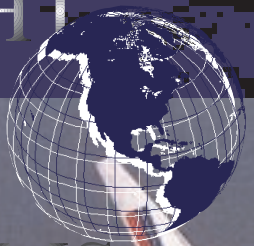


FREIGHT MASTERS SYSTEMS



INTERNATIONAL & U.S.
SUPPLY CHAIN
MANAGEMENT



GLOBAL
"PLANT TO DEALER"
INTERMODAL
TRANSPORTATION
SYSTEMS

2003 URBAN WHEEL
MINORITY SUPPLIER
OF THE YEAR!



NATIONAL
AUTOMOTIVE
JIT AND ILVS
EXPERTS



From Delivering Loads to Delivering Solutions



In 1978, Freight Master Systems, with just a few trucks, began delivering one way freight.

Over the next few years, Freight Masters expanded into “Just in Time” delivery experts.

For the next two decades, FMS successfully partnered and collaborated with owner operators and fleet owners — Growing from a single owner operator into 465 owner/ operator and fleet owner partnerships.

By the late 90’s, a sluggish economy had shut down many transportation companies and the world had undergone a shift to a global economy. The 21st century dawned on the clearly changing transportation needs of U.S. corporations. Customers not only expected “on-time” delivery, but “on-time reporting.” Delivery forecasts and shipping analyses are common requests. Reporting time windows grow more narrow, and the need for efficient IT systems has become a matter of survival.

FROM DELIVERING LOADS TO DELIVERING SOLUTIONS



FREIGHT MASTERS SYSTEMS

DAIMLERCHRYSLER

GM



**25 YEARS OF TRUCKLOAD SERVICE TO THE
"BIG 3" AUTOMOTIVE MANUFACTURERS**



- **"Just in Time" Service Experts**
- **100% Qualcomm Equipped Trucks**
- **Freight Brokerage
Van & Flatbed Services**
- **ISO Certified**
- **FMS Ranks No 2 Among Top DCX
Suppliers**

FROM DELIVERING LOADS TO DELIVERING SOLUTIONS



FREIGHT MASTERS SYSTEMS INTERNATIONAL



INTERNATIONAL FREIGHT
FORWARDING
GLOBAL SUPPLY CHAIN
MANAGEMENT

**One of Only Three Minority NVOCC
Licensed Freight Forwarders in the U.S.**



- **Global Airfreight & Ocean Carrier Logistics Management**
- **Customs//Documentation**
- **Import/Export Control**
- **Single Source Global Freight Management to 137 countries**





FREIGHT MASTERS INTERNATIONAL

SUPPLY CHAIN MANAGEMENT SOLUTIONS



FMSI Awarded the Largest Minority Contract in UAL History



UAL appointed FMSI, Lead Logistics Manager to centrally coordinate and integrate each component of international freight transport to UAL departments as well as UAL Cargo.

MEASURABLE OPERATING STRATEGIES FOR UAL

- **Auditing Custom Broker fees and policing unmonitored charges.**
- **Leveraging volume purchasing, resulting in fewer carriers and costs savings.**
- **Decreasing UAL administrative, accounting and communications costs associated with broker & vendor management.**
- **Increasing tracking efficiency and decreasing tracking workload.**
- **Increasing routing efficiency and increasing speed of transports.**
- **Streamlining information integration needs.**
- **Effecting costs reduction by eliminating hidden freight charges**

FROM DELIVERING LOADS TO DELIVERING SOLUTIONS



Delivering Solutions “Just in Time”

In 1998, the CEO of Freight Masters was challenged with solving a critical logistics problem involving the transport of finished Ford vehicles from Mexico to U.S. markets.

A creative FMS logistics team presented Ford a “collaborative shipping solution,” that would move their vehicles to the U.S., faster, cheaper and without damage.

Although Ford declined to utilize the bold new concept, in 2001 and 2002, Daimler Chrysler and General Motors implemented FMS’ single source, intermodal program — each company continuing to realize savings in transit time, project costs and damage claims.



FROM DELIVERING LOADS TO DELIVERING SOLUTIONS



INNOVATIVE INTERMODAL SYSTEMS

For the first time in their histories, Daimler Chrysler and General Motors single sourced, the entire movement of vehicles from Mexico manufacturing plants to dealers in the U.S.

