

➤ **Newsflash...**

SDS CEO Recognized by Industry

Tony Racioppo given rare distinction by MCAA

San Diego, CA—The MCAA, the leading association for expedited transportation and logistics in the United States recently held their annual conference. During that conference, the association made several major formal announcements, including a name change for the organization, changing it from the Messenger and Courier Association to the MCAA—marking its’ commitment to the larger issues of transportation and logistics.



Tony Racioppo and Rob Slack, Immediate Past President

The organization also held tribute to its members by announcing its annual awards and made the rare presentation of its Distinguished Service Award—an award given only eight times in the associations twenty one year history. The award has stringent guidelines which focus on contribution, service, membership while working toward growth. This year, that honor went to **Tony Racioppo**, President and CEO of SDS Global Logistics. The roots of the award date back to 1987 when MCAA leadership decided that the award should be issued only when there was a leader who made a material difference not only to the association, but to the industry at large. The award was last issued in 2006.

Mr. Racioppo earned this distinction for his work as President and Immediate Past President of the MCAA, where he led the charge to unify the industry by working with other associations to strengthen the collective ability of the industry. His efforts had an impact with the industry’s influence in Congress, and his work on membership helped the organization reach all time highs in members and outreach.

SDS Completes its Acquisition of Global Delivery Systems.

SDS Now Offers More Lanes and Reaches More Cities

Call for Details

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SDS Info . . .

Corporate Headquarters

52-09 31st Place
 Long Island City, NY 11101
 Phone: (718) 784-5586
 Fax: (718) 472-3441

Newark Facility

263 Frelinghuysen Avenue
 Newark, NJ 07114
 Phone: (973) 621-6010
 Fax: (973) 621-7310

SDS Services

- ◆ **Rush Messenger & Trucking**
- ◆ **Tri-State Same Day Delivery**
- ◆ **Same Day Domestic Air**
- ◆ **Worldwide Courier**
- ◆ **Worldwide Air Freight**
- ◆ **Worldwide Mail & Fulfillment**
- ◆ **Mail Distribution to/from the Post Office**
- ◆ **Interstate Trucking**
- ◆ **Warehouse Logistics & Distribution**
- ◆ **Document Destruction**
- ◆ **Trade Show Management**

ALERT

In the event of telephone service interruption at SDS Corporate HQ, please call our Newark Facility.

Jevic Transportation Ceasing Operations



The trucking firm Jevic Transportation Inc. announced recently that it was shutting down operations after 27 years due to high

diesel and insurance costs as well as the tightened economy. According to industry experts, fuel is now equal to labor as the highest expense for many motor carriers. The trucking industry, is on a trend to spend an estimated \$141.5 billion on fuel in comparison to the \$112 billion spent in 2007, which is a 26% increase in fuel expense. Jevic, which handles truckload and less-than-truckload operations with 1,000 trucks and 1,500 employees terminated pickup service on Monday, May 19, 2008. However, they will continue operating to deliver all freight that was within their system prior to closing.

Jevic was founded by Harry Muhlschlegel and his wife, Karen, in 1981. By 1994, the company had 650 tractors, 1,200 trailers and more than 1,000 employees. It operated terminals in Chicago, Atlanta and Charlotte, N.C., and shipped freight to 48 states. In 1999, the family-owned company was acquired by one of the nation's largest trucking firms, Yellow Corp of Kansas, for \$200 million. In 2006, the business was sold to an affiliate of Sun Capital Partners Inc. for \$40 million.

UPS Inks Deal to Handle DHL's Air Packages within U.S.

On May 30, 2008, Atlanta-based United Parcel Service Inc. entered into a tentative agreement with rival DHL. In a statement by UPS, "the contract will mostly involve the transport of DHL packages between airports in North America — not the pickup or delivery of DHL packages to customers." The Atlanta-based logistics giant also will fly all DHL packages between the US, Canada and Mexico.

