAND O'LAKES, INC.

Land O'Lakes' President and Chief Executive Officer Chris Policinski says production management and ag technology will lead the way. When Policinski considers the future of U.S. agriculture, he sees both obligation and opportunity.

"U.S. agriculture clearly has an obligation to lead the way in meeting the increased food needs of an expanding global population," Policinski says. "In meeting that obligation, we also will create new opportunities for agriculture to grow and succeed. The key to achieving significant increases in food production is to utilize advances in agricultural technology and on-farm production and business management practices."

The Land O'Lakes CEO, who has delivered this message in such venues as the World Food Prize Symposium, the USDA Agricultural Outlook Forum and the CropLife America annual meeting, takes a global view in supporting his observations.

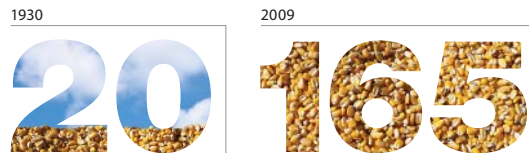
OBLIGATION AND OPPORTUNITY

The United Nations Food and Agriculture Organization estimates that the current global population of 6.8 billion will increase to more than 9 billion by 2050. "Analysts tell us global food production will have to increase by 70 percent by 2050 to meet the needs of this expanding population," Policinski says, "and given that our available resources are finite, the bulk of that

NUMBER OF PEOPLE THE AVERAGE U.S. FARMER FEEDS PER YEAR



AVERAGE CORN YIELDS (BUSHEL PER ACRE) IN U.S.



AVERAGE PER-COW MILK PRODUCTION (POUNDS) IN U.S.



increase will have to come from technology-driven advances in agricultural productivity."

As a farmer-owned cooperative, Land O'Lakes is working to ensure that U.S. producers are positioned to achieve productivity gains. "The productivity track record of U.S. agriculture and agribusiness is truly extraordinary," Policinski says. "It indicates that we have the capacity and the commitment to meet the world's growing need for wholesome, plentiful and economical food."

A good illustration comes from the American Farm Bureau, which reports that the average U.S. farmer fed 10 people in 1930; about two dozen people in 1960; 100 people in 1990; and approximately 155 people today. Looking at specific crops, average corn yields in the U.S. have increased from 20 bushels an acre in 1930 to more than 160 bushels today; wheat yields have tripled since 1930; and per-cow milk production has increased from 4,500 pounds per cow in 1930 to more than 20,000 today.

“TODAY, LESS THAN 2 PERCENT OF THE U.S. POPULATION IS DIRECTLY INVOLVED WITH PRODUCTION AGRICULTURE ... YET FOOD PRODUCTION AND SAFETY ARE TAKING CENTER STAGE IN THE REALM OF PUBLIC DISCUSSION AND DEBATE. TOO OFTEN, THE DISCUSSION OF AGRICULTURAL ISSUES, PARTICULARLY THE USE OF NEW TECHNOLOGIES, IS DRIVEN BY WELL-INTENTIONED PEOPLE FROM OUTSIDE OF AGRICULTURE WHO ALLOW OPINION, EMOTION AND EVEN NOSTALGIA TO FILL THE KNOWLEDGE GAP,” POLICINSKI SAYS. “AS A RESULT, EVEN SAFE, PROVEN TECHNOLOGIES CAN ENCOUNTER OPPOSITION.”

“Advancing agricultural technologies and modern production and business practices have been key to our progress in the past and will be essential to keep the momentum going. Land O’Lakes is doing its part to promote the development of breakthrough technologies,” Policinski says. As the nation’s second-largest food and agricultural cooperative, Land O’Lakes makes significant investments in developing new technologies that will boost on-farm productivity, enhance efficiency and profitability and contribute to environmental stewardship and sustainability.

The company’s LongView Animal Nutrition Center in Gray Summit, MO, is one example. The center is a leader in animal nutrition research and development and has developed a steady stream of products that build stronger, healthier, more productive animals.

SAFE, PROVEN TECHNOLOGIES

Along with developing new technologies, U.S. agriculture and agribusiness must also continue working to protect the producer’s right to utilize these breakthroughs.

“Today, less than 2 percent of the U.S. population is directly involved with production agriculture ... yet food production and safety are taking center stage in the realm of public discussion and debate. Too often, the discussion of agricultural issues, particularly the use of new technologies, is driven by well-intentioned people from outside of agriculture who allow opinion, emotion and even nostalgia to fill the knowledge gap,” Policinski says. “As a result, even safe, proven technologies can encounter opposition.”

This is why Land O’Lakes is committed to ensuring that decisions and policy-making on agricultural issues are based on solid data and sound science, rather than opinion or emotion, and proactively supporting specific technologies that are safe, proven and beneficial.

“If we are going to feed a hungry world, create opportunity for U.S. agriculture and enhance stewardship and sustainability, it is essential that everyone involved in agriculture and agribusiness serves as advocates for producers. We must preserve the producer’s ability to use safe technologies that have proven their value,” Policinski says. “This is a commitment that Land O’Lakes not only accepts, but embraces.”



PARTNERS IN THE FIGHT AGAINST HUNGER

Reducing hunger around the world was a passion of Ruan’s founder, John Ruan, and the Ruan family and the company continue to promote his vision through their endowment and support of the World Food Prize. Ruan client Land O’Lakes is also committed to the fight against world hunger.

In addition to its support for the World Food Prize, the Land O’Lakes Foundation launched a new initiative aimed at alleviating hunger locally, nationally and globally. Called Feeding Our Communities, the program enhances the company’s traditional giving efforts, which have seen the company and Foundation donate 2.8 million pounds of food and more than \$300,000 to hunger-focused programs over the past five years.

“As a farmer-owned food and agricultural cooperative, Land O’Lakes and the Land O’Lakes Foundation are committed to helping address the issue of hunger,” Land O’Lakes Foundation Executive Director Lydia Botham says. “Feeding Our Communities is intended to apply our resources and expertise in a very focused and strategic way.”



THE WORLD
FOOD PRIZE

Feeding Our
Communities

We hit the switch when we hit the

road



As part of its ongoing effort to eliminate distracted driving, the U.S. Department of Transportation announced an immediate texting ban for drivers of commercial vehicles in January 2010. Ruan had already taken a proactive and more aggressive approach to keeping its drivers and the public safe.

“Beginning in October 2009, we banned the use of all electronic devices — for any Ruan employee — while performing any safety sensitive operation, including, but not limited to, driving,” says Ron Hanson, vice president of human resources and safety. “Electronic devices refers to the use of cell phones, two-way radios, GPS communicators and any other electronic equipment. This way, our drivers are better able to perform their primary task of driving as safely as possible.”

Ruan’s Safety First culture has been a pillar of the company since the mid-1940s. It was the first transporter to institute a formal safety program. Ruan developed the MEGA Safe program in 1986 and went on a 46-city tour to spread the word about safety. And, the company continues to proactively work with state and federal agencies to find ways to make the road safer.

When research showed that the use of electronic equipment while driving is — in some cases — as dangerous as driving while intoxicated, Ruan acted quickly.

