

**IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF TENNESSEE**

FEDEX GROUND PACKAGE SYSTEMS, INC.)	
)	
Plaintiff,)	
)	Case No. 3:22-cv-00656
v.)	
)	JURY DEMANDED
ROUTE CONSULTANT, INC.,)	
)	
Defendant.)	

ROUTE CONSULTANT INC.’S MOTION TO DISMISS

Defendant Route Consultant, Inc. (“Route Consultant”) respectfully moves the court to dismiss the Complaint (Doc. No. 1) filed by FedEx Ground Package Systems, Inc. (“FedEx Ground”) pursuant to Rule 12(b)(6) of the Federal Rules of Civil Procedure for failure to state a claim upon which relief can be granted. Although the Complaint purports to state causes of action against Route Consultant for “false advertising” under the Lanham Act (15 U.S.C. § 1051, *et seq.*) and the Tennessee Consumer Protection Act, Tenn. Code Ann. § 47-18-101, *et seq.* (“TCPA”), Route Consultant is not a competitor of FedEx Ground; nor does the Complaint allege that Route Consultant is making false statements about its own services or those of FedEx Ground.

Rather, the Complaint is directed at statements made by Spencer Patton. Mr. Patton owns Route Consultant and various other businesses, including four (4) contracted service providers (“CSPs”), who were parties to contracts for the delivery of FedEx Ground packages until FedEx Ground terminated such contracts one (1) day after the Complaint was filed. FedEx Ground’s Complaint is directed at communications from Mr. Patton pleading with FedEx Ground to address the dire economic problems facing all CSPs (including his own) and advocating on their behalf for fairer treatment from FedEx Ground. This is not false advertising and the statements are not “purely commercial” in nature. The filing of the Complaint by FedEx Ground is a blatant effort

to silence Mr. Patton and to punish him for speaking out. The Complaint fails to state a claim against Route Consultant and must be dismissed pursuant to Fed. R. Civ. P. 12(b)(6).

In support of its motion, Route Consultant files its accompanying memorandum of law, and copies of the following documents referenced in FedEx Ground's complaint:¹

- Exhibit A:** July 20, 2022 Letter of Assurance from Mr. Patton;
- Exhibit B1:** A certified transcript of the 13-minute video titled "FedEx Ground: A Letter of Assurance";
- Exhibit B2:** A certified transcript of the 3-minute video titled "In brief: A Letter of Assurance" that describes the Letter of Assurance;
- Exhibit B3:** A certified transcript of the 50-minute video titled "Discussion of Letter of Assurance to FedEx Ground;"
- Exhibit B4:** A certified transcript of the 7-minute video entitled "A Follow-Up to our Conversations with FedEx Ground;"
- Exhibit B5:** A certified transcript of the August 10, 2022 video soliciting nominations for a 10-person trade association to promote the common interests of its members; and
- Exhibit B6:** A certified transcript of the August 24, 2022 video titled "2022 Expo Recap & Initial Address of FedEx Ground TSP Rate Announcement."
- Exhibit C:** Press Release dated July 20, 2022
- Exhibit D:** July 27, 2022 Letter from John Smith at FedEx Ground to all CSPs addressing the Letter of Assurance.

¹ These documents, referenced in the Complaint, may be considered properly by this Court without converting the motion into a motion for summary judgment. *See Bassett v. NCAA*, 528 F.3d 426, 430 (6th Cir. 2008) ("When a court is presented with a Rule 12(b)(6) motion, it may consider the Complaint and any exhibits attached thereto, public records, items appearing in the record of the case and exhibits attached to defendant's motion to dismiss so long as they are referred to in the Complaint and are central to the claims contained therein."); *see also Alsbrook v. Concorde Career Colleges, Inc.*, 469 F. Supp. 3d 805, 822–23 (W.D. Tenn. 2020) and *Campbell v. Prometheus Lab'ys, Inc.*, No. 3:07-0558, 2008 WL 237723, at *1 (M.D. Tenn. Jan. 28, 2008).

Respectfully submitted,

/s/ Brian C. Neal

Brian C. Neal (BPR No. 022532)
Garry K. Grooms (BPR No. 12647)
Burr & Forman LLP
222 Second Avenue South, Suite 2000
Nashville, TN 37201
Tel.: (615) 724-3200
bneal@burr.com
ggrooms@burr.com

and

Stephen W. Vescovo, BPR No. 007426
Andrew N. Grams, BPR No. 018380
Paige I. Bernick, BPR No. 30071
424 Church Street, Suite 2500
Nashville, TN 37219
(615) 259-1366
agrams@lewisthomason.com
pbernick@lewisthomason.com
svescovo@lewisthomason.com

Attorneys for Defendant Route Consultant, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served upon the parties listed below via the Court's CM/ECF system on this 19th day of September, 2022:

Jason W. Callen
K&L Gates
501 Commerce St., Suite 1500
Nashville, TN, 37203
Jason.Callen@klgates.com

Thomas J. Smith
Patrick McElhinny
Curtis B. Krasik
K&L Gates
210 Sixth Ave.
Pittsburgh, PA, 15222
Thomas.Smith@klgates.com
Patrick.McElhinny@klgates.com
Curtis.Krasik@klgates.com

/s/ Brian C. Neal

FedEx Ground: Letter of Assurance



Reader's Note: *It is important that you review the accompanying video message prior to reading the letter. Please take a moment to watch the video first.*

Disclaimer: *Route Consultant is not endorsed by and is not recommended by Federal Express Corporation and FedEx Ground. Route Consultant is not sponsored by, is not approved by, is not associated with, and has no connection whatsoever with Federal Express Corporation or FedEx Ground.*

Spencer Patton

Patton Logistics, Inc. | Route Consultant
5511 Virginia Way, Suite 400
Brentwood, TN 37027

July 20, 2022

Raj Subramaniam

John Smith

FedEx Ground | FedEx Corporation
1000 FedEx Drive
Moon Twp, PA 15108

Raj Subramaniam, John Smith, & FedEx Ground Leadership Team,

At the core of the relationship between FedEx Ground and its Contracted Service Providers (CSPs), there must be a win/win dynamic. For significant stretches of FedEx Ground's CSP-based model, that win/win dynamic has not only existed, but thrived. CSPs understand that FedEx Ground's first and highest obligation is to its shareholders: maximize profits, return capital.

Additionally, FedEx Ground has worked hard to construct a balance sheet that withstands substantial economic headwinds and rapid price changes. CSPs, by contrast, do not have the \$60 billion balance sheet that FedEx Ground boasts. As a result, when economic conditions change in 12 months faster than they have in 30 years, CSP's balance sheets simply cannot weather that storm.

CSPs take substantial capital risk when they purchase their delivery territories: working capital to operate the business, the debt and capital requirements for growth, and the leverage on their vehicle assets—all attached to a personal guarantee. CSPs are small business owners (usually with



10-25 employees) that simply do not have the financial resources to withstand historic price increases in three critical categories: fuel, wages, and trucks.

The purpose of this letter and statement is three-fold:

1. Establish a strong business case to FedEx Ground for an increase in compensation for CSPs via thoroughly documented analysis. This letter and appendix will prove that contractor costs have changed materially as a result of well-publicized global price increases, and those cost changes are worthy of immediate adjustments from FedEx Ground.
2. Establish a clear timeline for network-wide renegotiation. Prior letters of concern have called for open-ended discussions that ultimately made no progress towards a financial resolution.
3. Encourage FedEx Ground to make a courageous re-assessment of the viability of Sunday delivery. Sunday delivery has been both an incredible struggle and a financial disaster for all parties involved.

FedEx Ground, knowingly or unknowingly, has placed the financial viability of CSPs in their Ground network at enormous risk. Written from the desk of one of the largest contractors in the United States, believe me when I write that the situation is far more dire than the general public currently understands. Not a single day passes without my phone ringing with the story of yet another contractor who is financially collapsing under the weight of these dramatic cost changes that have gone unaddressed by FedEx Ground in 2022.

FedEx Ground has a precedent for addressing extraordinary circumstances. As recently as 2020, during the COVID-19 pandemic, FedEx Ground offered a flat, across-the-board 6-month compensation increase for its contractors in order to overcome the extraordinary conditions of that year. The changes experienced over the past 12 months, though, are magnitudes greater than what CSPs experienced in 2020. Yet, there has been no financial adjustment in any capacity.

An anonymous group of FedEx Ground contractors wrote two letters of concern in 2022. More than 1,000 contractors, representing more than 25,000 drivers, collectively signed those letters of concern. However, thousands of other contractors privately expressed unease in adding their signatures to the list, due to fear of retaliation against their contracts. Both of those letters of concern were met with little more than corporate speak: "FedEx is listening, FedEx invites



conversation.” In reality, those conversations did not result in financial adjustments for the CSPs who desperately needed it.

The previous letters of concern lacked specific financial asks. The letters also lacked clear deadlines for financial adjustments. This letter strives to provide clarity and specificity.

There are two specific requests contained in this letter:

1. For the pickup and delivery network, a \$0.50 per stop pay increase on all Ground and e-commerce stops. This increase will apply on a go-forward basis to all current operating agreements. The rate increase will last for 12 months and will be re-evaluated in 2023 based on market conditions. As a highlight of how desperate the situation has become in the pickup and delivery space, FedEx Ground is issuing record amounts of contingency pay to stabilize the network’s service levels. These contingency resources often make 2-5x the pay of the original CSP.
2. For the linehaul network, a \$0.20 per mile pay increase on all solo and team runs. Spot runs will receive a 10% increase in compensation. As a highlight of how desperate the situation has become in the linehaul space, FedEx Ground is now outsourcing upwards of 30% of their linehaul network to external purchased power rather than utilizing its CSP network. This external (non-CSP) purchased power receives substantial premiums over the rates paid to existing CSPs.

It is understood that these requests will take time to implement. Unfortunately, CSPs simply do not have the balance sheets to weather further delays. CSPs have absorbed immense pressure from the magnitude of these price shocks and do not have much financial runway left. The timeline for these negotiations will remain open until November 25, 2022.

This letter is also written to encourage FedEx Ground to make a bold reassessment of the viability of Sunday deliveries. FedEx Ground historically observed Sundays, as well as major holidays, such as Easter, the Fourth of July, and Thanksgiving, as times of rest for both their staff and CSPs. Now, CSPs are contractually required to deliver each Sunday and on each of those holidays.

The rapid introduction of Sunday deliveries on a nationwide scale created significant operational, technological, and financial strains for both FedEx Ground and its CSPs. By our estimates, Sunday deliveries are costing FedEx Ground upwards of \$500 million in earnings drag. That \$500 million figure is getting worse, not better. Likewise, Sunday deliveries erased more than one-third of CSP’s profit margins in less than one year’s time. In parallel fashion, that margin erosion is worsening, not improving.



Sundays wreak havoc on FedEx Ground's ability to accurately forecast the next day's volume: the technological infrastructure and package volume projection algorithms are woefully inept. FedEx Ground has been unable to solve these forecast errors for two years now. Without accurate forecasts, CSPs struggle to align their costs to match the actual packages that are made available for delivery each day.

The attached Appendix strives to thoroughly document the business case for why FedEx Ground must provide the outlined pay increases. The FedEx Ground network is in a significant state of unreported distress. For those seeking to verify the level of distress in the network, allow this letter to point out some places to start investigating.

The key metrics that reveal the trouble that exists directly below the surface are:

1. Declining service levels across the entire FedEx Ground network due to CSPs walking out on their delivery territories.
2. A close examination into the number of CSPs whose contracts are terminated and/or they walk out on their territories in comparison to historical trends. CSP default rates are soaring.
3. A close examination of the quantity of open, under-, or entirely unserved territories being posted daily on BuildAGroundBiz.com. This website reveals the true level of distress that exists in the network.

To all non-FedEx Ground readers of this letter: do your research and ask the hard questions that reveal the extent of this crisis.

In FedEx's most recent earnings report on June 23, 2022, their numbers showed a stunning 30% expansion of profit margins in the very same quarter that saw CSP profit margins drop to new lows. In fact, FedEx disclosed that it had expanded its profit margins through successful arbitrage of its fuel surcharges, pushed through to customers, versus what was paid to its CSPs. This is one example that demonstrates the dislocation of the win/win dynamic, originally intended for the CSP model.

As of October 1, 2022, FedEx Ground will begin fining a substantial percentage of its CSPs between 1-3% of their annual revenues as a required contribution towards FedEx Ground's insurance policies. This will be another burden upon contractors in a season where CSPs simply cannot handle any added pressure.

FedEx Ground: Letter of Assurance



On August 20 and 21 more than half of all CSPs in the United States will gather at the Paris Hotel in Las Vegas for the annual Route Consultant Contractor Expo + Party. At that event, the Route Consultant Purchasing Alliance will be announced, allowing CSPs an avenue for expense savings. CSPs fully understand that they must also participate in this season of belt-tightening. We are diligently working to lower costs, improve efficiency, and put in sweat assets. The financial changes that we need, though, must also include an addition to topline revenue from FedEx Ground.

Additionally at Contractor Expo, the Route Consultant Purchasing Alliance will announce the formation of a 10-person CSP Committee. This committee will be a unified voice to FedEx Ground, empowered with the collective authority to speak on behalf of thousands of CSPs across the United States. The committee's initial focus will be the ongoing negotiations with FedEx Ground for the changes that CSPs urgently need, within the timeframe of November 25, 2022.

In conclusion, both FedEx Corporate and FedEx Ground have new CEOs that are inheriting a tough situation: activist investors joining the board, analysts' frustration with a stagnant stock price, challenges with Capex, and CSPs that desperately need financial help.

As a message directly to John Smith and Raj Subramaniam, please accept my encouragement to use this opportunity to dramatically win over the hearts and minds of your CSPs. We have struggled mightily through this pandemic—working to deliver the Purple Promise as essential workers in spite of incredible challenges. If you will take a bold step to honor our requests for a recovery in compensation, you will cement a loyalty within your service-minded CSP base that will propel FedEx Ground's growth for many years to come. If, instead, you decide to make our burden heavier via not only a rejection of our revenue requests, but with the addition of a brand new 1-3% revenue penalty on your struggling CSPs, you will bring this entirely CSP-led network to its very knees.

Please review the attached Appendix in support of the price adjustments.

Respectfully submitted,

Spencer Patton, Contracted Service Provider Since 2013



FedEx Ground: Letter of Assurance | Appendix

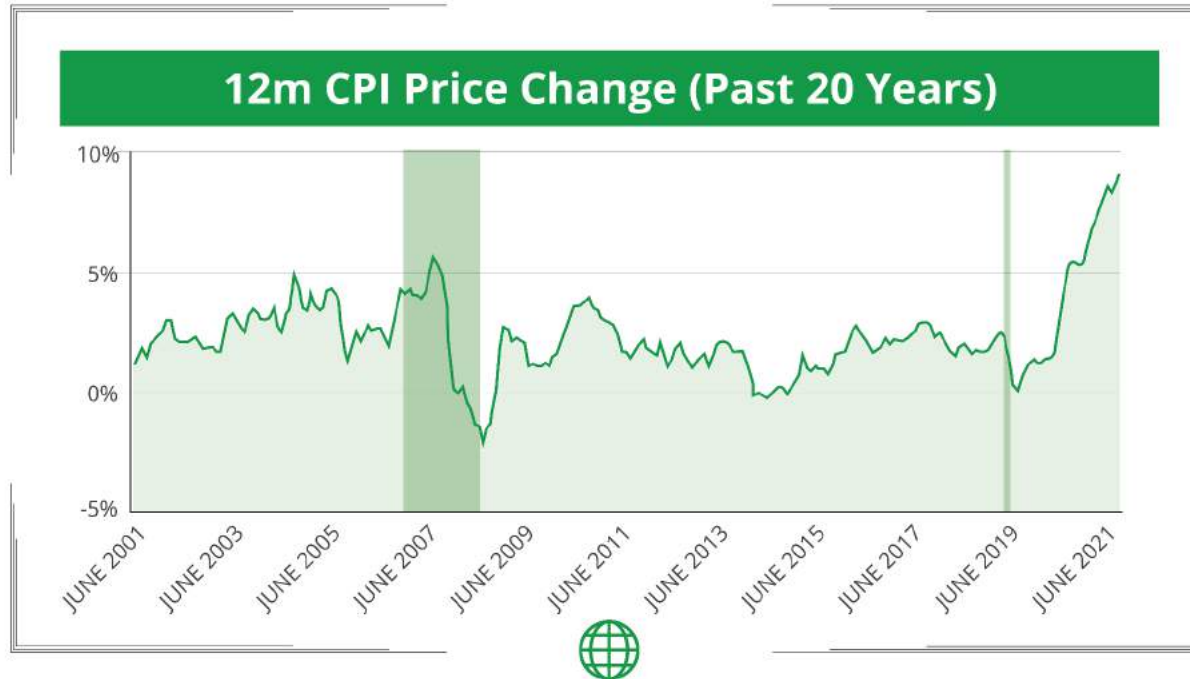
CSP Challenges in the Current Economic Environment

Disclaimer: Route Consultant is not endorsed by and is not recommended by Federal Express Corporation and FedEx Ground. Route Consultant is not sponsored by, is not approved by, is not associated with, and has no connection whatsoever with Federal Express Corporation or FedEx Ground.



A Perfect Storm for FedEx Contracted Service Providers (CSPs)

The global economy is experiencing its biggest macroeconomic shift in the last 40 years. The latest year-over-year inflation numbers came in at 9.1%, the highest since 1981. While wages, fuel, and generally higher costs impact all businesses, this is a perfect storm for FedEx Contracted Service Providers (CSPs).



Source: US Bureau of Labor Statistics



CSPs Have Three Main Cost Buckets:

1. Wages
2. Fuel
3. Vehicles (equipment/repair & maintenance)

Each of these expenses increased significantly over the last few years due to inflation. The table below shows the average costs for CSPs as percentages of Total Revenue in 2019 and 2022, comparatively.

Cost Type	2019 (% of Total Rev)	2022 (% of Total Rev)
Wages	55%	63%
Fuel	8-12%	16-22%
Equipment/Repair & Maintenance	8-12%	12-16%

Source: Internal Data Sets



CSPs Cannot Influence Topline Revenue

Many businesses adjust to inflationary pressure by passing increased costs on to consumers—this maintains profit margins and a healthy, viable business. However, as wages, fuel, and vehicle costs rapidly increase, CSPs have no ability to directly impact their revenue, severely impacting profit margins.

The increasing costs are in no way related to inefficiencies in CSPs' operations: these are higher costs for the exact same product, which directly and negatively impact the bottom line.

→ Our goal in the below analysis is to highlight each of these three main cost areas for CSPs, illustrate how much these costs have risen since pre-pandemic years, and demonstrate the direct impact to margins via these increased costs.

Wages, fuel, and vehicle-related cost increases are not an exhaustive list of price increases absorbed by CSPs. It is important to note additional material items also increased in cost, including insurance and technology.



Labor + Recruiting Costs

The national unemployment rate is hovering near an all-time low of 3.6%. Low unemployment rates create a candidate-controlled labor market. Potential employees have many options on where to work. However, they are demanding higher wages for the same service.

Employee Type	2019 (Avg. Hourly)	2022 (Avg. Hourly)
All US Private Employees	\$27.60	\$32.08 (16% increase)
Transportation + Warehousing Employees	\$24.77	\$27.86 (14% increase)

In 2022, the average hourly earnings of all US private employees is \$32.08, compared to \$27.60 in 2019, a 16% increase. Average hourly earnings for employees in the transportation and warehousing industries is currently \$27.86, compared to \$24.77 in 2019, a 14% increase.

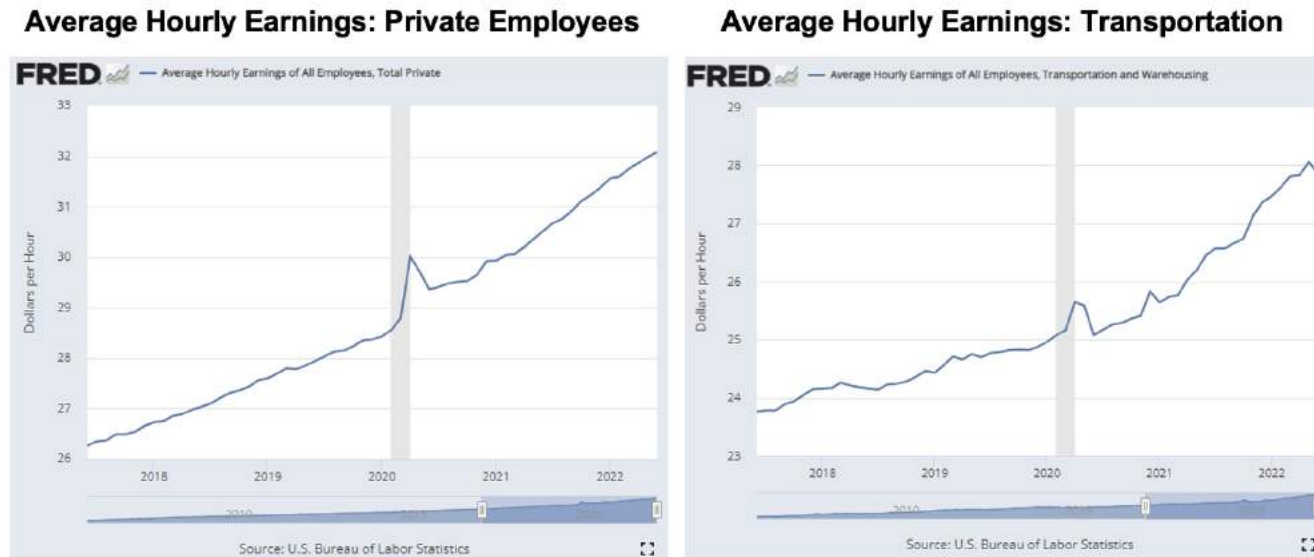
Paying drivers more does not increase efficiency. Higher wages directly impact the bottom line; additionally, there are more employee-related costs in a tight labor market, such as benefits and bonuses needed to help retain talent.



CSPs Compete with FedEx Ground for Employees

In 2021 FedEx Ground announced a plan to increase pay, award retention bonuses, present clear pathways for promotion, and offer full benefits to both part-time and full-time package handlers upon start date. While CSPs can benefit operationally from skilled package handlers, the announcement had a direct, negative impact on CSPs and their ability to recruit/retain drivers. CSPs cannot afford to compete with the robust benefits that FedEx Ground offers package handlers.

Since drivers and package handlers typically stem from the same demographic and applicant pool, CSPs lost current and potential drivers who opted to take a better paying package handler position.



Source: US Bureau of Labor Statistics



Added Cost: Full-time Recruiters

Given the increased turnover and difficulty of staffing, CSP recruitment costs increased as CSPs need to attract, retain, and replace employees consistently. Prior to 2022, businesses were able to fulfill staffing needs through Indeed or Craigslist advertisements, largely for free. However, as competition over employer visibility on Indeed and other lead generation platforms increased amidst labor shortages, so did the cost and effectiveness of advertising.

- CSPs' Cost Per Click (CPC) and Cost Per Apply (CPA) have increased by 2,000% (some contractors report 3,000% increases).
- Conversion rates are down 60-70%.

This means that pre-pandemic CSPs had a higher success rate converting leads to compliant drivers at an exponentially lower cost than in today's competitive market. Recruiting drivers in the current market is a full-time job. Many CSPs have added a full-time recruiter or a staffing service to their expenses; on average, a full-time staffing solution costs \$60,000 per year.

Other employers in the logistics space, including Amazon DSPs, can convert applicants to new hires in 2-3 days. Due to the FedEx-required FADV approval processing time, it takes 7-21 days for FedEx Ground driving candidates to be approved to drive for a CSP. Successful staffing requires constant FADV management and communication with candidates to keep them interested throughout an elongated approval process.

→ With labor costs at approximately 55% of Total Revenue, a 15% increase in wage costs decreases CSPs' profit margins by about 8.25%.

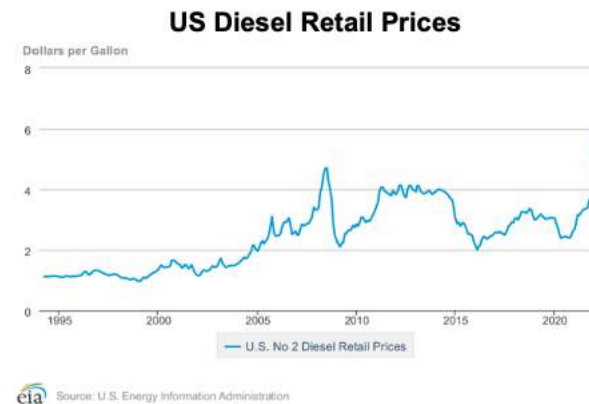
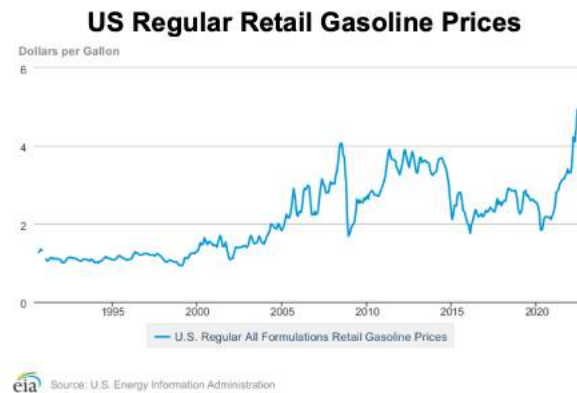


Fuel Costs

The average national fuel price for both gas and diesel has hit all-time highs since tracking began in 1990.

Fuel Type	Year 2019 (Avg.)	June 2022 (Avg.)
Retail Gas	\$2.25	\$4.92 (a 119% increase)
Diesel	\$2.98	\$5.75 (a 93% increase)

In June 2022, the average retail gas price was \$4.92, compared to \$2.25 in 2019, a 119% increase. In June 2022, the average retail diesel price was \$5.75, compared to \$2.98 in 2019, a 93% increase.



Source: US Energy Information Administration



While CSPs recognize that FedEx Ground intends to mitigate the volatility of fuel prices with a variable fuel subsidy, this hedge only minimally shields CSPs from extreme rises in fuel costs.

With geopolitical tensions in Russia and Saudi Arabia, plus a persistent inflationary environment, we think higher oil prices may be the new normal for the years to come (and be a permanent drag on profit margins).

→ With fuel costs at approximately 12% of Total Revenue, a 100% increase in fuel costs decreases CSPs' profit margins by about 6%.

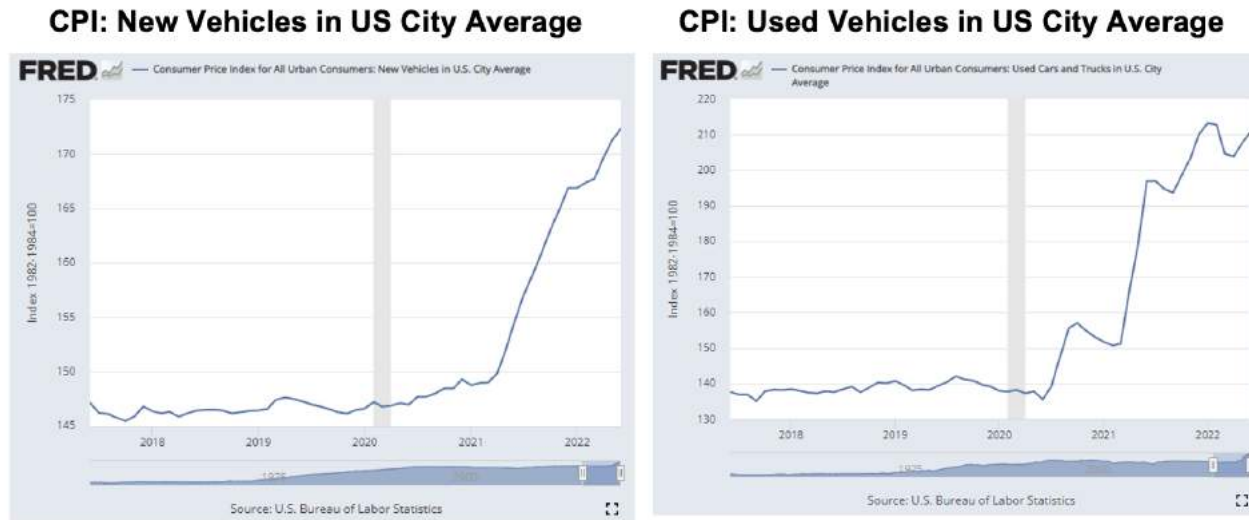
Note: given the fuel subsidy provided by FedEx Ground, our analysis cuts the profit margin impact by 50%



Equipment and Repair & Maintenance Costs

Truck shortages across the US have increased prices for purchasing new trucks, purchasing used trucks, and renting trucks. A dramatic increase in pandemic-related delivery volume required CSPs to add additional trucks to their fleet; even when volume is steady, CSPs must regularly refresh their fleet with new units.

New and used vehicle costs are heavily, negatively impacted by higher inflation. Nationally, prices for new vehicles increased 18%, and prices for used vehicles increased 50%.



Source: US Bureau of Labor Statistics



Please see below for a comparison of truck prices from 2019 to 2022 for typical vehicles in a CSP fleet:

COSTS INCREASE - 2019 to 2022			
TRUCK TYPE	2019 COST	2022 COST	INCREASE
Ford Transit Dually Rear Wheel (gas)	\$38,720.00	\$63,145.00	63%
Ford Utilimaster P700 (gas)	\$47,300.00	\$67,900.00	44%
Ford Morgan Olson P1000 (gas)	\$53,620.00	\$76,500.00	43%
Ford Morgan Olson P1200 (gas)	\$55,120.00	\$78,000.00	42%
Average	\$48,690.00	\$71,386.25	48%



The average CSP runs a 10-truck fleet, and they typically need to replace two trucks per year (or 20% of the fleet). As the average truck price increased from \$48,690 to \$71,386, CSPs saw a marked impact on their cash flow.

→ Cash flow impact: two fleet vehicles per year at an increase of \$22,696 per vehicle is \$45,392 additional costs per year.



Maintenance Costs

In addition to the replacement costs, there are costs associated with maintaining an existing fleet.

- Tire costs alone have increased 16-24% for 19.5-inch and 16-inch tires.
- Based on our extensive access to CSP data, we observe a 9% increase in the average cost of repair & maintenance since pre-pandemic years.

→ With repair & maintenance costs at approximately 10% of Total Revenue, a 9% increase in repair & maintenance costs decreases CSPs' profit margins by about 1%.



Conclusion + Summary

The average FedEx Ground business run by a CSP earns a 10% operating margin.

Comparing costs from pre-pandemic data sets, we see:

- Wage pressures reduced profit by -8.25%
- Fuel increases reduced profit by -6%
- Repair & maintenance reduced profit by -1%

As a result, the average FedEx Ground business run by a CSP currently operates on profit margins below 0%.

Furthermore, this margin degradation does not include the impacts to cash flow, such as the increased costs of purchasing new trucks. With revenues relatively flat year-over-year, we hope this analysis provides a more accurate picture of the true increases in operational costs CSPs are facing this year.

For many CSPs, an enhanced FedEx Ground contract is the difference between profitable operations and financial ruin. A devastatingly cost-prohibitive structure for CSPs will ultimately lead to network-wide CSP default.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

FedEx Ground_A Letter of Assurance

-----/

Length - 13:38

Transcribed by Andrea Filar, CSR-8349

1 * * *

2
3 MALE VOICEOVER: As civilian areas are
4 pummelled every day now by Russian missiles.

5 FEMALE VOICEOVER 1: Tonight,
6 record-breaking prices at the pump nationwide.

7 FEMALE VOICEOVER 2: If the world runs
8 low on food, who gets to eat, and who doesn't?

9 MALE VOICEOVER 2: 0.53 million workers
10 quit their jobs in November.

11 "Route Consultant is not endorsed by and
12 is not recommended by Federal Express Corporation and
13 FedEx Ground. Route Consultant is not sponsored by, is
14 not approved by, is not associated with, and has no
15 connection whatsoever with Federal Express Corporation or
16 FedEx Ground."

17 MR. PATTON: My name is Spencer Patton.
18 I'm one of the largest FedEx Ground contractors in the
19 United States and I'm based in Nashville, Tennessee.

20 The purpose of this video is to accompany
21 a corresponding document that states our requests of
22 FedEx Ground to adjust compensation across the board
23 given the unprecedented market circumstances that are
24 impacting us. Contractors have issued two letters of
25 concern to FedEx Ground so far in 2022, and while FedEx

Page 2

1 Ground has invited discussion, invited communication, and
2 even invited efforts to renegotiate our contract, all of
3 those have come to no financial difference at all. All
4 of my renegotiation requests supported with strong facts
5 and data have been outright denied. Many contractors
6 share my exact same story.

7 Before getting to those pieces, let me
8 establish a baseline for why this video is necessary.
9 Contractors in general are suffering to a degree that is
10 largely unseen by the general public, and to some degree
11 FedEx Ground themselves. Our fuel costs have doubled in
12 less than a year. Our wage costs have soared
13 dramatically as documented in our paperwork, as well as
14 widely published in the media. And our truck costs and
15 the lack of availability in trucks have dramatically
16 spiked our cost in this important cost segment for us.
17 All of these elements mandate that we receive financial
18 compensation from FedEx Ground to adjust contracts that
19 were just not engineered for the world in which we are
20 living.

21 FedEx Ground actually has precedent for
22 doing this back in 2020. When COVID happened, FedEx
23 Ground released an across-the-network compensation
24 increase that lasted for approximately six months. That
25 increase was vital to our ability to be able to serve as

1 essential workers and keep this economy running.

2 Here in 2022, the conditions are
3 magnitudes worse than what justified that intervention
4 from FedEx Ground in the middle of 2020. The contractor
5 network, specifically the FedEx Ground network, is in far
6 more peril than what anyone realizes. If Wall Street
7 analysts, if FedEx corporate, and FedEx Ground understood
8 the degree to which the network is in danger, there would
9 be widespread panic.

10 As the largest contractor in the United
11 States, I have no history of crying wolf. Hear me when I
12 tell you that there is not a day that goes by that I do
13 not hear from my fellow contractors that are seeking a
14 financial path out of certain bankruptcy. The
15 contractors need help. We have served as essential
16 workers and have overcome unprecedented challenges to
17 arrive in this moment. And now, in our moment of need,
18 we need FedEx Ground to respond to us.

19 The prior letters of concern lacked two
20 things that this video and the corresponding letter will
21 seek to fix. First, the letters lacked a specific
22 financial ask. We're going to fix that here in this
23 video and the letter. Secondly, it lacked a specific
24 timeline for resolution. We're also going to provide a
25 timeline in our corresponding communication.

1 The first ask that contractors have of
2 FedEx Ground relates to the pickup and delivery last mile
3 component. The request is to see a 50 cent per stop
4 increase that will apply across all agreements, and that
5 application will be towards both Ground and e-commerce
6 deliveries.

7 Second, for line haul, the request is for
8 a 20 cent per mile increase that will affect both solo
9 and team runs. Both of these increases will have a
10 12-month duration, at which time there will be a
11 reassessment, because the economy could change again. We
12 could be going into the teeth of a recession, we could be
13 just beginning our inflationary journey. That 12 months
14 will allow us a time to reassess and recalibrate the
15 contractual dynamics that we will only know once we
16 arrive in 2023. But what I do know now is that
17 contractors are in enormous financial distress, the likes
18 of which has never been more severe.

