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TRIBUTE TO SAM



On February 29, 2016, Sunland lost a friend, a mentor, and our founder, Sam Cole. Pg.6

CEO LETTER



We have certainly been generating some positive momentum so far in 2016, and as we head into spring I would like to take this opportunity to reflect on one particular Sunland value – Winning Every day. Now this value may sound more like a catch phrase at first, but embracing this value really means working with our customers, vendors, and fellow associates to collaborate and win as a team. We live this out in different ways - our daily kick off meetings, engaging our customers in business reviews, and continued concentration on safety.

Winning Every day does not imply that we're never going to make mistakes or experience loss. We won't have all green KPIs all of the time, and we won't be awarded every new business opportunity. But, the key is to recover quickly and stay aligned with intense focus and consistent communication.

I'm proud of our team's ability to stay focused and would like to highlight some big wins we've recently achieved together:

- Developing Problem Solving A3s at all of our sites and corporate office, and generating an estimated total of \$185,000 in annual cost savings across the company.
- Opening an additional site in Upstate SC to expand our service for an existing customer.
- Collaborating to provide a winning solution and helping to quickly onboard a new e-commerce customer.
- Launching a first-class website that truly reflects who we are, what we do, and the value we bring to our customers.

If we continue to stay focused on our goals, provide our customers with excellent service, and use mistakes as learning opportunities to help us improve as a team, then that's how we win every day.

Enjoy the Journey,

Arch Thomason



OPERATIONS HIGHLIGHT



Sunland Opens New Facility in Duncan, SC

Sunland recently announced the opening of a 313,000 SF warehousing facility in Duncan, S.C. Located near the BMW Manufacturing Plant and less than ten miles away from the SC Inland Port, the temperature controlled space is being used to support the expanded operational needs of one of Sunland’s existing customers in the pharmaceutical industry. Our team continues to focus on growing both nationally and in South Carolina as it is becoming an increasingly attractive location for many shippers.

Expanding in E-Commerce Fulfillment

Sunland was selected to manage a 90,000 SF e-commerce distribution operation in Greenville, SC for an online retailer of specialty appliances. Sunland has led a quick and successful transition of the pick-pack and ship operation from Gaffney to Greenville, SC. With an average of 10,000 orders per month, the operation is set up to support same day shipments and order tracking for customers on the east coast and in the central U.S.



This new relationship is a win for our team as we are focused on expanding the e-commerce solutions we provide to retailers.

SAFETY MOMENT



TOP 12 SAFETY HAZARDS IN THE OFFICE



1. Cords running across an office can be a tripping hazard & should be avoided.
2. Materials such as boxes should be stacked no higher than 18 inches beneath a sprinkler to ensure the sprinkler’s effectiveness.
3. Ensure space heaters are approved for commercial use, and never leave them unattended or near any combustible materials.
4. Boxes should not block an exit path.
5. Never leave file cabinets open & unattended; someone could trip over or bump into them.
6. Paper cutters should be guarded and closed when not in use.
7. All food should be properly stored; studies show 400 times more germs are present on a desktop than on the average toilet seat.
8. Keyboards should be adjustable to improve comfort and reduce strain.
9. Electrical hazards are a leading causes of office fires; never overload outlets.
10. Keep papers clear from devices like hot plates, & never leave them on while out of the office.
11. Coffee cups should have a lid to reduce spills.
12. Chairs should be ergonomic and include arm rests and an adjustable back.

QUALITY MOMENT



LEAN FOCUS: PROBLEM SOLVING SUCCESS!

We're seeing Problem Solving A3s popping up at all of our sites and corporate office. So far, our team has generated a total of over \$185,000 in annual cost savings across the company and improved safety in our operations.

This means we have already exceeded paying for our training investment in cost savings through implementing the lean tools we learned from LeanCor. These initial wins are very encouraging, and the positive culture change we're experiencing is exciting.



WANT TO BE RECOGNIZED AS A "SPECIAL OPS" PROBLEM SOLVER?