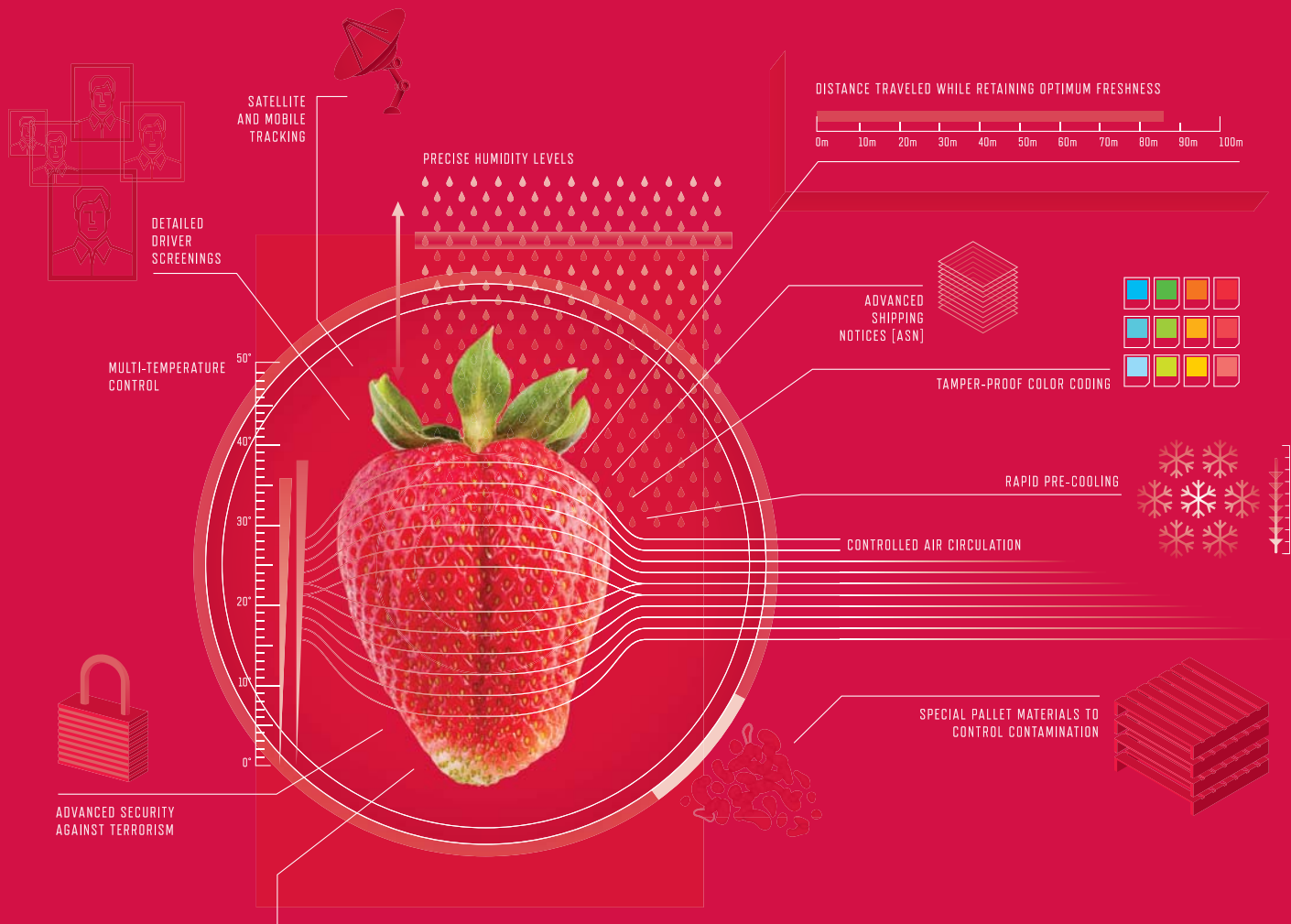
“The unexpected challenge of these great electronic tools is that they can contribute to our drivers getting hurt, injuring

someone else or damaging our equipment,” Hanson says. Because of this, Ruan is undergoing a major shift in the way it thinks about communication. Drivers are now required to find a safe and legal place to pull off the road and park before responding to a call. And, terminal managers and transportation supervisors are working to ensure that drivers are only contacted to relay absolutely essential information.

The new policy is getting a very positive response from Ruan’s team members, Hanson says, and clients are pleased with the company’s proactive approach to safety.

“Driving something that weighs 80,000 pounds, potentially loaded with hazardous material, is a little different than driving a Honda Civic,” Hanson says. “We owe it to our drivers, our clients and all motorists to implement the measures necessary to ensure our drivers and their cargo are as safe as possible.”

DID YOU KNOW? Drivers who text message take their eyes off the road for an average of 4.6 out of every 6 seconds. At 55 miles per hour, they can travel the length of a football field without looking at the road.



MAKING FOOD SAFER

FOOD TRANSPORTATION SAFETY AND SECURITY

DESPITE SPORADIC STIRRINGS OF A LOCAL FOOD MOVEMENT, 90 PERCENT OF AMERICA'S FRUITS AND VEGETABLES ARE STILL TRANSPORTED BY TRUCK BEFORE ARRIVING AT STORES AND, ULTIMATELY, THE DINNER TABLE.

The overall number of food miles from farm-to-plate continues to grow each year. During this journey, the food we eat is susceptible to contamination and lapses in proper humidity and temperature maintenance. While on the road, food cargo is also a vulnerable target for terrorists.

These two distinct fronts — food safety and food security — demand our utmost diligence. The goal must be to maintain the inherent wholesomeness and safety of the food supply while simultaneously instituting the strictest security measures.

Today, the Department of Agriculture, the American Trucking Associations, the Agricultural and Food Transporters Conference and other key organizations have joined forces to improve the integrity of the nation's agricultural production and food supply, which is essential to the health and welfare of Americans and the global community.

MAINTAINING THE SAFETY AND QUALITY OF FOOD

Delivering meats, fruits and vegetables from farm to factory with their nutrients and health profiles intact requires more than shorter travel times.

The most prevalent issue has always been temperature abuse: transporting foods in improper temperatures and/or humidity levels accelerates decomposition, degrades the food's natural nutrients and often introduces or promotes unhealthy bacteria (primarily Salmonella, Listeria and Escherichia) in the food. Not only does temperature abuse endanger the health of anyone eating the tainted food, it ends up costing the United States an estimated \$2 billion annually in economic losses and health care.

The trucking industry has charged ahead in combating temperature abuse by implementing many new technologies developed specifically for food safety during transport. Mechanical refrigeration has advanced far beyond what was considered state-of-the-art only a decade ago, and now most trucks carrying fresh food cargo feature some of the most high-tech refrigeration systems in the world, all of them self-contained.

AMONG THE MANY FOOD SAFETY ADVANCES ARE:

- + New air circulation methods that elevate and separate foods to allow cold air to rush past and around them, and circulation systems that move and distribute trailer air evenly during travel
- + Recently developed microprocessors and monitors strategically placed around the interior of the trailer to identify and alert shippers of refrigeration problems nearly as soon as they occur
- + Multi-temperature trailers that allow different foodstuffs to be stored at specific temperatures for optimal safety and freshness
- + Humidity controls that keep the air in a properly insulated trailer at a constant level conducive to the food cargo's safety
- + The rapid pre-cooling of vegetables after harvesting, which removes their respiration heat, keeping them fresher during transport

Non-mechanical cryogenic refrigeration has also advanced. In modern cryogenic freezers, liquid nitrogen or carbon dioxide is used to reduce the core temperature of foods down to -300°F — cold enough to transport to most sites in the continental United States without the risk of thawing. Special cryogenic trailers are also used to maintain this core temperature for up to 30 days.

