Palo Alto, California-based international technology company HP has demonstrated an extraordinary commitment to the goals and principles of the SmartWay Transport Partnership. Since joining in 2007, HP has made compliant its surface transportation supply chain for U.S. and Canadian commercial and consumer accessories, desktops, printing and imaging devices, monitors, notebooks, thin clients, servers, and storage products to 100 percent SmartWay Carriers— a commitment unparalleled to date in the SmartWay program. In addition, the company has committed to other efficiency measures, such as shifting transport of its notebook computers to ocean freight from air cargo, saving 4,000 tons of CO2, and shipping 17 percent of its imaging and printing products in North America via highly efficient rail transport. To further reduce the greenhouse gas footprint of its operations, the company has redesigned the packaging for its notebooks to reduce the size and weight of each box through such innovations as lighter, recycled cardboard internal packing and digital reference materials. This measure reduced package weight by 8 percent, increasing the number of boxes per pallet by 25 percent. This equates to more pallets per truckload, and ultimately fewer loads and resulting emissions. All told, these projects have reduced CO2 emissions by more than 36,000 tons, with even greater reductions projected for 2009.

Noted as the world’s leading producer of personal paper products, Knoxville, Tennessee-based Kimberly-Clark Corporation has demonstrated its leadership as a SmartWay Shipper. In just one year, Kimberly-Clark has increased its shipments with SmartWay Carriers by 14 percent to an outstanding 89 percent of all shipments. Even more impressive, 97 percent of Kimberly-Clark’s shipment miles are accounted for with SmartWay Carriers. In addition to committing to SmartWay Carriers, Kimberly-Clark increased intermodal shipments by 19.8 percent, saving 10.2 million gallons of fuel and reducing CO2 emissions by 114,000 tons. Finally, Kimberly-Clark reduced the package size of personal care products by 12 percent, significantly increasing the amount of product that can be shipped in each truckload. This strategy alone allowed Kimberly-Clark to utilize 96 percent of its trailer space, eliminating 2,100 truckloads in 2007. In addition to shipment and product packaging policies, Kimberly-Clark is pilot testing the use of bio-diesel and hydrogen-fueled lift trucks at distribution centers. This is the second SmartWay Excellence Award for Kimberly-Clark Corporation.
Sharp Electronics

As a long-time vocal promoter of the goals of SmartWay, three-time SmartWay Excellence Award winner Sharp Electronics continues to set a high standard for freight shippers in the program. In just one year, New Jersey-based Sharp increased shipments with SmartWay Carriers by an outstanding 33 percent, now shipping nearly 99 percent of its tonnage with SmartWay Carriers. To encourage fuel-efficient practices at its distribution centers, Sharp developed a no-idling policy for all truck drivers working with Sharp’s Logistics Centers, yielding an estimated savings of 102,125 gallons of diesel fuel and 1,383 tons of CO2. The company has also installed driver comfort lounges at all facilities, implemented strict pick-up times for less-than-truckload shipments, and increased intermodal shipments to further increase operational fuel efficiency.

Lowe’s Companies, Inc.

Lowe’s Companies, Inc. is a North Carolina-based home-improvement chain with stores in the U.S. and Canada. Lowe’s spends 86 percent of its total investment in domestic freight shipping with SmartWay Carriers. From 2006 to 2007, Lowe’s increased the number of SmartWay Carriers it used from 62 to 105. To improve performance in its private fleet, Lowe’s increased the overall cube utilization of its trailers, allowing the company to ship the same product using 4,866 fewer trailers. This measure alone reduced annual mileage by 1.3 million miles, reduced CO2 emissions by nearly 3,200 tons, and reduced diesel consumption by 285,000 gallons. Lowe’s has also increased its use of intermodal transport and backhauls to reduce total mileage by nearly 200,000 miles in 2007. Since joining SmartWay in 2005, Lowe’s has reduced diesel fuel consumption by 42 million gallons and reduced CO2 emissions by 467 thousand tons.
**Kohl's Department Stores**

Wisconsin-based Kohl's Department Stores (Kohl's), a national retailer with stores in 47 states, is receiving recognition after just one year as a SmartWay Shipper. Since joining the partnership, Kohl's has increased its shipments with SmartWay Carriers by 35 percent, resulting in 98 percent of the company's mileage logged by SmartWay Carriers. The company improved its backhaul program by 29 percent, resulting in nearly 19,000 backhaul trips executed on return from stores and eliminating 3.6 million miles of empty truck hauls. These once-empty trailers now carry merchandise from Kohl's vendors back to the distribution centers. Kohl's increased its use of rail to 31 percent of inbound shipments, a 4 percent increase from 2006 levels. This measure alone saved 93,000 tons of CO2, and saved 9 million gallons of diesel fuel.