19 One other piece missing from the letters
20 of concern was a clear timeline. The timeline for our
21 negotiations here will extend through November 25th of
22 2022. The reality is, contractors are running out of the
23 financial resources to be able to continue to operate
24 this network. Contractors do not boast the same 60
25 billion dollar balance sheet that FedEx Ground has. We

1 know from FedEx Ground's recent earnings release that
2 we've seen FedEx Ground's margins increase by about 30
3 percent in the last quarter, at the same time that Ground
4 contractors saw their margins plumb to new lows.

5 Highlighted in that earnings release was
6 the fact that FedEx Ground had pushed through fuel
7 surcharges to its customers, but had benefitted from the
8 arbitrage of not passing through that same fuel surcharge
9 back to its contractors, the ones actually consuming the
10 fuel.

11 We have to rely upon FedEx Ground
12 recognizing in a timely fashion that additional financial
13 compensation is warranted given 9.1 percent CPI that came
14 out a couple days ago and all of the well-documented cost
15 changes that are accompanied in the letter with this
16 video.

17 In 30 days from this video, more than 50
18 percent of all contractors in the United States will be
19 gathering in Las Vegas. We are taking over the entire
20 Paris Hotel, some 3,300 rooms, and we will be discussing
21 two main things. The first thing is we have
22 groundbreaking announcements to make concerning deals
23 that have been struck with multibillion dollar
24 businesses. These businesses have offered incredible
25 price adjustments for contractors due to our collective

1 purchasing power that is going to allow contractors to
2 acquire goods and services that we use every single day
3 at prices that are unheard of. That's part of what our
4 commitment is to FedEx Ground is that we recognize that
5 we have to tighten our own belts. We have to be smart
6 about our expenses, we have to be smart about our
7 efficiency, and we are making every effort to do our part
8 and then some.

9 The second half of the Expo is going to
10 feature the formation of a committee. Not a union, but a
11 committee. This committee will feature ten contractors
12 that are elected to speak for the broad thousands of
13 contractors that don't have an ability to speak for
14 themselves in a way that FedEx Ground can properly
15 absorb. This committee of ten contractors is going to
16 help outline and continue to reaffirm what most every
17 contractor in the country is experiencing now, that we
18 need financial help.

19 To Raj Subramaniam, please hear me in
20 knowing that you are a new CEO in the position, but very
21 much not new to FedEx Ground. You have an opportunity
22 here for contractors to win over the hearts and minds of
23 some 6,000 small business owners across the United
24 States.

25 The yoke has been quite heavy on us over

1 the last couple years as we have strived as essential
2 workers to overcome all obstacles. Please take this
3 moment where we provide in a business case to show you
4 that our costs have changed dramatically. We need FedEx
5 Ground to meet us in this moment of need, and if you take
6 that step to lighten the burden off of our shoulders here
7 and provide the financial viability of these businesses
8 back to us, you will win a dedicated workforce that will
9 serve you for your entire tenure as CEO. Please take
10 this opportunity to exercise that leadership in a moment
11 of sincerely expressed and validated needs.

12 To my fellow contractors that are
13 watching this video, let me give a message to you too. I
14 recognize that for the thousand of you that have signed
15 prior letters of certain, there were thousands more
16 willing to sign but feared retaliation from FedEx Ground
17 towards your agreement. Let me be the first to say that
18 I don't make this video without some level of fear
19 myself. As the largest contractor in the United States I
20 know that I am putting myself out there in a way that I
21 hope shows my commitment, not only to contractors, but
22 also to FedEx Ground. It is not kind or smart for me to
23 stay silent while I see a enormous threat on the
24 immediate horizon for the FedEx Ground network as a
25 whole.

1 Please detect in the sincerity of my tone
2 and the authenticity in my entire history as a contractor
3 to FedEx Ground that I have no intention of wanting a war
4 here. Please know that I recognize I'm taking an
5 enormous risk. There are contractors that won't speak up
6 out of the fear of them losing their operating agreement
7 with FedEx Ground. But what I also know is that my
8 integrity and that I have brought thousands of people
9 into this space as an investment, they're depending upon
10 the cash flow of these businesses and ensuring that this
11 is a viable investment going forward.

12 FedEx Ground's network has no future
13 without the financial viability of its contractors.
14 Indeed, FedEx Ground's network is only as healthy as the
15 financial health of its contractors. And hear it from me
16 clearly, someone with more access to data than anyone
17 else outside of FedEx Ground, there has never been a
18 moment of more financial distress than this time here. I
19 have made no habit of crying wolf, and I am not crying
20 wolf here.

21 In conclusion, know that my desired
22 outcome here is not to unionize. It is instead to unify
23 both FedEx Ground back with their contractors. This
24 FedEx model has always been engineered to be a win/win
25 dynamic. And it's natural that sometimes the pendulum is

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

going to swing from one side to the other for who has the upper hand. But hear me when I tell you that pendulum is at an extreme that cannot sustain. Contractors need to see FedEx Ground meet us here with financial relief given the environment that we are in. We will document that to you and stand true to our word and invite that discussion through November 25th of 2022. Please meet us in that way and find a path forward here together.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CERTIFICATE
STATE OF MICHIGAN
COUNTY OF MACOMB

I, Andrea Filar, C.S.R. and Notary Public
in and for the County of Macomb, State of Michigan, do
hereby certify that the attached is a true, correct, and
complete transcript of my stenographic notes taken at the
time and place hereinbefore stated and they were
transcribed upon a computer under my direct supervision.
The undersigned assumes no responsibility for copies not
made under my direction or control. September 19, 2022



Andrea Filar, CSR - 8349
Notary Public, Macomb County
My Commission Expires: 10-01-2028

[0.53 - contractors]

0	access 9:16	balance 5:25	collective 6:25
0.53 2:9	accompanied 6:15	bankruptcy 4:14	come 3:3
1	accompany 2:20	based 2:19	commerce 5:5
1 2:5	acquire 7:2	baseline 3:8	commission 11:17
10-01-2028 11:17	additional 6:12	beginning 5:13	commitment 7:4 8:21
12 5:10,13	adjust 2:22 3:18	belts 7:5	committee 7:10 7:11,11,15
19 11:12	adjustments 6:25	benefitted 6:7	communication 3:1 4:25
2	affect 5:8	billion 5:25	compensation 2:22 3:18,23 6:13
2 2:7,9	ago 6:14	board 2:22	complete 11:8
20 5:8	agreement 8:17 9:6	boast 5:24	component 5:3
2020 3:22 4:4	agreements 5:4	breaking 2:6	computer 11:10
2022 2:25 4:2 5:22 10:7 11:12	allow 5:14 7:1	broad 7:12	concern 2:25 4:19 5:20
2023 5:16	analysts 4:7	brought 9:8	concerning 6:22
25th 5:21 10:7	andrea 1:9 11:5 11:16	burden 8:6	conclusion 9:21
26748 11:16	announcements 6:22	business 7:23 8:3	conditions 4:2
3	application 5:5	businesses 6:24 6:24 8:7 9:10	connection 2:15
3,300 6:20	apply 5:4	c	consultant 2:11 2:13
30 6:2,17	approved 2:14	c.s.r. 11:5	consuming 6:9
5	approved 2:14	case 8:3	continue 5:23 7:16
50 5:3 6:17	approximately 3:24	cash 9:10	contract 3:2
6	arbitrage 6:8	cent 5:3,8	contractor 4:4 4:10 7:17 8:19 9:2
6,000 7:23	areas 2:3	ceo 7:20 8:9	contractors 2:18 2:24 3:5,9 4:13 4:15 5:1,17,22 5:24 6:4,9,18,25 7:1,11,13,15,22 8:12,21 9:5,13
60 5:24	arrive 4:17 5:16	certain 4:14 8:15	
8	associated 2:14	certificate 11:1	
8349 1:9 11:16	assumes 11:11	certify 11:7	
9	assurance 1:5	challenges 4:16	
9.1 6:13	attached 11:7	change 5:11	
a	authenticity 9:2	changed 8:4	
ability 3:25 7:13	availability 3:15	changes 6:15	
able 3:25 5:23	b	circumstances 2:23	
absorb 7:15	back 3:22 6:9 8:8 9:23	civilian 2:3	
		clear 5:20	
		clearly 9:16	

[contractors - ground]

<p>9:15,23 10:3 contracts 3:18 contractual 5:15 control 11:12 copies 11:11 corporate 4:7 corporation 2:12 2:15 correct 11:7 corresponding 2:21 4:20,25 cost 3:16,16 6:14 costs 3:11,12,14 8:4 country 7:17 county 11:3,6,17 couple 6:14 8:1 covid 3:22 cpi 6:13 crying 4:11 9:19 9:19 csr 1:9 11:16 customers 6:7</p>	<p>desired 9:21 detect 9:1 difference 3:3 direct 11:10 direction 11:12 discussing 6:20 discussion 3:1 10:6 distress 5:17 9:18 document 2:21 10:5 documented 3:13 6:14 doing 3:22 dollar 5:25 6:23 doubled 3:11 dramatically 3:13,15 8:4 due 6:25 duration 5:10 dynamic 9:25 dynamics 5:15</p>	<p>enormous 5:17 8:23 9:5 ensuring 9:10 entire 6:19 8:9 9:2 environment 10:5 essential 4:1,15 8:1 establish 3:8 exact 3:6 exercise 8:10 expenses 7:6 experiencing 7:17 expires 11:17 expo 7:9 express 2:12,15 expressed 8:11 extend 5:21 extreme 10:3</p>	<p>9:14,17,23,24 10:4 fellow 4:13 8:12 female 2:5,7 filar 1:9 11:5,16 financial 3:3,17 4:14,22 5:17,23 6:12 7:18 8:7 9:13,15,18 10:4 find 10:8 first 4:21 5:1 6:21 8:17 fix 4:21,22 flow 9:10 food 2:8 formation 7:10 forward 9:11 10:8 fuel 3:11 6:6,8 6:10 future 9:12</p>
d	e	f	g
<p>danger 4:8 data 3:5 9:16 day 2:4 4:12 7:2 days 6:14,17 deals 6:22 dedicated 8:8 degree 3:9,10 4:8 deliveries 5:6 delivery 5:2 denied 3:5 depending 9:9</p>	<p>e 5:5 earnings 6:1,5 eat 2:8 economy 4:1 5:11 efficiency 7:7 effort 7:7 efforts 3:2 elected 7:12 elements 3:17 endorsed 2:11 engineered 3:19 9:24</p>	<p>fact 6:6 facts 3:4 far 2:25 4:5 fashion 6:12 fear 8:18 9:6 feared 8:16 feature 7:10,11 federal 2:12,15 fedex 1:5 2:13,16 2:18,22,25,25 3:11,18,21,22 4:4,5,7,7,18 5:2 5:25 6:1,2,6,11 7:4,14,21 8:4,16 8:22,24 9:3,7,12</p>	<p>gathering 6:19 general 3:9,10 getting 3:7 give 8:13 given 2:23 6:13 10:4 goes 4:12 going 4:22,24 5:12 7:1,9,15 9:11 10:1 goods 7:2 ground 1:5 2:13 2:16,18,22,25 3:1,11,18,21,23 4:4,5,7,18 5:2,5</p>

[ground - owners]

5:25 6:3,6,11 7:4,14,21 8:5,16 8:22,24 9:3,7,17 9:23 10:4 ground's 6:1,2 9:12,14 groundbreaking 6:22	incredible 6:24 inflationary 5:13 integrity 9:8 intention 9:3 intervention 4:3 investment 9:9 9:11 invite 10:6 invited 3:1,1,2 issued 2:24	level 8:18 lighten 8:6 likes 5:17 line 5:7 living 3:20 losing 9:6 low 2:8 lows 6:4	n
h	invite 10:6 invited 3:1,1,2 issued 2:24	m	name 2:17 nashville 2:19 nationwide 2:6 natural 9:25 necessary 3:8 need 4:15,17,18 7:18 8:4,5 10:3 needs 8:11 negotiations 5:21 network 3:23 4:5,5,8 5:24 8:24 9:12,14 never 5:18 9:17 new 6:4 7:20,21 notary 11:5,17 notes 11:8 november 2:10 5:21 10:7
habit 9:19 half 7:9 hand 10:2 happened 3:22 haul 5:7 health 9:15 healthy 9:14 hear 4:11,13 7:19 9:15 10:2 hearts 7:22 heavy 7:25 help 4:15 7:16 7:18 hereinbefore 11:9 highlighted 6:5 history 4:11 9:2 hope 8:21 horizon 8:24 hotel 6:20	j jobs 2:10 journey 5:13 justified 4:3	macomb 11:3,6 11:17 magnitudes 4:3 main 6:21 making 7:7 male 2:3,9 mandate 3:17 margins 6:2,4 market 2:23 media 3:14 meet 8:5 10:4,7 message 8:13 michigan 11:2,6 middle 4:4 mile 5:2,8 million 2:9 minds 7:22 missiles 2:4 missing 5:19 model 9:24 moment 4:17,17 8:3,5,10 9:18 month 5:10 months 3:24 5:13 multibillion 6:23	o
i	keep 4:1 kind 8:22 know 5:15,16 6:1 8:20 9:4,7 9:21 knowing 7:20		obstacles 8:2 offered 6:24 once 5:15 ones 6:9 operate 5:23 operating 9:6 opportunity 7:21 8:10 outcome 9:22 outline 7:16 outright 3:5 outside 9:17 overcome 4:16 8:2 owners 7:23
immediate 8:24 impacting 2:24 important 3:16 increase 3:24,25 5:4,8 6:2 increases 5:9	l lack 3:15 lacked 4:19,21 4:23 largely 3:10 largest 2:18 4:10 8:19 las 6:19 lasted 3:24 leadership 8:10 length 1:8 letter 1:5 4:20,23 6:15 letters 2:24 4:19 4:21 5:19 8:15		

[panic - surcharge]

<p>p</p> <p>panic 4:9</p> <p>paperwork 3:13</p> <p>paris 6:20</p> <p>part 7:3,7</p> <p>passing 6:8</p> <p>path 4:14 10:8</p> <p>patton 2:17,17</p> <p>pendulum 9:25 10:2</p> <p>people 9:8</p> <p>percent 6:3,13 6:18</p> <p>peril 4:6</p> <p>pickup 5:2</p> <p>piece 5:19</p> <p>pieces 3:7</p> <p>place 11:9</p> <p>please 7:19 8:2,9 9:1,4 10:7</p> <p>plumb 6:4</p> <p>position 7:20</p> <p>power 7:1</p> <p>precedent 3:21</p> <p>price 6:25</p> <p>prices 2:6 7:3</p> <p>prior 4:19 8:15</p> <p>properly 7:14</p> <p>provide 4:24 8:3 8:7</p> <p>public 3:10 11:5 11:17</p> <p>published 3:14</p> <p>pummelled 2:4</p> <p>pump 2:6</p> <p>purchasing 7:1</p> <p>purpose 2:20</p>	<p>pushed 6:6</p> <p>putting 8:20</p> <p>q</p> <p>quarter 6:3</p> <p>quit 2:10</p> <p>quite 7:25</p> <p>r</p> <p>raj 7:19</p> <p>reaffirm 7:16</p> <p>reality 5:22</p> <p>realizes 4:6</p> <p>reassess 5:14</p> <p>reassessment 5:11</p> <p>recalibrate 5:14</p> <p>receive 3:17</p> <p>recession 5:12</p> <p>recognize 7:4 8:14 9:4</p> <p>recognizing 6:12</p> <p>recommended 2:12</p> <p>record 2:6</p> <p>relates 5:2</p> <p>release 6:1,5</p> <p>released 3:23</p> <p>relief 10:4</p> <p>rely 6:11</p> <p>renegotiate 3:2</p> <p>renegotiation 3:4</p> <p>request 5:3,7</p> <p>requests 2:21 3:4</p> <p>resolution 4:24</p> <p>resources 5:23</p>	<p>respond 4:18</p> <p>responsibility 11:11</p> <p>retaliation 8:16</p> <p>risk 9:5</p> <p>rooms 6:20</p> <p>route 2:11,13</p> <p>running 4:1 5:22</p> <p>runs 2:7 5:9</p> <p>russian 2:4</p> <p>s</p> <p>saw 6:4</p> <p>second 5:7 7:9</p> <p>secondly 4:23</p> <p>see 5:3 8:23 10:4</p> <p>seek 4:21</p> <p>seeking 4:13</p> <p>seen 6:2</p> <p>segment 3:16</p> <p>september 11:12</p> <p>serve 3:25 8:9</p> <p>served 4:15</p> <p>services 7:2</p> <p>severe 5:18</p> <p>share 3:6</p> <p>sheet 5:25</p> <p>shoulders 8:6</p> <p>show 8:3</p> <p>shows 8:21</p> <p>side 10:1</p> <p>sign 8:16</p> <p>signature 11:16</p> <p>signed 8:14</p> <p>silent 8:23</p> <p>sincerely 8:11</p> <p>sincerity 9:1</p>	<p>single 7:2</p> <p>six 3:24</p> <p>small 7:23</p> <p>smart 7:5,6 8:22</p> <p>soared 3:12</p> <p>solo 5:8</p> <p>space 9:9</p> <p>speak 7:12,13 9:5</p> <p>specific 4:21,23</p> <p>specifically 4:5</p> <p>spencer 2:17</p> <p>spiked 3:16</p> <p>sponsored 2:13</p> <p>stand 10:6</p> <p>state 11:2,6</p> <p>stated 11:9</p> <p>states 2:19,21 4:11 6:18 7:24 8:19</p> <p>stay 8:23</p> <p>stenographic 11:8</p> <p>step 8:6</p> <p>stop 5:3</p> <p>story 3:6</p> <p>street 4:6</p> <p>strived 8:1</p> <p>strong 3:4</p> <p>struck 6:23</p> <p>subramaniam 7:19</p> <p>suffering 3:9</p> <p>supervision 11:10</p> <p>supported 3:4</p> <p>surcharge 6:8</p>
--	---	--	--

[surcharges - yoke]

<p>surcharges 6:7 sustain 10:3 swing 10:1</p>	<p>u</p>	<p>whatsoever 2:15</p>
<p>t</p>	<p>undersigned 11:11 understood 4:7 unheard 7:3 unify 9:22 union 7:10 unionize 9:22 united 2:19 4:10 6:18 7:23 8:19 unprecedented 2:23 4:16 unseen 3:10 upper 10:2 use 7:2</p>	<p>widely 3:14 widespread 4:9 willing 8:16 win 7:22 8:8 9:24,24 wolf 4:11 9:19 9:20 word 10:6 workers 2:9 4:1 4:16 8:2 workforce 8:8 world 2:7 3:19 worse 4:3</p>
<p>take 8:2,5,9 taken 11:8 team 5:9 teeth 5:12 tell 4:12 10:2 ten 7:11,15 tennessee 2:19 tenure 8:9 thing 6:21 things 4:20 6:21 thousand 8:14 thousands 7:12 8:15 9:8 threat 8:23 tighten 7:5 time 5:10,14 6:3 9:18 11:9 timeline 4:24,25 5:20,20 timely 6:12 tone 9:1 tonight 2:5 transcribed 1:9 11:10 transcript 11:8 truck 3:14 trucks 3:15 true 10:6 11:7 two 2:24 4:19 6:21</p>	<p>v</p>	<p>y</p>
	<p>validated 8:11 vegas 6:19 viability 8:7 9:13 viable 9:11 video 2:20 3:8 4:20,23 6:16,17 8:13,18 vital 3:25 voiceover 2:3,5,7 2:9</p>	<p>year 3:12 years 8:1 yoke 7:25</p>
	<p>w</p>	
	<p>wage 3:12 wall 4:6 wanting 9:3 war 9:3 warranted 6:13 watching 8:13 way 7:14 8:20 10:8 we've 6:2</p>	

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

In Brief a Letter of Assurance

-----/

Length - 3:27

Transcribed by Andrea Filar - CSR-8349

1 * * *

2
3 "Route Consultant is not endorsed by and
4 is not recommended by Federal Express Corporation and
5 FedEx Ground. Route Consultant is not sponsored by, is
6 not approved by, is not associated with, and has no
7 connection whatsoever with Federal Express Corporation or
8 FedEx Ground."

9 MR. PATTON: The contractor network,
10 specifically the FedEx Ground network, is in far more
11 peril than what anyone realizes. If Wall Street
12 analysts, if FedEx corporate, and FedEx Ground understood
13 the degree to which the network is in danger, there would
14 be widespread panic.

15 As the largest contractor in the United
16 States, I have no history of crying wolf. Hear me when I
17 tell you that there is not a day that goes by that I do
18 not hear from my fellow contractors that are seeking a
19 financial path out of certain bankruptcy.

20 The contractors need help. We have
21 served as essential workers and have overcome
22 unprecedented challenges to arrive in this moment. And
23 now, in our moment of need, we need FedEx Ground to
24 respond to us.

25 Contractors in general are suffering to a

Page 2

1 degree that is largely unseen by the general public, and
2 to some degree FedEx Ground themselves. Our fuel costs
3 have doubled in less than a year. Our wage costs have
4 soared dramatically, as documented in our paperwork, as
5 well as widely published in the media. And our truck
6 costs and the lack of availability in trucks, have
7 dramatically spiked our cost in this important cost
8 segment for us. All of these elements mandate that we
9 receive financial compensation from FedEx Ground to
10 adjust contracts that were just not engineered for the
11 world in which we are living.

12 The timeline for our negotiations here
13 will extend through November 25th of 2022. The reality
14 is, contractors are running out of the financial
15 resources to be able to continue to operate this network.
16 Contractors do not boast the same 60 billion dollar
17 balance sheet that FedEx Ground has. We know from FedEx
18 Ground's recent earnings release that we've seen FedEx
19 Ground's margins increase by about 30 percent in the last
20 quarter, at the same time that Ground contractors saw
21 their margins plumb to new lows.

22 This FedEx model has always been
23 engineered to be a win/win dynamic, and it's natural that
24 sometimes the pendulum is going to swing from one side to
25 the other for who has the upper hand. But hear me when I

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

tell you that pendulum is at an extreme that cannot sustain. Contractors need to see FedEx Ground meet us here with financial relief given the environment that we are in.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CERTIFICATE
STATE OF MICHIGAN
COUNTY OF MACOMB

I, Andrea Filar, C.S.R. and Notary Public
in and for the County of Macomb, State of Michigan, do
hereby certify that the attached is a true, correct, and
complete transcript of my stenographic notes taken at the
time and place hereinbefore stated and they were
transcribed upon a computer under my direct supervision.
The undersigned assumes no responsibility for copies not
made under my direction or control. September 19, 2022



Andrea Filar, CSR - 8349
Notary Public, Macomb County
My Commission Expires: 10-01-2028

1	c	direct 5:10	ground 2:5,8,10 2:12,23 3:2,9,17 3:20 4:2
10-01-2028 5:17 19 5:12	c.s.r. 5:5 certain 2:19	direction 5:12	ground's 3:18,19
2	certificate 5:1	documented 3:4	h
2022 3:13 5:12 25th 3:13 26748 5:16	certify 5:7 challenges 2:22 commission 5:17 compensation 3:9	dollar 3:16 doubled 3:3 dramatically 3:4 3:7 dynamic 3:23	hand 3:25 hear 2:16,18 3:25 help 2:20 hereinbefore 5:9 history 2:16
3	complete 5:8	e	i
30 3:19	computer 5:10	earnings 3:18	important 3:7 increase 3:19
6	connection 2:7	elements 3:8	k
60 3:16	consultant 2:3,5	endorsed 2:3	know 3:17
8	consultant 2:3,5 continue 3:15 contractor 2:9 2:15	engineered 3:10 3:23 environment 4:3 essential 2:21	l
8349 1:9 5:16	contractors 2:18 2:20,25 3:14,16 3:20 4:2 contracts 3:10 control 5:12 copies 5:11 corporate 2:12 corporation 2:4 2:7 correct 5:7 cost 3:7,7 costs 3:2,3,6 county 5:3,6,17 crying 2:16 csr 1:9 5:16	express 2:4,7 extend 3:13 extreme 4:1	lack 3:6 largely 3:1 largest 2:15 length 1:8 letter 1:5 living 3:11 lows 3:21
a	able 3:15 adjust 3:10 analysts 2:12 andrea 1:9 5:5 5:16 approved 2:6 arrive 2:22 associated 2:6 assumes 5:11 assurance 1:5 attached 5:7 availability 3:6	f	m
b	balance 3:17 bankruptcy 2:19 billion 3:16 boast 3:16 brief 1:5	far 2:10 federal 2:4,7 fedex 2:5,8,10,12 2:12,23 3:2,9,17 3:17,18,22 4:2 fellow 2:18 filar 1:9 5:5,16 financial 2:19 3:9,14 4:3 fuel 3:2	macomb 5:3,6 5:17 mandate 3:8 margins 3:19,21 media 3:5 meet 4:2 michigan 5:2,6 model 3:22 moment 2:22,23
	d	g	
	danger 2:13 day 2:17 degree 2:13 3:1 3:2	general 2:25 3:1 given 4:3 goes 2:17 going 3:24	

[natural - year]

n	release 3:18 relief 4:3 resources 3:15 respond 2:24 responsibility 5:11 route 2:3,5 running 3:14	timeline 3:12 transcribed 1:9 5:10 transcript 5:8 truck 3:5 trucks 3:6 true 5:7
natural 3:23 need 2:20,23,23 4:2 negotiations 3:12 network 2:9,10 2:13 3:15 new 3:21 notary 5:5,17 notes 5:8 november 3:13	s	u
o	saw 3:20 see 4:2 seeking 2:18 seen 3:18 segment 3:8 september 5:12 served 2:21 sheet 3:17 side 3:24 signature 5:16 soared 3:4 specifically 2:10 spiked 3:7 sponsored 2:5 state 5:2,6 stated 5:9 states 2:16 stenographic 5:8 street 2:11 suffering 2:25 supervision 5:10 sustain 4:2 swing 3:24	undersigned 5:11 understood 2:12 united 2:15 unprecedented 2:22 unseen 3:1 upper 3:25
operate 3:15 overcome 2:21	t	w
p	panic 2:14 paperwork 3:4 path 2:19 patton 2:9 pendulum 3:24 4:1 percent 3:19 peril 2:11 place 5:9 plumb 3:21 public 3:1 5:5,17 published 3:5	wage 3:3 wall 2:11 we've 3:18 whatsoever 2:7 widely 3:5 widespread 2:14 win 3:23,23 wolf 2:16 workers 2:21 world 3:11
q	quarter 3:20	y
r	reality 3:13 realizes 2:11 receive 3:9 recommended 2:4	year 3:3

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Discussion of the Letter of Assurance to FedEx Ground

_____ /

July 20, 2022

Length - 50:32

Transcribed by Andrea Filar, CSR-8349

1 * * *

2
3 MR. PATTON: Welcome everybody to today's
4 Wednesday webinar. Certainly an interesting webinar
5 today. We are all throughout the media today. If you
6 have not seen the press releases that have come out from
7 our organization, we have a lot to talk about today.

8 For those of you that are new, that are
9 just stumbling into this webinar randomly, you have no
10 idea what you signed up for. This is not like a regular
11 webinar. We don't drill boring information into your
12 head here. We teach you, we teach you about FedEx Ground
13 contracting, we teach you about contracting with Amazon.
14 We try to help you and meet you where you're at. If you
15 are a prospective investor that is trying to figure out
16 if this is a good place to make an investment, if you're
17 a current contractor trying to figure out how to make
18 your business more profitable and use the best practices,
19 we have something here for you today. We try to have
20 something here for you each and every Wednesday that we
21 do this webinar.

22 My name is Spencer Patton. I'm based in
23 Nashville, Tennessee, and I'm one of the largest
24 contractors to FedEx Ground in the United States. I have
25 some 225 employees and 275 trucks on the road across 10

Page 2

1 different states. All that means is that I have found
2 ways to screw things up and mess them up over the years
3 and I teach out of the ways that I have made mistakes so
4 that way you hopefully don't have to make those same
5 mistakes.

6 So we are going to have some fun today,
7 I'm going to make you laugh today some. We're going to
8 have a couple dad jokes that are going to make you groan,
9 and that's just part of what we do here in this webinar.
10 You can count on it each week.

11 I got to do the only boring thing
12 especially today to read is the disclaimer, so let me
13 knock that out and then we'll get into today's content.
14 Route Consultant is not endorsed by and is not
15 recommended by Federal Express Corporation and FedEx
16 Ground. Route Consultant is not sponsored by, is not
17 approved by, is not associated with, and has no
18 connection whatsoever with Federal Express Corporation or
19 FedEx Ground.

20 All that means is that I am not an
21 employee of FedEx Ground. When I speak to you here
22 today, I'm speaking on behalf of myself, not of FedEx
23 corporate. There are some 6,000 FedEx Ground contractors
24 that I am privileged to speak on behalf of many of them,
25 as they have given me a platform to be able to help teach

1 and run events all across the country that, in just 30
2 days from today, we're going to have our annual Expo and
3 have more than half of all the contractors in the United
4 States come together under one roof in Las Vegas, Nevada.
5 We're taking over the entire Paris Hotel, some 3,300
6 rooms. So it is an exciting time and we are in full mode
7 of getting ready for that event and it's going to be a
8 big one.

9 The information I share with you today
10 will not be materially non-public information that you
11 can trade FedEx's stock price upon, but hopefully it will
12 be materially helpful information for you as you're
13 trying to figure out what this investment is all about,
14 or for my current contractors that are here, how to make
15 your business more profitable.

16 So let's get to the news of the day. So
17 the news of the day, we released a press release today
18 that featured a video and a letter. And the video and
19 letter in combination called for some financial changes
20 to come to the relationship between contractors and FedEx
21 Ground. We have had two prior letters this year in 2022
22 that came from other contractors. We did not write those
23 two prior letters, they were called letters of concern.
24 And they basically articulated different challenges that
25 were going on in the industry that we all kind of can

1 guess, based upon the changing cost dynamics that we've
2 seen so far this year. We've seen fuel prices double,
3 we've seen wage prices go way up, we've seen vehicle
4 costs go way up, and the availability of trucks go way
5 down. All of those things are complexities in our space
6 that make our margins tougher. So the need has been one
7 that has gotten more significant as the year has
8 progressed, and that's something that we speak to in our
9 video and our letter.

10 We're asking for two main things in this
11 public address is we're asking for a 50 cent per stop
12 increase for Ground and e-commerce package, or not
13 packages, but stops. So 50 cents for Ground and
14 e-commerce deliveries, the stops that we make. And for
15 line haul we're asking for a 20 cent per mile increase
16 for the compensation in the line haul world. So we've
17 assigned a timeline to this, we've given November 25th as
18 20, of 2022 to be able to have these discussions and
19 negotiations with FedEx Ground. It is something that I
20 clearly express on the video that the Ground network
21 needs this support.

22 And interestingly, FedEx Ground has
23 precedent for doing this in the past. Just in the middle
24 of 2020, about two years ago, we saw FedEx Ground do a
25 mid-contract adjustment where they elevated everyone's

1 compensation for a period of six months. And that was
2 because the conditions during COVID were extraordinary.
3 We were dealing with all of these new costs and
4 absenteeism and all of these dynamics that were in play.
5 And when you compare what was going on in 2020 to what's
6 going on now, you actually see a magnitude more of
7 disruption to the business. We're seeing, like I said,
8 fuel prices that have doubled. I can plot you a very
9 compelling chart that will show you fuel prices a year
10 ago and fuel prices now, and you're going to see it go
11 from the lower left of that chart to the upper right.
12 And that means that we have more cost in our business
13 that, ultimately, we need to see compensation for.

14 So the video and letter importantly
15 emphasize that this is not a declaration of war against
16 FedEx Ground. FedEx Ground has my immense gratitude and
17 appreciation for the opportunities that they have
18 provided some 6,000 FedEx Ground contractors across the
19 United States. This model has been around for 30 plus
20 years, so this is not like FedEx Ground is new to this,
21 nor are contractors new to this. There have been times
22 where the pendulum has swung between both parties, and
23 here we are seeing that dynamic in play where the
24 contractors need to see the pendulum from a financial
25 compensation perspective swing back their way.

1 So if you're interested in watching the
2 video or reading the letter, I'm sure we'll link to that
3 here in the chat so that way you can go and hear that in
4 its entirety. But the key message that I want you to
5 take away from it is I have a tremendous vested interest
6 here, I'm one of the largest contractors in the United
7 States. There is no one that wants to see routes do
8 better than I, but I also serve and work to steward the
9 small businesses, some 6,000 contractors that have given
10 me this platform, and so I take enormously seriously that
11 I have the lives, business-wise, financial, of a lot of
12 people across the United States at stake here, and I want
13 to make sure that we do a great job representing them and
14 advocating for their interest in a time where we can
15 support it from a business case and a data perspective,
16 all right. So that's the context for the news of the
17 day.

18 For those of you that are new here, we do
19 every single event, whether it's in-person or Zoom like
20 this, with open Q&A. It's one of the highlight features
21 that we do, but we also add a little twist to it. We
22 don't just do a dry Q&A where you just get in Zoom and
23 ask questions. We have a little fun with it, you know
24 we're going to. So we do a question of the day in every
25 Q&A that we do. I like to learn a little bit about you,

Page 7

1 you can learn a little bit about me, so here's how it
2 works. At the bottom of your screen there's a Q&A
3 button. Not the chat button, but the Q&A button. You
4 can populate questions there and Annalee and I are going
5 to answer questions for about half an hour today that can
6 cover what the news of the day is, but it can cover
7 anything else too, because all of you all are in
8 different steps in your FedEx journey and trying to
9 figure out what this space is about or for current
10 contractors trying to figure out how to make your
11 business more profitable.

12 So the question of the day that changes
13 each week, but the question of the day that you have to
14 answer is I want to know what is that favorite T-shirt
15 that is in your closet, you've been holding onto it way
16 too long, all right, but that shirt, we know, it's not
17 going anywhere. So I've got my favorite T-shirt in my
18 closet, Annalee has one too, I want to hear what it is.
19 Tell us what it is, give us a little story behind it, and
20 then we're going to answer your questions. If you answer
21 that question of the day for us, you're much more likely
22 to get chosen out of the list of questions that we have
23 submitted. So have a little fun with us, we'll have a
24 little fun with you, okay.

25 Let me welcome Annalee. Annalee is the

1 CEO of Route Consultant and helps run everything that you
2 see here. Annalee is going to go over some of our new
3 inventory that we have coming to market. Each week we
4 cover the new listings that are coming for review, so
5 Annalee will cover that and answer our question of the
6 day. So Annalee, take it away.

7 ANNALEE: All right, so I'll kind of
8 rapid fire through these. There is, we had ten new
9 listings on the P&D side this week. So two part carve in
10 North Chicago, Illinois. Six P&D routes and then a ten
11 P&D route slice respectively listed at 368 and 460 in
12 purchase price. Both operations come with spare
13 vehicles, both price, both price really well in like
14 around a 50 percent of revenue range. Great tenured
15 contractor with great transition support for that one as
16 well.

17 In Quincy, Illinois I've got five P&D
18 routes listed at 500 thousand. Low mileage territory,
19 really nice high-value fleet on that one. Spare vehicle,
20 or spare drivers available with that one so great
21 opportunity in Quincy.