Freight Masters Global Alliance, relieved DCX & GM of all tracking, damage control, customs processing, and quality management responsibilities! The entire movement including:

- Logistics management in US and Mexico,
- Mexico Trucking Companies
- Primary Mexican Railroads,
- Global Shipping Lines
- Major US Haul Away Carriers

is seamlessly managed by FMGA. Combining the advantages of the NAFTA trade provisions, the technology of electronic data exchange, and logistics solutions, delivery is greatly improved and costs are considerably decreased!

Wallenius Car Carrier



Allied Car Carrier



TFM Railroad



FMGA Mexico Site Map



FMGA Transit Projects ●

Saltillo Plant
 Dodge Ram 2500
 Dodge Ram 3500

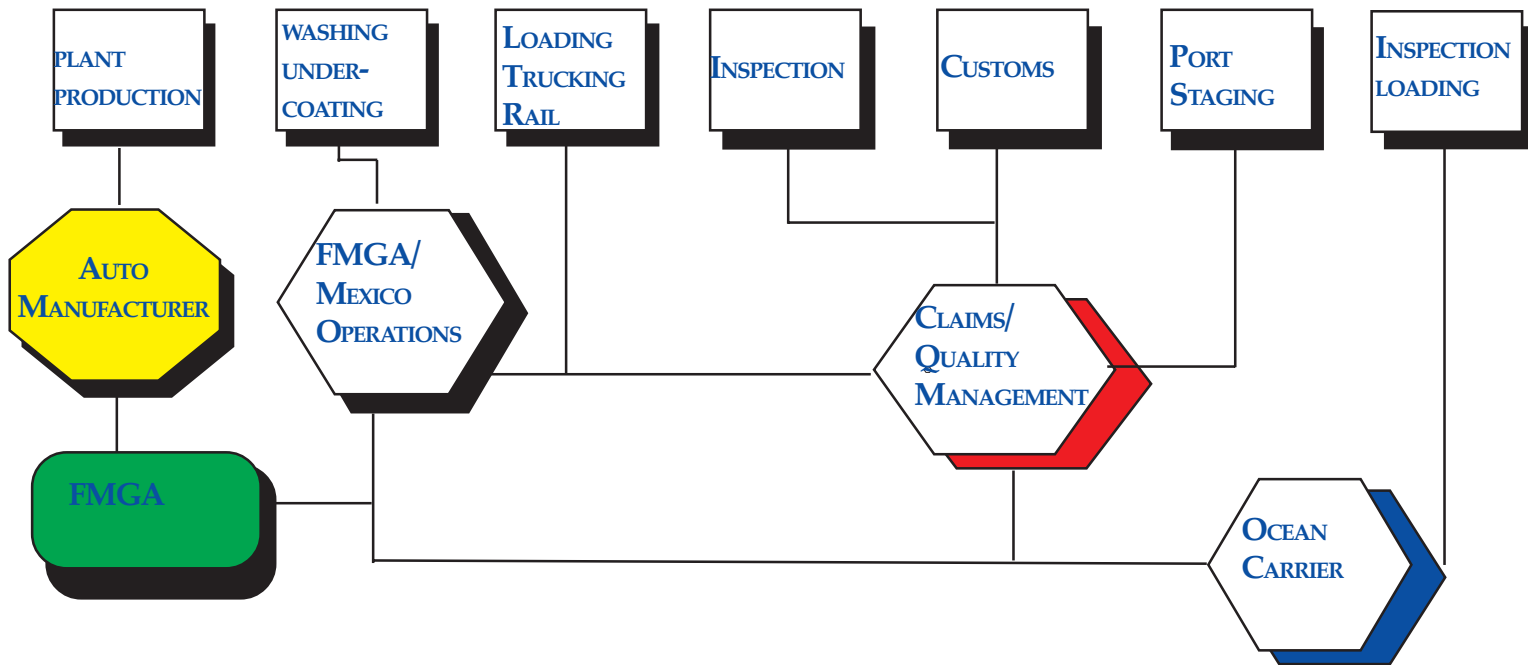
Silao Plant
 GM Yukons
 GM Suburbans

Toluca Plant
 Chrysler PT Cruisers

215 Distancia en Kilómetros
 2:30 Tiempo de Recorrido (horas/minutos)



Mexico Plant to Port Process Overview



FROM DELIVERING LOADS TO DELIVERING SOLUTIONS

FREIGHT MASTERS
GLOBAL
ALLIANCE



PORT VERACRUZ
OPERATIONS

Staging of Vehicles



Vehicles Undercoated at Veracruz by SSA



MANAGEMENT STRATEGIES INCLUDE LOCATING NEW STAGING SITE AT PORT OF VERACRUZ

- **FMGA successfully negotiated with SSA to lease a more protective land site for vehicle staging. The land is large enough to accommodate growth over the long run and most importantly, provide a natural defense for vehicles against corrosive salt spray.**
- **FMGA finalized plans with SSA to apply protective coating to the underbodies of trucks at Veracruz.**
- **FMGA constructed “peace” forums, and acted as facilitator during round table discussions between Ferrasur and TFM railroads. As a result of the forums, rail congestion decreased, loading efficiency increased and the supplier relationship between Ferrasur and TFM greatly improved.**