PREVENTING CROSS-CONTAMINATION

To help eliminate the problem of food cross-contamination, many suppliers are switching from wooden pallets to pallets made from either plastics or aluminum. While the porous nature of wood absorbs E. Coli, Salmonella, Listeria and other bacteria, plastic and metal are bacteria-resistant. Additionally, metal and plastic pallets eliminate other dangers that come with wood: boring insects that can migrate from pallet to food, and the threat of food contamination from wood chips, sawdust or nails.

As a further safeguard to stop cross-contamination, companies like iGPS manufacture plastic pallets with embedded radio-frequency identification (RFID) tags so that receivers can trace the shipment throughout the supply chain to assess a pallet of food's time in transit and what it held prior to its current load.

Cross-contamination has also been abated through the increased use of wrapping, such as Cryovac, a product of Sealed Air, which helps fresh foods retain coolness while keeping blood and odors locked in their packaging during transit.

A further advancement in maintaining food integrity is mobile temperature recorders that are placed, unseen by trucking personnel, inside the boxes being transported. Drivers may not even be aware of their existence. These "temp tails" allow shippers and receivers to see a product's shipping temperature at various times throughout its journey.

TRADITIONAL STANDARDS STILL HOLD

While new improvements to food safety are being introduced, longstanding, proven methods continue to be practiced. Back hauling is banned. Mixing food and non-food loads is forbidden. Trailer interiors are thoroughly washed and disinfected after unloading to reduce cross-contamination, and trailer interiors are now being made of stainless steel or food-grade epoxies that can safely come into contact with food if properly sanitized first.

Many industry efforts have helped diminish cross-contamination. One such policy dictated that food cargo never leaves a sanitary, cooled environment throughout the food chain — whether located on the warehouse, dock, forklift, pallet or truck.

IMPROVING FOOD TRANSPORTATION SECURITY

Since September 11, 2001, a major emphasis has been placed on maintaining the security and integrity of our national food supply. Lone drivers, each of whom can be shipping 22 tons or more of raw food across the nation, are viewed as likely targets for a potential terrorist attack.

Because of this, there has been a concerted effort to develop and enhance security measures. One of the first programs initiated was an advanced system of driver screening, with thorough background checks and cross-matching. Working together, the U.S. Department of Agriculture and the Agricultural and Food Transporters Conference have created a series of driver guidelines and protocols to safeguard against possible terrorism attempts.



THE RUAN APPROACH

As a leader in food safety and security, Ruan is fulfilling its commitment to clients and consumers.

“As a dedicated carrier, Ruan performs to its customers’ expectations, especially concerning food security and safety,” says Ralph Arthur, Ruan’s president. “This means we have at least one of every kind of mobile communications tool on the market to stay in contact with customers, our drivers and their cargo.”

The Ruan approach to food safety and security issues is proactive. With food transportation accounting for more than half of Ruan’s business, the company provides its food clients with the advanced temperature controls, air circulation systems and failsafe monitoring each requires for optimum freshness upon delivery.

In the realm of security, many of Ruan’s trucks are tethered to a centralized communications and security center that tracks their progress via satellite. Drivers have the ability to report irregularities and request assistance at any time along the route.

In addition, Ruan’s on-board alarm systems are linked to the command center, where they are constantly monitored.

Arthur says that one critical link in Ruan’s food safety and security efforts is its maintenance staff.

It is through their diligence that proper temperatures are maintained, communications equipment remains operational and the trucks keep moving reliably, without delays.

“Our commitment to food safety and security is inherent in our culture,” Arthur says. “We make sure the process is followed by everyone, every day. It’s like an ongoing checklist each shipping, receiving and transportation company abides by with every single truckload. And it works well.”



Federal mandate requires a seal on every commercial hauler leaving its loading facility. At the unloading dock, the seal must be unbroken to be accepted. If tampering is evident, by law, the contents of the trailer are destroyed.

Advance shipping notices (ASNs) have become highly detailed, creating a powerful detection device when the driver and cargo arrive at the final dock. Before food is unloaded and stored, the ASN is thoroughly checked to determine whether everything matches: the commodities carried, their weight, origin, destination, date, estimated time of arrival, driver’s name and, increasingly, the driver’s photograph.

Security efforts go on inside and outside the trailer as well, with some novel “tamper-evident” technologies. One is an electronic transmitting seal that is attached to containers; no amount of reaffixing would disguise the breach. There are also bulk packaging solutions that protect food from outside sources and, most futuristically, packaging that changes color when the exterior has been corrupted.

Many trailer doors have been terror-proofed, with some automatically sending out a signal if removed. More technologically sophisticated doors have microswitches that monitor and record every time they are opened, which can indicate unintended or unauthorized access to food cargo and potential tampering. These switches also record the time and duration of door openings and the temperature throughout the truck or trailer to ensure the integrity of food cargo.

Other new technologies include satellite tracking of a truck’s whereabouts throughout the route,

“OUR COMMITMENT TO FOOD SAFETY AND SECURITY IS INHERENT IN OUR CULTURE,” SAYS RALPH ARTHUR, RUAN’S PRESIDENT. “WE MAKE SURE THE PROCESS IS FOLLOWED BY EVERYONE, EVERY DAY. IT’S LIKE AN ONGOING CHECKLIST EACH SHIPPING, RECEIVING AND TRANSPORTATION COMPANY ABIDES BY WITH EVERY SINGLE TRUCKLOAD. AND IT WORKS WELL.”

so that any deviation or a suspiciously long stop can be noted. If this occurs, the driver is immediately contacted via radio or cell phone for an explanation. Alarm systems and automated cameras paired with satellite communications and GPS have become a popular choice for food security by immediately notifying company trackers and security professionals in remote locations to compromised situations.

Less technological measures include the increased use of metal detectors before being allowed to approach the dock, visible IDs required for every employee along the food chain and photo ID cards with magnetic data strips that employees are required to swipe before entering and leaving a food facility.

CSA 2010 gives shippers and carriers something to consider

The Federal Motor Carrier Safety Administration (FMCSA) has introduced a new safety program designed to improve large truck and bus safety and, ultimately, reduce crashes. Comprehensive Safety Analysis 2010 (CSA 2010) launched in mid-April 2010 and will continue to be implemented into 2011.

CSA 2010 introduces major changes to how a transporter's Fitness for Service rating is determined. Instead of judging carriers based on the number of Out of Service violations committed by its vehicles and drivers, carriers will now be judged on every single violation. Roadside stops, collision reports, inspections by Department of Transportation (DOT) officers — all will be incorporated into a computer-calculated safety rating assigned to the operating authority on a rolling year basis.

“What does this mean for transporters?” says Ron Hanson, Ruan's vice president of human resources and safety. “In the past, a carrier might be placed out of service because of a flat tire or because a truck's brakes were out of adjustment — major violations. Now, points will be given based on situations that happen in the normal wear and tear of operation: a marker light being out, a reflector broken off or any of a hundred other possibilities.”