SUNLAND'S SPECIAL OPS PROBLEM SOLVERS:
 Reed Brogan, Mack Mitchell, Carla Wilson, Janis McLees, Billy Hall, Chiles Steifle, Arch Thomason, Rick Graham, and Howard Lowe.

You will be recognized as a Special Ops Problem Solver if you participate in an A3 problem solving team or are an individual who:

- Generates financial savings of \$50,000 or more a year. *(Finance approval needed)*
- Improves a safety concern that helps prevent a potential major accident. *(Operations and HR approval needed).*
- Uncovers and resolves a quality or efficiency issue that has a major impact on our customer or Sunland. *(Operations approval needed).*

WHAT'S AN A3 REPORT?

An A3 report is simply an 11 x 17 inch piece of paper outlined into several structured sections. The exact structure depends upon the type of A3 and the needs of the situation and organization. A typical A3 consists of the following pattern:

- 1) Background
- 2) Current Situation & Problem
- 3) Goal
- 4) Root Cause Analysis
- 5) Action Items / Implementation Plan
- 6) Check of Results
- 7) Follow Up.

The report is used to standardize and simplify report writing, proposals, status updates, and other common methods of communication. The content follows the logic of the Plan-Do-Check-Act cycle.

a3thinking.com

LEADERSHIP LESSON

To Be Lean, You Need A Strong Team



DAVID MADDEN, VP OF OPERATIONS

Everyone at Sunland knows the importance of a team mentality. We hear the word “team” every day. At the same time, you are also now frequently hearing about our “lean journey.” This is not a coincidence because lean initiatives aren’t successful unless you have a good team.

Let’s look at how lean operations are dependent on strong teamwork:

- Our managers must rely on feedback from those that are on the floor and seeing and experiencing the problems first hand. .
- Frequent and open communication is important to our success. It allows us to encounter problems and challenges in early stages and head them off with success.
- Teams and lean problem solving groups are made up of people with differing viewpoints. This diversity of ideas is what makes us more efficient problem solvers while diversity of skill sets helps make for stronger teams

So when you have an idea on how to improve a process or get the opportunity to be a part of a problem solving team, step up to the plate. Your ideas are valuable and you have what it takes to be successful.



6 Ways Successful Teams Are Built to Last

As you evaluate the sustainability of the team(s) you lead and its real impact on the organization you serve, here are six ways successful teams are built to last:

1. Be Aware of How You Work
2. Get to Know the Rest of the Team
3. Clearly Define Roles & Responsibilities
4. Be Proactive with Feedback
5. Acknowledge and Reward
6. Always Celebrate Success

Forbes.com

NEW WEBSITE, SAME ADDRESS: www.SunlandLogisticsSolutions.com



Have you taken a moment to visit Sunland’s new website? With an enhanced look and functionality, we think it’s a big improvement in the mission to communicate the value Sunland offers. Thank you to everyone who participated in the photo shoots. Being able to feature images of the people and operations we’re proud of really helps make the site a true reflection of who we are today.

PEOPLE

Sunland believes that the quality of our processes and the strength of our company are dependent on our ability to develop the talent and leadership skills of our associates. The ICARE Program is designed to encourage and reward performance excellence.



Nickie Crow 2014-2015 Annual ICARE Award Winner



Nickie was presented with a \$5,000 check and the annual ICARE Award! Please join us in congratulating her on winning this award and thanking her for her outstanding service to Sunland and our customers.

“Everything I do in my day to day business is to lead by example and be the kind of employee that makes a difference. I want to accept this award on behalf of the Goose Creek Sunland site. It took all of our hard work and commitment to make this site a success. I am just a proud piece of it, and I am excited to see and be a part of the growing, exciting future of Sunland.”

Please join us in congratulating our Q1 ICARE Award Winner,

Jessica McAbee

Jessica is an Inbound Lead Planner at our Trinity Facility and has been with Sunland for over two years. She started as a forklift operator and was quickly promoted to a lead. She is now the inbound receiving lead for our largest account. Her willingness to take on new challenges with multiple, complex accounts and her schedule flexibility has been valuable to our team. One example of Jessica going above and beyond was when she came in on a Saturday without any hesitation to fill an emergency part order for a customer to help prevent their customer from a plant shutdown. Thank you, Jessica, for your outstanding service and helping us win!



