

MANAGEMENT PERSPECTIVES

Welcome



Dave Larsen, President

Welcome to the first edition of our newsletter. Our intentions are to publish quarterly, and to bring you information that is useful and/or interesting. The only way that we will know whether or not this is a worthwhile venture is if you tell us. Please let us know that you've received this and that you've read at least a part of it. We ask for your comments and suggestions too; we don't want to do this "for the exercise".

We like to think that our dealerships have something to offer you beyond what you have traditionally expected and we have traditionally delivered. With over one-hundred employees and thousands of years of cumulative experience in this industry, we do have knowledge that can be helpful to those of you who actually own and operate the equipment that we sell and support. Our newsletter is one of the ways we hope to transfer this knowledge.

To this end, each issue will include:

- Technical information from our parts and service departments
- Information on new products and services
- A shameless display of parts and service specials
- A profile of one of our employees
- Commentary on the trucking industry, the economy and "the world"

One final note. As an avid traveler I have a keen interest in the unique sights that this country of ours provides. So, we'd like to provide a spot in the newsletter for those of you who share this interest to show off photos that you have taken while traveling the US of A. Please e-mail photos to generalmanager@holcombfreightliner.com Here's to our mutual success!

COMMENTARY: The wisdom to know the difference

"God grant me the Serenity to accept the things I cannot change; the Courage to change the things I can; and the Wisdom to know the difference."

This often quoted prayer is credited to theologian Reinhold Niebuhr. You'll see some version of it framed and hanging on the wall in many a kitchen; ours was cross-stitched by my mother-in-law. I find myself agitated by many things that I have little or no control over. It gives me self righteous satisfaction to rail on those who hold different political and world views. There are always local, state, and federal government people and policies to complain about and agonize over. "Everybody complains about the weather, but nobody does anything about it!". The "war", oil prices, big box retailers, our health care system, the shortage of young people in our industry, rising interest rates, rising insurance premiums, lower freight rates.....the list goes on and on.

It's easier to put a "thing" into the category "cannot change" than to drum up the courage and energy to address what can be changed. It's easier to complain than to work at solutions.....simple as that.

A significant "thing" that we are dealing with in our industry today is the series of more stringent diesel exhaust regulations dictated by the EPA. We may not all understand the technical details, but we all know that the good news is that the new engines are much cleaner. We also know that nothing else about the regulations are good for trucking. We also don't like the idea that trucking has been targeted AGAIN, because we're such an easy target. There are other government mandated changes ahead: further emission restrictions in 2010, tougher braking standards, more government access to trip data, more hours of service turmoil, more stringent idling and overnight parking restrictions.

It's easy to put government mandated changes in the category "cannot change", but I think that if we are wise we'll muster the courage and energy to at least help shape these changes to minimize the impact on our livelihoods. Let me suggest that our best hope for an effective voice in State and Federal matters is to support the efforts of our State and National Trucking Associations. Simply joining your State association is a first step, since only a small percentage of trucking companies are members today. I don't know much about politics, but this much I do know: numbers are important, numbers of people and number of dollars have an effect on law makers and the laws they make. It's unlikely we'll be able to prevent the EPA and other government "alphabet soup" organizations from enacting regulations that affect our businesses, but perhaps we can slow them down and soften the economic impact.

Such hopes.....continue to fight the good fight!

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Hours for the Holidays:

THANKSGIVING DAY
Nov. 22nd - CLOSED

CHRISTMAS EVE
Dec. 24th - 7:00am-2:00pm

CHRISTMAS DAY
Dec. 25th - CLOSED

NEW YEARS EVE
Dec. 31st - 7:00am-5:00pm

NEW YEARS DAY
Jan 1st - CLOSED

COUPONS HONORED AT BOTH LOCATIONS

Holcomb Freightliner, Inc.

Ten Percent (10%) off Service Labor

- * One time offer only
- * Discount not to exceed \$100
- * Must present coupon at time of service

Expires December 31st, 2007

Holcomb Freightliner, Inc.

Free Computer Print Out and Consultation with Purchase of an Overhead

- * One time offer only
- * Must present coupon at time of service

Expires December 31st, 2007

Holcomb Freightliner, Inc.

Ten Percent (10%) off All In-Stock Oil Additives.

- * One time offer only
- * Must present coupon at time of service

Expires December 31st, 2007

VISIT OUR WEBSITE AT WWW.HOLCOMBTRUCKS.COM FOR MORE SPECIALS

EMPLOYEE SPOTLIGHT



The Holcomb Freightliner featured Employee of the Quarter is Grant Nehman. Grant is known as the "go to guy" for just about any project at the Sioux Falls store. He can rebuild an engine or a complete truck from the chassis up and always tackles each job with professionalism and attention to detail. Right now he is rebuilding a luxury fourteen passenger bus that we'll be able to use to take our customers to various outings and events. Hurry up, Grant!

