

GARDEWINE GROUP LIMITED PARTNERSHIP

NORTHERN ONTARIO UPDATE

December 3/ 2018

As you may know, Gardewine acquired the LTL division of Muskoka Delivery Services (MDS) on October 15, 2018. We remain confident that long term, this acquisition will be beneficial for both our company and our valued customers.

Recently we have experienced delays and service disruptions with some of the shipments in our evolving network. These delays have been predominantly in Sudbury, Sault Ste Marie, and the communities nearby that we service from our terminals in those two locations.

It is important to know that we are working diligently to address these issues and are taking steps to have a positive impact on service levels.

Some of the things we are working on are temporary in nature, while others are permanent long-term changes. We continue to focus on the following:

- 1) Resource Allocation - We have positioned existing Gardewine employees from out of province into our Ontario terminals to enhance our capabilities for our cross-dock, pick-up, delivery and administrative functions.
- 2) Additional Equipment – Our truck and trailer fleet is larger than ever now due to the repositioning of equipment from other areas in the country as well as the placement of both short and long-term rentals.
- 3) Technology – The roll out of handheld devices throughout our fleet has been accelerated to provide more timely capture of our proof of delivery requirements.
- 4) Schedule Adjustments – We are adjusting linehaul schedules to allow for the earlier arrival of shipments to the delivering terminals.
- 5) People – Our locations across the province continue to hire the industry’s best. We have grown quickly recently and continue to recruit to maintain appropriate staff levels.
- 6) Full Court Press – Our team of professionals at Gardewine is working around the clock. Our drivers, dock personnel and support staff are all focussed on the goal of safely and efficiently delivering your freight on time.

We apologize for the disruption that this may be causing to your business and thank you for your patience. We assure you that we will quickly be back to the level of service that you have come to expect from us.