SUPPLY CHAIN MANAGEMENT SOLUTIONS

FREIGHT MASTERS
GLOBAL ALLIANCE



DCX TOLUCA
MANUFACTURING PLANT



Staging of PT Cruisers



Undercoating of Vehicles at Plant

DELIVERY SOLUTIONS: SEVERE SHORTAGE OF RAIL CARS AT TOLUCA

- **Movement of finished vehicles was severely compromised by rail congestion between Toluca and the Port of Veracruz.**
- **Effective April 15, 2004, movement was restored when Tracomex trucking carriers assumed haul-away responsibilities without rate increase.**
- **Movement time is now only 1.9 days, compared to an average of 6.0 days on rail.**

FROM DELIVERING LOADS TO DELIVERING SOLUTIONS

FREIGHT MASTERS
GLOBAL
ALLIANCE



MOVEMENT
FROM PLANT TO DEALER

FROM PLANT TO DEALER★

FMGA intermodal programs developed for DaimlerChrysler & GM move over 1,200 vehicles weekly from ★ Mexico manufacturing plants to U.S. & abroad , utilizing ★ Wallenius and NYK, the largest ro-ro car carriers in the world, ★ International ports and port authorities, ★ Mexico railroads and TFM, the largest railway in Mexico; ★ Mexico and U.S. trucking carriers, including Allied, the largest trucking company in the world, ★ U.S. Mexico customs brokers, ★ AutoComm, one of the most highly rated "total claims management" firms in the industry, ★ over a dozen IT groups, ★ international personnel to manage, treat and load vehicles at all plants and ports, ★ quality/accounting & billing staffs and the ★ FMGA Management Teams.



Port Veracruz



Port Baltimore



Port Newark



Port Jacksonville



FREIGHT MASTERS GLOBAL ALLIANCE



**In 2003, FMGA was named
“Urban Wheel Minority
Supplier of the Year.”
Awarded for the successful
implementation of an original
intermodal transportation program
which significantly raised the quality
of logistics management services and
dramatically decreased distribution
costs of finished vehicles
for Daimler Chrysler.**