Grant just celebrated (?) his twenty-fifth anniversary with Holcomb Freightliner. He was born in Fonda, Iowa many, many years ago. He and his wife Cindy have five children: Heather, Jennifer, Chris, Jessica and another Jennifer. They have also been blessed with five grandchildren: Mallory, Rylee, Makayla, Dawson and Sawyer.

Grant's hobbies include gardening and camping. He is also a Mason and a member of the Shriner's Scottish Rite.

We're grateful for Grant's longtime service to our Company and Customers.

FREIGHTLINER TRUCKS INTRODUCES GROUND-BREAKING NEW ON-HIGHWAY TRUCK



Cascadia is the most aerodynamic Freightliner ever manufactured

Freightliner® Cascadia™ Optimized for Fuel Efficiency, Cab Comfort and More

CHARLOTTE, N.C. – Freightliner Trucks today launched the Cascadia™ – a revolu-

tionary new Class 8 truck for on-highway applications. Built from an entirely new platform, the Cascadia delivers significant fuel savings and is designed based on the Run Smart™ philosophy to be the most productive, efficient, and drivable truck on the market. Plus, with its new styling, a quieter and more comfortable cab and ergonomic controls, the Cascadia was specifically constructed with driver comfort and improved operating ratios in mind.

The Cascadia offers a 3 percent improvement in fuel economy over previous models. To achieve this, more than one million engineering hours, including 2,500 hours in Freightliner's state-of-the-art full scale wind tunnel, went into its development. It is the first truck built and engineered using Freightliner LLC's wind tunnel – the only testing facility in the world built specifically for Class 8 vehicles.

With EPA 2010 standards right around the corner, the Cascadia was designed to easily accept EPA 2007 emission engines and adapt with little change to the new EPA 2010 standards. Its expandable DaimlerChrysler-engineered electronic platform can easily accommodate the technology. Plus, the Cascadia was built to be optimized with the all-new EPA 2010-ready Detroit Diesel heavy-duty engine family, the first of which will debut later this year. Known within DaimlerChrysler as the Heavy-duty Engine Platform, this engine family will be used in vehicles worldwide, following its launch in Freightliner LLC vehicles.

"We engineered the Cascadia to address the needs and wants of our customers," Patterson added. "It's the smartest choice for business and lifestyle."

The Smart Choice for Productivity

Other fuel-saving features on the Cascadia include a fully integrated, battery-powered auxiliary HVAC system and an engine cooling system that minimizes engine fan and air-conditioning compressor on-time.

Fuel economy isn't the Cascadia's only productivity attribute – the truck also was designed to maximize payload. The aluminum cab boasts a significant weight savings over steel, and the hood, bumper and quarter fenders are lighter than comparable models. All of these improvements enable operators to haul more freight. Plus, features such as improved diagnostics, an

HVAC system designed to reduce repair frequency, and breakaway side extenders ensure that the Cascadia stays on the road and out of the shop. Other ease-of-maintenance features include a roped-in windshield that can be changed in minutes, extended life headlamp bulbs, and easy access to the engine and accessory components mounted to it.



The Smart Choice for Drivability and Lifestyle

The Cascadia doesn't just boost profits. It's also the right choice for drivers who want a comfortable heavy-duty truck

that surrounds the driver with productivity-enhancing features. Freightliner's customer research shows that operators want to go to work every day in a good-looking truck that has a comfortable, quiet cab with better visibility.

When developing the Cascadia, Freightliner engineers studied the needs of drivers and how they operate their vehicles. This feedback was the basis for design features like a wider cab with automotive styling, ergonomic controls, and extensive lighting and storage space to make the cab more comfortable and livable.

The Cascadia also provides a more peaceful work environment. With double door and window seals, improved engine and cab mounts, additional insulation and a hydraulic clutch, the cab offers reduced vibration and significantly less road noise.

The Cascadia's enhanced ergonomics are another result of customer feedback. With larger seats, larger door openings for easy entry and egress, more head and belly room, and easier-to-use switches and climate controls, the Cascadia offers drivers the comfort and control they deserve. Steering wheel controls, including the compression brake activation, allow drivers to be more comfortable and improve safety as they drive down the highway.

Maneuverability and handling are two more driver-friendly features. Freightliner's innovative rack and pinion steering system – the first system of its kind installed on Class 8 trucks – is available on the Cascadia.

Rack and pinion improves durability through lower system pressure and temperature, provides quicker steering response and reduces steering effort. It eliminates bump steer, and roll steer is significantly reduced, which reduces driver fatigue. Rack and pinion also offers a 45-pound weight savings.

Upgraded visibility is another safety benefit found on the Cascadia. Redesigned mirrors, mounted on both the doors and the fender, offer aerodynamic benefits as well as improved visibility. A larger windshield also provides better upward sight lines.

PARTS MGR.