22 In Alabama I've got two opportunities.
23 One in the East Birmingham area that's seven P&D routes
24 listed at 600 thousand. Management on that one, two
25 spare vehicles. Also potentially SBA eligible for this,

1 so if you're really looking for that SBA opportunity this
2 is a great one to check out. And then another
3 opportunity for you guys in Alabama that's eight P&D
4 routes listed at 600. Manager with that one, spare
5 vehicle. Also potentially a remote ownership opportunity
6 if you're looking for something like that. They've got
7 it structured that way now so it's a good opportunity to
8 see that continuity if that's the type of structure
9 you're looking for.

10 In Denver, Colorado we've got 17 P&D
11 routes listed at a million. Management in place on that
12 one. Again, also currently being operated remotely for
13 that opportunity. Vast majority of the fleet is 2016 or
14 newer, so nice, high-growth territory, really nice fleet
15 on that one. Also priced really well at 65 percent of
16 revenue.

17 In western North Carolina I've got nine
18 P&D routes listed at 500 thousand. That opportunity has
19 spare vehicles. It's a really dense CSA that's close to
20 the terminal, so if stem miles in today's fuel economy is
21 important to you that might be one you want to look at.

22 And then one more for P&D in Wilmington,
23 Massachusetts we've got eight P&D routes listed at 725.
24 Two spare vehicles on that one. Also looks like this one
25 may be SBA eligible, so again if that's of high

1 importance to you, you want to check that out.
2 Management in place on that one, a really tenured
3 contractor as well so you've got good continuity there in
4 the operations.

5 For line haul, I imagine this one will go
6 quickly, we've got eight line haul runs in Las Vegas,
7 Nevada listed at 3.6 million. It's three dedicated
8 solos, five unassigned solos. Management, spare driver
9 kind of supervisor. Really, really good staffing
10 structure there. Also available some seller financing on
11 that one, spare trucks, so again just kind of a really
12 nice looking opportunity in Las Vegas. I expect that one
13 will go really quickly, so if you've been waiting for
14 west coast line haul you'll want to move fast on that.

15 And then one Amazon opportunity for you
16 guys this week in Bedford, Ohio. It's roughly 30 DSP
17 routes. You know those fluctuate day to day and week to
18 week on the DSP side, but has three managers already in
19 place, seven spare vehicles, really efficient operation,
20 really good, clean, consistent financial records which we
21 also know is not always the case, so if that's of high
22 importance to you, you might want to check that out.
23 Really strong DSP with a great track record of service on
24 that one too. So learn from good quality. So that's
25 what I have for you guys in new inventory this week.

1 T-shirts, this was like a really hard one
2 because you know I always want to give like 12 answers,
3 but I pretty much actually have three T-shirts that I
4 wear. One of them is one of my like college dance
5 company T-shirts that that's like the one I hang onto
6 that has like literally holes in it, but it's so
7 comfortable that I will still wear it forever. I wear my
8 Route Consultant First Expo shirt all the time and I will
9 always hold onto that one. And then I just want to give
10 this shout out, even though I feel like it's really funny
11 because I work for like the largest FedEx contractor, I
12 myself am a FedEx contractor, but I'm going to give a
13 shout out to Jason Bone down in Georgia because I wear a
14 Bone Head Trucking T-shirt like almost every day because
15 he gave me one and it's the softest T-shirt I've ever
16 had. So shout out to you.

17 MR. PATTON: I have seen you do that a
18 lot. So Jason Bone, you are well represented here. I
19 don't know if Jason's on this webinar, but it, for those
20 of you all that don't know Jason, Jason is someone that
21 you need to know. He's an amazing contractor. And the
22 name of his company, because all contractors get to name
23 their businesses, Bone Head Trucking and, you know, I've
24 seen some great and clever names over the years. I've
25 also seen some people name their businesses horrible

1 names. I have named some of my businesses horrible
2 names, that that's neither here nor there, but I have
3 seen Jason's company well represented here in the office.
4 So for me --

5 ANNALEE: My own husband actually wears a
6 Bone Head Trucking shirt to our FedEx delivery operation
7 literally almost every day. So we're avid fans, Jason.

8 MR. PATTON: All right, so we'll get to
9 the Q&A right after mine. My, so my favorite shirt, so
10 my wife is a huge Harry Potter fan. She just loves Harry
11 Potter. I surprised her with a trip to Harry Potter down
12 to Universal Studios and she made a bunch of like dad
13 joke Harry Potter shirts that were just absolutely
14 terrible. And if you, if you know any Harry Potter stuff
15 they're, they're, like I can give you some amazing dad
16 jokes that you will particularly appreciate. So I just
17 like going around those because like if you're a Harry
18 Potter fan people will know and get the jokes, otherwise
19 people are just going to look at you like you're a big
20 nerd, because I am a big nerd and that's what it is. So
21 that's my go-to T-shirt because I just, I just love a
22 good dad joke to, to be able to go out there.

23 Annalee, can we start off with James
24 Flynn's question, because he, he asked an important one
25 and I want to, I want to get going on that. Is that

1 where you were going to start?

2 ANNALEE: I already picked that one,
3 that's where I was going to start.

4 MR. PATTON: Good. Look at that James,
5 you got two picks right out of the gate. Annalee and I
6 we didn't, we didn't even plan that.

7 ANNALEE: All right. So James, his
8 favorite T-shirt that he still wears is a Guinness
9 T-shirt that he got in, at St. James Gate in Dublin. So
10 that's a solid, that's a strong opener. I was going to
11 go with --

12 MR. PATTON: Maybe that's why I chose
13 James. I mean like the Guinness T-shirt from Dublin I, I
14 think that's, that's pretty legendary, so.

15 ANNALEE: Class act. James's question,
16 Spencer, and he just said also is grateful of course for
17 the leadership, thoughtful, deliberate, action-oriented,
18 so really appreciates the effort and the gesture there.
19 His questions is, do you have a specific call to action
20 request for contractors?

21 MR. PATTON: Yeah. So James, this is a
22 super important part. I'm glad you asked the question
23 because I need to cover one other part that is really
24 critical to the announcement today. So in 30 days from
25 today, as I mentioned, we're going to have our annual

1 Expo, and that is where more than half of the contractors
2 in the United States will be gathering under one roof.
3 And at that Expo we are going to form a committee. Not a
4 union, we're forming a committee. This committee will be
5 ten contractors. These ten contractors are going to be
6 elected by their peers of FedEx contractors.

7 So when we are at the Expo, we're going
8 to set up a camera and we're going to allow people to
9 nominate themselves to serve on that committee. Or you
10 can nominate someone else, but we're going to be able to
11 take your video. For those of you that can't come to the
12 Expo for one reason or the other, you can still nominate
13 yourself, we're going to encourage you to record a video.
14 And then after the Expo is over we're going to open up
15 about a week-long voting period and during that period
16 your vote on the elected committee is your action item,
17 effectively a signature that you are in support of the
18 committee and are showing solidarity with the thousands
19 and thousands of contractors that are putting their
20 effort behind the formation of this group.

21 So that call to action between now and
22 the Expo is two-fold. Number one, please share our
23 message. We recognize that while we have the name, phone
24 number, and e-mail address of every contractor in the
25 United States, not every one is going to hear this

1 message today. So please take this back to your
2 terminal, there's some 660 terminals across the United
3 States. Please take this message and make sure that
4 everybody is aware of what is going on.

5 And secondly, if at all possible, come to
6 the Expo. The Expo is free, there's no charge, we buy
7 all your food, all your drink, alcoholic, nonalcoholic,
8 all of it is covered. And we're going to show you a
9 great time and celebrate you as an entrepreneur out there
10 in a year that has had some tough reasons of looking for
11 a way to celebrate, okay. So we're going to have a great
12 time out there.

13 So that event will form, form that
14 committee, we'll have about a week-long election of the
15 top ten people that get the most votes will serve on that
16 committee, and then that committee coming out of the Expo
17 will really feature the best and elected contractors that
18 have a sphere of influence back in their home terminals,
19 because that's ultimately what got them elected was that
20 sphere of influence. So that's your call to action,
21 that's the next 30 to 45 day outlook of what we will be
22 forming and our game plan from here.

23 ANNALEE: Yeah, absolutely. Spencer,
24 next question comes from Kevin Van Cleave who said his
25 favorite T-shirt is hanging in the closet, it's an old

1 St. Louis Cardinals T-shirt. He thought he was finished
2 with it so he did some painting while wearing it and so
3 now it's got white paint all over a red shirt but he
4 still can't shake it, so.

5 MR. PATTON: I, I tell you, so I've got
6 operations in St. Louis. We, we, you know, that's one of
7 the heartbeat of our operations is there, and so from
8 time to time that I'm in town and there's a St. Louis
9 game going on, I don't know that there are more rabid or
10 knowledgeable baseball fans than Cards in St. Louis. I
11 mean I know I may like immediately offend people here
12 that are like, you know, maybe have something else to say
13 about the fan base, but I'm telling you, that group, they
14 know baseball, and so I always love seeing the games out
15 there.

16 ANNALEE: Spencer, Kevin's question is,
17 if you were a betting man what odds would you put on
18 Sundays being eliminated? He said, you know, three years
19 later the volume hasn't really materialized, what are
20 your thoughts on how likely that is?

21 MR. PATTON: Yeah, you know, I think
22 Sundays are really, really tough. They've always been
23 really tough because the volume on Sundays has just not
24 been there. Sundays, on average, are about 20 percent of
25 a regular delivery day, and the challenge is that when

1 FedEx opens the doors to their facilities, they're
2 getting full-blown costs as if it was any other day.
3 They've got to run all the electricity, all the lights,
4 all of the staff, everything, and they're doing it on a
5 fifth of the volume.

6 We have that same challenge is that we're
7 running routes and running less efficiently trying to
8 deliver on Sunday to win customers that value that Sunday
9 delivery, but it's not working. And, and from a UPS
10 perspective as you compare to what are other people doing
11 in the industry, you're seeing other players in the space
12 that are also calling it quits on Sunday. So I think
13 it's impossible for me to give you a percentage of saying
14 what does it look like on, on Sunday deliveries.

15 I do know, just as of last week, we saw
16 FedEx Ground, out of the 660 terminals, have about 40
17 that were rolled back to six day deliveries. So those 40
18 were more rural locations so I don't want to set your
19 expectations that that's going to expand, but one of the
20 things that I articulate in the letter is to have a
21 courageous reassessment of Sundays altogether, because
22 they're just not working, especially on a year-round
23 perspective. Like maybe there's an argument that says
24 during peak season we're running seven days a week. So
25 like December, we got to run Sundays. And we probably

1 have the volume to justify that, at least more so then,
2 versus the other eleven months out of the year.

3 So I'm going to encourage that
4 discussion, I'm going to support it with facts and data
5 and financial figures, and I hope that's going to lead
6 somewhere down that pathway.

7 ANNALEE: Right. Spencer, next question
8 comes from Matthew O'Brien. He said his favorite T-shirt
9 is from a place called the Regal Beagle. I did look it
10 up, it's either a bar or a dog grooming and boarding
11 facility and I'm not sure which one.

12 MR. PATTON: The Regal Beagle. I always
13 appreciate it when someone values alliteration in how
14 they name their business. Like when it just rolls off
15 the tongue well. See, and I, again I know I talked about
16 this ten minutes ago, but I'm just telling you, when you
17 name your business it goes on the side of your truck, it
18 goes on your shirt sleeve, and it goes on every pay stub.
19 And importantly, every governmental organization that you
20 talk to, like when you're calling for unemployment claims
21 or you're calling for tax reasons, they have to be able
22 to pronounce your business name. And I have made
23 horrible errors of thinking that I was cute in naming a
24 business something that was just miserably
25 unpronounceable. And I'd get on the phone and I'd have

Page 19

1 to spell it to somebody and it was just embarrassing
2 every time. So word to the wise, if you decide to be in
3 business with FedEx Ground and form your own business
4 entity, have it be short and sweet and pronounceable, all
5 right. That's, that, that is a nugget of advice that you
6 didn't have to pay for and is very valuable.

7 ANNALEE: There may be a Regal Beagle
8 Industries coming to, coming to a terminal near you soon,
9 so.

10 MR. PATTON: Regal Beagle, I like it. I
11 can even see the logo on that. Like it immediately pops
12 into my mind.

13 ANNALEE: Little dog ears, yeah.
14 Matthew's question, Spencer, is are the new contractors
15 or new contracts coming out, are you seeing that those
16 have higher pay for, you know, stops, deliveries, are
17 contractors basically seeing that lift to combat
18 inflation in new contracts and it's just contractors that
19 have older agreements that are behind?

20 MR. PATTON: You know, I, I think the new
21 contracts that I'm seeing are not having a substantial
22 enough adjustment for the financial realities that we
23 have seen change over the last 12 months. You know, just
24 a couple months ago FedEx Ground publicly came out and
25 implored their contractors to renegotiate. Because

1 that's actually a feature that we have, we can
2 renegotiate and we can ask for changes to the agreement.
3 And historically, those renegotiation requests, when you
4 properly document them, are granted.

5 But one of the things I mentioned in the
6 video is that my renegotiation request that I put a ton
7 of data and effort, I attached invoices, all of it to,
8 were denied. And that was right after FedEx Ground
9 implored their contractors to renegotiate and to make
10 those requests. So those two things just don't, don't
11 sit well with me in thinking about, you know, there's,
12 there's publicly being said to do this and I'm seeing
13 results that are different.

14 And so I think part of why this messaging
15 is here is that I want to see these adjustments made and
16 I really do think that FedEx Ground, upon seeing the data
17 and the analysis, will see the, the validity of those
18 adjustments, right. I mean it's, it's not a hard
19 argument to win in that if you, you know, point out ten
20 days ago that CPI came out at 9.1 percent. 9.1 percent.
21 So to say that the costs of doing business 12 months ago
22 and today is like, you know, kind of the same, like, you
23 know, roughly unchanged. It's like no, we've seen all of
24 these costs change.

25 And, and the good news is that is FedEx

1 Ground does have precedent for recognizing that. So I am
2 hopeful that this message, done in a way that is seeking
3 to find a common resolution, not an adversarial
4 resolution, and is supported with data, not emotion, is
5 going to get us some progress.

6 ANNALEE: Yep. Spencer, next question
7 comes from good old Dr. Dre, David Chronic, who said his
8 favorite T-shirt is an old 47 sports basic New York
9 Knicks T-shirt that just says New York on it. Classic.

10 MR. PATTON: You know, Mr. Chronic, I can
11 absolutely see you in that. Like I, I, I, that is a,
12 that's right on. I think that is perfect. That,
13 unfortunately the overwhelming majority of this webinar
14 has no idea what you look like so like there's, you know,
15 200 different ideas of what you look like as a New
16 Yorker, but that is going to fit perfectly.

17 ANNALEE: Yeah. Question, Spencer, that
18 got a couple people of course asking this but, you know,
19 what do you feel like the real incentive is right now,
20 you know, for FedEx to take action as in, you know, you
21 say in the letter kind of November 26th; what, what
22 happens if, if we don't see action?

23 MR. PATTON: Yeah. I think the mindset
24 is FedEx Ground has no network without its contractors.
25 You know, we are the whole network. And, and what has

1 always allowed me to put my head down on the pillow at
2 the end of the day is that FedEx Ground has to ensure the
3 financial viability of being a contractor, right.

4 Because a lot of people ask me, well Spencer, what if
5 FedEx just woke up one day and decided to cut everybody's
6 pay by 40 percent, like could they do that and what would
7 happen?

8 So the reality is with 6,000 of us, we
9 have about, between 100 and 125 thousand trucks on the
10 road every day. FedEx Ground does not have trucks on the
11 road. They don't have drivers. So the network is
12 entirely made up of contractors. So I think the
13 incentive that they have to act is it is clear that the
14 level of distress of contractors has significantly
15 elevated so far this year. And, and we're seeing a
16 number of contractors that are failing and are
17 experiencing financial trouble, even amongst the backdrop
18 of knowing that e-commerce five years from now is going
19 to be massively bigger in our economy than where it is
20 today. So like when you have a three and five-year
21 outlook, you have a really positive top-line revenue
22 growth outlook that anyone's going to be excited over.
23 But the reality is that it still has to be financially
24 viable along those steps.

25 FedEx has been very focused on trying to

1 add to their margin figures, and that's one thing that I
2 talk about in the video is that their last quarterly
3 report saw a substantial expansion of the company's
4 margins. And so I think there's a lot of incentive to
5 act because there isn't a network without their
6 contractors. And FedEx Ground has no interest in going
7 out of business, right, I mean that is not their
8 objective. So it is 100 percent a balance, like any
9 business discussion, between FedEx Ground's obligation,
10 first and foremost, is to its shareholders is to make a
11 profit and return capital. That is any publicly traded
12 company's highest and best priority.

13 But we are the wheels that make that
14 happen, and the vehicle doesn't roll without the wheels.
15 So we've got to find a way to have a win/win dynamic that
16 has defined this business for decades. Is, it is, it has
17 very much been a win/win dynamic and we've just got to
18 get back to that.

19 ANNALEE: That's right. Spencer, next
20 question comes from Xander Wool who said his favorite
21 T-shirt is from a fundraiser he was a part of when Bud
22 Forester retired from Virginia Tech. So it's a like
23 campus, campus T-shirt there.

24 MR. PATTON: I love it. I love it.

25 ANNALEE: That's cool. And the question,

1 Spencer, is so obviously nobody has a crystal ball, but
2 how do you see kind of market conditions affecting
3 purchase prices of routes? You know, obviously crypto,
4 auto prices, you know, real estate, kind of speculations
5 on price drops. Do you feel like the routes will be more
6 resistant, you know, given this information, do you, do
7 you experience, or do you anticipate any drops, what are
8 your thoughts?

9 MR. PATTON: We saw in the fourth quarter
10 of 2020 the high of the value of a FedEx route, okay.
11 That's, that's when we hit the market high. So there had
12 been years and years and years worth of building value of
13 the routes, that peaked in the fourth quarter of 2020.
14 Since then we've seen about a 15 percent pullback on the
15 value of routes because of exactly the things that
16 Annalee just mentioned. There is more economic
17 uncertainty, you have rising interest rates, you have the
18 stock market that has declined meaningfully. All of
19 these things are going to impact us too.

20 And that's something that I mentioned in
21 the video and the letter is we as contractors are doing
22 everything that we can to tighten our belt too. We are
23 finding efficiency, we are announcing at our Expo, we are
24 going to be talking about the collective pooling of our
25 purchasing power and being able to save money that way.

1 So we are really looking and turning over every stone for
2 cost savings, but we've got to have top line revenue
3 growth as well.

4 Again, my outlook over the long term is
5 very positive for this space. E-commerce is going to
6 grow and this business is a pure play on e-commerce. So
7 what I really think has happened is we have seen the
8 fastest macro economic change in the last 40 years happen
9 in nine months. It's just unprecedented. And the kind
10 of size of the ship that has to turn here, because
11 remember, FedEx Ground is a 60 billion dollar business
12 collectively. Publicly traded companies are not known
13 for their speed of maneuvering, right, is that it takes a
14 while to turn a big ship. So it is time though to turn,
15 okay. And that's the clear part of the message is that
16 we've had time to see that this was not just a one-off
17 blip that Russia invades Ukraine, crude oil spikes 110
18 and then drops back to 50. That's not the narrative.
19 This cost dynamic is not going anywhere in the near
20 future and it's time to adjust.

21 ANNALEE: That's right. Spencer, I've
22 got a handful of kind of buyer questions here but, you
23 know, I'm going to do this one. And it's actually
24 anonymous but it is a good question and I got a couple
25 people getting at this, but their T-shirt is an Aerosmith

1 World Tour 2000 T-shirt. I think that's pretty cool.

2 MR. PATTON: You know they're cool. I
3 mean they're anonymous, that, like they're so cool they
4 won't even give their name, right. It's like that's, you
5 know that's a cool person.

6 ANNALEE: This could be Steven Tyler.
7 This could be Steven Tyler, I think there's a chance.
8 The question, Spencer, is so just for a prospective
9 investor, you know, with, with what you're talking about
10 obviously with the performance of the routes themselves,
11 like put it into perspective why you should still be
12 bullish on the space. I know you just touched this on a,
13 touched on this a little bit but just address it
14 specifically for a buyer looking at the space.

15 MR. PATTON: Yes. So when you're looking
16 at investments out there, right, you're trying to find
17 what, you know, what is my appeal. So the appeal for
18 FedEx routes, and I, I've talked about this for years and
19 years, is a couple fold.

20 Number one, we are expecting top-line
21 revenue growth over the next three to five years. I just
22 talked about that several times so I won't beat that dead
23 horse. But that is an appreciation of the equity value
24 of your business. The equity value appreciation has a
25 separate calculus from the operating income of the

1 business. There's times where the equity value is
2 increasing and the operating income isn't doing much,
3 there's times where the operating income is increasing
4 and the equity value is catching up. Those things go
5 back and forth. Right now our operating income needs to
6 have an adjustment. So if you're looking in investments
7 and you're saying you know what, I could buy in real
8 estate or I could buy in the stock market or I could, you
9 know, invest in all these different places, what I've
10 always seen as so compelling in this space is FedEx
11 Ground has shown that investing in routes has been a
12 great way to be able to not get rich, right, but to make
13 a solid earning for yourself and to build equity value.
14 And, if you prove yourself as a worthy contractor, you'll
15 likely be given opportunities to grow and you'll be able
16 to grow in multiple terminals and now I'm across ten
17 different states.

18 So you'll have those opportunities, but
19 it has to maintain that operational income along the way.
20 And, and we've just seen a dislocation of that to where
21 does it affect every single person's routes? No, it
22 probably doesn't affect every single person's routes, but
23 it affects a meaningful percentage. So you've got to
24 have a little bit of vision in being able to invest and
25 recognize that hey, you're getting a discount, but I am

1 also advocating, and, and I expect that FedEx Ground
2 should come with financial relief. And if we see that,
3 you're going to see routes that are going to restore like
4 that to values that we saw in the fourth quarter of 2020.

5 But we're going to have to see that
6 operating income because the other pathway is available
7 too. And, and, and that's one that none of us want to go
8 down from a operating income or equity value standpoint,
9 we do not want to see the network have to go through that
10 type of shock.

11 ANNALEE: Yep. Spencer, market update
12 question here from Akemi Nash who said they're rocking an
13 old Batman shirt that they borrowed from a friend over a
14 decade ago and never returned. That is such a epic move,
15 okay.

16 MR. PATTON: That is incredible.

17 ANNALEE: Oh my gosh. And this is like
18 in the archives. I hope that friend happens to be a
19 FedEx contractor and they're watching like wow, I never
20 got that shirt back. So Akemi's question, Spencer, is
21 he's heard rumors of FedEx assuming, FedEx Ground
22 assuming the Express volume. What do you think the
23 likelihood of that is?

24 MR. PATTON: Yeah. That, so that's been
25 publicly disclosed and was really highlighted just a

1 handful of weeks ago when FedEx did their annual investor
2 meetings, is the publicly disclosed information is that
3 Express is going to be significantly integrated into
4 Ground. And that's important for us as ground
5 contractors because our profitability is synonymous with
6 stop density. That's really what pays the bills for us
7 is when you go into a subdivision and there's 100 homes
8 in a subdivision, you want to be delivering to a dense
9 number of those homes. You're more profitable if you're
10 delivering to 13 than you are 9. But if you go into a
11 subdivision and you're just delivering to a couple you're
12 not getting that density. So Express being rolled into
13 Ground is a really favorable thing for us in that it
14 improves our stop density, so that way when we go into a
15 location there's a better chance that we're going to have
16 a Ground box but we're also going to have an Express box.

17 And by the way, Express boxes tend to be
18 substantially smaller and lighter than Ground boxes. So
19 that's another piece that is favorable for us is that we
20 don't want the big items. We want small, lightweight
21 packages that fit on shelves and don't injure our drivers
22 as much as possible. So that Express piece is something
23 that FedEx has first announced about two years ago and
24 has continued to emphasize, it's been an important part
25 of our messaging.

1 And it's, again, why I have a positive
2 three and five-year outlook is that the growth is here.
3 E-commerce growth and the integration of Express into
4 Ground, we've just got to fix this dislocation, right.
5 We've broken our arm here and, you know, we need a cast.

6 ANNALEE: Yeah. Spencer, I've got a
7 couple new buyer questions also coming in here. So, and
8 then I love this too, Mike Carter is actually our number
9 two for an old Batman T-shirt. So I thought that was
10 very appropriate that we actually have two votes, there's
11 two people out there --

12 MR. PATTON: Batman's in the lead, yeah.
13 Okay.

14 ANNALEE: Batman T-shirt. Also it's
15 cute, he says he bought one and then bought his son a
16 matching one and they coordinate together, so that's very
17 cute. This is a stock purchase question, Spencer, but
18 if, if they are looking at potentially doing a stock
19 deal, what type of additional due diligence or
20 contingencies do you recommend? I know you're not an
21 attorney. And then also if they're looking for an
22 introduction to the attorneys that we typically
23 recommend, how does he go about getting that?

24 MR. PATTON: Yeah. So we have third
25 party attorneys that we refer people to all the time so

1 we'd be happy to make referrals out so that way you can
2 be represented by counsel and make sure that they look at
3 that. Because as Annalee properly disclosed we're not
4 attorneys.

5 You know, you know from hearing my
6 content, and I can tell by probably the phrasing your
7 question, I strongly prefer an asset purchase agreement
8 whenever possible. Stock purchase agreements generally
9 do not serve the buyer or the seller. But especially
10 they don't serve the buyer. And the reason why is that
11 as a buyer, you are inheriting, when you purchase the
12 stock, all known and unknown liabilities of that
13 business. So if they have some old employment claim or
14 some wage claim or some workers' compensation thing that
15 rears its head, that's on you now when you have the stock
16 of the business. When it's an asset purchase agreement
17 you get a completely clean slate, so you do not carry
18 forward any of that past baggage.

19 And on top of it from a tax reason, when
20 you buy the stock of a business you inherit their assets
21 in whatever depreciation state from a tax standpoint that
22 they come in. So if you bought a truck for 100 thousand
23 dollars and you depreciated it to zero, in a stock
24 purchase agreement you get that truck at a zero value,
25 meaning you have nothing to depreciate. But when you do

1 an asset purchase agreement you get to reset that truck
2 up to a level, up to a value that is fair market, and
3 then you get to benefit from the depreciation of that
4 truck, which saves you tax dollars.

5 So I'm going to strongly advocate for
6 that asset purchase agreement, but in any case, if
7 there's an extremely compelling reason why it needs to be
8 one or the other, there's great outside counsel that will
9 be able to help you navigate through that process. So
10 just reach out to anybody on our team, we'll be able to,
11 to get that referral made for you.

12 ANNALEE: That's right. Next question
13 comes from Damian Hessler who's rocking an old Cincinnati
14 Reds shirt and wants to know, first off thank you for the
15 letter and the video today, Spencer. And then the
16 question is, do you think that getting the letter in not
17 only just FedEx's hands but also the board members is, is
18 a path that you're kind of pursuing there, do you think
19 that will have an impact?

20 MR. PATTON: Yeah, well listen, I think
21 it's made a lot of news today. So I would expect that
22 this is going to make the rounds of a lot of FedEx
23 executives. You know, we've worked hard to try to make
24 sure that this is a message that is circulated amongst
25 contractors and circulated amongst FedEx Ground.

1 Again, there is not a threat in this
2 letter and, very intentionally. It wasn't as if the
3 letter said, you know, do this by November 26th or we're
4 parking the trucks, right. That is not in that letter.
5 So what I'm hopeful for is that we're going to see a, an
6 easy and clear resolution that, you know, easy is
7 probably the wrong word, but a clear resolution that
8 restores the financial viability of what we're asking
9 for.

10 So yeah, I think it will make it to the
11 board, I think it will make it to the executives there.
12 They clearly care about the FedEx Ground network, as do
13 we. We all care. So I think if we can come together in
14 that way we can restore this to being a win/win balance
15 which that's, that's really certainly what, what I think
16 everybody is, is after here.

17 ANNALEE: Yeah.

18 MR. PATTON: So Annalee, we've been
19 running questions for, you know, 40, 45 minutes so let's
20 do like a five-minute lightning round, we'll kind of skip
21 over the T-shirt stuff and just try to get through as
22 many questions as we can for, for today. Unless you have
23 like a super good T-shirt and I can tell by your
24 reaction.

25 ANNALEE: Yeah. I go to do one. I got

1 to do one more and then we can lightning.

2 MR. PATTON: Okay. Okay.

3 ANNALEE: So this one is from Kara
4 Kearney who said she tends to wear, every peak season,
5 specifically a shirt that has a bar code on it that says,
6 "It's all fun and games until someone misses a scan."

7 MR. PATTON: Amazing. See, you came for
8 the dad jokes and we, we, you know, I've got everybody on
9 board for the dad jokes. Thank you for that. That
10 filled my day. That's a perfect T-shirt one to end on
11 right there.

12 ANNALEE: Had to. And it's also, it's an
13 important kind of statement and question here. So she's
14 in multiple terminals and has helped other contractors
15 run contingency, and ultimately has been experiencing all
16 the things that you talked about earlier today and, and
17 in the statement, in the letter. And, and really the
18 question here, so she said there's, for her, a particular
19 region where she really does fear retaliation if she were
20 to kind of participate, others where she's less
21 concerned. But if, if the committee gets formed, you
22 know, just what are, what are your thoughts and fears on
23 the concept of retaliation? Any ideas on how at a local
24 level they could protect themselves from retaliation if
25 they, if they agree and want to be part of it?

Page 35

1 MR. PATTON: Yeah. Listen I, you know, I
2 have reviewed the agreement extensively, as you can
3 imagine. There is nothing in the agreement that
4 prohibits the formation of a committee, nothing of any
5 sort of type in there. And at the end of the day, all I
6 can do as a leader is say that I will be the first out of
7 the trench, right. I will put myself out there first,
8 I've clearly done that. And as I said in the video, I
9 don't do that without some level of fear myself, right.
10 I have an enormous amount at stake here. I have more
11 FedEx routes than anybody else in the country, I've, you
12 know, have a lot to lose. And so I do not want to be
13 retaliated against FedEx, by, by, you know, I don't want
14 to be retaliated against from FedEx Ground.

15 So that's where I really believe in the
16 formation of this committee to say that we are going to
17 broaden out so that it's not just the Spencer Patton
18 story or it's not just the XYZ contractor story. This is
19 a larger national story, this is a bigger narrative.
20 And, and so I think if we can broaden that out and not
21 have it be just the story of one, you know, contractor
22 that, you know, the narrative could shift and say oh,
23 well they're disgruntled or they have ulterior motives.
24 That, that's not the case. And I think the data and our
25 efforts will prove that out. So you will see us work

1 tirelessly to win that narrative and, and to show that
2 we're not trying to be greedy here either, you know.
3 Asking for 50 cents a stop and 20 cents a mile on line
4 haul is, is supported by the, the data and the facts and
5 figures. And some of you that are watching here today
6 may not have a context for whether 50 cents is a lot or a
7 little, but there's great precedent for FedEx Ground
8 paying in that ballpark type figures and it's a
9 reasonable number that is meaningful for contractors but
10 also not outlandish in the request.

11 ANNALEE: Yeah. Spencer, next question
12 from Mike Walnick who is rocking a Hide and Seek Champion
13 T-shirt with a photo of Sasquatch. Wants to know if we
14 have any contacts for people that are looking to purchase
15 vehicles. He said they've been upgrading their fleet so
16 they've got like eight to ten trucks for sale. He said
17 they're going to list on Hello truck marketplace,
18 Facebook, mygroundbiz, but any other recommendations?

19 MR. PATTON: Yeah. We, we have a fleet
20 manager here on staff that helps people with that. We
21 have, as you can imagine, a lot of relationships with
22 dealers across the country that are very, very hungry for
23 used trucks, so I think you will have outstanding success
24 listing in, in the Hello Truck marketplace that you just
25 mentioned, in our Facebook group. There's, you know,

1 3,000 FedEx contractors in that group so that's going to
2 be a target rich environment. We'll be happy to help you
3 through that process too. So you mentioned all the right
4 things there as, as you're looking to maximize the value.

5 And for those that are really thinking
6 about your fleet strategy right now, there has never been
7 a better time to sell used vehicles. This is the
8 absolute peak that we will probably ever see in used
9 vehicle values, so it's a great time to be talking fleet
10 strategy, talking to us on Hello Truck Lease, buying new
11 vehicles, whatever it is, it's a great time to do it and
12 be trading in.

13 ANNALEE: Perfect. Spencer, next
14 question comes from David Daniel whose favorite is an old
15 Rocky boxing movie shirt, that's a classic, and wants to
16 know, have you heard anything back from FedEx Ground yet
17 regarding the post? I know it just was posted, but.

18 MR. PATTON: Yeah, not yet. Not yet.
19 So, you know, it's only been out there for, you know,
20 four hours, four and a half hours, so it's been a short
21 period of time. I've been on this webinar for almost an
22 hour so who knows, I may pick up my phone and, you know,
23 there could be any number of different things that await
24 me when I unlock my phone. But I, I haven't heard
25 anything yet. I certainly will update as, as I do.

1 ANNALEE: Absolutely. Spencer, I've got
2 one Amazon question here just on Amazon financing which
3 I, you know, I'm happy to speak to as well. But Vikram
4 said, and also thank you for the letter, but said his
5 best T-shirt's an Atlanta Peach Tree Road Race he got
6 from running a few years ago. Don't run races anymore
7 but he holds onto it for the good memory. And wants to
8 know if, if we've seen any bank financing be viable for
9 Amazon DSPs. But I'm actually happy to speak to that one
10 if you want.

11 MR. PATTON: Yeah, yeah. You take that.
12 Yeah, take that Annalee.

13 ANNALEE: Yeah. So, you know, as it
14 stands right now so we do have a couple lenders that
15 we're working with that are underwriting loans on some of
16 the SBA deals, or on the Amazon deals. The thing that I
17 would tell you is kind of a, the big part is Amazon does
18 not want us to have basically financing contingencies in
19 that, in that purchase agreement, so. And, and really
20 it's kind of too uncertain I think in the lending space
21 right now for that to be super viable. So we can set you
22 up with a lender that can pursue, you know, an SBA loan
23 on a deal, but there needs to be kind of a backup plan.
24 There needs to be some sort of cash or cash and seller
25 financing alternative so that the deal's not actually

1 contingent upon that financing, because it's just, it's a
2 lengthy process, it's a lot of time and energy for all
3 parties involved, and it's still so uncertain.

4 So not to say that it's not possible but,
5 you know, you would really only want to proceed if you're
6 able to come to terms with the seller on sort of a
7 contingency plan in the event that they're, that the SBA
8 loan does not come through, so that's an important piece
9 there.

10 MR. PATTON: Yeah. Annalee, let me wrap
11 it up with, with, with this today because I want to take
12 a moment to, to kind of conclude with this. First off,
13 let me say, for those of you that are here and my e-mail
14 and text messages, my Facebook, my Linked In, has just
15 exploded over the last four and a half hours and I cannot
16 tell you how much I appreciate the messages that you are
17 sending my way. It is incredible.

18 We small business owners are the economy,
19 all right. 99 percent of every job in the United States
20 is created by a small business owner, okay. And that is
21 a true, accurate statistic that you can Google. 99
22 percent of all jobs. We are the entire U.S. economy.