The 10-year agreement, which is expected to be finalized later this year is expected to bring UPS



an additional \$1 billion a year in revenue and the German-based group anticipates \$1 billion

annually in cost savings as it restructures its struggling U.S. operations. Also in an effort to eliminate costs, DHL will be eliminating 1,500 to 1,800 jobs, which will cut its packaging and sorting operations by more than one third. Other aspects of the restructuring include reducing infrastructure network capacity by about 30 percent and cutting overhead and other administrative costs. It is questionable whether the deal will help either organization in the long run, as UPS must contend with the reputation of DHL's recent service failures and DHL looks to downsize.

SDS Completes Purchase of GDS

March 2008—Completing a transaction that began as a management agreement in July of 2007, SDS brought the entire operations of the wholesale division of Global Delivery Systems (GDS) into the SDS fold. The deal opens up several new lanes for SDS and should allow for continued savings on consolidated shipments.

The deal was finalized on March 3, 2008 after SDS had been handling the day to day operations for GDS for the prior 8 months. SDS also acquired some of the talent from GDS, bringing aboard 4 operations people and Senior Vice President of Wholesale Operations, **Bruce Benvenuti**. Bruce has been working directly on all the GDS accounts and reports directly to **John Zahorodny**, Executive Vice President of Worldwide Operations.

Tony Racioppo, President and CEO of SDS says that "this deal opens up a whole new arena for us and makes us more competitive in the worldwide marketplace. We are as excited as ever about the future of SDS."

Bottleneck Plagues U.S. Exporters at Many Ports

As the slumping U.S. greenback hits record lows, it hurts some people while benefiting others. When the value of the dollar falls or weakens in relation to another currency, prices of goods and services from that country rise for U.S. consumers. It takes more dollars to purchase the same amount of foreign currency to buy goods and services. That means U.S. consumers and U.S. companies that import products have reduced purchasing power.



At the same time, a weak dollar means prices for U.S. products fall in foreign markets, benefiting U.S. exporters and foreign consumers. This situation has created a spike in U.S. exports ranging from perishable goods that includes corn, soybeans, and beef to even manufactured goods, which is crippling the ports within the U.S. with overloading. What this means is that U.S. exporters find themselves unable to take full advantage of the competitive edge of a weak U.S. dollar.

As the Wall Street Journal reports, "The problem can be traced to a shortage of once-plentiful shipping containers and other transportation equipment, along with a lack of space on outgoing ships. Peter Friedman, executive director of the Agricultural Transportation Coalition, estimated agricultural exporters could have shipped 20% to 30% more products in the past six months if more containers were available." However, even if there were enough containers to ship goods there is still a problem with finding capacity on shipping vessels because shipping lines have shifted more of their fleet to lucrative routes in Asia and between Asia and Europe. According to industry experts, this could lead companies to cut back on their workforce and/or work hours.

Client Appreciation

We recently started to use the services of SDS and have found them to be both an excellent shipping company and their customer service has been nothing less than outstanding.

*Len Froio, Vice President Sales, conducts regular check-ins with me and our company Associated/ ACC Int. Ltd. to make sure things are flowing well and that SDS is doing what we need them to do. Knowing that someone is there that actually takes the time to not only sell you a service, but then stay involved on top of this is outstanding. My main two points of contact at SDS are Mr. **Tony Gaeta** and Ms. **Mafalda DaCosta** who both make me feel like our company's needs are of the utmost importance to them. When you are speaking to either of them they make you feel like you are their only customer and concern. They act on any and all questions, concerns and inquiries in the timeliest fashion. I feel like they are not just a vendor, but that we are all on the same team working toward the same goal of getting the product to the job on time, undamaged and at the best possible price.*

I have used SDS for LTL, Full Loads and expedited shipments and all have gotten there when they needed to be—undamaged and at a good price. I know our company has also done a few international shipments and to the best of my knowledge they were also handled very well. I look forward to a long relationship with SDS and working with a wonderful team.

Jeanine Duke, Associated/ACC International LTD.