**Cascade Sierra Solutions**

Third-time SmartWay Excellence Award recipient Cascade Sierra Solutions (CSS) continues to help bring SmartWay technologies to truckers through its outreach centers located in Sacramento and Portland along the Interstate 5 corridor. CSS outreach centers provide owner-operators, trucking businesses, and fleet owners with a clearinghouse for getting advice on fuel-saving strategies, learning about SmartWay-recommended technologies, and exploring lower-interest financing options for equipment purchases. Plans are underway to open additional centers in Seattle, Los Angeles, Fresno, and Dallas/Fort Worth in 2009. Since CSS opened the centers, 1,400 trucks have been upgraded, saving an estimated 2.5 million gallons of diesel fuel and 25,000 metric tons of CO2 to date. In an innovative effort to recycle older trucks that would normally be scrapped from the fleet, CSS has also developed a truck replacement program to retrofit these trucks with SmartWay technologies. The trucks are set to be redeployed in major port areas such as Seattle, Tacoma, and Olympia in Washington state, as well as Portland, Oregon.
Carriers with fewer than 200 trucks

**Dillon Transport**

Dillon Transport is an Illinois-based carrier in the asphalt transportation industry, with a fleet of 175 Class 8 tankers. Dillon introduced 45 new 2008 tractors that meet new EPA 2007 emissions standards, reducing its overall NOx and particulate matter footprint. The company uses biodiesel fuel throughout its fleet, and reduces idling with auxiliary power units and automatic idle shutoff. Dillon governs its fleet’s speed at 68 miles per hour. All of Dillon’s 250 trailers utilize automatic tire inflation to ensure proper air pressure. These strategies helped Dillon save 3,558 tons of CO2 in 2007.

**Quad/Graphics**

Wisconsin-based Quad/Graphics is a three-time SmartWay Excellence Award Winner. In 2007, Quad/Graphics reduced its CO2 emissions by 42%. Quad/Graphics’ track record of solid environmental performance is due in part to such policies as governing speeds at 65 mph and providing driver incentive programs that encourage further speed and idling reductions. Technology upgrades, such as adding twenty new aerodynamic tractors with wide-based tires and ten SmartWay-Certified trailers to its fleet, also contribute to its fleet fuel efficiency. In 2007, these measures helped Quad/Graphics save 12,658 tons of CO2.
Trailer Bridge, Inc.

Trailer Bridge, Inc. is the first marine shipping company to join the SmartWay Transport Partnership. This Florida-based company provides integrated trucking and marine services connecting the U.S. mainland to Puerto Rico. In its marine operation, Trailer Bridge’s marine vessels use a distillate fuel that produces significantly lower emissions compared to marine vessels that use residual and heavy fuel oils. The company also manages a small but efficient fleet of 83 trucks. Through its extensive intermodal operations, Trailer Bridge has saved more than 542,000 gallons of diesel fuel and over 6,000 tons of CO2 emissions. Since joining SmartWay, Trailer Bridge has upgraded its fleet with auxiliary power units and adopted engine shutdown strategies, further reducing CO2 emissions for a total savings of 11,646 tons of CO2 in 2007.
Carriers with 200 to 1,000 trucks

**American Central Transport, Inc.**

Missouri-based American Central Transport, Inc. (ACT) has made significant strides toward reducing its environmental footprint. In 2007, ACT purchased trucks specifically designed with aerodynamic profiles, mirrors, and air shields. This purchase included four SmartWay-Certified tractors. The company reduced its maximum truck speed from 70 mph to 65 mph, and added bunk heaters, APUs, and low-friction engine lubricants to its mix of strategies. The company also uses truck stop electrification when available. These policies and upgrades helped ACT save 2,638,091 gallons of diesel fuel and save 32,823 tons of CO2 in 2007.

**Stan Koch and Sons Trucking, Inc.**

Stan Koch and Sons Trucking, Inc., a Minnesota-based warehousing and logistics services provider, has made significant investments in technologies and strategies aimed at reducing emissions and saving fuel. All new truck purchases are now specified to come equipped with auxiliary power units (APUs), and the company also has upgraded its existing fleet so that 80 percent of its trucks now operate with an APU as well. Stan Koch and Sons Trucking makes APUs available at cost for its contracted owner-operators, and is in the process of installing APUs on its leased fleet. These technology upgrades, coupled with a bonus program for drivers that reduce idle time, have helped the company lower its idling activity from 60 percent in 2005 to just 15 percent in 2007. In addition, the company recently started a truck weight reduction program, shaving nearly 500 pounds off the weight of all of its trucks. With these strategies, Stan Koch and Sons Trucking saved 99,624 tons of CO2 in 2007.
Watkins Shepard Trucking, Inc.