“Consequently, you could be fit to operate one month,” Hanson says, “and the next month, if one area of the company falls out of compliance severely enough, you could be forbidden to operate.”


CURBING THE RISK

Companies with in-house transportation departments must also meet the requirements of CSA 2010 and will be subject to more stringent reporting. For private fleet owners, being placed out of service could mean a manufacturing interruption, lost contracts or worse. Rather than risk a shutdown by the DOT, companies should consider a solution such as Ruan's Dedicated Contract Carriage (DCC).

In addition to removing the need to monitor and track each tractor and trailer for potential violations, customers that use Ruan's DCC service can free up capital, reduce their risk and liability and, in some cases, improve their tax position.

Ruan also works hard to hire the right drivers, ensuring the company has the best people transporting its customers' cargo — going beyond the requirements. Ruan proactively requires two years of verifiable driving experience in like equipment before it will qualify a driver. Ruan works with the DOT's Driver Information Resource to identify those drivers with the highest safety ratings. And, the company treats drivers well, providing predictable, family-friendly schedules that have led to excellent driver loyalty and a retention rate five times the industry average.

CSA 2010 will require a number of changes for transporters. However, by using a dedicated contract carriage service, companies can avoid the regulatory headaches and concentrate on their core business.

“Frankly, I would be concerned if my primary business was not trucking,” Hanson says. “Especially in light of CSA 2010, a good partnership between two organizations is the best transportation solution.” 



IN MEMORIAM: 1914-2010

JOHN RUAN A LIFE WELL-LIVED

When John Ruan passed away on February 14, 2010, at the age of 96, condolences and remembrances came pouring in from around the world. Whether from politicians or competitors, scientists or ambassadors, neighbors, employees, friends, or simply a child whom Mr. Ruan had helped to start his first savings account, one sentiment shone through:

This was not just a man who ran successful companies; this was a man who lived a successful life.

Transforming transportation

For a country that depends so heavily on trucks to keep its business moving, it is fitting that John Ruan moved his first load of gravel on July 4, 1932.

That first truck was purchased with money gained from the sale of his family's car. Within months, he turned that one truck into three, and just two years later, at the age of 20, he was running a fleet of a dozen trucks throughout the Midwest.

Mr. Ruan was famous for his work ethic, sometimes working 16 hours a day, seven days a week. He liked to say, "I'm no smarter than anyone else. I just get up earlier." But this was typical of his modesty.

In truth, Mr. Ruan had the vision and the intelligence to find the right opportunities and the drive to pursue them.

One opportunity that he identified very early on was safety. Ruan was the first transportation company in the nation to adopt a formal safety program. Four full-time supervisors were hired in the mid-1940s to develop and train drivers in safe practices. Not only did Mr. Ruan view safety as a moral imperative for the well-being of his employees, he viewed it as a competitive advantage over his competition.

Under his leadership, Ruan developed the first truck capable of driving 1 million miles without major repairs. The company introduced programs to reduce emissions. And, it developed and championed programs that rewarded safe driving.

In 1997, the American Trucking Associations' Ruan Transportation Center building was dedicated in Washington, D.C., honoring Mr. Ruan's

more than 50 years of service to the transportation industry. He was a founding member and held multiple positions with the American Trucking Associations, was a trustee of the American Trucking Associations Foundation and was a founding member of the National Tank Truck Carriers (NTTC).

Today, the company he began with one load of gravel in 1932 has 4,700 employees, 3,330 power units, 5,400 trailers and manages more than half a million logistics shipments annually.

In addition, Mr. Ruan had the vision to extend his business into complementary ventures such as truck and trailer sales, car rentals and leasing and even finance. The Ruan family of companies eventually grew to include BTC Financial Corporation, Iowa Export-Import, Ruan Properties, Ruan Truck and Trailer Sales, Ruan Commercial Auto Leasing and AVIS® Car Rental.

Reaching out

As John Ruan saw his company's fortunes increase, his thoughts turned to ways he could help those around him.

He chose to bet on the city of Des Moines when it began to suffer population drain in the 1970s. His construction of two major office complexes, the Ruan Center and Two Ruan Center, and a Marriott Hotel began a downtown resurgence that continues to this day.

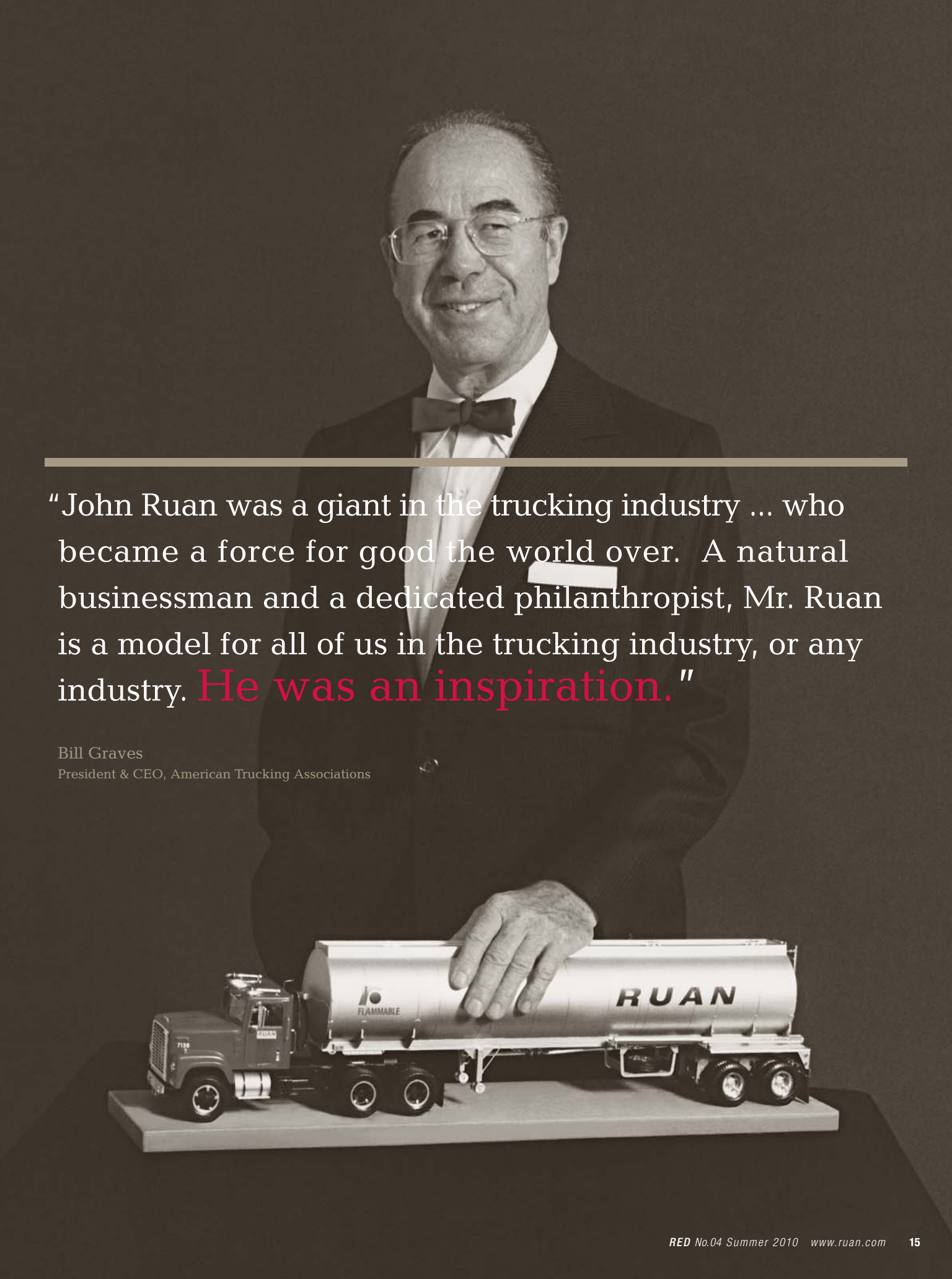
Mr. Ruan turned his efforts to raising funds for multiple sclerosis (MS) research when his wife and daughter were stricken with the disease. Shortly before his daughter died from MS complications, he formed the John Ruan MS Charity. Its golf tournament quickly became the largest one-day charity golf event in the United States, and it began funding research in an experimental MS regimen at Rush Presbyterian-St. Luke's Medical Center in Chicago.