FROM DELIVERING LOADS TO DELIVERING SOLUTIONS

Pentastar Award for Supplier Excellence

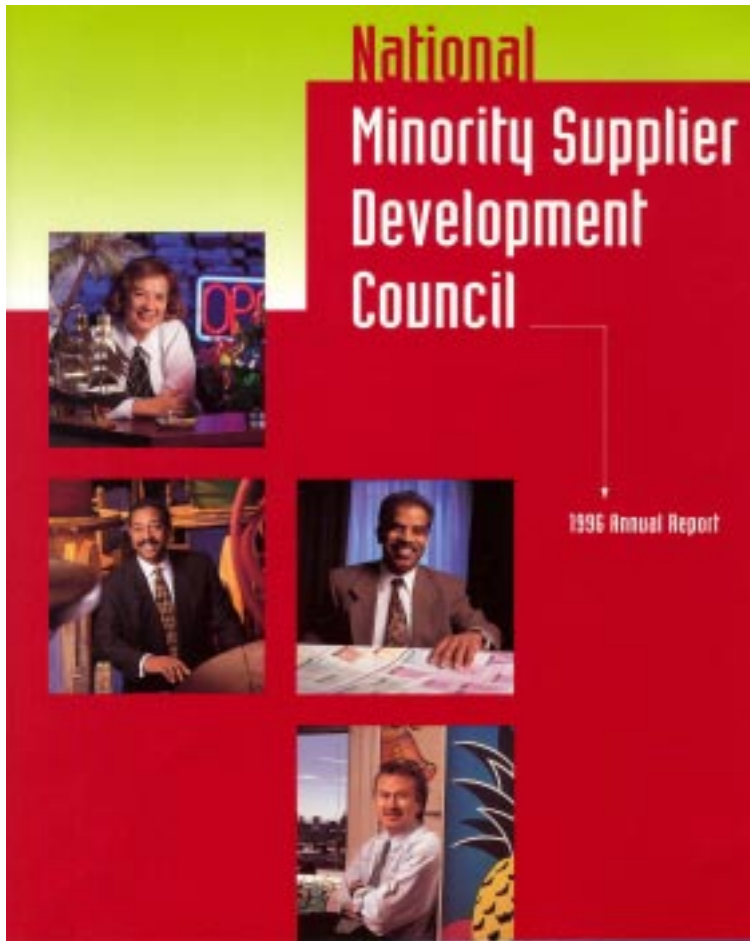


**FMS - Recipient of Three
DaimlerChrysler
Service Excellence “Pentastar” Award**

NMSDC



“Corporate Plus”



FREIGHT MASTERS IS A
CHARTER MEMBER OF THE NMSDC
“CORPORATE PLUS” CORPORATIONS PROGRAM

*Since 1998, Freight Masters Systems
has been recognized as one of America's
outstanding minority firms by the
National Minority Supplier Development Council.*

*FMS' status as a
Corporate Plus Member of the
National Minority Suppliers Development Council
allows its Corporate Partners to report
100% of FMS revenues as
Supplier Diversity purchasing dollars.*

RELATIONSHIPS:



A VALUABLE COMPANY
ASSET

CUSTOMERS

PARTNERS



Ann Arbor Railroad
Boeing
Cintas
DaimlerChrysler
Daubert Chemicals
Delta Air Lines
Ford Motor Company
General Motors
Lear
Luster Products
Stepan Company
United Air Lines
VOGA



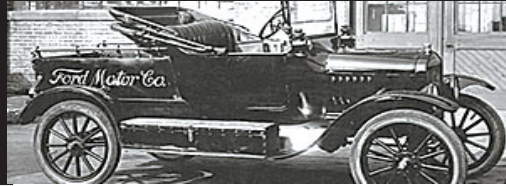
Allied Auto Transport
AutoComm
BAX
BDP International
Canadian Maritime
Crowley American Transport
Japan Air
Lufthansa
Lykes Lines
NMSDC
OOCL
Ryder Integrated Logistics
Tracomex
TFM
TMM
United Road Services
Wallenius Wilhelmsen Lines



WALLENIUS WILHELMSSEN

FROM DELIVERING LOADS TO DELIVERING SOLUTIONS

DELIVERING :



THE FUTURE FIRST



*Incandescent Light
Thomas Edison— Lewis Latimer - Draftsman
Carbon Filament/Threaded socket - Lewis Latimer*

- **The world is now America’s competitor. In the last 20 years, Europe has advanced considerably in automotive technology driven by their challenges of high fuel and environmental regulations.**
- **Our transportation industry must recapture the innovative and inventive zeal inherent to great inventors. We need to be re-inspired by the great problem solvers — by Nicolaus Otto (*Gas motor engine-1876*) — by Karl Benz (*Internal combustion engine car-1885*) — by Granville T. Woods (*Railway telegraph & automatic air brakes for trains -1887*)—by John Metcalf (*First modern road -1717*) and Henry Ford for (*Assembly line ingenuity and of course his Model T — (15 million by 1927)*)**
- **We must conceptualize and visualize solutions for our customers’ needs —even before the customer “feels” the need—Our level and quality of service can be advanced through a reenergized and committed problem solving priority.**