23 I have really appreciated this
24 opportunity to use a platform that I've spent ten years
25 building, but you have afforded me that platform and I

1 take that incredibly seriously. I have thought long and
2 hard, I have taken phone calls every single day of 2022
3 from contractor after contractor after contractor. So
4 know that I will never ask anybody to do anything that I
5 am not willing to do myself. I feel like that's one of
6 the first and most important principles of leadership and
7 I will strive to execute on that and on your behalf.

8 Those of you that are looking to take
9 action alongside of me here, again, my ask is two-fold.
10 Number one, please share our communications. There are
11 about 660 FedEx Ground terminals across the United States
12 and a lot of contractors that need to hear this message,
13 but won't for one reason or another. So please take that
14 opportunity to share this.

15 For those of you that are able to come to
16 the Expo, we're trying to relieve every financial burden
17 related to that by making it free and covering your food
18 and covering your drinks and all of that. I know there's
19 still a plane ticket or a drive involved for some of you,
20 but we would really love to have you there.

21 For those of you that are service minded,
22 please consider serving and nominating yourself for the
23 committee. Or if you know someone that should be
24 nominated we're going to be accepting nominations
25 starting at the Expo. Again, you don't have to be at the

1 Expo to be nominated, but we'd really love to have you
2 there. This committee is going to shape the very future
3 of our network and we would love to have those that are
4 particularly influential or have particularly favorable
5 and strong ideas for execute upon, we'd love to have you
6 be part of it.

7 But first and most importantly out of all
8 of this I just want to say thank you. The support has
9 been overwhelming and has meant the world to me today in
10 what is clearly a scary day. And I think you all can
11 understand that mindset that there's nothing done without
12 some level of risk and it means a lot to me that you all
13 support me through that and I will be right here
14 supporting you every step of the way.

15 So I appreciate everybody. Thank you for
16 coming today. And as always I will see you all same
17 time, same place, next week. Take care everybody.

18
19
20
21
22
23
24
25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CERTIFICATE
STATE OF MICHIGAN
COUNTY OF MACOMB

I, Andrea Filar, C.S.R. and Notary Public
in and for the County of Macomb, State of Michigan, do
hereby certify that the attached is a true, correct, and
complete transcript of my stenographic notes taken at the
time and place hereinbefore stated and they were
transcribed upon a computer under my direct supervision.
The undersigned assumes no responsibility for copies not
made under my direction or control. September 19, 2022



Andrea Filar, CSR - 8349
Notary Public, Macomb County
My Commission Expires: 10-01-2028

1	368 9:11	absenteeism 6:4	agreements 20:19 32:8
10 2:25	4	absolute 38:8	akemi 29:12
10-01-2028 43:17	40 18:16,17 23:6 26:8 34:19	absolutely 13:13 16:23 22:11 39:1	akemi's 29:20
100 23:9 24:8 30:7 32:22	45 16:21 34:19	accepting 41:24	alabama 9:22 10:3
110 26:17	460 9:11	accurate 40:21	alcoholic 16:7
12 12:2 20:23 21:21	47 22:8	act 14:15 23:13 24:5	alliteration 19:13
125 23:9	5	action 14:17,19 15:16,21 16:20 22:20,22 41:9	allow 15:8
13 30:10	50 5:11,13 9:14 26:18 37:3,6	add 7:21 24:1	allowed 23:1
15 25:14	500 9:18 10:18	additional 31:19	alongside 41:9
17 10:10	6	address 5:11 15:24 27:13	alternative 39:25
19 43:12	6,000 3:23 6:18 7:9 23:8	adjust 26:20	altogether 18:21
2	60 26:11	adjustment 5:25 20:22 28:6	amazing 12:21 13:15 35:7
20 1:8 5:15,18 17:24 37:3	600 9:24 10:4	adjustments 21:15,18	amazon 2:13 11:15 39:2,2,9 39:16,17
200 22:15	65 10:15	adversarial 22:3	amount 36:10
2000 27:1	660 16:2 18:16 41:11	advice 20:5	analysis 21:17
2016 10:13	7	advocate 33:5	andrea 1:10 43:5 43:16
2020 5:24 6:5 25:10,13 29:4	725 10:23	advocating 7:14 29:1	annalee 8:4,18 8:25,25 9:2,5,6,7 13:5,23 14:2,5,7 14:15 16:23 17:16 19:7 20:7 20:13 22:6,17 24:19,25 25:16 26:21 27:6 29:11,17 31:6,14 32:3 33:12 34:17,18,25 35:3 35:12 37:11 38:13 39:1,12,13 40:10
2022 1:8 4:21 5:18 41:2 43:12	8	aerosmith 26:25	
225 2:25	8349 1:10 43:16	affect 28:21,22	
25th 5:17	9	afforded 40:25	
26748 43:16	9 30:10	ago 5:24 6:10 19:16 20:24 21:20,21 29:14 30:1,23 39:6	
26th 22:21 34:3	9.1 21:20,20	agree 35:25	
275 2:25	99 40:19,21	agreement 21:2 32:7,16,24 33:1 33:6 36:2,3 39:19	
3	a		
3,000 38:1	able 3:25 5:18 13:22 15:10 19:21 25:25 28:12,15,24 33:9 33:10 40:6 41:15		
3,300 4:5			
3.6 11:7			
30 4:1 6:19 11:16 14:24 16:21			

[announced - business]

<p>announced 30:23 announcement 14:24 announcing 25:23 annual 4:2 14:25 30:1 anonymous 26:24 27:3 answer 8:5,14 8:20,20 9:5 answers 12:2 anticipate 25:7 anybody 33:10 36:11 41:4 anymore 39:6 anyone's 23:22 appeal 27:17,17 appreciate 13:16 19:13 40:16 42:15 appreciated 40:23 appreciates 14:18 appreciation 6:17 27:23,24 appropriate 31:10 approved 3:17 archives 29:18 area 9:23 argument 18:23 21:19 arm 31:5 articulate 18:20</p>	<p>articulated 4:24 asked 13:24 14:22 asking 5:10,11 5:15 22:18 34:8 37:3 asset 32:7,16 33:1,6 assets 32:20 assigned 5:17 associated 3:17 assumes 43:11 assuming 29:21 29:22 assurance 1:5 atlanta 39:5 attached 21:7 43:7 attorney 31:21 attorneys 31:22 31:25 32:4 auto 25:4 availability 5:4 available 9:20 11:10 29:6 average 17:24 avid 13:7 await 38:23 aware 16:4</p> <p style="text-align: center;">b</p> <p>back 6:25 16:1 16:18 18:17 24:18 26:18 28:5 29:20 38:16 backdrop 23:17</p>	<p>backup 39:23 baggage 32:18 balance 24:8 34:14 ball 25:1 ballpark 37:8 bank 39:8 bar 19:10 35:5 base 17:13 baseball 17:10 17:14 based 2:22 5:1 basic 22:8 basically 4:24 20:17 39:18 batman 29:13 31:9,14 batman's 31:12 beagle 19:9,12 20:7,10 beat 27:22 bedford 11:16 behalf 3:22,24 41:7 believe 36:15 belt 25:22 benefit 33:3 best 2:18 16:17 24:12 39:5 better 7:8 30:15 38:7 betting 17:17 big 4:8 13:19,20 26:14 30:20 39:17 bigger 23:19 36:19</p>	<p>billion 26:11 bills 30:6 birmingham 9:23 bit 7:25 8:1 27:13 28:24 blip 26:17 blown 18:2 board 33:17 34:11 35:9 boarding 19:10 bone 12:13,14,18 12:23 13:6 boring 2:11 3:11 borrowed 29:13 bottom 8:2 bought 31:15,15 32:22 box 30:16,16 boxes 30:17,18 boxing 38:15 broaden 36:17 36:20 broken 31:5 bud 24:21 build 28:13 building 25:12 40:25 bullish 27:12 bunch 13:12 burden 41:16 business 2:18 4:15 6:7,12 7:11 7:15 8:11 19:14 19:17,22,24 20:3 20:3 21:21 24:7 24:9,16 26:6,11 27:24 28:1</p>
--	--	--	--

[business - connection]

<p>32:13,16,20 40:18,20 businesses 7:9 12:23,25 13:1 button 8:3,3,3 buy 16:6 28:7,8 32:20 buyer 26:22 27:14 31:7 32:9 32:10,11 buying 38:10</p>	<p>catching 28:4 celebrate 16:9 16:11 cent 5:11,15 cents 5:13 37:3,3 37:6 ceo 9:1 certainly 2:4 34:15 38:25 certificate 43:1 certify 43:7 challenge 17:25 18:6 challenges 4:24 champion 37:12 chance 27:7 30:15 change 20:23 21:24 26:8 changes 4:19 8:12 21:2 changing 5:1 charge 16:6 chart 6:9,11 chat 7:3 8:3 check 10:2 11:1 11:22 chicago 9:10 chose 14:12 chosen 8:22 chronic 22:7,10 cincinnati 33:13 circulated 33:24 33:25 claim 32:13,14 claims 19:20 class 14:15</p>	<p>classic 22:9 38:15 clean 11:20 32:17 clear 23:13 26:15 34:6,7 clearly 5:20 34:12 36:8 42:10 cleave 16:24 clever 12:24 close 10:19 closet 8:15,18 16:25 coast 11:14 code 35:5 collective 25:24 collectively 26:12 college 12:4 colorado 10:10 combat 20:17 combination 4:19 come 2:6 4:4,20 9:12 15:11 16:5 29:2 32:22 34:13 40:6,8 41:15 comes 16:24 19:8 22:7 24:20 33:13 38:14 comfortable 12:7 coming 9:3,4 16:16 20:8,8,15 31:7 42:16</p>	<p>commerce 5:12 5:14 23:18 26:5 26:6 31:3 commission 43:17 committee 15:3 15:4,4,9,16,18 16:14,16,16 35:21 36:4,16 41:23 42:2 common 22:3 communications 41:10 companies 26:12 company 12:5 12:22 13:3 company's 24:3 24:12 compare 6:5 18:10 compelling 6:9 28:10 33:7 compensation 5:16 6:1,13,25 32:14 complete 43:8 completely 32:17 complexities 5:5 computer 43:10 concept 35:23 concern 4:23 concerned 35:21 conclude 40:12 conditions 6:2 25:2 connection 3:18</p>
<p>c</p>			
<p>c.s.r. 43:5 calculus 27:25 call 14:19 15:21 16:20 called 4:19,23 19:9 calling 18:12 19:20,21 calls 41:2 camera 15:8 campus 24:23,23 capital 24:11 cardinals 17:1 cards 17:10 care 34:12,13 42:17 carolina 10:17 carry 32:17 carter 31:8 carve 9:9 case 7:15 11:21 33:6 36:24 cash 39:24,24 cast 31:5</p>			

[consider - direction]

<p>consider 41:22 consistent 11:20 consultant 3:14 3:16 9:1 12:8 contacts 37:14 content 3:13 32:6 context 7:16 37:6 contingencies 31:20 39:18 contingency 35:15 40:7 contingent 40:1 continued 30:24 continuity 10:8 11:3 contract 5:25 contracting 2:13 2:13 contractor 2:17 9:15 11:3 12:11 12:12,21 15:24 23:3 28:14 29:19 36:18,21 41:3,3,3 contractors 2:24 3:23 4:3,14,20 4:22 6:18,21,24 7:6,9 8:10 12:22 14:20 15:1,5,5,6 15:19 16:17 20:14,17,18,25 21:9 22:24 23:12,14,16 24:6 25:21 30:5 33:25 35:14 37:9 38:1 41:12</p>	<p>contracts 20:15 20:18,21 control 43:12 cool 24:25 27:1,2 27:3,5 coordinate 31:16 copies 43:11 corporate 3:23 corporation 3:15 3:18 correct 43:7 cost 5:1 6:12 26:2,19 costs 5:4 6:3 18:2 21:21,24 counsel 32:2 33:8 count 3:10 country 4:1 36:11 37:22 county 43:3,6,17 couple 3:8 20:24 22:18 26:24 27:19 30:11 31:7 39:14 courageous 18:21 course 14:16 22:18 cover 8:6,6 9:4,5 14:23 covered 16:8 covering 41:17 41:18 covid 6:2 cpi 21:20 created 40:20</p>	<p>critical 14:24 crude 26:17 crypto 25:3 crystal 25:1 csa 10:19 csr 1:10 43:16 current 2:17 4:14 8:9 currently 10:12 customers 18:8 cut 23:5 cute 19:23 31:15 31:17</p> <p style="text-align: center;">d</p> <p>dad 3:8 13:12,15 13:22 35:8,9 damian 33:13 dance 12:4 daniel 38:14 data 7:15 19:4 21:7,16 22:4 36:24 37:4 david 22:7 38:14 day 4:16,17 7:17 7:24 8:6,12,13 8:21 9:6 11:17 11:17 12:14 13:7 16:21 17:25 18:2,17 23:2,5,10 35:10 36:5 41:2 42:10 days 4:2 14:24 18:24 21:20 dead 27:22 deal 31:19 39:23 deal's 39:25</p>	<p>dealers 37:22 dealing 6:3 deals 39:16,16 decade 29:14 decades 24:16 december 18:25 decide 20:2 decided 23:5 declaration 6:15 declined 25:18 dedicated 11:7 defined 24:16 deliberate 14:17 deliver 18:8 deliveries 5:14 18:14,17 20:16 delivering 30:8 30:10,11 delivery 13:6 17:25 18:9 denied 21:8 dense 10:19 30:8 density 30:6,12 30:14 denver 10:10 depreciate 32:25 depreciated 32:23 depreciation 32:21 33:3 different 3:1 4:24 8:8 21:13 22:15 28:9,17 38:23 diligence 31:19 direct 43:10 direction 43:12</p>
---	---	---	---

[disclaimer - extraordinary]

<p>disclaimer 3:12 disclosed 29:25 30:2 32:3 discount 28:25 discussion 1:5 19:4 24:9 discussions 5:18 disgruntled 36:23 dislocation 28:20 31:4 disruption 6:7 distress 23:14 document 21:4 dog 19:10 20:13 doing 5:23 18:4 18:10 21:21 25:21 28:2 31:18 dollar 26:11 dollars 32:23 33:4 doors 18:1 double 5:2 doubled 6:8 dr 22:7 dre 22:7 drill 2:11 drink 16:7 drinks 41:18 drive 41:19 driver 11:8 drivers 9:20 23:11 30:21 drops 25:5,7 26:18 dry 7:22</p>	<p>dsp 11:16,18,23 dsps 39:9 dublin 14:9,13 due 31:19 dynamic 6:23 24:15,17 26:19 dynamics 5:1 6:4</p> <hr/> <p style="text-align: center;">e</p> <hr/> <p>e 5:12,14 15:24 23:18 26:5,6 31:3 40:13 earlier 35:16 earning 28:13 ears 20:13 east 9:23 easy 34:6,6 economic 25:16 26:8 economy 10:20 23:19 40:18,22 effectively 15:17 efficiency 25:23 efficient 11:19 efficiently 18:7 effort 14:18 15:20 21:7 efforts 36:25 eight 10:3,23 11:6 37:16 either 19:10 37:2 elected 15:6,16 16:17,19 election 16:14 electricity 18:3 elevated 5:25 23:15</p>	<p>eleven 19:2 eligible 9:25 10:25 eliminated 17:18 embarrassing 20:1 emotion 22:4 emphasize 6:15 30:24 employee 3:21 employees 2:25 employment 32:13 encourage 15:13 19:3 endorsed 3:14 energy 40:2 enormous 36:10 enormously 7:10 ensure 23:2 entire 4:5 40:22 entirely 23:12 entirety 7:4 entity 20:4 entrepreneur 16:9 environment 38:2 epic 29:14 equity 27:23,24 28:1,4,13 29:8 errors 19:23 especially 3:12 18:22 32:9 estate 25:4 28:8 event 4:7 7:19 16:13 40:7</p>	<p>events 4:1 everybody 2:3 16:4 34:16 35:8 42:15,17 everybody's 23:5 everyone's 5:25 exactly 25:15 excited 23:22 exciting 4:6 execute 41:7 42:5 executives 33:23 34:11 expand 18:19 expansion 24:3 expect 11:12 29:1 33:21 expectations 18:19 expecting 27:20 experience 25:7 experiencing 23:17 35:15 expires 43:17 exploded 40:15 expo 4:2 12:8 15:1,3,7,12,14 15:22 16:6,6,16 25:23 41:16,25 42:1 express 3:15,18 5:20 29:22 30:3 30:12,16,17,22 31:3 extensively 36:2 extraordinary 6:2</p>
---	---	---	---

[extremely - going]

extremely 33:7	23:25 24:6,9	fit 22:16 30:21	fundraiser 24:21
f	25:10 26:11	five 9:17 11:8	funny 12:10
facebook 37:18	27:18 28:10	23:18,20 27:21	future 26:20
37:25 40:14	29:1,19,21,21	31:2 34:20	42:2
facilities 18:1	30:1,23 33:22,25	fix 31:4	g
facility 19:11	34:12 36:11,13	fleet 9:19 10:13	game 16:22 17:9
facts 19:4 37:4	36:14 37:7 38:1	10:14 37:15,19	games 17:14
failing 23:16	38:16 41:11	38:6,9	35:6
fair 33:2	fedex's 4:11	fluctuate 11:17	gate 14:5,9
fan 13:10,18	33:17	flynn's 13:24	gathering 15:2
17:13	feel 12:10 22:19	focused 23:25	generally 32:8
fans 13:7 17:10	25:5 41:5	fold 15:22 27:19	georgia 12:13
far 5:2 23:15	fifth 18:5	41:9	gesture 14:18
fast 11:14	figure 2:15,17	food 16:7 41:17	getting 4:7 18:2
fastest 26:8	4:13 8:9,10	foremost 24:10	26:25 28:25
favorable 30:13	figures 19:5 24:1	forester 24:22	30:12 31:23
30:19 42:4	37:5,8	forever 12:7	33:16
favorite 8:14,17	filar 1:10 43:5	form 15:3 16:13	give 8:19 12:2,9
13:9 14:8 16:25	43:16	16:13 20:3	12:12 13:15
19:8 22:8 24:20	filled 35:10	formation 15:20	18:13 27:4
38:14	financial 4:19	36:4,16	given 3:25 5:17
fear 35:19 36:9	6:24 7:11 11:20	formed 35:21	7:9 25:6 28:15
fears 35:22	19:5 20:22 23:3	forming 15:4	glad 14:22
feature 16:17	23:17 29:2 34:8	16:22	go 5:3,4,4 6:10
21:1	41:16	forth 28:5	7:3 9:2 11:5,13
featured 4:18	financially 23:23	forward 32:18	13:21,22 14:11
features 7:20	financing 11:10	found 3:1	28:4 29:7,9 30:7
federal 3:15,18	39:2,8,18,25	four 38:20,20	30:10,14 31:23
fedex 1:5 2:12,24	40:1	40:15	34:25
3:15,19,21,22,23	find 22:3 24:15	fourth 25:9,13	goes 19:17,18,18
4:20 5:19,22,24	27:16	29:4	going 3:6,7,7,8
6:16,16,18,20	finding 25:23	free 16:6 41:17	4:2,7,25 6:5,6,10
8:8 12:11,12	finished 17:1	friend 29:13,18	7:24 8:4,17,20
13:6 15:6 18:1	fire 9:8	fuel 5:2 6:8,9,10	9:2 12:12 13:17
18:16 20:3,24	first 12:8 24:10	10:20	13:19,25 14:1,3
21:8,16,25 22:20	30:23 33:14	full 4:6 18:2	14:10,25 15:3,5
22:24 23:2,5,10	36:6,7 40:12	fun 3:6 7:23 8:23	15:7,8,10,13,14
	41:6 42:7	8:24 35:6	

[going - importance]

<p>15:25 16:4,8,11 17:9 18:19 19:3 19:4,5 22:5,16 23:18,22 24:6 25:19,24 26:5,19 26:23 29:3,3,5 30:3,15,16 33:5 33:22 34:5 36:16 37:17 38:1 41:24 42:2 good 2:16 10:7 11:3,9,20,24 13:22 14:4 21:25 22:7 26:24 34:23 39:7 google 40:21 gosh 29:17 gotten 5:7 governmental 19:19 granted 21:4 grateful 14:16 gratitude 6:16 great 7:13 9:14 9:15,20 10:2 11:23 12:24 16:9,11 28:12 33:8 37:7 38:9 38:11 greedy 37:2 groan 3:8 grooming 19:10 ground 1:5 2:12 2:24 3:16,19,21 3:23 4:21 5:12 5:13,19,20,22,24 6:16,16,18,20</p>	<p>18:16 20:3,24 21:8,16 22:1,24 23:2,10 24:6 26:11 28:11 29:1,21 30:4,4 30:13,16,18 31:4 33:25 34:12 36:14 37:7 38:16 41:11 ground's 24:9 group 15:20 17:13 37:25 38:1 grow 26:6 28:15 28:16 growth 10:14 23:22 26:3 27:21 31:2,3 guess 5:1 guinness 14:8,13 guys 10:3 11:16 11:25</p>	<p>hard 12:1 21:18 33:23 41:2 harry 13:10,10 13:11,13,14,17 haul 5:15,16 11:5,6,14 37:4 head 2:12 12:14 12:23 13:6 23:1 32:15 hear 7:3 8:18 15:25 41:12 heard 29:21 38:16,24 hearing 32:5 heartbeat 17:7 hello 37:17,24 38:10 help 2:14 3:25 33:9 38:2 helped 35:14 helpful 4:12 helps 9:1 37:20 hereinbefore 43:9 hessler 33:13 hey 28:25 hide 37:12 high 9:19 10:14 10:25 11:21 25:10,11 higher 20:16 highest 24:12 highlight 7:20 highlighted 29:25 historically 21:3 hit 25:11</p>	<p>hold 12:9 holding 8:15 holds 39:7 holes 12:6 home 16:18 homes 30:7,9 hope 19:5 29:18 hopeful 22:2 34:5 hopefully 3:4 4:11 horrible 12:25 13:1 19:23 horse 27:23 hotel 4:5 hour 8:5 38:22 hours 38:20,20 40:15 huge 13:10 hungry 37:22 husband 13:5</p>
	h		i
	<p>half 4:3 8:5 15:1 38:20 40:15 handful 26:22 30:1 hands 33:17 hang 12:5 hanging 16:25 happen 23:7 24:14 26:8 happened 26:7 happens 22:22 29:18 happy 32:1 38:2 39:3,9</p>		<p>idea 2:10 22:14 ideas 22:15 35:23 42:5 illinois 9:10,17 imagine 11:5 36:3 37:21 immediately 17:11 20:11 immense 6:16 impact 25:19 33:19 implored 20:25 21:9 importance 11:1 11:22</p>

[important - level]

<p>important 10:21 13:24 14:22 30:4,24 35:13 40:8 41:6 importantly 6:14 19:19 42:7 impossible 18:13 improves 30:14 incentive 22:19 23:13 24:4 income 27:25 28:2,3,5,19 29:6 29:8 increase 5:12,15 increasing 28:2 28:3 incredible 29:16 40:17 incredibly 41:1 industries 20:8 industry 4:25 18:11 inflation 20:18 influence 16:18 16:20 influential 42:4 information 2:11 4:9,10,12 25:6 30:2 inherit 32:20 inheriting 32:11 injure 30:21 integrated 30:3 integration 31:3 intentionally 34:2 interest 7:5,14 24:6 25:17</p>	<p>interested 7:1 interesting 2:4 interestingly 5:22 introduction 31:22 invades 26:17 inventory 9:3 11:25 invest 28:9,24 investing 28:11 investment 2:16 4:13 investments 27:16 28:6 investor 2:15 27:9 30:1 invoices 21:7 involved 40:3 41:19 item 15:16 items 30:20</p>	<p>july 1:8 justify 19:1 k kara 35:3 kearney 35:4 kevin 16:24 kevin's 17:16 key 7:4 kind 4:25 9:7 11:9,11 21:22 22:21 25:2,4 26:9,22 33:18 34:20 35:13,20 39:17,20,23 40:12 knicks 22:9 knock 3:13 know 7:23 8:14 8:16 11:17,21 12:2,19,20,21,23 13:14,18 17:6,9 17:11,12,14,18 17:21 18:15 19:15 20:16,20 20:23 21:11,19 21:22,23 22:10 22:14,18,20,20 22:25 25:3,4,6 26:23 27:2,5,9 27:12,17 28:7,9 31:5,20 32:5,5 33:14,23 34:3,6 34:19 35:8,22 36:1,12,13,21,22 37:2,13,25 38:16 38:17,19,19,22 39:3,8,13,22</p>	<p>40:5 41:4,18,23 knowing 23:18 knowledgeable 17:10 known 26:12 32:12 knows 38:22 l larger 36:19 largest 2:23 7:6 12:11 las 4:4 11:6,12 laugh 3:7 lead 19:5 31:12 leader 36:6 leadership 14:17 41:6 learn 7:25 8:1 11:24 lease 38:10 left 6:11 legendary 14:14 lender 39:22 lenders 39:14 lending 39:20 length 1:9 lengthy 40:2 letter 1:5 4:18,19 5:9 6:14 7:2 18:20 22:21 25:21 33:15,16 34:2,3,4 35:17 39:4 letters 4:21,23 4:23 level 23:14 33:2 35:24 36:9</p>
	<p>j james 13:23 14:4 14:7,9,13,21 james's 14:15 jason 12:13,18 12:20,20 13:7 jason's 12:19 13:3 job 7:13 40:19 jobs 40:22 joke 13:13,22 jokes 3:8 13:16 13:18 35:8,9 journey 8:8</p>		

[level - moment]

<p>42:12 liabilities 32:12 lift 20:17 lighter 30:18 lightning 34:20 35:1 lights 18:3 lightweight 30:20 likelihood 29:23 line 5:15,16 11:5 11:6,14 23:21 26:2 27:20 37:3 link 7:2 linked 40:14 list 8:22 37:17 listed 9:11,18,24 10:4,11,18,23 11:7 listen 33:20 36:1 listing 37:24 listings 9:4,9 literally 12:6 13:7 little 7:21,23,25 8:1,19,23,24 20:13 27:13 28:24 37:7 lives 7:11 loan 39:22 40:8 loans 39:15 local 35:23 location 30:15 locations 18:18 logo 20:11 long 8:16 15:15 16:14 26:4 41:1</p>	<p>look 10:21 13:19 14:4 18:14 19:9 22:14,15 32:2 looking 10:1,6,9 11:12 16:10 26:1 27:14,15 28:6 31:18,21 37:14 38:4 41:8 looks 10:24 lose 36:12 lot 2:7 7:11 12:18 23:4 24:4 33:21,22 36:12 37:6,21 40:2 41:12 42:12 louis 17:1,6,8,10 love 13:21 17:14 24:24,24 31:8 41:20 42:1,3,5 loves 13:10 low 9:18 lower 6:11</p> <p style="text-align: center;">m</p> <p>macomb 43:3,6 43:17 macro 26:8 magnitude 6:6 mail 15:24 40:13 main 5:10 maintain 28:19 majority 10:13 22:13 making 41:17 man 17:17 management 9:24 10:11 11:2 11:8</p>	<p>manager 10:4 37:20 managers 11:18 maneuvering 26:13 margin 24:1 margins 5:6 24:4 market 9:3 25:2 25:11,18 28:8 29:11 33:2 marketplace 37:17,24 massachusetts 10:23 massively 23:19 matching 31:16 materialized 17:19 materially 4:10 4:12 matthew 19:8 matthew's 20:14 maximize 38:4 mean 14:13 17:11 21:18 24:7 27:3 meaning 32:25 meaningful 28:23 37:9 meaningfully 25:18 means 3:1,20 6:12 42:12 meant 42:9 media 2:5 meet 2:14 meetings 30:2</p>	<p>members 33:17 memory 39:7 mentioned 14:25 21:5 25:16,20 37:25 38:3 mess 3:2 message 7:4 15:23 16:1,3 22:2 26:15 33:24 41:12 messages 40:14 40:16 messaging 21:14 30:25 michigan 43:2,6 mid 5:25 middle 5:23 mike 31:8 37:12 mile 5:15 37:3 mileage 9:18 miles 10:20 million 10:11 11:7 mind 20:12 minded 41:21 mindset 22:23 42:11 mine 13:9 minute 34:20 minutes 19:16 34:19 miserably 19:24 misses 35:6 mistakes 3:3,5 mode 4:6 model 6:19 moment 40:12</p>
---	--	--	---

[money - parking]

<p>money 25:25 months 6:1 19:2 20:23,24 21:21 26:9 motives 36:23 move 11:14 29:14 movie 38:15 multiple 28:16 35:14 mygroundbiz 37:18</p>	<p>network 5:20 22:24,25 23:11 24:5 29:9 34:12 42:3 nevada 4:4 11:7 never 29:14,19 38:6 41:4 new 2:8 6:3,20 6:21 7:18 9:2,4 9:8 11:25 20:14 20:15,18,20 22:8 22:9,15 31:7 38:10 newer 10:14 news 4:16,17 7:16 8:6 21:25 33:21 nice 9:19 10:14 10:14 11:12 nine 10:17 26:9 nominate 15:9 15:10,12 nominated 41:24 42:1 nominating 41:22 nominations 41:24 non 4:10 nonalcoholic 16:7 north 9:10 10:17 notary 43:5,17 notes 43:8 november 5:17 22:21 34:3 nugget 20:5</p>	<p>number 15:22 15:24 23:16 27:20 30:9 31:8 37:9 38:23 41:10</p> <p style="text-align: center;">o</p> <p>o'brien 19:8 objective 24:8 obligation 24:9 obviously 25:1,3 27:10 odds 17:17 offend 17:11 office 13:3 oh 29:17 36:22 ohio 11:16 oil 26:17 okay 8:24 16:11 25:10 26:15 29:15 31:13 35:2,2 40:20 old 16:25 22:7,8 29:13 31:9 32:13 33:13 38:14 older 20:19 open 7:20 15:14 opener 14:10 opens 18:1 operated 10:12 operating 27:25 28:2,3,5 29:6,8 operation 11:19 13:6 operational 28:19</p>	<p>operations 9:12 11:4 17:6,7 opportunities 6:17 9:22 28:15 28:18 opportunity 9:21 10:1,3,5,7 10:13,18 11:12 11:15 40:24 41:14 organization 2:7 19:19 oriented 14:17 outlandish 37:10 outlook 16:21 23:21,22 26:4 31:2 outside 33:8 outstanding 37:23 overwhelming 22:13 42:9 owner 40:20 owners 40:18 ownership 10:5</p> <p style="text-align: center;">p</p> <p>p&d 9:9,10,11 9:17,23 10:3,10 10:18,22,23 package 5:12 packages 5:13 30:21 paint 17:3 painting 17:2 paris 4:5 parking 34:4</p>
n			
<p>name 2:22 12:22 12:22,25 15:23 19:14,17,22 27:4 named 13:1 names 12:24 13:1,2 naming 19:23 narrative 26:18 36:19,22 37:1 nash 29:12 nashville 2:23 national 36:19 navigate 33:9 near 20:8 26:19 need 5:6 6:13,24 12:21 14:23 31:5 41:12 needs 5:21 28:5 33:7 39:23,24 negotiations 5:19 neither 13:2 nerd 13:20,20</p>			

[part - public]

<p>part 3:9 9:9 14:22,23 21:14 24:21 26:15 30:24 35:25 39:17 42:6</p> <p>participate 35:20</p> <p>particular 35:18</p> <p>particularly 13:16 42:4,4</p> <p>parties 6:22 40:3</p> <p>party 31:25</p> <p>path 33:18</p> <p>pathway 19:6 29:6</p> <p>patton 2:3,22 12:17 13:8 14:4 14:12,21 17:5,21 19:12 20:10,20 22:10,23 24:24 25:9 27:2,15 29:16,24 31:12 31:24 33:20 34:18 35:2,7 36:1,17 37:19 38:18 39:11 40:10</p> <p>pay 19:18 20:6 20:16 23:6</p> <p>paying 37:8</p> <p>pays 30:6</p> <p>peach 39:5</p> <p>peak 18:24 35:4 38:8</p> <p>peaked 25:13</p> <p>peers 15:6</p> <p>pendulum 6:22 6:24</p>	<p>people 7:12 12:25 13:18,19 15:8 16:15 17:11 18:10 22:18 23:4 26:25 31:11,25 37:14,20</p> <p>percent 9:14 10:15 17:24 21:20,20 23:6 24:8 25:14 40:19,22</p> <p>percentage 18:13 28:23</p> <p>perfect 22:12 35:10 38:13</p> <p>perfectly 22:16</p> <p>performance 27:10</p> <p>period 6:1 15:15 15:15 38:21</p> <p>person 7:19 27:5</p> <p>person's 28:21 28:22</p> <p>perspective 6:25 7:15 18:10,23 27:11</p> <p>phone 15:23 19:25 38:22,24 41:2</p> <p>photo 37:13</p> <p>phrasing 32:6</p> <p>pick 38:22</p> <p>picked 14:2</p> <p>picks 14:5</p> <p>piece 30:19,22 40:8</p>	<p>pillow 23:1</p> <p>place 2:16 10:11 11:2,19 19:9 42:17 43:9</p> <p>places 28:9</p> <p>plan 14:6 16:22 39:23 40:7</p> <p>plane 41:19</p> <p>platform 3:25 7:10 40:24,25</p> <p>play 6:4,23 26:6</p> <p>players 18:11</p> <p>please 15:22 16:1,3 41:10,13 41:22</p> <p>plot 6:8</p> <p>plus 6:19</p> <p>point 21:19</p> <p>pooling 25:24</p> <p>pops 20:11</p> <p>populate 8:4</p> <p>positive 23:21 26:5 31:1</p> <p>possible 16:5 30:22 32:8 40:4</p> <p>post 38:17</p> <p>posted 38:17</p> <p>potentially 9:25 10:5 31:18</p> <p>potter 13:10,11 13:11,13,14,18</p> <p>power 25:25</p> <p>practices 2:18</p> <p>precedent 5:23 22:1 37:7</p> <p>prefer 32:7</p> <p>press 2:6 4:17</p>	<p>pretty 12:3 14:14 27:1</p> <p>price 4:11 9:12 9:13,13 25:5</p> <p>priced 10:15</p> <p>prices 5:2,3 6:8 6:9,10 25:3,4</p> <p>principles 41:6</p> <p>prior 4:21,23</p> <p>priority 24:12</p> <p>privileged 3:24</p> <p>probably 18:25 28:22 32:6 34:7 38:8</p> <p>proceed 40:5</p> <p>process 33:9 38:3 40:2</p> <p>profit 24:11</p> <p>profitability 30:5</p> <p>profitable 2:18 4:15 8:11 30:9</p> <p>progress 22:5</p> <p>progressed 5:8</p> <p>prohibits 36:4</p> <p>pronounce 19:22</p> <p>pronounceable 20:4</p> <p>properly 21:4 32:3</p> <p>prospective 2:15 27:8</p> <p>protect 35:24</p> <p>prove 28:14 36:25</p> <p>provided 6:18</p> <p>public 4:10 5:11 43:5,17</p>
--	--	--	---

[publicly - return]