John Ruan with wife Betty (left) accepting the Iowa Award

"John Ruan was a recognized leader in business, education and community. He was the visionary who formed the World Food Prize. But most importantly, he was a man of courage and conviction, a leader who made others stronger and better because they knew him."

Thomas Donahue
President and CEO, U.S. Chamber of Commerce



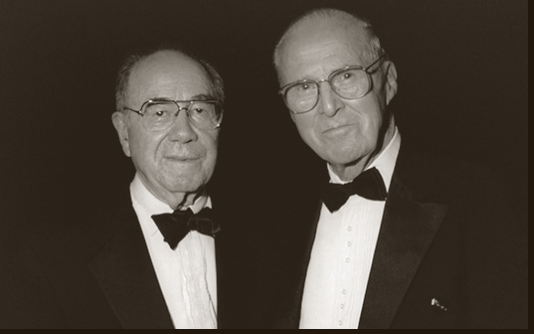
“John Ruan was a giant in the trucking industry ... who became a force for good the world over. A natural businessman and a dedicated philanthropist, Mr. Ruan is a model for all of us in the trucking industry, or any industry. **He was an inspiration.**”

Bill Graves

President & CEO, American Trucking Associations



John Ruan and Dr. Norman E. Borlaug



John Ruan entertaining one of his passions: the piano



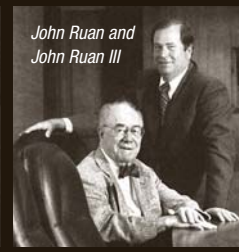
Ruan Center (left), Two Ruan Center (right) and Bankers Trust corporate headquarters (foreground)



John Ruan accepting Des Moines Citizen of the Year award



John Ruan and John Ruan III



From humble beginnings. John Ruan and truck (circa 1930s)



John Ruan and driver (circa 1950s)



In the late 1980s, Ruan personally donated \$2 million for the establishment of the Ruan Neurological Center at Des Moines' Mercy Medical Center, which cares for patients with MS and other neurological disorders such as stroke and Parkinson's disease.

Feeding the world

But, if Mr. Ruan had his way — and he usually did — his most lasting legacy will be his endowment of the World Food Prize.

As he began to rely on his son John Ruan III to run his now diverse corporation, Mr. Ruan began thinking more and more about how he could use his resources to help change the world. He had the belief that if people around the world could simply get enough food to eat, they would have the opportunity to improve their lives and regain their dignity.



THE WORLD FOOD PRIZE

The father of the Green Revolution, Dr. Borlaug dreamed of a Nobel Prize-level award for achievement in agriculture.

Another accomplished Iowan, Dr. Norman E. Borlaug, had been working toward this goal his entire

When Dr. Borlaug could not persuade the Nobel Committee to add such a category, he started his own prize.

Mr. Ruan, unaware of Dr. Borlaug's ambition, had been thinking along the very same lines. So, when Dr. Borlaug's sponsor withdrew its support just three years after the formation of the World Food Prize, Mr. Ruan stepped in as its sponsor.

The World Food Prize became his passion. He worked with Dr. Borlaug to develop a symposium that would bring the brightest lights in agriculture to Des Moines every October. They developed programs to promote agricultural study in schools and universities. And, they succeeded in making the World Food Prize the most prestigious, important and richest award in agriculture.

Mr. Ruan ultimately endowed the World Food Prize with \$10 million to ensure that the prize would carry on indefinitely. The World Food Prize Foundation will soon be located in the restored, century-old Des Moines Public Library as the Norman E. Borlaug World Food Prize Hall of Laureates. Upon completion of the renovations, the library will be transformed into a global landmark for the World Food Prize and its many programs.

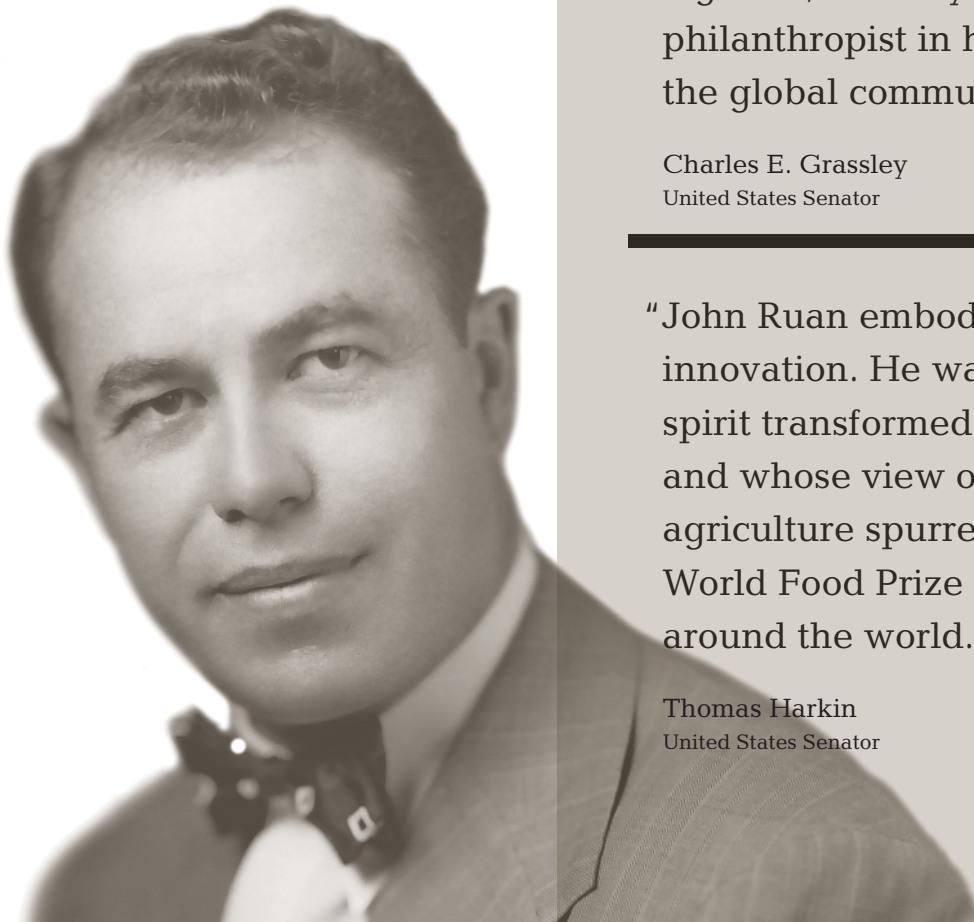
We at Ruan Transport Corporation will profoundly miss John Ruan.