Watkins Shepard Trucking is a Montana-based less-than-truckload and truckload freight hauling company. During 2007 Watkins Shepard purchased 57 model year 2007 trucks with super-single tires. Watkins Shepard found that these tires reduced fuel consumption by as much as a full mile per gallon per truck, leading the company to purchase super-single tires for an additional 188 trucks. In addition to these tire upgrades, Watkins Shepard worked closely with equipment manufacturers to optimize truck engine performance and trained drivers to use progressive shifting. Watkins Shepard also provides driver incentives, including a bonus paid for every mile per gallon improvement above a threshold set by the company. Watkins Shepard’s technology and training strategies helped the company save 47,936 tons of CO2 in 2007.
Carriers with 1,000 to 10,000 trucks

**Celadon Trucking Services**

Indiana’s Celadon Trucking Services is the U.S. truckload subsidiary of Indianapolis-based Celadon Group. Celadon is the largest transportation and logistics company in Indiana and ranks as one of North America’s largest carriers. Since joining SmartWay, Celadon has upgraded its fleet by installing auxiliary air heaters and air temperature sensors on 676 trucks, equipped its tractors and trailers with low-rolling resistance tires, and purchased 935 SmartWay-Certified tractors. In addition to technology solutions, Celadon counsels its drivers on the importance of reducing excess idling. Celadon achieved significant CO2 emissions savings between 2005 and 2007, in spite of the fact that its fleet actually grew by 520 trucks during that time. Celadon also saved 274,076 tons of CO2 in 2007.

**Challenger Motor Freight, Inc.**

In 2007, Canadian partner Challenger Motor Freight, Inc. invested in idling reduction technologies such as auxiliary bunk heaters, auxiliary power units (APUs), and most recently, an auxiliary cooling system that runs off of the tractor’s battery system. Challenger is currently working with a company in Waterloo, Ontario to design and manufacture low-cost trailer skirting to reduce air drag. Challenger reduced the percentage of time spent driving at speeds over 65 mph from 5.1% to 0.94%. The company also lowered its idling time by 6%. Challenger conducts regular training sessions with all its drivers to address issues such as reducing idle times, slowing down, and using progressive shifting when driving. To further encourage better driving habits, Challenger recognizes top drivers monthly with special prizes. These strategies have reduced fuel consumption by nearly 60,000 gallons and saving 107,000 tons of CO2 in 2007.
Carriers with 1,000 to 10,000 trucks

Con-way Freight

Michigan-based Con-way Freight specializes in next-day and second-day less-than-truckload) freight transportation services. Since 2006, Con-way Freight has successfully employed a broad range of aggressive fuel-management strategies. These strategies include both technology-based and fleet management solutions. On the fleet management side, in a major initiative earlier this year, Con-way reduced the maximum governed speed of its 8,400-tractor fleet from 65 mph to 62 mph. The company projects that this action alone will save approximately 3.2 million gallons of diesel fuel annually. In addition, Con-way provides ongoing training and education programs on fuel efficient driving practices and fuel conservation strategies. It also employs equipment maintenance programs and fuel usage tracking technologies that help it monitor the effectiveness of its driver programs. On the technology side, Con-way has equipped trucks with special aerodynamic fairings to reduce wind resistance and improve fuel efficiency, specified engine and drive-train combinations that maximize fuel mileage, and installed automatic engine shut-off controls to minimize idle time while parked. As a result of these and other initiatives, Con-way Freight saved 601,928 tons of CO2 in 2007.

Covenant Transportation

Tennessee-based Covenant Transportation Inc. provides truckload for-hire and dedicated contract transportation. All of Covenant’s 2,265 tractors are equipped with aerodynamic packages that include integrated cab roof fairings, cab side fairings, and aerodynamic mirrors. These packages saved 72,315 tons of CO2 in 2007. All Covenant tractors use low-friction engine and drive train lubricant, saving an additional 17,219 tons of CO2 emissions. The entire Covenant fleet is governed at 65mph, with all solo-driven tractors governed at 63 mph. To reduce idling, Covenant Transport has installed 476 APUs, makes truck stop electrification available to all drivers for a reduced rate, and charges drivers an hourly fee for idling in excess of a set maximum. These strategies caused Covenant’s idling rate to drop from 41.38% down to 20.97% in just one year. Together, all of Covenant’s upgrades and policies resulted in a savings of 310,173 tons of CO2 in 2007.
Gordon Trucking Inc.