<p>publicly 20:24 21:12 24:11 26:12 29:25 30:2 pullback 25:14 purchase 9:12 25:3 31:17 32:7 32:8,11,16,24 33:1,6 37:14 39:19 purchasing 25:25 pure 26:6 pursue 39:22 pursuing 33:18 put 17:17 21:6 23:1 27:11 36:7 putting 15:19</p>	<p>questions 7:23 8:4,5,20,22 14:19 26:22 31:7 34:19,22 quickly 11:6,13 quincy 9:17,21 quits 18:12</p>	<p>rears 32:15 reason 15:12 32:10,19 33:7 41:13 reasonable 37:9 reasons 16:10 19:21</p>	<p>release 4:17 released 4:17 releases 2:6 relief 29:2 relieve 41:16 remember 26:11 remote 10:5 remotely 10:12 renegotiate 20:25 21:2,9 renegotiation 21:3,6 report 24:3 represented 12:18 13:3 32:2 representing 7:13 request 14:20 21:6 37:10 requests 21:3,10 reset 33:1 resistant 25:6 resolution 22:3,4 34:6,7 respectively 9:11 responsibility 43:11 restore 29:3 34:14 restores 34:8 results 21:13 retaliated 36:13 36:14 retaliation 35:19 35:23,24 retired 24:22 return 24:11</p>
<p>q</p>	<p>r rabid 17:9 race 39:5 races 39:6 randomly 2:9 range 9:14 rapid 9:8 rates 25:17 reach 33:10 reaction 34:24 read 3:12 reading 7:2 ready 4:7 real 22:19 25:4 28:7 realities 20:22 reality 23:8,23 really 9:13,19 10:1,14,15,19 11:2,9,9,11,13 11:19,20,23 12:1 12:10 14:18,23 16:17 17:19,22 17:22,23 21:16 23:21 26:1,7 29:25 30:6,13 34:15 35:17,19 36:15 38:5 39:19 40:5,23 41:20 42:1</p>	<p>reassessment 18:21 recognize 15:23 28:25 recognizing 22:1 recommend 31:20,23 recommendati... 37:18 recommended 3:15 record 11:23 15:13 records 11:20 red 17:3 reds 33:14 refer 31:25 referral 33:11 referrals 32:1 regal 19:9,12 20:7,10 regarding 38:17 region 35:19 regular 2:10 17:25 related 41:17 relationship 4:20 relationships 37:21</p>	

[returned - significant]

<p>returned 29:14 revenue 9:14 10:16 23:21 26:2 27:21 review 9:4 reviewed 36:2 rich 28:12 38:2 right 6:11 7:16 8:16 9:7 13:8,9 14:5,7 19:7 20:5 21:8,18 22:12,19 23:3 24:7,19 26:13,21 27:4,16 28:5,12 31:4 33:12 34:4 35:11 36:7,9 38:3,6 39:14,21 40:19 42:13 rising 25:17 risk 42:12 road 2:25 23:10 23:11 39:5 rocking 29:12 33:13 37:12 rocky 38:15 roll 24:14 rolled 18:17 30:12 rolls 19:14 roof 4:4 15:2 rooms 4:6 roughly 11:16 21:23 round 18:22 34:20 rounds 33:22 route 3:14,16 9:1 9:11 12:8 25:10</p>	<p>routes 7:7 9:10 9:18,23 10:4,11 10:18,23 11:17 18:7 25:3,5,13 25:15 27:10,18 28:11,21,22 29:3 36:11 rumors 29:21 run 4:1 9:1 18:3 18:25 35:15 39:6 running 18:7,7 18:24 34:19 39:6 runs 11:6 rural 18:18 russia 26:17</p> <hr/> <p style="text-align: center;">s</p> <hr/> <p>sale 37:16 sasquatch 37:13 save 25:25 saves 33:4 savings 26:2 saw 5:24 18:15 24:3 25:9 29:4 saying 18:13 28:7 says 18:23 22:9 31:15 35:5 sba 9:25 10:1,25 39:16,22 40:7 scan 35:6 scary 42:10 screen 8:2 screw 3:2 season 18:24 35:4</p>	<p>secondly 16:5 see 6:6,10,13,24 7:7 9:2 10:8 19:15 20:11 21:15,17 22:11 22:22 25:2 26:16 29:2,3,5,9 34:5 35:7 36:25 38:8 42:16 seeing 6:7,23 17:14 18:11 20:15,17,21 21:12,16 23:15 seek 37:12 seeking 22:2 seen 2:6 5:2,2,3 5:3 12:17,24,25 13:3 20:23 21:23 25:14 26:7 28:10,20 39:8 sell 38:7 seller 11:10 32:9 39:24 40:6 sending 40:17 separate 27:25 september 43:12 seriously 7:10 41:1 serve 7:8 15:9 16:15 32:9,10 service 11:23 41:21 serving 41:22 set 15:8 18:18 39:21 seven 9:23 11:19 18:24</p>	<p>shake 17:4 shape 42:2 share 4:9 15:22 41:10,14 shareholders 24:10 shelves 30:21 shift 36:22 ship 26:10,14 shirt 8:14,16,17 12:8,14,15 13:6 13:9,21 14:8,9 14:13 16:25 17:1,3 19:8,18 22:8,9 24:21,23 26:25 27:1 29:13,20 31:9,14 33:14 34:21,23 35:5,10 37:13 38:15 shirt's 39:5 shirts 12:1,3,5 13:13 shock 29:10 short 20:4 38:20 shout 12:10,13 12:16 show 6:9 16:8 37:1 showing 15:18 shown 28:11 side 9:9 11:18 19:17 signature 15:17 43:16 signed 2:10 significant 5:7</p>
--	--	---	---

[significantly - t]

<p>significantly 23:14 30:3 single 7:19 28:21 28:22 41:2 sit 21:11 six 6:1 9:10 18:17 size 26:10 skip 34:20 slate 32:17 sleeve 19:18 slice 9:11 small 7:9 30:20 40:18,20 smaller 30:18 softest 12:15 solid 14:10 28:13 solidarity 15:18 solos 11:8,8 somebody 20:1 son 31:15 soon 20:8 sort 36:5 39:24 40:6 space 5:5 8:9 18:11 26:5 27:12,14 28:10 39:20 spare 9:12,19,20 9:25 10:4,19,24 11:8,11,19 speak 3:21,24 5:8 39:3,9 speaking 3:22 specific 14:19 specifically 27:14 35:5</p>	<p>speculations 25:4 speed 26:13 spell 20:1 spencer 2:22 14:16 16:23 17:16 19:7 20:14 22:6,17 23:4 24:19 25:1 26:21 27:8 29:11,20 31:6,17 33:15 36:17 37:11 38:13 39:1 spent 40:24 sphere 16:18,20 spikes 26:17 sponsored 3:16 sports 22:8 st 14:9 17:1,6,8 17:10 staff 18:4 37:20 staffing 11:9 stake 7:12 36:10 standpoint 29:8 32:21 stands 39:14 start 13:23 14:1 14:3 starting 41:25 state 32:21 43:2 43:6 stated 43:9 statement 35:13 35:17 states 2:24 3:1 4:4 6:19 7:7,12 15:2,25 16:3</p>	<p>28:17 40:19 41:11 statistic 40:21 stem 10:20 stenographic 43:8 step 42:14 steps 8:8 23:24 steven 27:6,7 steward 7:8 stock 4:11 25:18 28:8 31:17,18 32:8,12,15,20,23 stone 26:1 stop 5:11 30:6 30:14 37:3 stops 5:13,14 20:16 story 8:19 36:18 36:18,19,21 strategy 38:6,10 strive 41:7 strong 11:23 14:10 42:5 strongly 32:7 33:5 structure 10:8 11:10 structured 10:7 stub 19:18 studios 13:12 stuff 13:14 34:21 stumbling 2:9 subdivision 30:7 30:8,11 submitted 8:23 substantial 20:21 24:3</p>	<p>substantially 30:18 success 37:23 sunday 18:8,8,12 18:14 sundays 17:18 17:22,23,24 18:21,25 super 14:22 34:23 39:21 supervision 43:10 supervisor 11:9 support 5:21 7:15 9:15 15:17 19:4 42:8,13 supported 22:4 37:4 supporting 42:14 sure 7:2,13 16:3 19:11 32:2 33:24 surprised 13:11 sweet 20:4 swing 6:25 swung 6:22 synonymous 30:5</p>
			t
			<p>t 8:14,17 12:1,3 12:5,14,15 13:21 14:8,9,13 16:25 17:1 19:8 22:8,9 24:21,23 26:25 27:1 31:9,14 34:21,23 35:10</p>

[t - twist]

<p>37:13 39:5 take 7:5,10 9:6 15:11 16:1,3 22:20 39:11,12 40:11 41:1,8,13 42:17 taken 41:2 43:8 takes 26:13 talk 2:7 19:20 24:2 talked 19:15 27:18,22 35:16 talking 25:24 27:9 38:9,10 target 38:2 tax 19:21 32:19 32:21 33:4 teach 2:12,12,13 3:3,25 team 33:10 tech 24:22 tell 8:19 17:5 32:6 34:23 39:17 40:16 telling 17:13 19:16 ten 9:8,10 15:5,5 16:15 19:16 21:19 28:16 37:16 40:24 tend 30:17 tends 35:4 tennessee 2:23 tenured 9:14 11:2 term 26:4 terminal 10:20 16:2 20:8</p>	<p>terminals 16:2 16:18 18:16 28:16 35:14 41:11 terms 40:6 terrible 13:14 territory 9:18 10:14 text 40:14 thank 33:14 35:9 39:4 42:8,15 thing 3:11 24:1 30:13 32:14 39:16 things 3:2 5:5,10 18:20 21:5,10 25:15,19 28:4 35:16 38:4,23 think 14:14 17:21 18:12 20:20 21:14,16 22:12,23 23:12 24:4 26:7 27:1,7 29:22 33:16,18 33:20 34:10,11 34:13,15 36:20 36:24 37:23 39:20 42:10 thinking 19:23 21:11 38:5 third 31:24 thought 17:1 31:9 41:1 thoughtful 14:17 thoughts 17:20 25:8 35:22 thousand 9:18 9:24 10:18 23:9</p>	<p>32:22 thousands 15:18 15:19 threat 34:1 three 11:7,18 12:3 17:18 23:20 27:21 31:2 ticket 41:19 tighten 25:22 time 4:6 7:14 12:8 16:9,12 17:8,8 20:2 26:14,16,20 31:25 38:7,9,11 38:21 40:2 42:17 43:9 timeline 5:17 times 6:21 27:22 28:1,3 tirelessly 37:1 today 2:5,5,7,19 3:6,7,12,22 4:2,9 4:17 8:5 14:24 14:25 16:1 21:22 23:20 33:15,21 34:22 35:16 37:5 40:11 42:9,16 today's 2:3 3:13 10:20 ton 21:6 tongue 19:15 top 16:15 23:21 26:2 27:20 32:19 touched 27:12 27:13</p>	<p>tough 16:10 17:22,23 tougher 5:6 tour 27:1 town 17:8 track 11:23 trade 4:11 traded 24:11 26:12 trading 38:12 transcribed 1:10 43:10 transcript 43:8 transition 9:15 tree 39:5 tremendous 7:5 trench 36:7 trip 13:11 trouble 23:17 truck 19:17 32:22,24 33:1,4 37:17,24 38:10 trucking 12:14 12:23 13:6 trucks 2:25 5:4 11:11 23:9,10 34:4 37:16,23 true 40:21 43:7 try 2:14,19 33:23 34:21 trying 2:15,17 4:13 8:8,10 18:7 23:25 27:16 37:2 41:16 turn 26:10,14,14 turning 26:1 twist 7:21</p>
--	---	---	--

[two - white]

<p>two 4:21,23 5:10 5:24 9:9,22,24 10:24 14:5 15:22 21:10 30:23 31:9,10,11 41:9 tyler 27:6,7 type 10:8 29:10 31:19 36:5 37:8 typically 31:22</p>	<p>40:19 41:11 universal 13:12 unknown 32:12 unlock 38:24 unprecedented 26:9 unpronouncea... 19:25 update 29:11 38:25 upgrading 37:15 upper 6:11 ups 18:9 use 2:18 40:24</p>	<p>viable 23:24 39:8,21 video 4:18,18 5:9,20 6:14 7:2 15:11,13 21:6 24:2 25:21 33:15 36:8 vikram 39:3 virginia 24:22 vision 28:24 volume 17:19,23 18:5 19:1 29:22 vote 15:16 votes 16:15 31:10 voting 15:15</p>	<p>10:7 16:11 22:2 24:15 25:25 28:12,19 30:14 30:17 32:1 34:14 40:17 42:14 ways 3:2,3 we've 5:1,2,3,3 5:16,17 10:10,23 11:6 21:23 24:15,17 25:14 26:2,16 28:20 31:4,5 33:23 34:18 39:8 wear 12:4,7,7,13 35:4 wearing 17:2 wears 13:5 14:8 webinar 2:4,4,9 2:11,21 3:9 12:19 22:13 38:21 wednesday 2:4 2:20 week 3:10 8:13 9:3,9 11:16,17 11:18,25 15:15 16:14 18:15,24 42:17 weeks 30:1 welcome 2:3 8:25 west 11:14 western 10:17 whatsoever 3:18 wheels 24:13,14 white 17:3</p>
u			
<p>u.s. 40:22 ukraine 26:17 ulterior 36:23 ultimately 6:13 16:19 35:15 unassigned 11:8 uncertain 39:20 40:3 uncertainty 25:17 unchanged 21:23 undersigned 43:11 understand 42:11 underwriting 39:15 unemployment 19:20 unfortunately 22:13 union 15:4 united 2:24 4:3 6:19 7:6,12 15:2 15:25 16:2</p>	<p style="text-align: center;">v</p> <p>validity 21:17 valuable 20:6 value 9:19 18:8 25:10,12,15 27:23,24 28:1,4 28:13 29:8 32:24 33:2 38:4 values 19:13 29:4 38:9 van 16:24 vast 10:13 vegas 4:4 11:6 11:12 vehicle 5:3 9:19 10:5 24:14 38:9 vehicles 9:13,25 10:19,24 11:19 37:15 38:7,11 versus 19:2 vested 7:5 viability 23:3 34:8</p>	<p style="text-align: center;">w</p> <p>wage 5:3 32:14 waiting 11:13 walnick 37:12 want 7:4,12 8:14 8:18 10:21 11:1 11:14,22 12:2,9 13:25,25 18:18 21:15 29:7,9 30:8,20,20 35:25 36:12,13 39:10 39:18 40:5,11 42:8 wants 7:7 33:14 37:13 38:15 39:7 war 6:15 watching 7:1 29:19 37:5 way 3:4 5:3,4,4 6:25 7:3 8:15</p>	

[wife - zoom]

<p>wife 13:10 willing 41:5 wilmington 10:22 win 18:8 21:19 24:15,15,17,17 34:14,14 37:1 wise 7:11 20:2 woke 23:5 wool 24:20 word 20:2 34:7 work 7:8 12:11 36:25 worked 33:23 workers 32:14 working 18:9,22 39:15 works 8:2 world 5:16 27:1 42:9 worth 25:12 worthy 28:14 wow 29:19 wrap 40:10 write 4:22 wrong 34:7</p>	<p>40:10 year 4:21 5:2,7 6:9 16:10 18:22 19:2 23:15,20 31:2 years 3:2 5:24 6:20 12:24 17:18 23:18 25:12,12,12 26:8 27:18,19,21 30:23 39:6 40:24 yep 22:6 29:11 york 22:8,9 yorker 22:16</p>
	z
	<p>zero 32:23,24 zoom 7:19,22</p>
x	
<p>xander 24:20 xyz 36:18</p>	
y	
<p>yeah 14:21 16:23 17:21 20:13 22:17,23 29:24 31:6,12,24 33:20 34:10,17,25 36:1 37:11,19 38:18 39:11,11,12,13</p>	

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A Follow-up to Our Communications with FedEx Ground

-----/

August 3, 2022

Length - 7:36

Transcribed by Andrea Filar, CSR-8349

1 * * *

2
3 "Trade Association for Logistics

4 Professionals is not endorsed by and is not recommended
5 by Federal Express Corporation, FedEx Ground, or Amazon.

6 Trade Association for Logistics Contractors is not
7 sponsored by, is not approved by, is not associated with,
8 and has no connection whatsoever with Federal Express
9 Corporation, FedEx Ground, or Amazon."

10 MR. PATTON: It has been 14 days since
11 the release of my initial video and letter expressing
12 genuine concern about the health of FedEx Ground's
13 network. That story generated nationwide media coverage
14 from both the media, as well as industry analysts such as
15 Bloomberg, Deutsche Bank, and UBS.

16 Just one week later, John Smith, the CEO
17 of FedEx Ground, released an open letter to some 6,000
18 FedEx Ground contractors in response. His letter, in my
19 opinion, was completely tone deaf and really revealed how
20 acutely FedEx Ground is out of touch with the economic
21 health of their independent contractors who are essential
22 to the FedEx Ground organization.

23 His letter also reflects, in my opinion,
24 disregard for FedEx Ground customers who will suffer a
25 loss of services if FedEx Ground drives its independent

Page 2

1 contractors out of business. FedEx Ground is currently
2 using their power to bully us and their customers.

3 The letter also features several thinly
4 veiled contractual threats against his contractors,
5 something the media picked up on right away. For
6 18-wheeler contractors who have absolutely no contractual
7 ability to request a renegotiation at all, John Smith's
8 letter entirely ignored your challenges.

9 And because many of you have asked me,
10 FedEx Ground additionally sent a cease and desist letter
11 to my attention too full of additional legal threats.
12 You know what all of that tells me? I've got their
13 attention. You are seeing a David versus Goliath story
14 play right in front of your eyes in full Technicolor. We
15 are small businesses of 10 to 25 employees versus a 60
16 billion dollar business.

17 At our Expo on August 20th and 21st we
18 are going to have more than half of all contractors in
19 the United States come together under one roof to discuss
20 exactly these concerns.

21 To the media, come meet our Davids. Come
22 see the people in this industry that are struggling out
23 there trying to make these businesses work. Literally
24 essential workers that are ensuring that the U.S.
25 consumers' packages get delivered. We need your help to

1 tell our story.

2 To Wall Street and industry analysts,
3 come learn from my peers. Sure, I'll be there to teach
4 you, and I'm happy to meet with you one-on-one if you'd
5 like, but I'd like you to hear it from them. Learn their
6 individual stories. Remember that across the United
7 States some small business owners create 99 percent of
8 all jobs. So if you want a true read into the U.S.
9 economy, come hear it from my peers and come learn about
10 why the FedEx Ground network is in significant peril.

11 To the large shareholders of FedEx, come
12 to our Expo. One thing I've received a lot of feedback
13 on from my letter was pointing out that FedEx expanded
14 their margins by more than 30 percent by pushing fuel
15 surcharges on the U.S. consumer but not passing through
16 those charges to their contractors, the very ones
17 consuming the fuel.

18 You can expect to receive video updates
19 from me every 7 to 14 days. In an effort to help you
20 track this story, we're creating a new social media
21 hashtag, which is #purplefriday. We actually came up
22 with this in two different ways. First, FedEx Ground has
23 a Purple Promise that they ensure to their customers via
24 their contractor network. And November 25th of 2022 is
25 Black Friday, a huge e-commerce day. So we married those

Page 4

1 two together and came up with #purplefriday.

2 As mentioned earlier, FedEx Ground did
3 send me a cease and desist letter that falsely accuses me
4 of violating the antitrust laws and other misconduct. To
5 clear up FedEx Ground's confusion, I am not calling for
6 any uniform price increase nor uniform prices for every
7 contractor. That would make no sense because every
8 contractor has its own unique set of circumstances. In
9 fact, some contractors have financial needs that far
10 outstrip a mere 20 to 50 cents.

11 As already detailed in my prior video, I
12 have personally requested multiple contractual
13 renegotiations from my own businesses with FedEx Ground,
14 all of which have been denied. For many other
15 contractors just like me, their stories of rejected
16 renegotiation requests are the same.

17 Also contrary to FedEx Ground's
18 allegations, nothing in my letter or videos called for
19 any group boycott of delivery services. I know what
20 decision I will be financially forced to make for my own
21 business on November 25th of 2022, but every contractor
22 is going to have to make their own individual decision
23 about what is best for his or her own business.

24 I am calling for FedEx Ground to
25 recognize that its independent contractors are in

1 financial distress. In an effort to avoid disaster, I am
2 now extending a personal invitation to John Smith to
3 present at our annual Expo on August 20th and 21st and
4 talk about his plan. With more than half of all
5 contractors in the nation scheduled to attend, I have to
6 imagine that FedEx Ground would want to be present.

7 In the meantime, as introduced in my
8 prior video, we are moving forward with the formation of
9 a trade association that will be called the Trade
10 Association for Logistics Professionals. A trade
11 association is not a union, nor is it an effort to
12 collectively bargain. Importantly, the Trade Association
13 in no way, shape, or form violates our operating
14 agreements with FedEx Ground. I've had the best legal
15 minds carefully construct it with an eye towards
16 contractual compliance.

17 The purpose of this Trade Association
18 will be to exercise our constitutionally given First
19 Amendment rights to voice our concerns as an industry,
20 petition for change, and if necessary, participate in
21 legal challenges against FedEx Ground around highly
22 debatable topics such as our current classification as
23 contractors, FedEx's rejection of our entitlement to
24 franchise protection, and driver safety.

25 By the way, I am informed that there is a

1 three-prong test for franchise classification, and we
2 have a very compelling case on all three prongs,
3 especially in light of FedEx Ground's recent introduction
4 of Schedule L. A shift in that classification would be a
5 game changer for us.

6 We will open self-nominations for the
7 Trade Association leadership committee in about 10 days,
8 and we will move forward with inviting all 6,000
9 contractors to vote on who will serve on that committee.
10 Stay tuned for more details via #purplefriday, and I'll
11 see you at the Expo.

12 "Join us at contractor Expo:
13 routeconsultantexpo.com."

14
15
16
17
18
19
20
21
22
23
24
25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CERTIFICATE
STATE OF MICHIGAN
COUNTY OF MACOMB

I, Andrea Filar, C.S.R. and Notary Public
in and for the County of Macomb, State of Michigan, do
hereby certify that the attached is a true, correct, and
complete transcript of my stenographic notes taken at the
time and place hereinbefore stated and they were
transcribed upon a computer under my direct supervision.
The undersigned assumes no responsibility for copies not
made under my direction or control. September 19, 2022



Andrea Filar, CSR - 8349
Notary Public, Macomb County
My Commission Expires: 10-01-2028

[10 - customers]

1	acutely 2:20 additional 3:11 additionally 3:10 agreements 6:14 allegations 5:18 amazon 2:5,9 amendment 6:19 analysts 2:14 4:2 andrea 1:10 8:5 8:16 annual 6:3 antitrust 5:4 approved 2:7 asked 3:9 associated 2:7 association 2:3,6 6:9,10,11,12,17 7:7 assumes 8:11 attached 8:7 attend 6:5 attention 3:11 3:13 august 1:8 3:17 6:3 avoid 6:1	business 3:1,16 4:7 5:21,23 businesses 3:15 3:23 5:13	compliance 6:16 computer 8:10 concern 2:12 concerns 3:20 6:19 confusion 5:5 connection 2:8 constitutionally 6:18 construct 6:15 consumer 4:15 consumers 3:25 consuming 4:17 contractor 4:24 5:7,8,21 7:12 contractors 2:6 2:18,21 3:1,4,6 3:18 4:16 5:9,15 5:25 6:5,23 7:9 contractual 3:4 3:6 5:12 6:16 contrary 5:17 control 8:12 copies 8:11 corporation 2:5 2:9 correct 8:7 county 8:3,6,17 coverage 2:13 create 4:7 creating 4:20 csr 1:10 8:16 current 6:22 currently 3:1 customers 2:24 3:2 4:23
10 3:15 7:7 10-01-2028 8:17 14 2:10 4:19 18 3:6 19 8:12		c	
2		c.s.r. 8:5 called 5:18 6:9 calling 5:5,24 carefully 6:15 case 7:2 cease 3:10 5:3 cents 5:10 ceo 2:16 certificate 8:1 certify 8:7 challenges 3:8 6:21 change 6:20 changer 7:5 charges 4:16 circumstances 5:8 classification 6:22 7:1,4 clear 5:5 collectively 6:12 come 3:19,21,21 4:3,9,9,11 commerce 4:25 commission 8:17 committee 7:7,9 communications 1:5 compelling 7:2 complete 8:8 completely 2:19	
20 5:10 2022 1:8 4:24 5:21 8:12 20th 3:17 6:3 21st 3:17 6:3 25 3:15 25th 4:24 5:21 26748 8:16			
3			
3 1:8 30 4:14			
5			
50 5:10			
6			
6,000 2:17 7:8 60 3:15			
7			
7 4:19			
8	b		
8349 1:10 8:16	bank 2:15 bargain 6:12 best 5:23 6:14 billion 3:16 black 4:25 bloomberg 2:15 boycott 5:19 bully 3:2		
9			
99 4:7			
a			
ability 3:7 absolutely 3:6 accuses 5:3			

[david - letter]

<p>d</p> <p>david 3:13 david's 3:21 day 4:25 days 2:10 4:19 7:7 deaf 2:19 debatable 6:22 decision 5:20,22 delivered 3:25 delivery 5:19 denied 5:14 desist 3:10 5:3 detailed 5:11 details 7:10 deutsche 2:15 different 4:22 direct 8:10 direction 8:12 disaster 6:1 discuss 3:19 disregard 2:24 distress 6:1 dollar 3:16 driver 6:24 drives 2:25</p>	<p>ensuring 3:24 entirely 3:8 entitlement 6:23 especially 7:3 essential 2:21 3:24 exactly 3:20 exercise 6:18 expanded 4:13 expect 4:18 expires 8:17 expo 3:17 4:12 6:3 7:11,12 express 2:5,8 expressing 2:11 extending 6:2 eye 6:15 eyes 3:14</p>	<p>follow 1:5 forced 5:20 form 6:13 formation 6:8 forward 6:8 7:8 franchise 6:24 7:1 friday 4:25 front 3:14 fuel 4:14,17 full 3:11,14</p>	<p>i</p> <p>ignored 3:8 imagine 6:6 importantly 6:12 increase 5:6 independent 2:21,25 5:25 individual 4:6 5:22 industry 2:14 3:22 4:2 6:19 informed 6:25 initial 2:11 introduced 6:7 introduction 7:3 invitation 6:2 inviting 7:8</p>
<p>e</p> <p>e 4:25 earlier 5:2 economic 2:20 economy 4:9 effort 4:19 6:1 6:11 employees 3:15 endorsed 2:4 ensure 4:23</p>	<p>f</p> <p>fact 5:9 falsely 5:3 far 5:9 features 3:3 federal 2:5,8 fedex 1:5 2:5,9 2:12,17,18,20,22 2:24,25 3:1,10 4:10,11,13,22 5:2,5,13,17,24 6:6,14,21 7:3 fedex's 6:23 feedback 4:12 filar 1:10 8:5,16 financial 5:9 6:1 financially 5:20 first 4:22 6:18</p>	<p>g</p> <p>game 7:5 generated 2:13 genuine 2:12 given 6:18 going 3:18 5:22 goliath 3:13 ground 1:5 2:5,9 2:17,18,20,22,24 2:25 3:1,10 4:10 4:22 5:2,13,24 6:6,14,21 ground's 2:12 5:5,17 7:3 group 5:19</p>	<p>j</p> <p>jobs 4:8 john 2:16 3:7 6:2 join 7:12</p> <p>k</p> <p>know 3:12 5:19</p> <p>l</p> <p>l 7:4 large 4:11 laws 5:4 leadership 7:7 learn 4:3,5,9 legal 3:11 6:14 6:21 length 1:9 letter 2:11,17,18 2:23 3:3,8,10 4:13 5:3,18</p>

[light - suffer]

<p>light 7:3 literally 3:23 logistics 2:3,6 6:10 loss 2:25 lot 4:12</p>	<p style="text-align: center;">o</p> <p>ones 4:16 open 2:17 7:6 operating 6:13 opinion 2:19,23 organization 2:22</p>	<p>protection 6:24 public 8:5,17 purple 4:23 purplefriday 4:21 5:1 7:10 purpose 6:17 pushing 4:14</p>	<p style="text-align: center;">s</p> <p>safety 6:24 schedule 7:4 scheduled 6:5 see 3:22 7:11 seeing 3:13 self 7:6</p>
<p style="text-align: center;">m</p>	<p>outstrip 5:10 owners 4:7</p>	<p style="text-align: center;">r</p>	<p>send 5:3 sense 5:7 sent 3:10 september 8:12 serve 7:9 services 2:25 5:19 set 5:8 shape 6:13 shareholders 4:11 shift 7:4 signature 8:16 significant 4:10 small 3:15 4:7 smith 2:16 6:2 smith's 3:7 social 4:20 sponsored 2:7 state 8:2,6 stated 8:9 states 3:19 4:7 stay 7:10 stenographic 8:8 stories 4:6 5:15 story 2:13 3:13 4:1,20 street 4:2 struggling 3:22 suffer 2:24</p>
<p>macomb 8:3,6 8:17 margins 4:14 married 4:25 media 2:13,14 3:5,21 4:20 meet 3:21 4:4 mentioned 5:2 mere 5:10 michigan 8:2,6 minds 6:15 misconduct 5:4 move 7:8 moving 6:8 multiple 5:12</p>	<p style="text-align: center;">p</p>	<p>read 4:8 really 2:19 receive 4:18 received 4:12 recognize 5:25 recommended 2:4 reflects 2:23 rejected 5:15 rejection 6:23 release 2:11 released 2:17 remember 4:6 renegotiation 3:7 5:16 renegotiations 5:13 request 3:7 requested 5:12 requests 5:16 response 2:18 responsibility 8:11 revealed 2:19 right 3:5,14 rights 6:19 roof 3:19 routeconsultan... 7:13</p>	<p>send 5:3 sense 5:7 sent 3:10 september 8:12 serve 7:9 services 2:25 5:19 set 5:8 shape 6:13 shareholders 4:11 shift 7:4 signature 8:16 significant 4:10 small 3:15 4:7 smith 2:16 6:2 smith's 3:7 social 4:20 sponsored 2:7 state 8:2,6 stated 8:9 states 3:19 4:7 stay 7:10 stenographic 8:8 stories 4:6 5:15 story 2:13 3:13 4:1,20 street 4:2 struggling 3:22 suffer 2:24</p>
<p style="text-align: center;">n</p>	<p>packages 3:25 participate 6:20 passing 4:15 patton 2:10 peers 4:3,9 people 3:22 percent 4:7,14 peril 4:10 personal 6:2 personally 5:12 petition 6:20 picked 3:5 place 8:9 plan 6:4 play 3:14 pointing 4:13 power 3:2 present 6:3,6 price 5:6 prices 5:6 prior 5:11 6:8 professionals 2:4 6:10 promise 4:23 prong 7:1 prongs 7:2</p>		
<p>nation 6:5 nationwide 2:13 necessary 6:20 need 3:25 needs 5:9 network 2:13 4:10,24 new 4:20 nominations 7:6 notary 8:5,17 notes 8:8 november 4:24 5:21</p>			

[supervision - workers]

supervision 8:10 surcharges 4:15 sure 4:3	unique 5:8 united 3:19 4:6 updates 4:18
t	v
taken 8:8 talk 6:4 teach 4:3 technicolor 3:14 tell 4:1 tells 3:12 test 7:1 thing 4:12 thinly 3:3 threats 3:4,11 three 7:1,2 time 8:9 tone 2:19 topics 6:22 touch 2:20 track 4:20 trade 2:3,6 6:9,9 6:10,12,17 7:7 transcribed 1:10 8:10 transcript 8:8 true 4:8 8:7 trying 3:23 tuned 7:10 two 4:22 5:1	veiled 3:4 versus 3:13,15 video 2:11 4:18 5:11 6:8 videos 5:18 violates 6:13 violating 5:4 voice 6:19 vote 7:9
	w
	wall 4:2 want 4:8 6:6 way 6:13,25 ways 4:22 week 2:16 whatsoever 2:8 wheeler 3:6 work 3:23 workers 3:24
u	
u.s. 3:24 4:8,15 ubs 2:15 undersigned 8:11 uniform 5:6,6 union 6:11	

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

2022 Expo Update & TALP Committee Nominations Info

_____ /

August 10, 2022

Length - 46:49

Transcribed by Andrea Filar, CSR-8349

1 * * *

2
3 MR. PATTON: Welcome everybody. Welcome
4 to our Wednesday webinar. We are doing our last webinar
5 before we have our Expo August 20th and 21st in Las
6 Vegas, Nevada. Most of you by now have heard about our
7 Expo. For those of you that haven't, we are bringing
8 more than half of all contractors in the United States
9 together under one roof at the Paris Hotel. We have sold
10 out all 3,300 rooms of the hotel. We're now booking in
11 the Bally's Hotel that is connected to it. It is going
12 to be an amazing event. It is thousands and thousands
13 and thousands of people there.

14 Obviously we have a lot to talk about.
15 If you have seen any of my materials, videos, letters,
16 everything that has come out over the last three weeks,
17 our organization and FedEx Ground has been trading press
18 releases and letters and all of these different things
19 that I'm going to speak some to today and certainly speak
20 extensively to at the Expo. So for my current
21 contractors that are here, would love to have you there.
22 We are going to have 11 Wall Street analysts that are
23 covering FedEx Ground's stock price. We are going to
24 have two of FedEx Ground's largest shareholders in the
25 United States attending the Expo. We're going to have

Page 2

1 five media outlets there. It's going to be an event and
2 I'm excited for it. It's going to be a good day for
3 contractors and very educational.

4 I've got to do the only boring thing, so
5 for those of you that haven't joined a webinar before,
6 this is your first time here, welcome. My name is
7 Spencer Patton. This is going to be a fun webinar,
8 you're going to laugh a little bit, we're going to tell
9 you some jokes, it's going to be all part of it, but I've
10 got to do the disclaimer real quick so let me knock that
11 out.

12 Route Consultant is not endorsed by and
13 is not recommended by Federal Express Corporation and
14 FedEx Ground. Route Consultant is not sponsored by, is
15 not approved by, is not associated with, and has no
16 connection whatsoever with Federal Express Corporation or
17 FedEx Ground.

18 All that means is that I am not an
19 employee of FedEx Ground. The opinions that I express to
20 you today are not that of FedEx Ground, they are the
21 opinions of myself and sometimes some 6,000 other FedEx
22 Ground contractors just like me. There are 6,000
23 contractors across the United States, all of us small
24 business owners. The information I share today will not
25 be materially non-public information that you can trade

1 FedEx's stock price upon, but hopefully it will be
2 materially helpful information for you as you're
3 considering FedEx routes as an investment, or for my
4 current contractors here, trying to figure out how to
5 make your business more profitable and use the best
6 practices that are available out there, we're here to be
7 able to teach you.

8 For those again that are new here, my
9 name is Spencer Patton. I'm the contractor, have about
10 225 routes, 275 trucks on the road across 10 different
11 states. So all that means is that I am just more crazy
12 than most of the other contractors due to all of the
13 routes that I have running across. We're based in
14 Nashville, Tennessee.

15 Today we announced via press release just
16 a couple hours ago the official formation of the Trade
17 Association for Logistics Professionals. This is
18 something that we announced a week ago, but we officially
19 opened nominations for a ten contractor committee to come
20 together and serve as a board in this Trade Association.
21 This Trade Association was designed by really smart and
22 advanced attorneys to ensure that the Trade Association
23 is in compliance with every single aspect of our
24 operating agreement with FedEx Ground. We're going to be
25 able to exercise our First Amendment rights to be able to

1 come together and talk about our businesses and trying to
2 figure out ways that we are able to, in compliance with
3 the law, be able to ensure that we're doing the best that
4 we can as small business owners that are literally the
5 heartbeat of the U.S. economy.