He embedded within our company a respect for hard work, integrity and our customers. He treated his employees like an extension of his family. His example — whether it was his positive attitude or the thousand little kindnesses he performed — will continue to enrich our lives in the years to come.

He built an empire from nothing. He helped transform an industry. His legacy continues to help feed people around the world.

And yet, he summed up his career and his accomplishments with typical understatement: “Things just happened one after another, and I took opportunities when they came.”

We are grateful for his leadership, vision and commitment to others.



In remembrance:

February 11, 1914 – February 14, 2010

“John Ruan was a dreamer, but he was also a doer who believed in the big picture. With the World Food Prize, he spurred and encouraged research into agricultural science and its ability to respond to food security needs. Today, there are literally millions of people across the world whose lives have been affected by John Ruan’s work.”

Thomas J. Vilsack
United States Secretary of Agriculture

“John Ruan lived his life with great purpose, vision and generosity. He leaves many legacies, not only as a business leader and philanthropist in his own community, but in the global community.”

Charles E. Grassley
United States Senator

“John Ruan embodied the true spirit of innovation. He was a visionary whose spirit transformed the city of Des Moines and whose view of the responsibility of agriculture spurred the growth of the World Food Prize to help countless people around the world.”

Thomas Harkin
United States Senator

A

FRESH

APPROACH

TO

DAIRY

02/04

*Part two of a special, four-part series
highlighting Ruan's bulk capabilities*



Ruan

trucks spent little time around dairies during their first seven decades of operations, despite their Midwestern heritage. That changed in 2005 and 2006 when California's two largest dairy haulers approached Ruan and asked to be bought out. As a family-owned business, Ruan understood the needs of the cooperatives, dairies and family farms it would serve. And, most importantly, Ruan knew it could offer efficiencies and improved solutions.

Changing gears

"Being new to bulk dairy hauling could be perceived as a disadvantage by some, but we saw it as an opportunity," says Jim Mulvenna, senior vice president and general manager of Ruan's Dairy and Bulk Food Division. "With no preconceptions, we were able to chart a course and create a plan."

The plan has created a large number of satisfied customers. Ruan listened to customers' needs, worked to identify and target inefficiencies and learned firsthand from the customers the challenges the dairy industry faces.

As a result of this learning process, three areas of emphasis emerged: supply chain efficiency, food safety and professional drivers.

A winding road

Dairy may have been a new niche for the company, but Ruan has a 78-year history of transporting challenging loads. "Our expertise in cryogenics, chemicals, gasoline and other food grade materials reduced the learning curve for handling milk," says John Ruan III, chairman and CEO.

One major benefit to Ruan's dairy customers has been its logistics expertise. Ruan is committed to limiting empty miles, so it looks for complex delivery systems where it can add value. This strategy lowers customer cost per hundredweight and reduces Ruan's carbon footprint.

In sync with cows

Another innovation was the introduction of *RedTrak*, a sophisticated four-way communication system that uses GPS-enabled cell phones.

This communication stream — between farm, processing plant, driver and dispatch — enables Ruan to stay on top of this constantly changing supply chain. It's a valuable tool that ensures milk stays fresh and travels as safely and efficiently as possible.

Cows give milk twice a day, seven days a week, but the quantity they give varies daily, for often unclear reasons. Despite this unpredictability, Ruan is able to transport enormous amounts of milk daily.

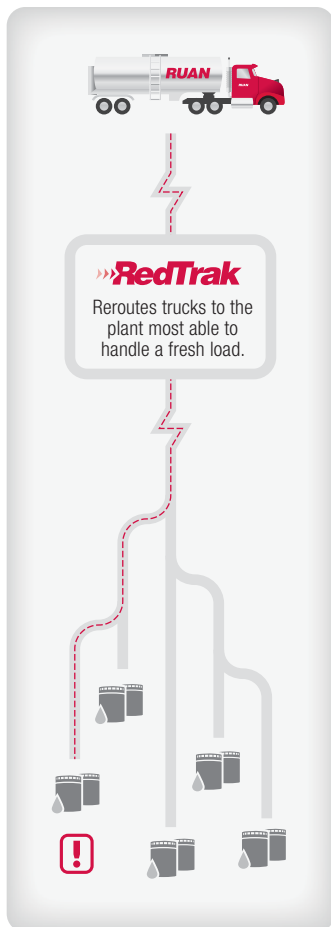
"We have almost 1,000 tanker loads of milk a day coming into our processing plants," says Richard Cotta, chief executive of California Dairies, Inc. "You spread that out over 24 hours and add the unpredictability of cows, and you can see it's pretty intense."

RedTrak is the perfect solution. It allows drivers to relay data from the field to dispatchers. It's used to direct drivers to the plant most able to handle a fresh load. And, it allows dairies and dispatch to track the load at all times.

The cream of the crop

Perishable loads give new meaning to the concept of "just-in-time" deliveries. Fortunately, with a driver

retention rate five times the industry average, Ruan's drivers are experienced enough to make the concept a reality.




The company's drivers are assigned to one primary account, so they become very familiar with their customers and their routes. When transporting dairy products, drivers are also tasked with on-site product sampling and testing and occasionally must alter their destinations mid-route.

Dedicated to dairy

The company's 23 locations in California and New Mexico have provided the company with a comprehensive understanding of local issues affecting dairies. Ruan is using its leadership position to promote sustainability programs such as E-SMART, an initiative of the Innovation Center for U.S. Dairy that seeks to reduce greenhouse gas emissions from fluid milk transport by 20 percent by 2020.

Ruan stays on the leading edge of logistics and communications technologies in order to keep customers in the loop and meet delivery deadlines. Customers can use convenient online tools for instantaneous access to the most up-to-date information regarding their shipment location.

Every tool, every resource and every Ruan employee is dedicated to removing the kinks from this supply chain and ensuring that the only unreliable element remains the cow. 

RUAN

RUAN'S DAIRY AND BULK FOOD DIVISION LEADERSHIP

To better serve the needs of dairies in California and New Mexico, Ruan has focused several key leaders on the dairy business.



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Shawn Hubbard (left), Josh Goldman (right)

Ruan Gold “R” Humanitarian Award Presented to Rialto, CA, Driver

On January 5, Ruan and Target Corp. representatives presented professional driver Shawn Hubbard with the Ruan Gold “R” Humanitarian Award. The Gold “R” Award recognizes and rewards an employee for promoting human welfare, particularly in life-threatening situations, above and beyond community responsibility.