Gordon Trucking Inc. (GTI) is a truckload carrier based in Washington with 1,400 tractors and 4,200 trailers in its fleet. Since joining SmartWay, GTI has reduced main-engine tractor idling from 20% to 12%, added progressive shift technology on all units, reduced its fleet maximum speed from 65 mph to 63 mph, implemented a fuel-efficiency improvement training program for its drivers, and purchased approximately 1,000 model year 2005-2008 tractors. In 2007, GTI’s addition of 450 APUs saved an estimated 250,000 gallons of fuel. All together, these strategies reduced fuel consumption by 780,000 gallons, saved 137,158 tons of CO2 in 2007.

National Freight, Inc.

National Freight, Inc. (NFI) is a New Jersey-based dedicated freight carrier and a second-time SmartWay Excellence Award winner. In 2006, NFI upgraded its fleet of 2,400 trucks to include aerodynamic and fairing packages, super-single tires, fuel skirts and auxiliary power units (APUs) for all new sleeper tractors. For trucks without APUs, the company pays for truck stop electrification services. NFI has implemented numerous other fuel-saving strategies, including electronic speed management, weekly tracking of miles per gallon and idling, limiting idling to 15 minutes to all tractors without APUs, developing intermodal offerings for clients, and implementing progressive shifting training for drivers. Using these and other strategies, NFI saved 230,712 tons of CO2 in 2007.
Carriers with 1,000 to 10,000 trucks

Roehl Transport

Wisconsin-based Roehl Transport is a three-time SmartWay Excellence Award winner. Roehl has continued to stand out in the partnership due to its aggressive driver training and incentive programs, which keep fuel savings and emissions reductions on every driver’s radar screen. The driver’s training program includes maximum idling levels that drivers are asked not to exceed, weekly idle-time evaluations, and miles per gallon targets. This training led to a 41 percent decrease in idling in 2007. The company also lowered the maximum vehicle speed from 65 mph to 63 mph and changed the cruise control speed from 65 mph to 61 mph. These strategies have helped Roehl save 161,965 tons of CO2 in 2007.
2008 SmartWay Excellence Award Recipients

Carriers with more than 10,000 trucks

J.B. Hunt

J.B. Hunt, a large Arkansas-based freight carrier, has one of the most efficient fleets on the road today. The fleet includes some of the most aerodynamic and fuel-efficient tractors available, and all new tractors are fitted with low rolling resistance tires and direct-fired cabin heaters. J.B. Hunt's trucks are governed at 63mph, and the company is currently evaluating the efficiency gains of governing the trucks at 61 mph. The company employs route planning strategies to reduce empty miles where possible, and a specialized tracking and reporting tool to evaluate driver idling time. This tracking process has reduced idling by 8%. The company has also made a significant commitment to using biofuels; currently, 15 to 24 percent of its annual fuel purchases are biodiesel. In 2007, these strategies led J.B. Hunt to save over 2.8 million tons of CO2.

Schneider National, Inc.

Third-time SmartWay Excellence Award winner Schneider National, Inc. has focused on operating its trucks in the most environmentally friendly manner possible since 1978. Since 2002, Schneider has made significant investments in lower-emission engines. In addition, all new Schneider trucks are specified to come equipped with full aerodynamic treatments, including aerodynamic bumpers and hoods, full roof treatments (to improve the flow of air over the truck), fuel tank skirts, and side extenders. More recently, starting in April 2008, Schneider reduced fleet speed to 60 mph—well below the industry average. This change is expected to save an additional 3.75 million gallons of fuel and reduce CO2 emissions by 37,000 tons annually. All told, Schneider’s sustainability measures saved over 2.2 million tons of CO2.
Swift Transportation Co., Inc.

Two-time SmartWay Excellence Award recipient Swift Transportation Co., Inc. has one of the largest and most fuel-efficient truckload fleets in the US. Swift continues to be an industry leader by adopting aggressive technology solutions. With over 6,500 EPA SmartWay-Certified tractors in its private fleet and over 500 EPA SmartWay-Certified tractors in the fleets operated by the independent owner-operators it contracts with, Swift is leading the industry with its use of these clean, highly fuel efficient tractors. The company uses special software to track miles per gallon and idling rates, holding every level of the organization accountable for performance improvements. This tracking program has led to a 30 percent reduction in idling time fleet-wide. In addition, Swift uses innovative extra cab fairings and high-tech tracking of its trailers to reduce empty miles, as well as driver training and incentives to ensure continuous environmental improvement. These measures by Swift saved in excess of 1.8 million tons of CO2 in 2007.