6 So I want to walk you through just a
7 little bit of the Trade Association. I'm going to be
8 doing this for about an hour and 15 minutes ten days from
9 now when I'm talking in one of my keynotes about the
10 Trade Association and some of the functions of it. But I
11 want to just give a little bit of an overview in this
12 moment so that way those that are considering nominating
13 themselves for it can understand what they're signing up
14 for.

15 So first and foremost, the Trade
16 Association has several different responsibilities and
17 roles that we've outlined for it. And if you go to our
18 web site you'll be able to see some of those different
19 roles, but the key governance of the Trade Association is
20 of ten contractors. So these ten contractors are going
21 to self-nominate, and we just opened up the link, we'll
22 post it in the chat if we haven't already, of where you
23 can go to nominate yourself. And we're going to
24 encourage you to record a two or three minute video.

25 Of the ten contractors that serve on this

1 board, our goal is to have seven that are pickup and
2 delivery, and to have three that either exclusively line
3 haul, the 18-wheeler side of the business, or they're the
4 majority line haul in terms of their mixture of
5 operations. We want to make sure that we have great
6 representation from pickup and delivery and we have great
7 representation on the line haul side. If you look at the
8 6,000 FedEx contractors out there, about 80 percent are
9 pickup and delivery and about 20 percent are line haul,
10 so that's why we're trying to mirror that on the board of
11 having it either be eight and two or seven and three
12 towards pickup and delivery and, and line haul there.

13 So we're going to have an open democratic
14 process to be able to elect these ten board members. So
15 we will open those votes September 12th, so you have
16 between now and September 12th to nominate yourself, and
17 then we're going to be able to hold voting for a week.
18 And then we'll announce the winners of that kind of
19 election at that time.

20 So the self-nomination is a time where
21 you want to record a short video that we're going to make
22 available for those that are considering voting for you
23 and other people on the board, and really you're free to
24 talk about whatever you think you're going to be
25 contributing to this Trade Association. We have had a

1 flood of people, since we've announced the Trade
2 Association, express interest in nominating themselves to
3 serve on that board.

4 And what's really amazing is everybody
5 brings all sorts of unique backgrounds. We've had people
6 that have been contractors for literally 30 years, this
7 is what they've given more than half of their lives to in
8 this space. We have some people that bring a really deep
9 financial background and they're able to really be the
10 number crunchers and the nerds of the board, and I can
11 say that because I am a nerd too. There's other people
12 that have a real corporate background that really
13 understand the inner workings of multibillion dollar
14 businesses and feel like that they would be able to add
15 value that way.

16 All sorts of different things that we're
17 excited to be able to assemble this together because this
18 Trade Association is going to be able to help 6,000
19 contractors that sometimes struggle to express any type
20 of unified opinion, right. No company, no matter how big
21 or organized they are, can individually receive and
22 process 6,000 voices from small business owners. That's
23 just not possible to be able to do. So being able to
24 collectively assemble that into a Trade Association
25 allows us to be able to communicate in a way that can

1 actually be helpful, because that's the goal here. The
2 Trade Association has no benefit from trying to hurt
3 FedEx Ground. We want to see FedEx Ground do well, we
4 want to see contractors do well. And so there's a lot of
5 complexity that goes into that.

6 But that Trade Association is one that we
7 are going to be talking extensively about all the roles
8 that it's going to be play. I'm going to share at the
9 Expo some of its early initiatives that I think would be
10 good for the Trade Association, but I will be running to
11 be elected to the board just like everybody else. Just
12 because it was my idea, does not mean that I get to put
13 myself on the board. I, I will be voted on just like
14 everybody else and share some of the ideas that I think
15 would be effective on that Trade Association.

16 So just wanted to go over that with you,
17 let you officially know that the self-nominations are
18 open. At the Expo we are going to have a video crew, the
19 one that does all of the filming for my content, we will
20 be set up at the Expo. So if you are attending the Expo
21 and you want us to record your video, it would be done
22 really professionally and done in a way that I think
23 you'll be proud. And we're going to do that just for
24 anybody that wants to record their video.

25 If you're not able to make it to the Expo

1 or you just can't wait, the self-nomination form built
2 into the web page is an ability for you to activate your
3 camera and record your nomination right there. So if you
4 can't make it to the Expo or you just want to submit it
5 right away you'll be able to do that, otherwise if you
6 come to the Expo we'll make sure it's done really
7 professionally. And you can notify us via the
8 self-nomination form, there's a button to click, that
9 you'd like to record at the Expo, and so that's how
10 you'll do your nomination.

11 If you don't feel called to serve on that
12 board, then certainly you're invited to vote and to talk
13 to other people that you think may be a good fit for the
14 board and have them come and do a self-nomination.

15 So that is TALP, the Trade Association
16 for Logistics Professionals and our overview. So what I
17 want to do now is introduce Annalee. Annalee runs Route
18 Consultant, she is responsible for all that goes on in
19 the Route Consultant world. She has some new inventory,
20 some new listings that she's going to update us on, and
21 then I just want to do Q&A. We're obviously in some
22 unusual times and I think it's best served that I answer
23 your questions and speak to what you want to learn about
24 and we're going to load in as many questions as we can.

25 For those of you that are kind of

1 longstanding attendees of our webinar, you know that we
2 always do a question of the day. You can't just stroll
3 in here and ask questions to Annalee and I. Instead, we
4 have you answer a question before you ask a question. So
5 at the Q&A button on the bottom of your screen, not the
6 chat button but the Q&A button, we want you to answer our
7 question of what has been your favorite event in your
8 lifetime? It could be a sporting event, it could be a
9 concert, anything that is an event to you, and why. So
10 it could be anywhere, abroad, any event that you've had,
11 we'd love to know. I'll tell you mine, Annalee will tell
12 you hers. But Annalee, why don't you take it away and
13 then we'll go into Q&A after that.

14 ANNALEE: Okay. I didn't pull my answer
15 together this time ahead so you have to go first this
16 time. That's the only difference. I always go first but
17 you have to go first this time. So I'm going to read the
18 inventory.

19 MR. PATTON: Okay. I sprung the question
20 of the day on you there.

21 ANNALEE: You did. I'm like oh my gosh,
22 there's so many things I want to say. I am going to --
23 except for now I literally thought of it and I know
24 you're going to steal my thunder so that's stupid but
25 okay, we're going to do the inventory.

1 I have seven new opportunities for you
2 guys this week. Portland, Oregon on the P&D side, eight
3 P&D routes for you, listed at 450. Has a manager. We
4 also think this one may be SBA eligible, which again I
5 know a lot of times is a big driver for folks. Long,
6 longstanding tenured operator, so great transition
7 support as well. May be willing to do some seller
8 financing with a motivated buyer who's able to move
9 quickly, so great opportunity in Portland for our west
10 coasters.

11 In Fairfield, Ohio I've got nine P&D
12 routes listed at 425. Super profitable operation, low
13 mileage territory. Two managers on staff doing the
14 day-to-day. Low mileage again, you know, helps maintain
15 those fuel costs and pieces on that as well. It's only
16 38 percent of revenue on that one but you will need to
17 source fleet, so it might be a good candidate for
18 something like Hello Truck Lease considering the mileage
19 and territory.

20 Johnson City, Tennessee we've got nine
21 P&D routes listed at 900 thousand. That opportunity has
22 management in place, comes with spare vehicles, spare
23 drivers, and again a profitable operation on that one as
24 well.

25 In Savannah, Georgia we've got eleven P&D

1 routes listed at 1.3 million. Two managers in place,
2 spare trucks. Also looks like Savannah might be a, might
3 be SBA eligible if you want to be in that southern market
4 and potentially have some SBA for that. High growth,
5 like really affluent delivery area too, so some of the
6 different challenges that you get based on delivery area,
7 really nice perks to that one.

8 Lakeland, Florida, we've got ten P&D
9 routes listed at 595. Manager in place for that one as
10 well. Really handling 100 percent of the operations of
11 the business so that's a great kind of hey, I really want
12 some support getting started or maybe looking to run
13 something remote, Lakeland would be a really good one to
14 look at for them. Also some assumable truck debt for
15 that one as well if you're trying to do creative
16 financing and keep that out of a traditional lending
17 methods.

18 In North Cincinnati we've got nine P&D
19 routes listed at 75 thousand, so this one is an
20 opportunity to really have an extremely low entry point
21 into the space. Definitely something where they're
22 looking for a motivated quick mover. Two managers on
23 that, but if Cincinnati's your area you might want to check
24 that out quickly, I imagine that will go really fast.

25 And then one for Amazon this week. We

1 have a DSP operation, does approximately 22 routes on a
2 regular day but obviously that fluctuates, in Louisville,
3 Kentucky listed at 142. I got four managers in place for
4 that one, six spare vehicles, established business, great
5 territory. Clean, really consistent financial records,
6 so lots of, lots of really strong avenues to that one.
7 So that's what I have for you guys this week.

8 So, okay Spencer, what's your event?

9 MR. PATTON: All right, so mine, this is
10 actually a Vegas theme, it's borrowing from the Vegas
11 side since our Expo is out there, but it's actually true.
12 So there is a show in Vegas, the Michael Jackson One,
13 okay. So I don't really care whether you're a Michael
14 Jackson fan or not, you will love this show. It is the
15 only show in Vegas that I have seen multiple times and it
16 is half concert but half just like costume crazy type
17 experience. And at the end they do a hologram of Michael
18 Jackson that, I'm telling you, is the most real thing
19 you've ever seen that it literally he moonwalks across
20 the stage, it's pretty fantastic. So for those of you
21 coming to Vegas if you have a chance to be able to catch
22 the Michael Jackson One show, it is one of my absolute
23 favorites. So I think it qualifies for me as an event in
24 and of itself, it is awesome. So that's mine.

25 ANNALEE: Okay, that's totally not what I

1 thought you were going to say so you didn't steal my
2 thunder.

3 MR. PATTON: Good.

4 ANNALEE: But Michael Jackson One is a
5 really great show. So I am going to say, I was thinking
6 more along the lines of kind of like conference like what
7 we're doing this week, or next week, and so actually
8 Spencer introduced me to the Tony Robbins events. And so
9 now you're totally thinking oh, she got a good one
10 because you would have --

11 MR. PATTON: That's good.

12 ANNALEE: -- (inaudible) thinking events.
13 But it's been a couple years now, I went to one of the
14 Tony Robbins events. And if you can't tell from my
15 personality, which most of you guys probably know at this
16 point, I love a little high energy and just so much
17 positivity and those events, it's like walking into
18 Disneyland, everybody's so excited everywhere you go and
19 it's just an amazing energy and just such a fun
20 experience to go to. So that's definitely my favorite
21 event that I've ever been to.

22 And also, for the record, if you're going
23 to be with us next week in Vegas I give all of you
24 permission, anybody on my team that you see that's not
25 out there giving like Tony Robbins level hallway energy,

Page 14

1 you can walk right up to them and say Annalee said you
2 better be Tony Robbins level energy. We're all really
3 excited here so you guys can, can go call them on it
4 combing the halls in Paris next week, so.

5 MR. PATTON: That's outstanding. I love
6 it, I love it. Okay, well let's get into our Q&A,
7 Annalee. That was a great answer and I would have stolen
8 that from you had -- that's very true.

9 ANNALEE: Thank you. Yep.

10 MR. PATTON: Good work.

11 ANNALEE: (Inaudible) do it. Okay.
12 Spencer, so first question comes from Richard Delaney who
13 said the best event he's ever been to was the 2010 Final
14 Four basketball tournament. I bet that was a pretty, a
15 pretty epic event there. And the question is, so
16 insight, Spencer, into like if we start adding additional
17 kind of business delivery like into the, the routes, like
18 what, what does the future of cubic needs for delivery
19 vehicles look like, do you see needing larger vehicles as
20 the space progresses, do you see contractors moving to
21 smaller, you know, small parcel delivery vans, kind of
22 can you give an outlook what you're anticipating there?

23 MR. PATTON: Yeah. So this is an
24 important thing to understand about FedEx Ground's
25 network in general is that where does FedEx Ground make

1 the most money? So if you say what type of package do
2 they make the most money on, they make it on oversized
3 packages, what are called incompatible packages. FedEx
4 Ground just yesterday released all new surcharges that
5 are going to be put through for peak season, and actually
6 starting well before peak season, and for certain
7 oversize packages they are charging an additional 40 to
8 80 dollars for oversize packages.

9 So the reason why is that if you're going
10 to have a network that carries oversize packages, you've
11 got to have your entire network engineered for that. The
12 belts have to be heavier, the chutes, like the width of
13 the chutes that the packages slide down have to be wider.
14 When you are dealing with an oversize package, like, you
15 know, a set of four tires, lawn chair, trampoline,
16 mattresses, those things don't stack neatly together.
17 They, if you think about putting that into the back of
18 the trailer, you can't nicely stack them on top of each
19 other, it's kind of like package soup on the inside and
20 there's more damage that can happen too which means that
21 FedEx Ground is going to have more claims.

22 So what all that means though is that
23 FedEx Ground makes their most money, their highest
24 margin, on oversize boxes. So where are they going to
25 focus on their growth? In the oversize boxes, right,

1 that's where they want to go towards. So what you've
2 heard us talk about for years in our fleet strategy is I
3 want to see you operate the largest vehicle that you can
4 safely operate on your route. So for some of you, very
5 few of you, but some of you have not yet overlapped
6 Ground and home delivery for your territory. There's
7 just a few of you left in the United States, and maybe
8 the individual asking the question is in this scenario.
9 When you add business delivery, that is where a lot of
10 the bulk comes from. There's still large boxes that go
11 to residences, of course, but the business delivery is
12 where you see a lot of the heavy, oversized type boxes go
13 for. So definitely operating large trucks and being
14 mindful that where FedEx Ground's network is going in the
15 future is towards these oversized and incompatible
16 packages.

17 Last thing I'll say to this before going
18 on, this is what a lot of times people say well Spencer,
19 how do you feel about Amazon as a competitor, or how do
20 you feel about UPS as a competitor to FedEx? And the
21 answer is that UPS and Amazon, while competitors, are,
22 are really focusing on a different type of package. They
23 focus on shoebox size packages that are lighter weight,
24 whereas FedEx focuses on the big uglies as I like to call
25 this. Like just the packages that if you looked into the

1 back of a truck you would not want to have to deliver
2 that one, that's the one FedEx Ground focuses on. So
3 yes, there's an overlap between the businesses, but
4 they're more different than they are the same in thinking
5 about the types of boxes that their network is built
6 upon.

7 ANNALEE: And, you know, you're somewhat
8 touching on this so I'm going to go ahead and go with
9 this question from Bill Goss, Spencer, who's kind of said
10 staying on the Vegas theme, best even he went to was the
11 Beatles Love show in Vegas, that is also a great show.

12 MR. PATTON: Love it.

13 ANNALEE: So, so can you further
14 elaborate a little on kind of the impending transition
15 with FedEx with folding in of Express and kind of
16 terminal reductions and the, you know, the tightening of
17 the network there? What do you think the impact of that
18 is going to be as you're talking about these different
19 volume types?

20 MR. PATTON: So FedEx just a couple weeks
21 ago announced their network 2.0. And what that means is
22 that FedEx Express has always operated as an entirely
23 separate network from FedEx Ground. And, and that has
24 frustrated Wall Street analysts, it's frustrated
25 investors for many, many years, because if you look at

1 UPS there's no such distinction, but on the FedEx side we
2 actually have entirely separate terminals for Express and
3 Ground. And, and so it results in a lot of duplicative
4 -- duplicating, how about that? Duplicating efforts.
5 Duplicative? I don't think that's a word.

6 ANNALEE: Not duplicative.

7 MR. PATTON: So we're going to go with
8 duplicating efforts. It sounds good though but it
9 doesn't come off the tongue very, very well. So we're
10 just going to -- this is not like it's a live webinar,
11 right? Oh, it is a live webinar, okay. All right, it is
12 a live webinar.

13 ANNALEE: We can edit that out.

14 MR. PATTON: So we're duplicating the
15 terminals is what we're going to say there, and, and that
16 causes waste, right. So you have an Express truck pull
17 up and you have a Ground truck pull up at the same
18 building, and it doesn't take a rocket scientist to
19 figure out that okay, this is not very efficient.

20 So what we're seeing and what FedEx
21 announced is that the Express network is going to be
22 substantially, not entirely, but substantially integrated
23 into the Ground network. And that's a big win for Ground
24 contractors. It's something that I've talked about for
25 two years that FedEx has been announcing this and they've

Page 19

1 been reaffirming it and Raj, the new CEO of FedEx,
2 corporately affirmed this to say that this will continue.

3 So if I was an Express driver I would not
4 be happy about this, right, because they are closing
5 terminals and they're eliminating routes, but Ground is
6 going to see additional volume flow into the network.
7 And, and so when you think about, you know, three years
8 out, five years out, that's a really great tail wind that
9 we have supporting us.

10 Now clearly, those of you that have seen
11 my video and letter, we have immediate concerns right now
12 that is calling for FedEx Ground to restore the financial
13 viability of the routes in this moment, but it all
14 depends on which lens you're looking at. Are you looking
15 in the immediate lens, are you looking in the next three
16 to five years, and, and those outlooks are very
17 different. I, I have always been and remain very
18 optimistic about the network over a three and five year
19 stand, standpoint, but in the immediate term, I, I see
20 really significant challenges that have to be addressed.
21 And that's, that's what all of my letters and videos talk
22 about.

23 ANNALEE: That's right. Okay, Spencer,
24 so I have an unclaimed question and then two answers that
25 I don't know which one it goes but I'm reading them both,

1 especially because one of them is so epic. So this one,
2 I don't know if this is your question or not, but Chris
3 Lanier says that he hosted a party for 400 people on
4 Alcatraz Island in the former prison.

5 MR. PATTON: What?

6 ANNALEE: I want to be (inaudible).

7 MR. PATTON: That is amazing, Chris.
8 That is amazing. I don't even, can we even take other
9 people's answers at this point, Annalee? I don't think
10 so.

11 ANNALEE: Right. They're out.

12 MR. PATTON: Yeah. That's incredible,
13 Chris. I don't even, like did they come in costume,
14 where, was it like, I mean how --

15 ANNALEE: I know, was it like a murder
16 mystery, was it like -- so many questions.

17 MR. PATTON: You can do a booze cruise
18 over to the island and then like there, is it a ghost
19 story? I mean I, I have a lot of questions Chris and I
20 need answers. So, you know, you can post in the chat,
21 everyone wants to know here. Everyone wants to know.

22 ANNALEE: What if it was like a carnival
23 and there were like clowns? I mean I literally can't, I
24 just can't even fathom.

25 MR. PATTON: Were there clowns? Oh my

1 gosh. Can you imagine going into the Alcatraz prison and
2 there was freaking clowns driving out everywhere? Oh,
3 man.

4 ANNALIEE: That's the worst, that's the
5 worst. So I don't know if this is his question or not.
6 I'm also going to give it, because it might be from
7 Harsha who said He Was the O in Vegas for sure also,
8 another great show. So many great Vegas shows. Yay, I
9 can't wait to be in Vegas, this is going to be awesome.

10 But so the question here, the unclaimed
11 question, is I'm in the process of buying line haul
12 routes and I've followed Route Consultant for months now,
13 but with everything that's happening right now, letter of
14 response, you know, from FedEx, all the pieces, Spencer,
15 do you think it's still a good time to get into FedEx?

16 MR. PATTON: Yeah. So this is a great
17 question. As you can imagine we're getting asked it
18 again and again and again and saying all right, Spencer,
19 you've taken a very public stance in talking about where
20 the network and sounded a significant alarm, so for those
21 that are looking to buy into the space how should I think
22 about that? So there's a couple things that I, I, I
23 think it's critical that you understand.

24 The first piece is to know that FedEx
25 Ground has no network without their contractors. That is

1 something that a lot of people, when they're new to the
2 space, don't fully grasp. So FedEx Ground is 100 percent
3 a contractor-led network. So what has always allowed me
4 to put my head on the pillow at the end of the night for
5 the decade that I've been doing this is that I know FedEx
6 Ground cannot run their contractors out of business.
7 Because if they do so, they kill themselves at the same
8 time, right, because the entire network collapses. So I
9 get asked that a lot in the past of what stops FedEx from
10 like waking up one day and cutting everybody's pay by 40
11 percent? Is because it would literally destroy their
12 entire network and FedEx is not in the business of going
13 out of business.

14 So the, the part that you have to
15 remember is FedEx has no future without its contractor
16 network. So this will get resolved one way or another.
17 What I've been trying to be vocal about is let's not have
18 this get resolved as a result of some massive contractor
19 failure because FedEx Ground has not addressed the
20 financial needs of contractors as a result of fuel prices
21 doubling, wage costs going up, vehicle costs going up.

22 FedEx actually has precedent for
23 addressing that in the past. So in 2020, in April of
24 2020 during COVID, FedEx Ground came out and did a 25
25 cent per stop increase for six months. And that was done

1 to address all of the dislocations that were going on
2 during COVID. And so that may be one of the ways that
3 FedEx Ground could, could address this situation.
4 There's other tools that they could use as well.

5 But I think the first part that you have
6 to remember is that whether it's the easy way or the hard
7 way, this is going to get resolved one way or another.
8 And I think as long as your timeline is looking out three
9 to five years, it's incredibly robust and optimistic
10 about where e-commerce is going. FedEx Ground in their
11 Investor Day just a couple weeks ago gave a really
12 compelling future for where e-commerce is headed and
13 FedEx Ground is a pure play on that growth. But I've
14 also been very clear to say that this next three to
15 eighteen months could be tough. I hope that FedEx Ground
16 takes steps to not make it tough, but it's possible.
17 That's one of the ranges of outcomes.

18 So when you're thinking about your
19 acquisitions, make sure that you understand where you're
20 at on the map, right. It's just like, just like looking
21 at a map on the wall, you are here. And there are some
22 various outcomes that can change very rapidly. And if we
23 see FedEx Ground do what I think is the right thing and
24 come out and adjust the financial compensation for
25 contractors, then I think you could see a real

1 restoration to the value of routes.

2 So it's, it's interesting. We're clearly
3 seeing routes that are about a 20 percent discount from
4 what we saw in the fourth quarter of 2020. So the fourth
5 quarter of 2020 was the high water mark of the value of
6 routes and we've seen about a 20 percent decline from
7 there. So for those of you that are business minded that
8 are looking opportunistically, this is a moment of time
9 to take a look at whether you're buying at a good
10 discount, whether that's attractive. I just want you to
11 know what lens you're looking at to be able to look into
12 the future.

13 ANNALEE: That's right. Spencer, next
14 question. So while we're kind of on the topics and
15 everything going on, answer what you can on this at this
16 stage. But Daniel Sultan Birnbaum said that he had the
17 opportunity to participate in an international water polo
18 competition representing his country Venezuela.

19 MR. PATTON: Wow. We have like, we've
20 gone from 0 to 60 just immediately. I mean like I, I'm
21 kind of embarrassed by my Michael Jackson One comment
22 now, Annalee. I feel like I have to kind of justify
23 whether that was even an event or not and I feel like
24 there was maybe a couple, a couple like skeptical eyes
25 that were there. But I mean that counts as an event,

1 international water polo.

2 ANNALEE: Well you weren't going to beat
3 Alcatraz or Venezuela water polo, so we didn't, you know,
4 you didn't have a shot, so.

5 MR. PATTON: Wow.

6 ANNALEE: Daniel's question, Spencer, is,
7 you know, can you elaborate at all at this stage on kind
8 of the franchisee conversation that you've opened up a
9 little bit in terms of what your thoughts are with that,
10 what the direction you can see there is?

11 MR. PATTON: Yeah. So there have been
12 longstanding debates in this industry about
13 classifications of who we are. So FedEx Ground's model
14 is built upon us being contractors. FedEx Ground has
15 dealt with extensive litigation in the past, some of
16 which is still ongoing now, about whether we are
17 employees. That is litigation and a discussion that can
18 be reopened, and there is a lot of discussion on both
19 sides there about whether we are actually classified as
20 employees. And obviously employee classification carries
21 a whole host of benefits that being a contractor does
22 not.

23 There's another angle that is talking
24 about franchisee classification. This is one that there
25 hasn't been nearly as much discussion as you would have

1 thought historically, and there is a three-prong test for
2 what makes someone a franchisee.

3 The first prong is that you have to have
4 the ability and authorization to use the trademark of the
5 franchisor. So we clearly use the trademark, right.
6 It's on our trucks, it's on our branding, you know, we're
7 using the trademark.

8 Number two, the franchisor has to
9 exercise substantial control over the franchisee's
10 business. And that part is also a very compelling case.
11 FedEx Ground controls who we hire, who we put on the
12 road, what trucks we drive, how we deliver the boxes,
13 where we deliver the boxes. They control the training
14 programs that we have, the technology that we can use,
15 there's a certain number of vendor we can choose from.
16 On and on and on and on. Our dispatch times, when we get
17 back to the terminal, lots of control over our business.
18 So that second prong is, is there.

19 The third prong is that there has to be a
20 fee that is charged to the franchisee. And this is where
21 I've had some of the smartest legal minds in the
22 franchisee space that have examined seven different fees
23 that we are charged as contractors or franchisees that
24 would qualify us in that standard. But interestingly,
25 there's more than 15 states in the United States that

1 that third prong, that fee prong, is not a provision.
2 You only have to meet the first two in order to be
3 classified as franchisee.

4 So franchisees enjoy a lot of protections
5 that a contractor does not. So if you're a franchisee
6 you have much more extensive abilities to organize,
7 communicate together, be able to collectively bargain.
8 There are state and federal protections from regulators
9 to franchisees. Different contractual treatment of
10 franchisees. Franchisors have to make disclosures, so
11 they have to make financial disclosures about the health
12 of their franchisees and the historical performance of
13 the franchisees. It would be a, a sea change of a
14 relationship between FedEx Ground and, and now their
15 current contractors but potentially franchisees.

16 So I think the, the messaging is that
17 everything is on the table here. I am very hopeful, and
18 I'm speaking on behalf of my own business, is that we
19 will see FedEx Ground adjust and make changes. I think
20 the network demands it given all the changes to the cost
21 structure, and we're seeing it from the number of
22 contractors that are struggling. So there's a lot of
23 options on the table that we can pursue. We've set the
24 November 25th of 2022 timeline for that period of time,
25 we've attached a social media hashtag of Purple Friday to

1 that, and that's a way that the media is able to track
2 what we're talking about as we still have three months
3 and a couple weeks between now and Black Friday, Purple
4 Friday.

5 ANNALEE: Well obviously I was going to
6 read this one, but Renee Benuela said that the best event
7 he ever attended was the Route Consultant Expo.

8 MR. PATTON: Oh. Easy way, way to get
9 your question answered though, right. I mean it's like
10 we, you know what, everybody appreciates a good brown
11 nose every now and then. It's like there, that's, I'm
12 just going to, that's a great way to get your question
13 answered.

14 ANNALEE: I loved it. Renee's question,
15 Spencer, so we're getting more into the nitty gritty
16 operationally here. So in a situation as a contractor,
17 know, know we've dealt with this before, but if there's
18 another contractor in the building that's actually like
19 kind of poaching drivers after they make it through
20 training and, you know, has a little bit of a toxic
21 culture maybe brewing and it's creating contention in the
22 terminal, have you ever seen this, dealt with this, do
23 you have recommendations for a contractor that's, you
24 know, dealing with that as a frustration and trying to
25 fight that, you know, what are your thoughts there?

1 MR. PATTON: Yeah. I mean a baseball bat
2 to the kneecap has always been an effective -- I'm just
3 kidding. You know, this is part of it.

4 ANNALEE: I'm going to have a lot of
5 editing to do this week, Spencer.

6 MR. PATTON: Yeah, yeah. It's very
7 duplicative that way to do editing like that, that's
8 right. Yeah. So this is tough, right, because there's
9 6,000 FedEx contractors that are all entrepreneurs, and
10 all of us have different ethics and standards for how we
11 run our business. I'm in some terminals where the, the 5
12 to 20 contractors work together incredibly well and, and
13 they really make each other's businesses stronger. And
14 then I have other operations where there's a contractor
15 in the terminal that will slit your throat and they will
16 have no problem taking your drivers and, and really
17 making that challenging.

18 The truth is, there's nothing legally
19 that you can do about it. It is a, a manner of trying to
20 make some business understanding with that contractor to
21 say listen, if you are poaching my drivers you are
22 literally causing the wages of everyone in the terminal
23 to go up unnecessarily. Because I'm going to try to keep
24 the driver, which means I'm going to pay them more, then
25 your own drivers are going to ask for more money and your

Page 30

1 driver cost, and we're basically going to have a, you
2 know, a race to the bottom profitability wise as the
3 whole terminal has knock-on effects from that poaching.
4 So there's nothing other than having a really stern
5 conversation.

6 And, and I have seen some contractors
7 that, you know, they really throw down the gauntlet and
8 say if you steal one of my drivers I will steal two of
9 yours, or three of yours, and I don't care what it takes
10 in order for me to pay them, I, I will do that. Clearly
11 that, there's a lot of different ways to skin that cat
12 and some people just kind of turn the other cheek and,
13 and just say listen, I'll find a way to make my business
14 still work. But I wish I could, could have you, you
15 know, a silver bullet there but I, I just say there are a
16 number of different ways to handle it and it's something
17 that contractors in nearly every terminal from time to
18 time have to, to battle with.

19 ANNALEE: Yeah, absolutely. Spencer,
20 next one comes from David Daniel who said the coolest
21 event he's ever been to was the, so this is Vegas like an
22 MMA UFC type pride fighting championship that came to the
23 U.S. And said -- I bet that was so intense and --

24 MR. PATTON: Yeah. You know, MMA is
25 tough because like there's an element of me where I enjoy

1 MMA for about 10 or 15 seconds, and then after a while
2 I'm just like, and I, you know, I feel like my face is
3 just like so contorted by the end of it that after the
4 fight I feel like I absorbed some of the blows, right.
5 I'm just like I was like oh, gosh. So I, you know, MMA
6 is, is tough. And being live there in person, wow.

7 ANNALEE: Yeah.

8 MR. PATTON: That would really be intense
9 because then you can't flip the channel for a second.

10 ANNALEE: David's question, Spencer, is
11 what are your thoughts on the new Schedule K for this
12 year, kind of adding together total stops for the whole
13 week for surge? Also for the record he said Michael
14 Jackson One was amazing in Vegas and can't wait to see
15 us. We will see you soon, David.

16 MR. PATTON: There you go. Yeah, David,
17 I, so Schedule K, this is brand new stuff coming out
18 where FedEx Ground is making some shifts. Those of you
19 not familiar with Schedule K, I'll first address that.
20 During peak season, FedEx Ground tries to engineer
21 financial incentives for their contractors to ramp up to
22 do all of the peak delivery that we have to do, which
23 means hiring a lot of people, getting a bunch of rental
24 vehicles, and there's a lot of cost to that. So FedEx
25 Ground tries to offer some financial incentives to either

1 offset those costs or in some way go against those costs.

2 And so FedEx Ground made a substantial
3 change to Schedule K last year which was very painful
4 financially for contractors. This year's change, I'll
5 tell you the truth, I haven't had the chance to really
6 run the numbers on it because it's so new of how the
7 change is being made, but for those of you, this will go
8 over some of your heads here and I apologize for that
9 because it's just, I want to speak to my current
10 contractors on that.

11 Is that, you know, when you have your
12 threshold rather than it being set to every day, the
13 entire week, that obviously takes away a lot of your
14 protections. Because now no matter what volume comes in
15 on Saturday, Sunday, Monday, Tuesday, Wednesday, you know
16 that you're not going to have hit your weekly threshold
17 under any scenario. And chances are you're not going to
18 hit your scenario even if, if you look at all seven days
19 combined because the thresholds have been set so high.

20 So my early read on it is I'm not a fan
21 of it and I don't like the change. But I'm going to
22 certainly do my research and do my due diligence and
23 you'll hear something more formally from me on that.

24 For those of you that don't know what I
25 was just talking about with thresholds and all the rest,

1 no worries, we can teach you all that stuff later at the
2 appropriate time but I wanted to be able to speak to that
3 question for the contractors that are here.

4 ANNALEE: Yeah. Spence, I also know that
5 we're going to run out of time here soon so you want to
6 do a lightning round?

7 MR. PATTON: Yeah, let's do -- yeah,
8 we'll do a five-minute lightning round, I'll stop
9 reacting to these amazing events. Has Chris answered our
10 question by the way? I, like --

11 ANNALEE: No, I'm hoping.

12 MR. PATTON: -- Chris, we need the answer
13 to the question, what happened on Alcatraz? I'm dead
14 serious, Chris. I will find you. You had to give us
15 your information to do this I'm sure. So I will, I will,
16 I'm going to activate your camera on here if you do not
17 answer this question, okay.

18 ANNALEE: What happened on Alcatraz,
19 that's the hashtag for today's webinar.

20 MR. PATTON: I do like that, yes.

21 ANNALEE: It is good, yes. All right,
22 let's see. So next question, Spencer, old Dr. Chronic,
23 David Chronic, said 2001 World Series, Game Four, Yankee
24 Stadium just after 9/11. Derek Jeter walked off with a
25 home run in the 10th inning to tie the World Series at

1 two games apiece, that's epic.

2 MR. PATTON: Amazing.

3 ANNALEE: The question, yep, is Spencer,
4 can you give kind of an update, are, for current
5 contractors opportunities where businesses are being kind
6 of posted or awarded, you know, do you still see those
7 opportunities existing for current contractors in a space
8 that are looking to expand that way?

9 MR. PATTON: Just to make sure I have
10 that question right, Annalee, because I was, so you're
11 saying are we still seeing lists of open CSAs?

12 ANNALEE: Yes.

13 MR. PATTON: Yeah, okay. So, so those
14 not familiar, as contractors fail, FedEx Ground will take
15 back possession of the delivery territory and they'll
16 post it on a website called buildagroundbiz. And, and
17 they send out a public e-mail to say hey, we have this
18 new territory that is not serviced, and clearly every
19 territory in the United States needs to be serviced and
20 so they're seeking a contractor to take over that
21 territory.

22 But, you know, a lot of people get
23 attracted to that because it's free, but what they
24 quickly realize, and what we see all the time, is that
25 they get a free territory and you know the old saying,

1 you get what you pay for. You come in and you have no
2 drivers, you have no trucks, you have no route planning
3 at all, no familiarity with the delivery territory, and
4 usually if it's open and free, the delivery territory is
5 not that good.

6 So if you are looking at an open CSA, I
7 would give you a lot of caution on that. I have seen so
8 many people light a lot of money on fire chasing
9 something that was free. What I tell people all the time
10 is that if you're looking to buy into the FedEx space,
11 make your first business pay a fair price for an
12 outstanding business. Do not pay an outstanding price,
13 meaning like free, for a fair or below average business.
14 Buy a healthy business to start and then make your
15 second, third, and fourth one a dumpster fire, right.
16 You can knock yourself out, make it a big turnaround, but
17 don't do it that way.