Rialto, CA, terminal manager Josh Goldman nominated Hubbard for the award as a result of his quick thinking at the scene of an accident. On November 13, 2009, Hubbard was returning to the Rialto terminal at approximately 4:30 a.m. following his run to a Target store. Hubbard observed a burning car on the side of the highway and, at the time, did not see anyone at the scene of the accident. He immediately pulled over to investigate and take action. Hubbard grabbed the fire extinguisher from the tractor and attempted to fight back the flames and

help the occupants. Sadly, the driver had passed away, and the passenger was trapped inside the car. Hubbard freed the passenger from the vehicle and moved the passenger away from the car before it burst into flames, thereby saving the passenger’s life. “Shawn has been an outstanding driver for the duration of his time with Ruan, and we are lucky to have people like him on our team,” Goldman says.

Hubbard has been employed as a driver in Rialto, CA, since June 2009 but has nearly 10 years of driving experience. “My time with Ruan, though short, has been a fantastic experience, and I hope to grow with this company for many years to come,” Hubbard says. Hubbard was awarded a Gold “R” Certificate and a cash gift for his selfless humanitarian efforts. ❧

New Sales Team

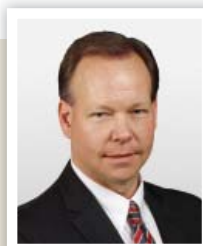
In 2010, Ruan brought aboard four new vice presidents of sales. These four men will be focused on serving Ruan’s customers and finding new and innovative ways to grow the businesses.

Dan Falmer, vice president of sales, joins Ruan with more than 25 years of sales, marketing and management experience. Falmer held various senior management positions previously with Dynamex, Inc., GE Supply Logistics and Integrated Logistics Solutions. He holds an associate degree in business school management from Missouri Southern State University. Falmer will be responsible for securing new growth in the Texas market.

Travis Maxey was recently hired as vice president of sales in Ruan’s southeast region. Prior to joining Ruan, Maxey served as the general manager of Corporate Dedicated Services and New Business Development for Wilson Trucking Corporation, and also held long tenures at Averitt Express and Ryder Integrated Logistics. Maxey holds a bachelor’s degree in business administration and marketing



Dan Falmer



Travis Maxey



Jon Mudrock



Jason Williams

from the University of Georgia and resides in northern Georgia.

To further expand our presence in California, **Jon Mudrock** and **Jason Williams** have both been named vice presidents of sales for Ruan in the California market.

“Ruan has several locations throughout California serving primarily the dairy industry,” says Steve Chapman, Ruan’s vice chairman and COO. “Jon and Jason will focus on growing Ruan’s footprint in California by providing dedicated transportation solutions to companies within such industries as retail, grocery, manufacturing and medical supplies.”

Mudrock joins Ruan from J.B. Hunt where, as a business development executive, he served a variety of clients throughout southern California,

Arizona and New Mexico. Mudrock has more than 21 years of transportation sales experience in a variety of services and industries, specifically serving dedicated contract carriage clients. Mudrock holds a bachelor’s degree in marketing and Spanish from the University of Wisconsin at Oshkosh.

Williams previously worked for Dynamex, Inc., as a national sales executive and for Airborne Express as a senior account executive. His experience includes finding transportation solutions for the aerospace, automotive, high-tech and medical industries. Williams holds a bachelor’s degree in speech communication from California State University at Long Beach. ❧

Roger Mason Rejoins Ruan to Oversee Sales Operations



In February, Roger Mason rejoined Ruan as senior vice president of sales. In his new position, Mason oversees all sales operations of the company

and associated decisions in support of the achievement of Ruan's five year growth plan.

Mason first joined Ruan Transport Corporation in 1980 and, over the next 14 years, was promoted to roles of increasing responsibility as a result of his performance. He began his career with Ruan as a city manager in Chicago, IL, overseeing seven maintenance locations and selling new business. He continued on to become a regional director in a six-state area with sales and operations responsibilities over lease, maintenance and dedicated operations. Most recently, Mason served as president of McCoy NationalLease, managing all facets of its business. During his five and a half years as president of McCoy, sales revenues increased threefold.

The opportunity to rejoin Ruan as a member of the senior management team is what attracted Mason to the position. During the interview process, his respect for Ruan and all that the company has achieved was very apparent. "In review of his past achievements, he has a tireless work ethic, is fair minded and will apply his significant experience to the benefit of every member of our sales team," said Steve Chapman, vice chairman and COO of Ruan. "Roger has made it clear that he will judge his own success by his ability to provide the leadership and support necessary for the sales team to achieve its sales goals."

Ruan Opens New Terminal in Phoenix

Ruan recently opened its new terminal in Phoenix, AZ. The facility, located on 10 acres of land, features 24-hour fuel access (four fuel lanes), an expansive break room, five restrooms with showers, six offices, one guest office, three offices designated for regional support and a large training/conference facility. An automatic drive-through truck wash and full service shop are also available on site.

Ruan clients such as Cemex, Freeport McMoRan, Holsum, Kalamazoo Materials, Lafarge, Mission Materials and Western Refinery are all serviced by the new terminal. Ruan team members based at this location include 13 mechanics, three dispatchers and one administrative employee. Jim Richards, regional vice president, Chris Vargas, regional support, and Kevin Zahn, regional safety manager, also work from this terminal.

The four-lane fuel island is an important addition. Approximately 6,000 gallons of fuel are consumed each day, and the extra fueling lanes and high speed pumps allow drivers to cycle through without delay.

Dave Cochran, terminal manager, is extremely pleased with the finished building. "The new Phoenix terminal is expansive, modern and technologically up-to-date. While we encountered several delays and challenges through the build, we are thrilled with the completed facility," Cochran says.



RUAN ANNIVERSARIES

45 John Ruan III, Chairman and CEO

40 Maureen Ward, Start-Up Operations

35 Thomas Deal, Warranty

30 Craig Smith, Information Technology | Linda Patrick, Vehicle Tax/License | Rick Wynant III, Contract Administration

25 Daniel Golightly, Jonbar Ranch | Dorothy Rix, Accounting | Leslie Maruna, Tulare, CA | Tami Jo Hanson, Sioux Falls, SD | Susan Hastings, Purchasing

20 David Vetter, Midwest Region | Jessie Nelson, Foreman, AR | Kenneth Hood, Des Moines, IA | Larry Cunningham, Tulare, CA | Matthew Mendonca, Tulare, CA | Melvin Morton, Turlock, CA | Patrick Marchal, Wisconsin Rapids, WI | Philip Radosevic III, Tulare, CA

15 Aaron Porter, Chester, VA | Charles Kendrick, Lithia Springs, GA | Christopher Brantner, Madison, WI | Cynthia Hogg, Tulare, CA | David Deckwa, Phoenix, AZ | David McGill, Cedartown, GA | David Wagner, Sioux Falls, SD | Dennis Wilson, Des Moines, IA | Edward Matlage, Ruan Center | Emmett Gray, Portland, OR | Eric MacKenzie, Milwaukie, OR | Garry Hayes, Des Moines, IA | Gary Cochran, Tyler, TX | Glenn Haraldson, Sioux Falls, SD | Gregory Saeger, Sioux Falls, SD | James Buettner, Phoenix, AZ | James Belk III, Portland, OR, | Jimmie Harris, Geneva, IL | James Valentine, Mulberry, FL | Joe Amaya, Geneva, IL | John Huber, Geneva, IL | John Worzalla, Wisc. Rapids, WI | Kent Eichhorn, Decatur, IN | Kurt Duback, Portland, OR | Michael Kavanagh, Jr., Bloomington, MN | Monroe Pack, Carrollton, TX | Nelson Wielenga, Sioux Falls, SD | Noel Cook, Portland, OR | Randall Wagner, Muscatine, IA | Robert Hernandez, San Antonio, TX | Robert Johnson, Sioux Falls, SD | Robert Mac Taggart, Sioux Falls, SD | Robert Middleton, Cedartown, GA | Roland Perez, Sr., San Antonio, TX | Royal Kramer, Sioux Falls, SD | Stanley Gordon, Geneva, IL | Thomas Schlueter, Sioux Falls, SD | Timothy Black, Portland, OR | Vernon Hoffman, Portland, OR | Vickie Wielenga, Sioux Falls, SD | Walter Boyd, Tampa, FL