UPCOMING EVENTS

Greater New York PCC

Monthly Meetings:

June 18th

National PCC Day

September 17th

Contact:

wai.y.chow@usps.gov



NY Metro/NE Region Periodicals Focus Group

July 10th, Oct. 2nd

JAF Building, NYC

mark.a.kielbasa@usps.gov



IFMA

Committee Meetings:

June 18th & 25th, July 29th

August 26th

Annual Golf Outing

July 14th

Eastchester, NY

Contact:

www.npf.org

TIPS from Us to You

- ✔ Spell out every detail, even when it seems irrelevant. The more information you can provide to your shipping provider, the more closely they will be able to match your needs to handle any specific condition.
- ✔ Develop a contingency plan. You should incorporate into your existing plan provisions to allow for unexpected changes in shipping requirements and how you should resolve the situations. Pre-planning and shipping options can minimize the effect of the inevitable crisis.
- ✔ Sometimes one type of shipping method will suffice, while at other times, a combination of shipping methods and carriers may best suit the situation. There are numerous options to consider when routing shipments, including truckload and LTL carriers, intermodal and specialty transporters.


SDS Milestones

Happy Anniversary To:

Eddie Mayers	25 Years
Michael Kiznick	10 Years
Reggie Knight	10 Years
Benny Reyes	10 Years
Donald Brijmohan	7 Years
Steven Clement	7 Years
Nicholas Racioppo	7 Years
William Arthur	5 Years
Ray Ayala	5 Years
Albert Girdner	5 Years
James Mitchell	5 Years
Manuel Serrano	4 Years
Ernest Saunders	3 Years
Tyrone Scott	3 Years
Michael Shaw	3 Years
Wayne Campbell	2 Years
Robert Santos	2 Years
Roberto Lopez	2 Years
Michael Johnson	2 Years
Michael Corcoran	1 Year
James D'Angelo	1 Year
Sydney David	1 Year
Scott Frazier	1 Year
Larissa O'Donnell	1 Year

Happy Birthday To:

Benjamin Reyes	06/01
Scott Frazier	06/01
Esteban Hernandez	06/02
Tony Gaeta	06/07
Ricardo Brandford	06/07
Roberto Lopez	06/09
Latoya Brown	06/10
Albert Girdner	06/15
Donna Sutherland	06/22
Senia Perez	06/25
William Roach	06/29
Len Froio	06/30
Anibal Garcia	06/30
Nicholas Racioppo	07/22
Bob Sheehan	07/26
Roberto Morales	08/01
Matthew Wizeman	08/06
Elias McNeil	08/07
Albert Amador	08/08
Edwin Ramirez	08/09
Willie Cochran	08/10
Kenny Auyeung	08/12
Carlos Perez	08/15
Kareem Broadus	08/23
Rashid Fairley	08/27
Angelo Hamlet	08/31



Happy Independence Day
SDS Will Be Closed on Friday, July 4

New Business and Sales Contacts

Tel: (718) 784-5586 Ext Fax: (646) 728-0291

Len Froio, VP Sales	266	lfroio@sdsgl.com
Billy Roach, VP Business Development	370	broach@sdsgl.com
Larissa O'Donnell, Senior Account Manager	370	lodonnell@sdgl.com
Nick Racioppo, Account Representative	362	nickr@sdsgl.com

2008/2009 Postal Holidays

There will not be any mail pickups on the following holidays. Should you require **special** pickup on any of these days, please call Ray Mendoza at (718) 784-5586 x 3 and if possible, he will make the necessary arrangements.

Holiday	Day	Date
Independence Day	Friday	July 4, 2008
Labor Day	Monday	September 1, 2008
Columbus Day*	Monday	October 13, 2008
Veteran's Day (Observed)*	Tuesday	November 11, 2008
Thanksgiving Day	Thursday	November 27, 2008
Christmas Day	Thursday	December 25, 2008
New Year's Day	Thursday	January 1, 2009
Martin Luther King's Day	Monday	January 19, 2009
President's Day	Monday	February 16, 2009
Memorial Day	Monday	May 25, 2009

* SDS is open on these holidays