**Jeff Fritz
Sioux Falls**

**Brad Williams
Sioux City**

With the onset of cold weather comes interest in fuel additives. We offer several products that enhance the performance of Ultra low Sulfur Diesel Fuel (ULSDF) and Bio-diesel fuels; improving lubricity in ULSDF and reducing fuel "jelling" for both ULSDF and Bio-diesel. Several of the products that we have available are manufactured and distributed by FPPF Chemical Company, Inc. We thank them for the following product descriptions and benefits, and urge you to consider these or similar products to improve performance and uptime.

For additional information and pricing, please call our Parts Department in either Sioux Falls 800-776-2995 or in Sioux City 800-831-0967.

LUBRICITY INSURANCE FOR ULTRA LOW SULFUR DIESEL FUEL

Ultra Low Sulfur Diesel Fuel can cause problems related to the lubricity or the slip of the fuels. Problems related to premature wear in fuel pumps, both in-line and rotary, as well as the pintle in the injectors, can be totally eliminated with the use of FPPF Lubricity Plus Fuel Power. Typical problems include: hard starting, engine chatter, engine shut-down, loss of power and premature pump and injection system wear. Independent Laboratory Tests using the U.S. Army BOCLE test and the ASTM HFRR tests confirm # 2 and #1 Ultra Low diesel fuels treated with FPPF Lubricity Improvers exceeds the EMA (Diesel) Engine Manufacturers Association recommendations for fuel lubricity. (See back side). (All FPPF additives contain 15 PPM max sulfur and comply with ULSD regulations).

BIO-DIESEL WINTER TREATMENT

FPPF Bio-Diesel Winter treatment functions to prevent wax platelets from sticking together and keeps fuel flowing down to -40°F. It should be added to the fuel when the fuel temperature is around +40°. If fuel has already gelled, use FPPF Melt-down and follow label directions.

Bio-Diesel Winter Treatment offers these benefits:

- Formulated specifically for B20 fuel
- Prevents wax formation in cold weather
- Prevents engine shutdown
- Prevents plugged filters and fuel lines

Note: For blended fuels other than B-20, such as other vegetable or animal fat based fuels contact FPPF for our "Custom Formula Blend" to suit your specific needs.
Treatment Rate: The recommended treatment rate is 1 gallon of Bio Diesel Winter Treatment to each 1000 gallons of fuel. Some fuels may require a different treatment rate, depending on the responsiveness of the fuel. Always add product to the fuel storage tank prior to filling to assure good mixing.

ANTI-GEL AND WATER DISPERSANT

This unique formulation combines all the benefits of Fuel Power with the most advanced cold flow improver on the market.

Polar Power provides superior protection in the cold weather months.

Polar Power offers the following features and benefits:

- Now with lubricity for ultra low sulfur fuel!
- Lowers cold filter plug point
- Contains Fuel Power
- Contains seed crystal modifier
- Contains wax dispersant
- Contains No Alcohols!
- Lowers pour point

SERVICE MGR.



**Denny Blow
Sioux Falls**

**Lyn Stanek
Sioux City**

Service Department Update-Real Experiences with The EPA 2007 Detroit Diesel Engine

Our dealership delivered its first EPA 2007 Detroit Diesel engines in May of this year. Our customers have experienced some engine computer programming problems, some sensor problems, and a couple of problems with the system that injects fuel into the exhaust to "regenerate" the after treatment device (ATD). Customers have also experienced some hiccups in the service network; even with the proper training and tools, the reality is that we all need actual experience.

On the plus side, we haven't experienced any major issues, and very little real down time. Fuel mileage and engine performance are on a par with the EPA 2004 engines.

It's vital that as people take delivery of an EPA 2007 engine, from any manufacturer, they ensure that

owners, dispatchers, maintenance people, and drivers all understand what to expect. Insist that your dealer train you, and then train you again. All truck and engine manufacturers are using the same dash lights, and are making similar recommendations for proper operations.

Our two locations have invested heavily in training and parts inventory, and we're confident that we're well prepared to support these new engines.

Mark Steever is our senior Detroit Diesel and Mercedes Benz engine technician in Sioux Falls. Mark has been with us since 1993, is a senior member of G2, (the Detroit Diesel technician guild), and is Expert Certified on all of the Detroit Diesel and Mercedes engines we sell.

We asked Mark to comment on the EPA 2007 DDE engine, and his experience with it in the shop. His first comment was that no one has mentioned a noticeable change in either fuel economy or power, when compared to the EPA 2004 engines. Given that the major change is the addition of an exhaust system ATD, this is not surprising.

Drivers have also had an "as advertised" experience with ATD regeneration; that for over the road applications, regeneration is actually occurring as the truck is going down the road, as it is supposed to. Mark has seen EPA 2007 DDE engines with over 100,000 miles that have still not needed a stationary regeneration. This is good news! If you're confused about the subject of "regeneration," or want any other technical information on the EPA 2007 engines, please contact any of our sales or service personnel.

Mark also reminds us that the EPA 2007 DDE and MBE engines both use a new version of software, DDEC VI. Please be sure to have an authorized dealer check your engine's software level periodically. It's more important than ever to keep engine software up to date to keep your engine running efficiently.



Mark Steever