10 Anthony Brandt, Ft. Wayne, IN | Arturo Velasco, Tulare, CA | Robert Olinger, Ruan Center | Billy Schillig, Davenport, IA | Bobby Richard, Foreman, AR | Chad Lea, Des Moines, IA | Charles Robertson, Transport Maintenance | Clarence Harris, Tyler, TX | Clarence Vaughan, Des Moines, IA | Clark Faris, Geneva, IL | Darrell Rusher, St. Joseph, MO | David Herner, Bellevue, OH | David Walters, Ft Wayne, IN | Donald Myles, Geneva, IL | Edmund Navarro, Phoenix, AZ | Francisco Haro, Turlock, CA | Gary McMillian, Foreman, AR | Gary Swisher, Phoenix, AZ | Glen Schaffner, Fernley, NV | Jacob Echler, Toledo, OH | Jeffrey Povey, Phoenix, AZ | John Herndon, Salem, VA | John Jarzombek, San Antonio, TX | Jose Sotelo, Phoenix, AZ | Jose Zuniga, Ripon, CA | Keith Lindsay, Madison, WI | Kyle Anderson, Customer Service | Marcus Montagna, Jr., Muscatine, IA | Mario Garcia, Manteca, CA | Mario Toro, Turlock, CA | Mercie Perez, City of Industry, CA | Otis Hindbaugh, Jr., Muscatine, IA | Randy Dutoit, Logistics | Rebecca Karstens, Tolleson, AZ | Robert Olinger, Ruan Center | Robert Robertson, Chester, VA | Roger Brownlow, Cedartown, GA | Rufus Morgan, Chester, VA | Stanley Krutsinger, Des Moines, IA | Steven McWilliams, Eau Claire, WI | Timothy Green, Tyler, TX | Wayland Burnette, Salem, VA | Wendy Huntley, Ruan Center | William Crawford, Eau Claire, WI

5 Albert Ramirez, San Antonio, TX | Aleksandar Milovanovic, Phoenix, AZ | Andre Mosquera, Tulare, CA | Andrew Bounds, National Sales—VP | Arnie Olguin, Dallas Freight Mgt. | Balhar Sanghera, Turlock, CA | Bradley Gehring, Accounting Management | Brian Suhon, Brooklyn Park, MN | Johnny Schniebs, Midlothian, TX | Bruce Urich, Tolleson, AZ | Bruce Wallat, Brooklyn Park, MN | Clifford Arivett, Muscatine, IA | Curt Johansen, Corporate Dept. | Daniel Meadows, Neosho, MO | Darrell Huffman, Salem, VA | David Cutshall, Dalhart, TX | Donald Winstead, Columbus, MS | Donnie Lackey, Midlothian, TX | Doug Clawson, Cedar Falls, IA | Eddie Gibson, Sr., San Antonio, TX | Edward Brassfield, Mission, KS | Ernesto Zambo, Fernley, NV | Everett Buck, Ruan Center Security | Felipe Zarate, Tulare, CA | Francisco Damacio, Tulare, CA | Gabriel Arredondo, Mira Loma, CA | Garry Ingram, Phoenix,

AZ | Genady Gnesin, Mira Loma, CA | Gilbert Urias, Information Technology | Greg Steelsmith, Cedar Falls, IA | Gregory Braidman, East Chicago, IN | Israel Palacios, San Antonio, TX | James Beal, Ft. Wayne, IN | James Stack, Cleburne, TX | James Van Dyk, Phoenix, AZ | Jeffrey Vander Plaats, Cedar Falls, IA | Jennifer Escobar, Brooklyn Park, MN | Jeronimo Vasquez, Rialto, CA | Jerry Carter, Meridian, ID | Jesus Arreola, Rialto, CA | Johnny Schniebs, Midlothian, TX | Jose Rodriguez, Rialto, CA | Joseph Watts, Phoenix, AZ | Kenneth Day, Acampo, CA | Kevin Keene, Information Technology | Kimberly Kottwitz, Madison, WI | Kitty Madison, Ruan Center | Larry Graves, Foreman, AR | Lawrence Herndon, Fort Worth, TX | Lazar Farhad, Ripon, CA | Luis Escobedo, Tulare, CA | Omar Beig, Tulare, CA | Oscar Gonzalez, Pomona, CA | Mario Maldonado, Ripon, CA | Mark Laughman, Des Moines, IA | Mark Moeller, Wisconsin Rapids, WI | Mark Morrill, Fernley, NV | Mark Whisler, Information Technology | Martin Sanchez-Quezada, Los Banos, CA | Marvin Drey, Avis | Michael Fildes, Tolleson, AZ | Michael Klein, DeKalb, IL | Michael Robson, Springfield, MO | Michael Rodriguez, Rialto, CA | Nova Sofyan, Rialto, CA | Patricia Walters, Rialto, CA | Patrick Vogel, San Antonio, TX | Patrick Zurakowski, Ripon, CA | Phil Nichols, Phoenix, AZ | Ramon Garcia, Ripon, CA | Rick Doser, Meridian, ID | Ricky Carter, Foreman, AR | Robert Morgan, Memphis, TN | Robert Zambrano, Rialto, CA | Roger Kirtland, Tulare, CA | Ronald Hopkins, Phoenix, AZ | Satish Chawla, Systems & Programming | Scott Fruits, Ft. Wayne, IN | Sergio Martinez, Ripon, CA | Shelton Chapman, East Chicago, IN | Silverio Avila, Los Banos, CA | Stephen Dowd, Wilton, NY | Stephen Moon, Brooklyn Park, MN | Steven Arlington, East Chicago, IN | Sue Doan, Phoenix, AZ | Thomas Crawford, Salem, VA | Timothy Cady, Wilton, NY | Travis James, Tolleson, AZ | Trish Pham, Information Technology | Wade Boehme, Phoenix, AZ | Westly Kinney, Madison, WI | William Murphy, Midlothian, TX | Zachary Mitchell, Medina, MN | Zenon Bilek, Phoenix, AZ | 📞

CELEBRATING 78 YEARS: A LOOK BACK

Our company was founded 78 years ago on July 4, 1932. During that time, we experienced a number of milestones, but this tanker (at left) reminds us of 1957 — a significant moment in our company's history. In that year, only 25 years after our founding, Ruan Transport Corp. became the nation's largest hauler of bulk petroleum products. | 📞



Ruan Gasoline Tanker: 1950s



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