UPS

UPS, a package delivery company based in Georgia, operates nearly 1,700 alternative fuel vehicles, making it the largest such private fleet in the industry. This fleet's vehicles are powered by a range of energy alternatives, including compressed natural gas (CNG), liquefied natural gas (LNG), propane, and both electric and hybrid electric vehicles. Special truck data collection technology has helped UPS reduce engine idling, optimize vehicle performance, and improve maintenance. UPS’s drivers and mechanics receive extensive training on topics such as speed reduction, preventative maintenance (e.g., maintaining optimal tire pressure), and idling reduction. In addition, the company uses technology that optimizes delivery routes. This technology was responsible for reducing UPS’s mileage by 29.5 million miles, saving 3 million gallons of diesel fuel and 32,000 tons of CO2. All together, UPS’s policies and fuel-saving strategies have helped the company save over 2.5 million tons of CO2 in 2007.
Pacific Harbor Line, Inc.

California-based Pacific Harbor Line, Inc. (PHL) is the first short line railroad to join the SmartWay Transport Partnership. PHL is also the first railroad in North America to upgrade its entire locomotive fleet to U.S. EPA Tier 2 and Tier 3 compliant equipment. Prior to obtaining the new locomotives, PHL used low-sulfur diesel fuel for three years before it was mandatory for railroad use. PHL has also embarked on a program to replace the company’s conventional on-road vehicles with hybrid and electric vehicles, to reduce exhaust emissions and fuel use. These fleet improvements translate into significant local and regional air quality improvements for the Los Angeles/Long Beach area. PHL’s fleet upgrades are expected to provide a 71 percent reduction in particulate matter emissions and a 46 percent reduction in oxides of nitrogen, compared to the old fleet, and will save approximately 81,000 gallons of fuel annually.

APL Logistics

APL Logistics designs and operates global supply chains for the automotive, consumer good, retail, and technology sectors, with offices in North America, Europe, Latin America, Africa, the Middle East, and Asia. In 2007, APL Logistics shipped 94% of its more than 1 billion miles with SmartWay Carriers, of which 858 million miles were logged as intermodal shipments. Sixty-four percent of the carriers that APL Logistics works with are SmartWay Carriers, representing a 30 percent improvement over 2006. The company has recently implemented a policy requiring all new carriers it utilizes to participate in SmartWay, and to date, APL Logistics has been directly responsible for recruiting 25 new SmartWay Carriers into the SmartWay Transport Partnership.
Logistics Companies

Hub Group

Hub Group specializes in arranging intermodal transport, truck brokerage, and logistics services throughout North America. The Downers Grove, Illinois-based logistics company has been able to create awareness and promote action for increasing fuel efficiency, reducing emissions, and utilizing “green” transportation technology throughout its extensive network of drayage, rail, and highway carriers. These intermodal movements allowed Hub Group to reduce regulated air pollutants, CO2 output, and fuel consumption while decreasing overall highway congestion. In 2007, Hub Group’s intermodal business model was responsible for saving 907 million metric tons of CO2 and saving 116 million gallons of diesel fuel. Hub Group has done an outstanding job of shifting freight to SmartWay Carriers; the company went from working with just 81 SmartWay Carriers in 2006 to 262 in 2007. Hub Group ships 76 percent of its freight with these carriers, representing an increase of over 786,000 shipments with SmartWay Carriers in one year.

Transplace

Transplace, a non-asset based third-party logistics company based in Plano, Texas, joined the SmartWay Transport Partnership in 2006. Transplace works with 82 SmartWay Carriers, representing 62 percent of all of its carriers. From 2006 to 2007, Transplace increased its freight shipments with SmartWay Carriers by 28%, for an additional 30,210 shipments. The company also increased intermodal shipments for its customers by 18%, eliminating 4,251 metric tons of CO2 and reducing diesel fuel consumption by nearly 43,000 gallons. The company has focused on consolidating less-than-truckload shipments to full truckload or multi-stop shipments. In effect, this measure removed 7,300 trucks from the road and eliminated approximately 2.8 million miles driven by trucks. Based on a truck efficiency of 5.1 mpg, this translates into 549,480 gallons of diesel fuel saved and 54,948 metric tons of CO2 eliminated. Transplace increased intermodal shipments by 17.3% (8,114 shipments) and increased rail by 15.5% (1,395 shipments), removing 16,000 tons of CO2 as a result. In an effort to inspire greater SmartWay participation, the company developed its Carrier Merit Program, which provides preferential status for bids from its highest-ranking SmartWay Carriers.