HAPPY ANNIVERSARY

A special heartfelt thank you for all the hard work and dedication in your service to Sunland and our customers.



	Years with Sunland		Years with Sunland
Rob McElyea	17	Reed Brogan	2
Rhonda Hipps	16	Jerry Grubbs	2
Sandy Yates	15	Terry Coleman	2
Deborah Rossi	15	James Fleming	2
James Frazier	13	Chris Sizemore	2
Molly Stech	8	Tarius Tate	2
Michael Bowers	7	Bella Diaz	1
Melissa Cartee	5	Krystal T Johnson	1
Robert Howe	5	Matt Atkins	1
Leigh Craigo	4	Ernest Baird	1
Elijah Ray	3	Brad Robinson	1



Sam Cole was the founder of Sunland Distribution. He was also a commissioner for the Greenville County Drug & Alcohol commission and benefactor to many organizations including Clemson University, Southern Wesleyan, and St. Francis Cancer Center. He was an avid golfer.

"I would not be the person I am today without Sam Cole's guidance, wisdom, patience and support that he so freely gave. Sam liked to mentor people and he cherished giving people a chance and watching people succeed. He believed in me when sometimes I didn't believe in myself. Sam had a gift of inspiring you to push harder and never settle, his word was his bond and you could bank on his gentleman's hand shake, it was as binding as any contract. He started a company but grew a family, one that I am honored to still be a part of over thirty years later and for that I will forever be grateful!!"

- Janis McLees

"Sam was more than a boss. He was a mentor and a friend. He offered me the one thing I was looking for when I joined Sunland - opportunity. Sam will be missed by many."

- Arch Thomason

"Very much loved and never forgotten. I will miss his morning greetings and the smell of his cologne. He gave me hope when I saw no light at a critical point in my life. I'm forever thankful."

- Donna Cepek



**THANK YOU FOR
MAKING IT ALL
POSSIBLE!
LOVE,
YOUR SUNLAND
FAMILY**

A TRIBUTE to SUNLAND'S FOUNDER

SAM COLE

June 14, 1948 - February 29, 2016

Sam Cole hadn't planned on being an entrepreneur, but a friend of his asked, "why don't you start your own company? I could raise the money." Cole was 34 when Sunland was founded in 1982. After a career change in 1977, he had been successful working in sales for a local distribution company in Greenville, SC. He reflects on the sacrifices he made to start his own company, "I took a 75% cut in my income the first year. I had to give up cars, houses...everything for that business. It was the most extreme highs and the most extreme lows. There was never any in between."

Cole was raised in Central, SC where his dad was a preacher of a small church. He put himself through college by working in a cotton mill. He earned his undergraduate degree in psychology and a secondary degree in special education from Central Wesleyan College. He taught school after finishing college, but he hated teaching. He went to University of Georgia for a degree in Addiction Counseling and to Duke for Clinical Psychology. After graduate school Cole worked for the State Department, but "after listening to everybody's problems for five years, I decided to go into sales."

He said, "I was fearless starting out because I grew up with nothing. It was a few years into it when I actually realized how responsible I was for other people's livelihoods." As he grew older, he said he became more cautious. With over 200 employees and 2 million SF, Sam retired and sold Sunland in 2008 to his head of sales, Arch Thomason. When asked what he thought about the company's new Destination 2018 growth strategy, he replied, "Arch is building a team that will take Sunland to a different level – a bigger and better Sunland. The future looks challenging, but very positive."

His magnanimous personality and his ability to understand people's behavior as a trained psychologist, helped make him successful in sales and in attracting dedicated employees. Cole shares, "I'm very sociable and I thought that if people were happy, then they would do more for you. The employees are Sunland, and everybody knew everybody. It was much more casual than where I had been working. There everyone called each other mister, even the forklift drivers. If anybody called me Mr., I would say, 'Mr. Cole is my dad, my name is Sam.'"