18 What I also have pointed out in my video
19 and letters is that part of the evidence for what's going
20 on in the network right now is the sheer volume of open
21 CSAs that is getting posted on buildagroundbiz is that it
22 is markedly higher than what we've seen in the past, and
23 this is just more evidence of the kind of distress that
24 I'm pointing to in the network right now.

25 ANNALEE: Yeah. For the record, Chris

1 Lanier said it was a party for a software company sales
2 meeting. Everyone had to take a boat over, there was a
3 lot of booze, it was really fun. There was a former
4 guard and a prisoner there to answer questions about what
5 it was like.

6 MR. PATTON: Wow. Wow. Chris, hey,
7 thank you. I could not have concluded this webinar
8 without that answer. It would, it would have bothered me
9 on a, on a level that I can't totally express to you, so
10 thank you for asking and answering that question. And
11 that is incredible, you win the question of the day
12 Chris, so thank you for that.

13 ANNALEE: Absolutely. Now another valid
14 contender though, Jared Gray. This is like one of the
15 best questions I think we've ever done honestly. Jared
16 Gray ended up, from a buddy of his who was a bouncer,
17 showing up to a 1:00 in the morning, less than 500
18 people, unexpected private show with Prince in a club in
19 Atlanta.

20 MR. PATTON: Wow. Wow. I feel like
21 bouncers just must have the absolute best stories on
22 planet Earth. Like I feel like I have good stories as a
23 contractor because, you know, drivers just do the
24 craziest things and customers, I mean I've, I delivered
25 in a, in a truck for two years myself and I can tell you

1 I have seen people come to the door to accept a delivery
2 in, in clothing or no clothing that it's just some of the
3 most scarring stuff that you can imagine in your life,
4 right. I mean it's, it's like that same thing, like
5 somebody is like oh, I wonder like what a nude beach is
6 like. People that are on the nude beach are not the
7 people that you're wanting to see. And it's the same
8 with them coming to the door, I mean you're just going
9 about your day, right. You're just trying to get the
10 boxes delivered and they're just assaulting your eyeballs
11 or, or any other, I mean it's just oh, it's like please,
12 you know, help me. So yeah. Sorry, I mean I just needed
13 to get that out. I know this is a lightning round but
14 this is as much therapy for me today, Annalee, as
15 anything.

16 ANNALEE: This is our worst lightning
17 round ever but these questions and answers are so good.

18 MR. PATTON: It is, it is bad, yeah.
19 Okay, we'll do this question and we'll call it the day.
20 I will show myself the door after, after this one.

21 ANNALEE: I know, I should, I should give
22 you the hook today.

23 MR. PATTON: Yeah.

24 ANNALEE: All right, so Jared's question
25 is, is a question on cap-ex, Spencer, we should do just a

1 checkup on where we stand for this metric wise. So
2 given, you know, all the target ranges we typically
3 recommend, what does somebody coming into the space, you
4 know, for the first time need to allocate for cap-ex
5 right now?

6 MR. PATTON: Yeah, so Jared, things have
7 changed. So we have metrics that say traditionally fuel
8 might be 8 to 12 percent of your annual revenue. That's
9 historically. We've seen fuel increase anywhere from 16
10 to 24 percent of someone's annual revenue, so it's, it's
11 come markedly higher. So there are different metrics and
12 ranges that some of which have changed more than others.

13 Cap-ex is an interesting one because this
14 is part of what we're trying to solve for in the
15 collective accumulation of purchasing power of
16 contractors. And I'll maybe leave you with this teaser
17 that at the Expo in my keynote one of the major
18 announcements that I'm going to be making is that for
19 ever, for the 30 years of this network being around,
20 contractors have never had the opportunity to accumulate
21 their purchasing power, and for the first time I will be
22 revealing multiple deals that we have signed with
23 multibillion dollar businesses that are going to lead to
24 immediate savings for contractors that every contractor
25 in the United States will have access to. And this is

1 for all the things that we spend money on every single
2 day.

3 So you think about what those things are,
4 might be vehicles, might be fuel, might be things that we
5 spend a lot of money on and we've been doing it at retail
6 prices. I mean literally those of you that are not
7 contractors here watching the webinar can go and buy fuel
8 at the same price as what a FedEx Ground contractor can.
9 And that is nuts, that's crazy, because we buy a lot of
10 fuel. So there's going to be some really powerful pieces
11 that, specific to the cap-ex side, we're going to have
12 things that are going to make a real difference for the
13 contractors and it will be a first of its kind thing. So
14 really excited to reveal that at the Expo.

15 Thank you all for hanging in there with
16 us today, we've had a lot of fun. I promised to make you
17 laugh a little bit, we probably made you groan some too,
18 that is just part of it. But we're happy that you had a
19 good time, thank you all for playing full out.

20 Chris, thank you for making me not turn
21 on your camera here. I'm glad I have some of you
22 questioning whether I actually have the power to turn on
23 your camera here on Zoom, and we're just going to say
24 that I do, all right. We're going to roll with that
25 story.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

So all of you, hope to see you out in Vegas. If nothing else I'll see you all in a webinar in the near future. Talk to you all very soon. See you everybody.

ANNALEE: Bye everyone.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CERTIFICATE
STATE OF MICHIGAN
COUNTY OF MACOMB

I, Andrea Filar, C.S.R. and Notary Public
in and for the County of Macomb, State of Michigan, do
hereby certify that the attached is a true, correct, and
complete transcript of my stenographic notes taken at the
time and place hereinbefore stated and they were
transcribed upon a computer under my direct supervision.
The undersigned assumes no responsibility for copies not
made under my direction or control. September 19, 2022



Andrea Filar, CSR - 8349
Notary Public, Macomb County
My Commission Expires: 10-01-2028

&	24 39:10	able 4:7,25,25	affirmed 20:2
& 1:5	25 23:24	5:2,3,18 6:14,17	affluent 12:5
0	25th 28:24	7:9,14,17,18,23	ago 4:16,18
0 25:20	26748 42:16	7:23,25 8:25 9:5	18:21 24:11
1	275 4:10	11:8 13:21	agreement 4:24
1.3 12:1	3	25:11 28:7 29:1	ahead 10:15
10 1:8 4:10 32:1	3,300 2:10	34:2	18:8
10-01-2028	30 7:6 39:19	abroad 10:10	alarm 22:20
42:17	38 11:16	absolute 13:22	alcatraz 21:4
100 12:10 23:2	4	37:21	22:1 26:3 34:13
10th 34:25	40 16:7 23:10	absolutely 31:19	34:18
11 2:22	400 21:3	37:13	allocate 39:4
12 39:8	425 11:12	absorbed 32:4	allowed 23:3
12th 6:15,16	450 11:3	accept 38:1	allows 7:25
142 13:3	5	access 39:25	amazing 2:12
15 5:8 27:25	5 30:11	accumulate	7:4 14:19 21:7,8
32:1	500 37:17	39:20	32:14 34:9 35:2
16 39:9	595 12:9	accumulation	amazon 12:25
18 6:3	6	39:15	17:19,21
19 42:12	6,000 3:21,22 6:8	acquisitions	amendment 4:25
1:00 37:17	7:18,22 30:9	24:19	analysts 2:22
2	60 25:20	activate 9:2	18:24
2.0. 18:21	7	34:16	andrea 1:10 42:5
20 6:9 25:3,6	75 12:19	add 7:14 17:9	42:16
30:12	8	adding 15:16	angle 26:23
2001 34:23	8 39:8	32:12	annalee 9:17,17
2010 15:13	80 6:8 16:8	additional 15:16	10:3,11,12,14,21
2020 23:23,24	8349 1:10 42:16	16:7 20:6	13:25 14:4,12
25:4,5	9	address 24:1,3	15:1,7,9,11 18:7
2022 1:5,8 28:24	9/11 34:24	32:19	18:13 19:6,13
42:12	900 11:21	addressed 20:20	20:23 21:6,9,11
20th 2:5	a	23:19	21:15,22 22:4
21st 2:5	abilities 28:6	addressing	25:13,22 26:2,6
22 13:1	ability 9:2 27:4	23:23	29:5,14 30:4
225 4:10		adjust 24:24	31:19 32:7,10
		28:19	34:4,11,18,21
		advanced 4:22	35:3,10,12 36:25
			37:13 38:14,16

<p>38:21,24 41:5 announce 6:18 announced 4:15 4:18 7:1 18:21 19:21 announcements 39:18 announcing 19:25 annual 39:8,10 answer 9:22 10:4,6,14 15:7 17:21 25:15 34:12,17 37:4,8 answered 29:9 29:13 34:9 answering 37:10 answers 20:24 21:9,20 38:17 anticipating 15:22 anybody 8:24 14:24 apiece 35:1 apologize 33:8 appreciates 29:10 appropriate 34:2 approved 3:15 approximately 13:1 april 23:23 area 12:5,6,23 asked 22:17 23:9 asking 17:8 37:10</p>	<p>aspect 4:23 assaulting 38:10 assemble 7:17 7:24 associated 3:15 association 4:17 4:20,21,22 5:7 5:10,16,19 6:25 7:2,18,24 8:2,6 8:10,15 9:15 assumable 12:14 assumes 42:11 atlanta 37:19 attached 28:25 42:7 attended 29:7 attendees 10:1 attending 2:25 8:20 attorneys 4:22 attracted 35:23 attractive 25:10 august 1:8 2:5 authorization 27:4 available 4:6 6:22 avenues 13:6 average 36:13 awarded 35:6 awesome 13:24 22:9</p>	<p>backgrounds 7:5 bad 38:18 bally's 2:11 bargain 28:7 baseball 30:1 based 4:13 12:6 basically 31:1 basketball 15:14 bat 30:1 battle 31:18 beach 38:5,6 beat 26:2 beatles 18:11 behalf 28:18 belts 16:12 benefit 8:2 benefits 26:21 benuela 29:6 best 4:5 5:3 9:22 15:13 18:10 29:6 37:15,21 bet 15:14 31:23 better 15:2 big 7:20 11:5 17:24 19:23 36:16 bill 18:9 birnbaum 25:16 bit 3:8 5:7,11 26:9 29:20 40:17 black 29:3 blows 32:4 board 4:20 6:1 6:10,14,23 7:3 7:10 8:11,13 9:12,14</p>	<p>boat 37:2 booking 2:10 booze 21:17 37:3 boring 3:4 borrowing 13:10 bothered 37:8 bottom 10:5 31:2 bouncer 37:16 bouncers 37:21 boxes 16:24,25 17:10,12 18:5 27:12,13 38:10 brand 32:17 branding 27:6 brewing 29:21 bring 7:8 bringing 2:7 brings 7:5 brown 29:10 buddy 37:16 buildagroundbiz 35:16 36:21 building 19:18 29:18 built 9:1 18:5 26:14 bulk 17:10 bullet 31:15 bunch 32:23 business 3:24 4:5 5:4 6:3 7:22 12:11 13:4 15:17 17:9,11 23:6,12,13 25:7 27:10,17 28:18 30:11,20 31:13 36:11,12,13,14</p>
	b		
	<p>back 16:17 18:1 27:17 35:15 background 7:9 7:12</p>		

[businesses - consultant]

<p>businesses 5:1 7:14 18:3 30:13 35:5 39:23 button 9:8 10:5 10:6,6 buy 22:21 36:10 36:14 40:7,9 buyer 11:8 buying 22:11 25:9 bye 41:5</p>	<p>certainly 2:19 9:12 33:22 certificate 42:1 certify 42:7 chair 16:15 challenges 12:6 20:20 challenging 30:17 championship 31:22 chance 13:21 33:5 chances 33:17 change 24:22 28:13 33:3,4,7 33:21 changed 39:7,12 changes 28:19 28:20 channel 32:9 charged 27:20 27:23 charging 16:7 chasing 36:8 chat 5:22 10:6 21:20 check 12:23 checkup 39:1 cheek 31:12 choose 27:15 chris 21:2,7,13 21:19 34:9,12,14 36:25 37:6,12 40:20 chronic 34:22,23 chutes 16:12,13</p>	<p>cinci's 12:23 cincinnati 12:18 city 11:20 claims 16:21 classification 26:20,24 classifications 26:13 classified 26:19 28:3 clean 13:5 clear 24:14 clearly 20:10 25:2 27:5 31:10 35:18 click 9:8 closing 20:4 clothing 38:2,2 clowns 21:23,25 22:2 club 37:18 coasters 11:10 collapses 23:8 collective 39:15 collectively 7:24 28:7 combined 33:19 combing 15:4 come 2:16 4:19 5:1 9:6,14 19:9 21:13 24:24 36:1 38:1 39:11 comes 11:22 15:12 17:10 31:20 33:14 coming 13:21 32:17 38:8 39:3</p>	<p>comment 25:21 commerce 24:10 24:12 commission 42:17 committee 1:5 4:19 communicate 7:25 28:7 company 7:20 37:1 compelling 24:12 27:10 compensation 24:24 competition 25:18 competitor 17:19,20 competitors 17:21 complete 42:8 complexity 8:5 compliance 4:23 5:2 computer 42:10 concerns 20:11 concert 10:9 13:16 concluded 37:7 conference 14:6 connected 2:11 connection 3:16 considering 4:3 5:12 6:22 11:18 consistent 13:5 consultant 3:12 3:14 9:18,19</p>
c			
<p>c.s.r. 42:5 call 15:3 17:24 38:19 called 9:11 16:3 35:16 calling 20:12 camera 9:3 34:16 40:21,23 candidate 11:17 cap 38:25 39:4 39:13 40:11 care 13:13 31:9 carnival 21:22 carries 16:10 26:20 case 27:10 cat 31:11 catch 13:21 causes 19:16 causing 30:22 caution 36:7 cent 23:25 ceo 20:1 certain 16:6 27:15</p>			

[consultant - doing]

<p>22:12 29:7 contender 37:14 content 8:19 contention 29:21 continue 20:2 contorted 32:3 contractor 4:9 4:19 23:3,15,18 26:21 28:5 29:16,18,23 30:14,20 35:20 37:23 39:24 40:8 contractors 2:8 2:21 3:3,22,23 4:4,12 5:20,20 5:25 6:8 7:6,19 8:4 15:20 19:24 22:25 23:6,20 24:25 26:14 27:23 28:15,22 30:9,12 31:6,17 32:21 33:4,10 34:3 35:5,7,14 39:16,20,24 40:7 40:13 contractual 28:9 contributing 6:25 control 27:9,13 27:17 42:12 controls 27:11 conversation 26:8 31:5 coolest 31:20 copies 42:11 corporate 7:12</p>	<p>corporately 20:2 corporation 3:13 3:16 correct 42:7 cost 28:20 31:1 32:24 costs 11:15 23:21,21 33:1,1 costume 13:16 21:13 country 25:18 counts 25:25 county 42:3,6,17 couple 4:16 14:13 18:20 22:22 24:11 25:24,24 29:3 course 17:11 covering 2:23 covid 23:24 24:2 craziest 37:24 crazy 4:11 13:16 40:9 creating 29:21 creative 12:15 crew 8:18 critical 22:23 cruise 21:17 crunchers 7:10 csa 36:6 csas 35:11 36:21 csr 1:10 42:16 cubic 15:18 culture 29:21 current 2:20 4:4 28:15 33:9 35:4 35:7</p>	<p>customers 37:24 cutting 23:10</p> <p style="text-align: center;">d</p> <p>damage 16:20 daniel 25:16 31:20 daniel's 26:6 david 31:20 32:15,16 34:23 david's 32:10 day 3:2 10:2,20 11:14,14 13:2 23:10 24:11 33:12 37:11 38:9,19 40:2 days 5:8 33:18 dead 34:13 dealing 16:14 29:24 deals 39:22 dealt 26:15 29:17,22 debates 26:12 debt 12:14 decade 23:5 decline 25:6 deep 7:8 definitely 12:21 14:20 17:13 delaney 15:12 deliver 18:1 27:12,13 delivered 37:24 38:10 delivery 6:2,6,9 6:12 12:5,6 15:17,18,21 17:6</p>	<p>17:9,11 32:22 35:15 36:3,4 38:1 demands 28:20 democratic 6:13 depends 20:14 derek 34:24 designed 4:21 destroy 23:11 difference 10:16 40:12 different 2:18 4:10 5:16,18 7:16 12:6 17:22 18:4,18 20:17 27:22 28:9 30:10 31:11,16 39:11 diligence 33:22 direct 42:10 direction 26:10 42:12 disclaimer 3:10 disclosures 28:10,11 discount 25:3,10 discussion 26:17 26:18,25 dislocations 24:1 disneyland 14:18 dispatch 27:16 distinction 19:1 distress 36:23 doing 2:4 5:3,8 11:13 14:7 23:5 40:5</p>
---	--	---	--

[dollar - fedex]

<p>dollar 7:13 39:23</p> <p>dollars 16:8</p> <p>door 38:1,8,20</p> <p>doubling 23:21</p> <p>dr 34:22</p> <p>drive 27:12</p> <p>driver 11:5 20:3 30:24 31:1</p> <p>drivers 11:23 29:19 30:16,21 30:25 31:8 36:2 37:23</p> <p>driving 22:2</p> <p>dsp 13:1</p> <p>due 4:12 33:22</p> <p>dumpster 36:15</p> <p>duplicating 19:4 19:4,8,14</p> <p>duplicative 19:3 19:5,6 30:7</p>	<p>eighteen 24:15</p> <p>either 6:2,11 32:25</p> <p>elaborate 18:14 26:7</p> <p>elect 6:14</p> <p>elected 8:11</p> <p>election 6:19</p> <p>element 31:25</p> <p>eleven 11:25</p> <p>eligible 11:4 12:3</p> <p>eliminating 20:5</p> <p>embarrassed 25:21</p> <p>employee 3:19 26:20</p> <p>employees 26:17 26:20</p> <p>encourage 5:24</p> <p>ended 37:16</p> <p>endorsed 3:12</p> <p>energy 14:16,19 14:25 15:2</p> <p>engineer 32:20</p> <p>engineered 16:11</p> <p>enjoy 28:4 31:25</p> <p>ensure 4:22 5:3</p> <p>entire 16:11 23:8 23:12 33:13</p> <p>entirely 18:22 19:2,22</p> <p>entrepreneurs 30:9</p> <p>entry 12:20</p> <p>epic 15:15 21:1 35:1</p>	<p>especially 21:1</p> <p>established 13:4</p> <p>ethics 30:10</p> <p>event 2:12 3:1 10:7,8,9,10 13:8 13:23 14:21 15:13,15 25:23 25:25 29:6 31:21</p> <p>events 14:8,12 14:14,17 34:9</p> <p>everybody 2:3 7:4 8:11,14 29:10 41:4</p> <p>everybody's 14:18 23:10</p> <p>evidence 36:19 36:23</p> <p>ex 38:25 39:4,13 40:11</p> <p>examined 27:22</p> <p>excited 3:2 7:17 14:18 15:3 40:14</p> <p>exclusively 6:2</p> <p>exercise 4:25 27:9</p> <p>existing 35:7</p> <p>expand 35:8</p> <p>experience 13:17 14:20</p> <p>expires 42:17</p> <p>expo 1:5 2:5,7,20 2:25 8:9,18,20 8:20,25 9:4,6,9 13:11 29:7 39:17 40:14</p>	<p>express 3:13,16 3:19 7:2,19 18:15,22 19:2,16 19:21 20:3 37:9</p> <p>extensive 26:15 28:6</p> <p>extensively 2:20 8:7</p> <p>extremely 12:20</p> <p>eyeballs 38:10</p> <p>eyes 25:24</p>
f			
<p>face 32:2</p> <p>fail 35:14</p> <p>failure 23:19</p> <p>fair 36:11,13</p> <p>fairfield 11:11</p> <p>familiar 32:19 35:14</p> <p>familiarity 36:3</p> <p>fan 13:14 33:20</p> <p>fantastic 13:20</p> <p>fast 12:24</p> <p>fathom 21:24</p> <p>favorite 10:7 14:20</p> <p>favorites 13:23</p> <p>federal 3:13,16 28:8</p> <p>fedex 2:17,23,24 3:14,17,19,20,21 4:3,24 6:8 8:3,3 15:24,25 16:3,21 16:23 17:14,20 17:24 18:2,15,20 18:22,23 19:1,20 19:25 20:1,12</p>			

[fedex - good]

<p>22:14,15,24 23:2 23:5,9,12,15,19 23:22,24 24:3,10 24:13,15,23 26:13,14 27:11 28:14,19 30:9 32:18,20,24 33:2 35:14 36:10 40:8 fedex's 4:1 fee 27:20 28:1 feel 7:14 9:11 17:19,20 25:22 25:23 32:2,4 37:20,22 fees 27:22 fight 29:25 32:4 fighting 31:22 figure 4:4 5:2 19:19 filar 1:10 42:5 42:16 filming 8:19 final 15:13 financial 7:9 13:5 20:12 23:20 24:24 28:11 32:21,25 financially 33:4 financing 11:8 12:16 find 31:13 34:14 fire 36:8,15 first 3:6 4:25 5:15 10:15,16,17 15:12 22:24 24:5 27:3 28:2 32:19 36:11</p>	<p>39:4,21 40:13 fit 9:13 five 3:1 20:8,16 20:18 24:9 34:8 fleet 11:17 17:2 flip 32:9 flood 7:1 florida 12:8 flow 20:6 fluctuates 13:2 focus 16:25 17:23 focuses 17:24 18:2 focusing 17:22 folding 18:15 folks 11:5 followed 22:12 foremost 5:15 form 9:1,8 formally 33:23 formation 4:16 former 21:4 37:3 four 13:3 15:14 16:15 34:23 fourth 25:4,4 36:15 franchisee 26:8 26:24 27:2,20,22 28:3,5 franchisee's 27:9 franchisees 27:23 28:4,9,10 28:12,13,15 franchisor 27:5 27:8 franchisors 28:10</p>	<p>freaking 22:2 free 6:23 35:23 35:25 36:4,9,13 friday 28:25 29:3,4 frustrated 18:24 18:24 frustration 29:24 fuel 11:15 23:20 39:7,9 40:4,7,10 full 40:19 fully 23:2 fun 3:7 14:19 37:3 40:16 functions 5:10 further 18:13 future 15:18 17:15 23:15 24:12 25:12 41:3</p>	<p>giving 14:25 glad 40:21 go 5:17,23 8:16 10:13,15,16,17 12:24 14:18,20 15:3 17:1,10,12 18:8,8 19:7 30:23 32:16 33:1,7 40:7 goal 6:1 8:1 goes 8:5 9:18 20:25 going 2:11,19,22 2:23,25 3:1,2,7,8 3:8,9 4:24 5:7 5:20,23 6:13,17 6:21,24 7:18 8:7 8:8,8,18,23 9:20 9:24 10:17,22,24 10:25 14:1,5,22 16:5,9,21,24 17:14,17 18:8,18 19:7,10,15,21 20:6 22:1,6,9 23:12,21,21 24:1 24:7,10 25:15 26:2 29:5,12 30:4,23,24,25 31:1 33:16,17,21 34:5,16 36:19 38:8 39:18,23 40:10,11,12,23 40:24 good 3:2 8:10 9:13 11:17 12:13 14:3,9,11 15:10 19:8 22:15 25:9</p>
			g
		<p>game 34:23 games 35:1 gauntlet 31:7 general 15:25 georgia 11:25 getting 12:12 22:17 29:15 32:23 36:21 ghost 21:18 give 5:11 14:23 15:22 22:6 34:14 35:4 36:7 38:21 given 7:7 28:20 39:2</p>	

[good - international]

<p>29:10 34:21 36:5 37:22 38:17 40:19 gosh 10:21 22:1 32:5 goss 18:9 governance 5:19 grasp 23:2 gray 37:14,16 great 6:5,6 11:6 11:9 12:11 13:4 14:5 15:7 18:11 20:8 22:8,8,16 29:12 gritty 29:15 groan 40:17 ground 2:17 3:14,17,19,20,22 4:24 8:3,3 15:25 16:4,21,23 17:6 18:2,23 19:3,17 19:23,23 20:5,12 22:25 23:2,6,19 23:24 24:3,10,13 24:15,23 26:14 27:11 28:14,19 32:18,20,25 33:2 35:14 40:8 ground's 2:23,24 15:24 17:14 26:13 growth 12:4 16:25 24:13 guard 37:4 guys 11:2 13:7 14:15 15:3</p>	<p style="text-align: center;">h</p> <p>half 2:8 7:7 13:16,16 halls 15:4 hallway 14:25 handle 31:16 handling 12:10 hanging 40:15 happen 16:20 happened 34:13 34:18 happening 22:13 happy 20:4 40:18 hard 24:6 harsha 22:7 hashtag 28:25 34:19 haul 6:3,4,7,9,12 22:11 head 23:4 headed 24:12 heads 33:8 health 28:11 healthy 36:14 hear 33:23 heard 2:6 17:2 heartbeat 5:5 heavier 16:12 heavy 17:12 hello 11:18 help 7:18 38:12 helpful 4:2 8:1 helps 11:14 hereinbefore 42:9 hey 12:11 35:17 37:6</p>	<p>high 12:4 14:16 25:5 33:19 higher 36:22 39:11 highest 16:23 hire 27:11 hiring 32:23 historical 28:12 historically 27:1 39:9 hit 33:16,18 hold 6:17 hologram 13:17 home 17:6 34:25 honestly 37:15 hook 38:22 hope 24:15 41:1 hopeful 28:17 hopefully 4:1 hoping 34:11 host 26:21 hosted 21:3 hotel 2:9,10,11 hour 5:8 hours 4:16 hurt 8:2</p> <p style="text-align: center;">i</p> <p>idea 8:12 ideas 8:14 imagine 12:24 22:1,17 38:3 immediate 20:11 20:15,19 39:24 immediately 25:20 impact 18:17</p>	<p>impending 18:14 important 15:24 inaudible 14:12 15:11 21:6 incentives 32:21 32:25 incompatible 16:3 17:15 increase 23:25 39:9 incredible 21:12 37:11 incredibly 24:9 30:12 individual 17:8 individually 7:21 industry 26:12 info 1:5 information 3:24,25 4:2 34:15 initiatives 8:9 inner 7:13 inning 34:25 inside 16:19 insight 15:16 integrated 19:22 intense 31:23 32:8 interest 7:2 interesting 25:2 39:13 interestingly 27:24 international 25:17 26:1</p>
---	--	---	---

[introduce - low]

<p>introduce 9:17 introduced 14:8 inventory 9:19 10:18,25 investment 4:3 investor 24:11 investors 18:25 invited 9:12 island 21:4,18</p>	<p>32:12 35:4,5 36:23 40:13 kneecap 30:2 knock 3:10 31:3 36:16 know 8:17 10:1 10:11,23 11:5,14 14:15 15:21 16:15 18:7,16 20:7,25 21:2,15 21:20,21,21 22:5 22:14,24 23:5 25:11 26:3,7 27:6 29:10,17,17 29:20,24,25 30:3 31:2,7,15,24 32:2,5 33:11,15 33:24 34:4 35:6 35:22,25 37:23 38:12,13,21 39:2 39:4</p>	<p>left 17:7 legal 27:21 legally 30:18 lending 12:16 length 1:9 lens 20:14,15 25:11 letter 20:11 22:13 letters 2:15,18 20:21 36:19 level 14:25 15:2 37:9 life 38:3 lifetime 10:8 light 36:8 lighter 17:23 lightning 34:6,8 38:13,16 line 6:2,4,7,9,12 22:11 lines 14:6 link 5:21 listed 11:3,12,21 12:1,9,19 13:3 listen 30:21 31:13 listings 9:20 lists 35:11 literally 5:4 7:6 10:23 13:19 21:23 23:11 30:22 40:6 litigation 26:15 26:17 little 3:8 5:7,11 14:16 18:14 26:9 29:20</p>	<p>40:17 live 19:10,11,12 32:6 lives 7:7 load 9:24 logistics 4:17 9:16 long 11:5 24:8 longstanding 10:1 11:6 26:12 look 6:7 12:14 15:19 18:25 25:9,11 33:18 looked 17:25 looking 12:12,22 20:14,14,15 22:21 24:8,20 25:8,11 35:8 36:6,10 looks 12:2 lot 2:14 8:4 11:5 17:9,12,18 19:3 21:19 23:1,9 26:18 28:4,22 30:4 31:11 32:23,24 33:13 35:22 36:7,8 37:3 40:5,9,16 lots 13:6,6 27:17 louisville 13:2 love 2:21 10:11 13:14 14:16 15:5,6 18:11,12 loved 29:14 low 11:12,14 12:20</p>
<p>j</p>			
<p>jackson 13:12,14 13:18,22 14:4 25:21 32:14 jared 37:14,15 39:6 jared's 38:24 jeter 34:24 johnson 11:20 joined 3:5 jokes 3:9 justify 25:22</p>			
<p>k</p>	<p>l</p>		
<p>k 32:11,17,19 33:3 keep 12:16 30:23 kentucky 13:3 key 5:19 keynote 39:17 keynotes 5:9 kidding 30:3 kill 23:7 kind 6:18 9:25 12:11 14:6 15:17,21 16:19 18:9,14,15 25:14 25:21,22 26:7 29:19 31:12</p>	<p>lakeland 12:8,13 lanier 21:3 37:1 large 17:10,13 larger 15:19 largest 2:24 17:3 las 2:5 laugh 3:8 40:17 law 5:3 lawn 16:15 lead 39:23 learn 9:23 lease 11:18 leave 39:16 led 23:3</p>		

<p>m</p> <p>macomb 42:3,6 42:17</p> <p>mail 35:17</p> <p>maintain 11:14</p> <p>major 39:17</p> <p>majority 6:4</p> <p>making 30:17 32:18 39:18 40:20</p> <p>man 22:3</p> <p>management 11:22</p> <p>manager 11:3 12:9</p> <p>managers 11:13 12:1,22 13:3</p> <p>manner 30:19</p> <p>map 24:20,21</p> <p>margin 16:24</p> <p>mark 25:5</p> <p>markedly 36:22 39:11</p> <p>market 12:3</p> <p>massive 23:18</p> <p>materially 3:25 4:2</p> <p>materials 2:15</p> <p>matter 7:20 33:14</p> <p>mattresses 16:16</p> <p>mean 8:12 21:14 21:19,23 25:20 25:25 29:9 30:1 37:24 38:4,8,11 38:12 40:6</p> <p>meaning 36:13</p>	<p>means 3:18 4:11 16:20,22 18:21 30:24 32:23</p> <p>media 3:1 28:25 29:1</p> <p>meet 28:2</p> <p>meeting 37:2</p> <p>members 6:14</p> <p>messaging 28:16</p> <p>methods 12:17</p> <p>metric 39:1</p> <p>metrics 39:7,11</p> <p>michael 13:12 13:13,17,22 14:4 25:21 32:13</p> <p>michigan 42:2,6</p> <p>mileage 11:13,14 11:18</p> <p>million 12:1</p> <p>minded 25:7</p> <p>mindful 17:14</p> <p>minds 27:21</p> <p>mine 10:11 13:9 13:24</p> <p>minute 5:24 34:8</p> <p>minutes 5:8</p> <p>mirror 6:10</p> <p>mixture 6:4</p> <p>mma 31:22,24 32:1,5</p> <p>model 26:13</p> <p>moment 5:12 20:13 25:8</p> <p>monday 33:15</p> <p>money 16:1,2,23 30:25 36:8 40:1 40:5</p>	<p>months 22:12 23:25 24:15 29:2</p> <p>moonwalks 13:19</p> <p>morning 37:17</p> <p>motivated 11:8 12:22</p> <p>move 11:8</p> <p>mover 12:22</p> <p>moving 15:20</p> <p>multibillion 7:13 39:23</p> <p>multiple 13:15 39:22</p> <p>murder 21:15</p> <p>mystery 21:16</p> <p style="text-align: center;">n</p> <p>name 3:6 4:9</p> <p>nashville 4:14</p> <p>near 41:3</p> <p>nearly 26:25 31:17</p> <p>neatly 16:16</p> <p>need 11:16 21:20 34:12 39:4</p> <p>needed 38:12</p> <p>needing 15:19</p> <p>needs 15:18 23:20 35:19</p> <p>nerd 7:11</p> <p>nerds 7:10</p> <p>network 15:25 16:10,11 17:14 18:5,17,21,23 19:21,23 20:6,18 22:20,25 23:3,8</p>	<p>23:12,16 28:20 36:20,24 39:19</p> <p>nevada 2:6</p> <p>never 39:20</p> <p>new 4:8 9:19,20 11:1 16:4 20:1 23:1 32:11,17 33:6 35:18</p> <p>nice 12:7</p> <p>nicely 16:18</p> <p>night 23:4</p> <p>nine 11:11,20 12:18</p> <p>nitty 29:15</p> <p>nominate 5:21 5:23 6:16</p> <p>nominating 5:12 7:2</p> <p>nomination 6:20 9:1,3,8,10,14</p> <p>nominations 1:5 4:19 8:17</p> <p>non 3:25</p> <p>north 12:18</p> <p>nose 29:11</p> <p>notary 42:5,17</p> <p>notes 42:8</p> <p>notify 9:7</p> <p>november 28:24</p> <p>nude 38:5,6</p> <p>number 7:10 27:8,15 28:21 31:16</p> <p>numbers 33:6</p> <p>nuts 40:9</p>
---	--	---	--

[o - pointing]

<p>o</p> <p>o 22:7</p> <p>obviously 2:14 9:21 13:2 26:20 29:5 33:13</p> <p>offer 32:25</p> <p>official 4:16</p> <p>officially 4:18 8:17</p> <p>offset 33:1</p> <p>oh 10:21 14:9 19:11 21:25 22:2 29:8 32:5 38:5,11</p> <p>ohio 11:11</p> <p>okay 10:14,19,25 13:8,13,25 15:6 15:11 19:11,19 20:23 34:17 35:13 38:19</p> <p>old 34:22 35:25</p> <p>ongoing 26:16</p> <p>open 6:13,15 8:18 35:11 36:4 36:6,20</p> <p>opened 4:19 5:21 26:8</p> <p>operate 17:3,4</p> <p>operated 18:22</p> <p>operating 4:24 17:13</p> <p>operation 11:12 11:23 13:1</p> <p>operationally 29:16</p> <p>operations 6:5 12:10 30:14</p>	<p>operator 11:6</p> <p>opinion 7:20</p> <p>opinions 3:19,21</p> <p>opportunistic... 25:8</p> <p>opportunities 11:1 35:5,7</p> <p>opportunity 11:9,21 12:20 25:17 39:20</p> <p>optimistic 20:18 24:9</p> <p>options 28:23</p> <p>order 28:2 31:10</p> <p>oregon 11:2</p> <p>organization 2:17</p> <p>organize 28:6</p> <p>organized 7:21</p> <p>outcomes 24:17 24:22</p> <p>outlets 3:1</p> <p>outlined 5:17</p> <p>outlook 15:22</p> <p>outlooks 20:16</p> <p>outstanding 15:5 36:12,12</p> <p>overlap 18:3</p> <p>overlapped 17:5</p> <p>oversize 16:7,8 16:10,14,24,25</p> <p>oversized 16:2 17:12,15</p> <p>overview 5:11 9:16</p> <p>owners 3:24 5:4 7:22</p>	<p>p</p> <p>p&d 11:2,3,11 11:21,25 12:8,18</p> <p>package 16:1,14 16:19 17:22</p> <p>packages 16:3,3 16:7,8,10,13 17:16,23,25</p> <p>page 9:2</p> <p>painful 33:3</p> <p>parcel 15:21</p> <p>paris 2:9 15:4</p> <p>part 3:9 23:14 24:5 27:10 30:3 36:19 39:14 40:18</p> <p>participate 25:17</p> <p>party 21:3 37:1</p> <p>patton 2:3 3:7 4:9 10:19 13:9 14:3,11 15:5,10 15:23 18:12,20 19:7,14 21:5,7 21:12,17,25 22:16 25:19 26:5,11 29:8 30:1,6 31:24 32:8,16 34:7,12 34:20 35:2,9,13 37:6,20 38:18,23 39:6</p> <p>pay 23:10 30:24 31:10 36:1,11,12</p> <p>peak 16:5,6 32:20,22</p> <p>people 2:13 6:23 7:1,5,8,11 9:13</p>	<p>17:18 21:3 23:1 31:12 32:23 35:22 36:8,9 37:18 38:1,6,7</p> <p>people's 21:9</p> <p>percent 6:8,9 11:16 12:10 23:2,11 25:3,6 39:8,10</p> <p>performance 28:12</p> <p>period 28:24</p> <p>perks 12:7</p> <p>permission 14:24</p> <p>person 32:6</p> <p>personality 14:15</p> <p>pickup 6:1,6,9 6:12</p> <p>piece 22:24</p> <p>pieces 11:15 22:14 40:10</p> <p>pillow 23:4</p> <p>place 11:22 12:1 12:9 13:3 42:9</p> <p>planet 37:22</p> <p>planning 36:2</p> <p>play 8:8 24:13</p> <p>playing 40:19</p> <p>please 38:11</p> <p>poaching 29:19 30:21 31:3</p> <p>point 12:20 14:16 21:9</p> <p>pointed 36:18</p> <p>pointing 36:24</p>
---	---	---	--

[polo - representing]

<p>polo 25:17 26:1 26:3 portland 11:2,9 positivity 14:17 possession 35:15 possible 7:23 24:16 post 5:22 21:20 35:16 posted 35:6 36:21 potentially 12:4 28:15 power 39:15,21 40:22 powerful 40:10 practices 4:6 precedent 23:22 press 2:17 4:15 pretty 13:20 15:14,15 price 2:23 4:1 36:11,12 40:8 prices 23:20 40:6 pride 31:22 prince 37:18 prison 21:4 22:1 prisoner 37:4 private 37:18 probably 14:15 40:17 problem 30:16 process 6:14 7:22 22:11 professionally 8:22 9:7</p>	<p>professionals 4:17 9:16 profitability 31:2 profitable 4:5 11:12,23 programs 27:14 progresses 15:20 promised 40:16 prong 27:1,3,18 27:19 28:1,1 protections 28:4 28:8 33:14 proud 8:23 provision 28:1 public 3:25 22:19 35:17 42:5,17 pull 10:14 19:16 19:17 purchasing 39:15,21 pure 24:13 purple 28:25 29:3 pursue 28:23 put 8:12 16:5 23:4 27:11 putting 16:17</p> <p style="text-align: center;">q</p> <p>q&a 9:21 10:5,6 10:13 15:6 qualifies 13:23 qualify 27:24 quarter 25:4,5 question 10:2,4 10:4,7,19 15:12</p>	<p>15:15 17:8 18:9 20:24 21:2 22:5 22:10,11,17 25:14 26:6 29:9 29:12,14 32:10 34:3,10,13,17,22 35:3,10 37:10,11 38:19,24,25 questioning 40:22 questions 9:23 9:24 10:3 21:16 21:19 37:4,15 38:17 quick 3:10 12:22 quickly 11:9 12:24 35:24</p> <p style="text-align: center;">r</p> <p>race 31:2 raj 20:1 ramp 32:21 ranges 24:17 39:2,12 rapidly 24:22 reacting 34:9 read 10:17 29:6 33:20 reading 20:25 reaffirming 20:1 real 3:10 7:12 13:18 24:25 40:12 realize 35:24 really 4:21 6:23 7:4,8,9,12 8:22 9:6 12:5,7,10,11 12:13,20,24 13:5</p>	<p>13:6,13 14:5 15:2 17:22 20:8 20:20 24:11 30:13,16 31:4,7 32:8 33:5 37:3 40:10,14 reason 16:9 receive 7:21 recommend 39:3 recommendati... 29:23 recommended 3:13 record 5:24 6:21 8:21,24 9:3,9 14:22 32:13 36:25 records 13:5 reductions 18:16 regular 13:2 regulators 28:8 relationship 28:14 release 4:15 released 16:4 releases 2:18 remain 20:17 remember 23:15 24:6 remote 12:13 renee 29:6 renee's 29:14 rental 32:23 reopened 26:18 representation 6:6,7 representing 25:18</p>
---	---	---	--

[research - situation]

<p>research 33:22 residences 17:11 resolved 23:16 23:18 24:7 response 22:14 responsibilities 5:16 responsibility 42:11 responsible 9:18 rest 33:25 restoration 25:1 restore 20:12 result 23:18,20 results 19:3 retail 40:5 reveal 40:14 revealing 39:22 revenue 11:16 39:8,10 richard 15:12 right 7:20 9:3,5 13:9 15:1 16:25 19:11,11,16 20:4 20:11,23 21:11 22:13,18 23:8 24:20,23 25:13 27:5 29:9 30:8,8 32:4 34:21 35:10 36:15,20 36:24 38:4,9,24 39:5 40:24 rights 4:25 road 4:10 27:12 robbins 14:8,14 14:25 15:2 robust 24:9</p>	<p>rocket 19:18 roles 5:17,19 8:7 roll 40:24 roof 2:9 rooms 2:10 round 34:6,8 38:13,17 route 3:12,14 9:17,19 17:4 22:12 29:7 36:2 routes 4:3,10,13 11:3,12,21 12:1 12:9,19 13:1 15:17 20:5,13 22:12 25:1,3,6 run 12:12 23:6 30:11 33:6 34:5 34:25 running 4:13 8:10 runs 9:17</p>	<p>schedule 32:11 32:17,19 33:3 scientist 19:18 screen 10:5 sea 28:13 season 16:5,6 32:20 second 27:18 32:9 36:15 seconds 32:1 see 5:18 8:3,4 14:24 15:19,20 17:3,12 20:6,19 24:23,25 26:10 28:19 32:14,15 34:22 35:6,24 38:7 41:1,2,3 seeing 19:20 25:3 28:21 35:11 seeking 35:20 seen 2:15 13:15 13:19 20:10 25:6 29:22 31:6 36:7,22 38:1 39:9 self 5:21 6:20 8:17 9:1,8,14 seller 11:7 send 35:17 separate 18:23 19:2 september 6:15 6:16 42:12 series 34:23,25 serious 34:14 serve 4:20 5:25 7:3 9:11</p>	<p>served 9:22 serviced 35:18 35:19 set 8:20 16:15 28:23 33:12,19 seven 6:1,11 11:1 27:22 33:18 share 3:24 8:8 8:14 shareholders 2:24 sheer 36:20 shifts 32:18 shoebox 17:23 short 6:21 shot 26:4 show 13:12,14 13:15,22 14:5 18:11,11 22:8 37:18 38:20 showing 37:17 shows 22:8 side 6:3,7 11:2 13:11 19:1 40:11 sides 26:19 signature 42:16 signed 39:22 significant 20:20 22:20 signing 5:13 silver 31:15 single 4:23 40:1 site 5:18 situation 24:3 29:16</p>
	<p>s</p>		
	<p>safely 17:4 sales 37:1 saturday 33:15 savannah 11:25 12:2 savings 39:24 saw 25:4 saying 22:18 35:11,25 says 21:3 sba 11:4 12:3,4 scarring 38:3 scenario 17:8 33:17,18</p>		

[six - tenured]

<p>six 13:4 23:25 size 17:23 skeptical 25:24 skin 31:11 slide 16:13 slit 30:15 small 3:23 5:4 7:22 15:21 smaller 15:21 smart 4:21 smartest 27:21 social 28:25 software 37:1 sold 2:9 solve 39:14 somebody 38:5 39:3 someone's 39:10 somewhat 18:7 soon 32:15 34:5 41:3 sorry 38:12 sorts 7:5,16 sounded 22:20 sounds 19:8 soup 16:19 source 11:17 southern 12:3 space 7:8 12:21 15:20 22:21 23:2 27:22 35:7 36:10 39:3 spare 11:22,22 12:2 13:4 speak 2:19,19 9:23 33:9 34:2 speaking 28:18</p>	<p>specific 40:11 spence 34:4 spencer 3:7 4:9 13:8 14:8 15:12 15:16 17:18 18:9 20:23 22:14,18 25:13 26:6 29:15 30:5 31:19 32:10 34:22 35:3 38:25 spend 40:1,5 sponsored 3:14 sporting 10:8 sprung 10:19 stack 16:16,18 stadium 34:24 staff 11:13 stage 13:20 25:16 26:7 stance 22:19 stand 20:19 39:1 standard 27:24 standards 30:10 standpoint 20:19 start 15:16 36:14 started 12:12 starting 16:6 state 28:8 42:2,6 stated 42:9 states 2:8,25 3:23 4:11 17:7 27:25,25 35:19 39:25 staying 18:10 steal 10:24 14:1 31:8,8</p>	<p>stenographic 42:8 steps 24:16 stern 31:4 stock 2:23 4:1 stolen 15:7 stop 23:25 34:8 stops 23:9 32:12 stories 37:21,22 story 21:19 40:25 strategy 17:2 street 2:22 18:24 stroll 10:2 strong 13:6 stronger 30:13 structure 28:21 struggle 7:19 struggling 28:22 stuff 32:17 34:1 38:3 stupid 10:24 submit 9:4 substantial 27:9 33:2 substantially 19:22,22 sultan 25:16 sunday 33:15 super 11:12 supervision 42:10 support 11:7 12:12 supporting 20:9 surcharges 16:4 sure 6:5 9:6 22:7 24:19 34:15</p>	<p>35:9 surge 32:13</p> <hr/> <p>t</p> <hr/> <p>table 28:17,23 tail 20:8 take 10:12 19:18 21:8 25:9 35:14 35:20 37:2 taken 22:19 42:8 takes 24:16 31:9 33:13 talk 2:14 5:1 6:24 9:12 17:2 20:21 41:3 talked 19:24 talking 5:9 8:7 18:18 22:19 26:23 29:2 33:25 talp 1:5 9:15 target 39:2 teach 4:7 34:1 team 14:24 teaser 39:16 technology 27:14 tell 3:8 10:11,11 14:14 33:5 36:9 37:25 telling 13:18 ten 4:19 5:8,20 5:20,25 6:14 12:8 tennessee 4:14 11:20 tenured 11:6</p>
--	---	---	--

[term - typically]

<p>term 20:19</p> <p>terminal 18:16 27:17 29:22 30:15,22 31:3,17</p> <p>terminals 19:2 19:15 20:5 30:11</p> <p>terms 6:4 26:9</p> <p>territory 11:13 11:19 13:5 17:6 35:15,18,19,21 35:25 36:3,4</p> <p>test 27:1</p> <p>thank 15:9 37:7 37:10,12 40:15 40:19,20</p> <p>theme 13:10 18:10</p> <p>therapy 38:14</p> <p>thing 3:4 13:18 15:24 17:17 24:23 38:4 40:13</p> <p>things 2:18 7:16 10:22 16:16 22:22 37:24 39:6 40:1,3,4,12</p> <p>think 6:24 8:9,14 8:22 9:13,22 11:4 13:23 16:17 18:17 19:5 20:7 21:9 22:15,21,23 24:5 24:8,23,25 28:16 28:19 37:15 40:3</p> <p>thinking 14:5,9 14:12 18:4</p>	<p>24:18</p> <p>third 27:19 28:1 36:15</p> <p>thought 10:23 14:1 27:1</p> <p>thoughts 26:9 29:25 32:11</p> <p>thousand 11:21 12:19</p> <p>thousands 2:12 2:12,13</p> <p>three 2:16 5:24 6:2,11 20:7,15 20:18 24:8,14 27:1 29:2 31:9</p> <p>threshold 33:12 33:16</p> <p>thresholds 33:19 33:25</p> <p>throat 30:15</p> <p>throw 31:7</p> <p>thunder 10:24 14:2</p> <p>tie 34:25</p> <p>tightening 18:16</p> <p>time 3:6 6:19,20 10:15,16,17 22:15 23:8 25:8 28:24 31:17,18 34:2,5 35:24 36:9 39:4,21 40:19 42:9</p> <p>timeline 24:8 28:24</p> <p>times 9:22 11:5 13:15 17:18 27:16</p>	<p>tires 16:15</p> <p>today 2:19 3:20 3:24 4:15 38:14 38:22 40:16</p> <p>today's 34:19</p> <p>tongue 19:9</p> <p>tony 14:8,14,25 15:2</p> <p>tools 24:4</p> <p>top 16:18</p> <p>topics 25:14</p> <p>total 32:12</p> <p>totally 13:25 14:9 37:9</p> <p>touching 18:8</p> <p>tough 24:15,16 30:8 31:25 32:6</p> <p>tournament 15:14</p> <p>toxic 29:20</p> <p>track 29:1</p> <p>trade 3:25 4:16 4:20,21,22 5:7 5:10,15,19 6:25 7:1,18,24 8:2,6 8:10,15 9:15</p> <p>trademark 27:4 27:5,7</p> <p>trading 2:17</p> <p>traditional 12:16</p> <p>traditionally 39:7</p> <p>trailer 16:18</p> <p>training 27:13 29:20</p> <p>trampoline 16:15</p>	<p>transcribed 1:10 42:10</p> <p>transcript 42:8</p> <p>transition 11:6 18:14</p> <p>treatment 28:9</p> <p>tries 32:20,25</p> <p>truck 11:18 12:14 18:1 19:16,17 37:25</p> <p>trucks 4:10 12:2 17:13 27:6,12 36:2</p> <p>true 13:11 15:8 42:7</p> <p>truth 30:18 33:5</p> <p>try 30:23</p> <p>trying 4:4 5:1 6:10 8:2 12:15 23:17 29:24 30:19 38:9 39:14</p> <p>tuesday 33:15</p> <p>turn 31:12 40:20 40:22</p> <p>turnaround 36:16</p> <p>two 2:24 5:24 6:11 11:13 12:1 12:22 19:25 20:24 27:8 28:2 31:8 35:1 37:25</p> <p>type 7:19 13:16 16:1 17:12,22 31:22</p> <p>types 18:5,19</p> <p>typically 39:2</p>
---	---	---	--

[u.s. - worries]

u	<p>vegas 2:6 13:10 13:10,12,15,21 14:23 18:10,11 22:7,8,9 31:21 32:14 41:2</p> <p>vehicle 17:3 23:21</p> <p>vehicles 11:22 13:4 15:19,19 32:24 40:4</p> <p>vendor 27:15</p> <p>venezuela 25:18 26:3</p> <p>viability 20:13</p> <p>video 5:24 6:21 8:18,21,24 20:11 36:18</p> <p>videos 2:15 20:21</p> <p>vocal 23:17</p> <p>voices 7:22</p> <p>volume 18:19 20:6 33:14 36:20</p> <p>vote 9:12</p> <p>voted 8:13</p> <p>votes 6:15</p> <p>voting 6:17,22</p>	<p>walking 14:17</p> <p>wall 2:22 18:24 24:21</p> <p>want 5:6,11 6:5 6:21 8:3,4,21 9:4,17,21,23 10:6,22 12:3,11 12:23 17:1,3 18:1 21:6 25:10 33:9 34:5</p> <p>wanted 8:16 34:2</p> <p>wanting 38:7</p> <p>wants 8:24 21:21 21:21</p> <p>waste 19:16</p> <p>watching 40:7</p> <p>water 25:5,17 26:1,3</p> <p>way 5:12 7:15,25 8:22 23:16 24:6 24:7,7 29:1,8,8 29:12 30:7 31:13 33:1 34:10 35:8 36:17</p> <p>ways 5:2 24:2 31:11,16</p> <p>we've 5:17 7:1,5 11:20,25 12:8,18 25:6,19 28:23,25 29:17 36:22 37:15 39:9 40:5 40:16</p> <p>web 5:18 9:2</p> <p>webinar 2:4,4 3:5,7 10:1 19:10 19:11,12 34:19</p>	<p>37:7 40:7 41:2</p> <p>website 35:16</p> <p>wednesday 2:4 33:15</p> <p>week 4:18 6:17 11:2 12:25 13:7 14:7,7,23 15:4 30:5 32:13 33:13</p> <p>weekly 33:16</p> <p>weeks 2:16 18:20 24:11 29:3</p> <p>weight 17:23</p> <p>welcome 2:3,3 3:6</p> <p>went 14:13 18:10</p> <p>west 11:9</p> <p>whatsoever 3:16</p> <p>wheeler 6:3</p> <p>wider 16:13</p> <p>width 16:12</p> <p>willing 11:7</p> <p>win 19:23 37:11</p> <p>wind 20:8</p> <p>winners 6:18</p> <p>wise 31:2 39:1</p> <p>wish 31:14</p> <p>wonder 38:5</p> <p>word 19:5</p> <p>work 15:10 30:12 31:14</p> <p>workings 7:13</p> <p>world 9:19 34:23 34:25</p> <p>worries 34:1</p>
	w		
	<p>wage 23:21</p> <p>wages 30:22</p> <p>wait 9:1 22:9 32:14</p> <p>waking 23:10</p> <p>walk 5:6 15:1</p> <p>walked 34:24</p>		
v			
<p>valid 37:13</p> <p>value 7:15 25:1 25:5</p> <p>vans 15:21</p> <p>various 24:22</p>			

[worst - zoom]

worst 22:4,5 38:16 wow 25:19 26:5 32:6 37:6,6,20 37:20
y
yankee 34:23 yay 22:8 yeah 15:23 21:12 22:16 26:11 30:1,6,6,8 31:19 31:24 32:7,16 34:4,7,7 35:13 36:25 38:12,18 38:23 39:6 year 20:18 32:12 33:3 year's 33:4 years 7:6 14:13 17:2 18:25 19:25 20:7,8,16 24:9 37:25 39:19 yep 15:9 35:3 yesterday 16:4
z
zoom 40:23

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

2022 Expo Recap & Initial Address of FedEx Ground TSP
Rate Announcement

_____ /

August 24, 2022
Length - 47:50
Transcribed by Andrea Filar, CSR-8349

1 * * *

2
3 MR. PATTON: Welcome everybody to our
4 Wednesday webinar, excited to have you here. This has
5 been a week. For those of you that are joining us for
6 the very first time on the webinar, welcome, we're
7 thrilled to be able to have you. My name is Spencer
8 Patton. I am the owner of Route Consultant. I'm also
9 one of the largest contractors in the United States to
10 FedEx Ground. I have 225 employees, 275 trucks on the
11 road across 10 different states. I'm based here in
12 Nashville, Tennessee.

13 The idea behind these webinars, we've
14 been doing them for years, is not to be a boring webinar
15 that drills content into your head, that's just not who
16 we're about. We're going to entertain you. We're going
17 to hear, you're going to hear some dad jokes today. And
18 everybody, each week you're going to come away with
19 something that's going to make you laugh or we have
20 failed in our job.

21 So we're going to teach you a lot about
22 FedEx Ground, we're going to teach you from time to time
23 about Amazon, we're going to have all sorts of different
24 content, but always we have open Q&A. So more than half
25 of our session will be tailored for you to be able to ask

Page 2

1 questions and make sure that you get the most out of this
2 webinar experience. You have me here today, you have
3 Annalee who runs Route Consultant, and whatever questions
4 you've got, whether it's in this webinar or anything
5 else, then we will do our best to answer those for you.

6 For those of you that are here for the
7 first time, the way to ask questions, if you look at the
8 bottom of your Zoom screen, or for those of you mobile
9 you pull up the menu, there's a Q&A section. That's
10 where we want you to ask the questions. Not in the chat
11 box, but in the Q&A section. And we also have this rule
12 here, it's time-honored tradition that you can't just
13 come into this webinar and ask us questions like you own
14 the place in here. You first have to answer a question
15 about yourself.

16 So the question of the week changes each
17 week. So the question that you've got to answer is that
18 Annalee is newly pregnant. We've announced that a couple
19 months ago and we are thrilled for Annalee and she's
20 needing a little bit of help with a baby name. So she
21 has a little girl on the way and so the question of the
22 day is what is the name, what should be the name of
23 Annalee's daughter that is going to be born to her, so
24 we're going to have fun with that today. All suggestions
25 are welcome. I expect you all to have fun with this one

1 and I know I'm going to, so I'll make a recommendation
2 for Annalee. But we'll get to that in a minute.

3 So you have to answer that question first
4 and then type your question down below. The better that
5 you suggest the name, the more likely you are to get your
6 question answered today, so we're going to have some fun
7 with that.

8 I got to do the only boring thing though
9 today which is to read a quick disclaimer into the
10 record, so allow me to bore you with that. Route
11 Consultant is not endorsed by and is not recommended by
12 Federal Express Corporation and FedEx Ground. Route
13 Consultant is not sponsored by, is not approved by, is
14 not associated with, and has no connection whatsoever
15 with Federal Express Corporation or FedEx Ground.

16 All that means is that I'm not an
17 employee of FedEx Ground. The opinions that I express to
18 you today are not the opinions of FedEx Ground but the
19 opinions of myself and some 6,000 other FedEx Ground
20 contractors that are just like me across the United
21 States. The information I share with you today will not
22 be materially non-public information that you can trade
23 FedEx's stock price upon, but hopefully it will be
24 materially helpful information for you, whether you are a
25 prospective investor trying to understand what this whole

1 FedEx industry is about, or if you're a current
2 contractor here and trying to figure out how to make your
3 business more profitable or looking for updates on all
4 the things that have been transpiring over the last 40
5 days, you've come to the right place for that, all right.

6 So let's go into today's content. Really
7 it's going to be some updates on what we had happen last
8 weekend. And just about an hour before the webinar we've
9 seen the first FedEx Ground response via a press release
10 essentially that went out to contractors, and so I'm
11 going to read an excerpt from that, that way you can hear
12 some of the language there and I'm going to give you some
13 of my feedback on that response. So I'll get to that in
14 just one second.

15 The Expo this last weekend was absolutely
16 sensational. We had more than 60 percent of the entire
17 network attend our event out in Las Vegas. We sold out
18 the entire Paris Hotel, all 3,300 rooms. We sold the
19 Bally's Hotel that is next door to the Paris Hotel. It
20 was incredible. We had, in a four-week span of time, we
21 doubled our RSVPs. That shows how passionate the network
22 is about what is going on. We had a two and a half day
23 event, we had about 100 sponsors that were there. Every
24 player in the FedEx Ground ecosystem was there. About
25 five percent of our attendees were Amazon DSPs, and we're

1 seeing more overlap with that is that we're seeing FedEx
2 Ground contractors that are also providing services to
3 Amazon, so there was some interesting overlap there. We
4 had Amazon line haul contractors, we had FedEx line haul
5 contractors. All sorts of groups were, were there and
6 present.

7 We will post in the chat my keynote
8 presentations. The day one keynote is the one that
9 speaks to the current state of affairs. I speak about my
10 own business and the challenges that I've experienced
11 there. We talk about Purple Friday and the relation to
12 November 25th of 2022. The message that I make sure
13 comes clear through there is there is no one that is more
14 appreciative to FedEx Ground than myself. That was what
15 I started my keynote presentation with is that any
16 permutation of my message that says I am trying to hurt
17 FedEx Ground through my initiatives is completely false.

18 I know FedEx Ground, who is undoubtedly
19 on this webinar, is not viewing me as doing something
20 favorable for the network here, and I can appreciate why
21 they may feel that way. But I assure you, I am doing
22 this for the good of both FedEx Ground and their
23 contractors. The network is in dire need of financial
24 attention and I provide a lot of data about that in my
25 own business. And so for those of you that haven't had

1 the opportunity to see that day one keynote, I really
2 encourage you to take a look at that, so that way you can
3 get updated on what has happened over this last weekend
4 and what will be transpiring over the next three months
5 and one day between now and Purple Friday, November 25th
6 of 2022. So get you all caught up on that.

7 As I mentioned, about an hour ago Paul
8 Melander of FedEx Ground released a statement that
9 emphasized a direct address to the transportation service
10 providers, that's another way of saying the line haul
11 contractors, the 18-wheelers that are responsible for
12 moving trailers across the network. So here's a couple
13 lines from this. It says, "Both service providers and
14 FedEx Ground are operating in a challenging economic
15 environment, or climate. FedEx Ground responses to
16 feedback from TSPs," transportation service providers,
17 "to address issues and concerns throughout the network
18 are provided in the recently posted general and peak
19 settlement information to mygroundbiz.com."

20 "Some key highlights for the upcoming
21 year are," and it lists four bullet points. The first
22 bullet point of his address says, "For the second year in
23 a row, fuel supplement rates will remain unchanged from
24 the previous agreement." For the second year in a row,
25 fuel supplement rates will remain unchanged from the

1 previous agreement. It goes on to list several other
2 bullet points of things that they're highlighting from
3 their announcement.

4 I could not believe the announcement when
5 I saw it. To say that if you look at FedEx Ground's
6 supplements that they are charging as a surcharge to the
7 customer, and you look over the last two years, would you
8 expect that FedEx Ground's fuel surcharges are higher,
9 lower, or the same over the last two years of time? So
10 we know factually that fuel rates have gone up and FedEx
11 Ground has very publicly increased those fuel surcharges
12 over the last two years. What I highlighted from the
13 June 23rd earnings report where FedEx released and
14 highlighted in their report saying that FedEx expanded
15 their margins by some 30 percent by passing through fuel
16 surcharges to the U.S. consumer, but then failing to pass
17 through those surcharges to the contractors, the very
18 ones consuming the fuel. And that was something that has
19 lit this whole thing on fire to begin with is that FedEx
20 has been arbitraging what they're charging the U.S.
21 consumer and what they're giving to contractors.

22 And so that's been a huge part of the
23 message from the beginning. So to see from an hour ago
24 the first bullet point of the, of the announcement is
25 saying that for the second year in a row, fuel supplement

1 rates will remain unchanged from the previous agreement
2 for their contractors is just a continuation of the tone
3 deafness that I've called out for the second time here.
4 Is that to, to examine our fuel expense and say let's
5 compare it now to what it was two years ago and to
6 highlight that in a release of saying that there is going
7 to be an unchanged number there, is something that,
8 again, is why I have recognized in my own business the
9 importance of Purple Friday.

10 Is that at the end of the day we have to
11 see an alignment between the incentives of FedEx Ground
12 and their contractors. And as long as FedEx is pushing
13 through surcharges to the end consumer but not passing
14 through those to contractors, we're misaligned in our
15 incentives. And that's a really frustrating environment
16 to be in.

17 So I felt like it was particularly
18 relevant to go ahead and bring that up here, because it
19 came up just before the webinar started. And fuel is a
20 huge deal. I mean we're seeing crude oil prices that are
21 right back to \$100 a barrel. We've seen a surge over the
22 last handful of weeks. Diesel prices have been
23 particularly affected, and we know that our entire line
24 haul network runs on diesel. There's no such thing as
25 unleaded fuel in the 18-wheeler category. So

1 transportation service providers, line haul contractors,
2 have been particularly affected by the change in fuel
3 prices. And so that is why I see an even more urgent
4 need for added supplements into that network.

5 FedEx Ground is outsourcing some 30
6 percent of their line haul network to external providers,
7 which is something that hasn't been seen in a long time
8 in the network. It's part of what was historically
9 created opportunity, that for contractors that are able
10 to successfully recruit drivers, they're able to be able
11 to take over more line haul runs and participate in the
12 network; that's how I built my business over the years
13 and something that I've taught on for years and years and
14 years. But what has dislocated in this moment is the
15 rapid change of fuel prices without the change of the
16 supplements keeping up with it, even though FedEx Ground
17 is charging those supplements to the U.S. consumer. So
18 something that is going to be discussed more and we'll
19 have additional content on, but I wanted to be able to
20 share that in light of the timeliness of it related to
21 this webinar and last weekend, okay.

22 So what I want to do is go for, as
23 quickly as we can, into Q&A. I'm going to introduce
24 Annalee. Annalee's going to give us an update on some
25 new inventory that we have coming to market, so that way

1 as you're examining different parts of the business,
2 whether it be P&D and line haul and wanting to learn,
3 we're here to teach you because that's authentically who
4 we are. We're going to tell you the good, we'll tell you
5 what the bad, and, and that is what you can rely upon
6 your organization for. And then we're going to go into
7 Q&A, so Annalee take it away.

8 ANNALÉE: All right. So we have five new
9 listings for you guys this week on the public site. The
10 first one is in North Cincinnati, Ohio. We've got ten
11 P&D routes listed at 150 thousand. That is an amazing
12 entry-level price on this one. It's a dense delivery
13 area, spare drivers, spare drivers available, available,
14 oh my gosh, I can't talk today. Might even be eligible
15 for some SBA financing on that one, so if you're looking
16 for that on that kind of loan size, I mean you should be
17 able to get in with really low capital investment on that
18 one. Needs a little optimization, but a great starter
19 opportunity in Cincinnati.

20 In Indianapolis, Indiana I've got a
21 two-part carve. One is eleven routes listed at 692, the
22 other is nine routes listed at 508. Both opportunities
23 have management in place, tenured operator that's willing
24 to do good transition and training on that one. Dense
25 delivery area and close proximity to Terminal 2 so you

1 don't have a lot of stem miles, which is a big bonus
2 there.

3 Saginaw, Michigan we've got eight P&D
4 routes listed at 950. That opportunity has a spare
5 vehicle, also might be SBA eligible so if that's what
6 you're looking for you may want to check that one out.
7 Some seller financing already available with that one
8 too. And some assumable truck debt, so you should be
9 able to close the gap on that one again with a lower
10 capital investment up front for that.

11 And then one Amazon for you guys this
12 week in central North Carolina. It's approximates about
13 40 DSP routes on a typical day, but again that fluctuates
14 day to day. That one's listed at 3.15 million. Has five
15 managers in place, strong operating margins, really
16 efficient, well-run business, lots of clean financial
17 records. Really got the, the truck leasing program in
18 place really stable there and a really solid operator,
19 they've got an excellent performance history for Amazon
20 on that one, so really a strong opportunity for Amazon.
21 So that's what I have for you guys this week.

22 MR. PATTON: That's very good. So
23 Annalee, I think this one 's a hard question of the day
24 for you to particularly participate in because you do
25 kind of, I mean, get at least a partial vote --

1 ANNALEE: Sort of get a say.

2 MR. PATTON: -- of what the name of your
3 own child is, so I don't really know how that you're
4 going to answer this because you're not going to reveal
5 the name here. Maybe you can tell it --

6 ANNALEE: How about I just share my
7 feedback as we go?

8 MR. PATTON: Okay. Yeah. We'll have you
9 participate in that and you can either thumbs up or
10 thumbs down or just outright boo people. I mean we can
11 publicly shame them here and, and I think that's okay
12 too. I mean we --

13 ANNALEE: Yeah.

14 MR. PATTON: -- you know, that's, that's
15 going to be part of it. We'll activate their camera on
16 here. If you don't like it we'll activate their camera,
17 bring them up, and then just publicly shame them right,
18 right here. That sound good?

19 ANNALEE: Boo. I need a no, I need an
20 Office Depot no button or whatever, but yes.

21 MR. PATTON: So Annalee, I, I'll give
22 you, I'll give you one, one sweet one and take your side
23 and also sometimes I give two answers to the question as
24 you like to do. So, so Carly and I, my wife, when we
25 were naming our kids, we, we just could not come

1 together. I've got four kiddos who are 11, 10, 8, and 3.
2 So we got a list of a thousand names that you can like
3 pull from name web sites, and Carly and I each
4 independently went through this spreadsheet and we
5 eliminated the names that we didn't want and then we
6 checked and see which ones overlapped, and there were
7 only four names out of that a thousand list that
8 overlapped, and so we chose our daughters' names out of
9 those. And thank goodness we only had three daughters
10 because there was only four names on that list. So the
11 one that did not make the cut, but Annalee, we're going
12 to give this recommendation because it is both Spencer
13 and Carly approved, is Savannah. That was the one that
14 was there, so that one has met Carly and I's approval.

15 But Annalee, I'll, alternatively I have
16 met both male and female Spencers over time, and so there
17 is a equal opportunity to name boy or girl Spencers
18 throughout there. So yeah, that's going to get us booed
19 right away. Okay, no, not that. Can't be that.

20 ANNALEE: Boo. Boo.

21 MR. PATTON: So all right, well let's get
22 into Q&A.

23 ANNALEE: I love you, Spence, but I see
24 you enough, I don't need a Spencer at home.

25 MR. PATTON: There we go. I figured that

1 that idea would get shut down.

2 ANNALEE: Savannah is so cute though.
3 Savannah is so cute, I love it. I'm going to kick it off
4 with Michael Dunlap who also we had, I had a chance to
5 meet you at the Expo too, and he actually suggested that
6 we do this webinar question, so you get to go first
7 Michael. And he said, which I really actually love this
8 name, he said he likes the name Cassidy. He's never met
9 anybody by that name, but Cassidy Cate sounds so cute.
10 And I'm here for it, Michael. That's adorable. Little
11 Cassidy Cate.

12 MR. PATTON: I like it. You kind of have
13 to see how names sound, like if they're announced over an
14 intercom at a sports stadium, you know. It's like that's
15 kind of how you have to imagine it is just Cassidy Cate.
16 And I think that actually comes out really well, so I --

17 ANNALEE: Yep.

18 MR. PATTON: -- Michael, that's a
19 excellent double win for you there. So what's Michael's
20 question?

21 ANNALEE: And Michael's question is,
22 Spencer, he hoped to get to ask this at the Expo but
23 didn't get around to it. So have we ever looked into a
24 workers' comp retro program? They're considering one for
25 a different line of business right now and he just didn't

1 know if, were they basically, if your experience is good,
2 they refund your total work call -- comp cost, have we
3 looked into that?

4 MR. PATTON: Okay, so I think more
5 traditional what it's called is a captive on the workers'
6 compensation side is probably what you're asking for
7 there. So definitely have looked at captive programs.
8 There's a couple things that workers' compensation in
9 this industry has going against it from a captive side.

10 Number one, there is a lot of patience
11 required. So when you join a captive it's generally
12 three years in order for you to receive dividend checks
13 based upon the performance of the program. So there are
14 a number of contractors that look at that and say you
15 know what, I, I'd rather just find the lowest rate now
16 rather than taking some performance risk over that three
17 years. Because remember, if the program doesn't perform
18 well then you're not getting any dividend check and, and
19 you could be paying a premium as a result of being in
20 that captive.

21 So I, I think the other part of the
22 captive side is that workers' compensation in our
23 industry has not been an area that has been particularly
24 great in performance. Our drivers do get hurt a fair
25 amount. We're seeing boxes get larger, we have dog

1 bites, I mean all sorts of things that are on the rise,
2 and, and, and part of this, and this is something that
3 I've, I've been public in speaking about, is when FedEx
4 Ground engineering is trying to ascertain what they
5 should pay the pickup and delivery contractors, they are
6 engineering how much they think that the drivers are able
7 to deliver in a day. And one of the things that's really
8 impacting the FedEx Ground network right now is that the
9 terminals are largely overcapacity.

10 There are more routes than can go on the
11 terminal and so there's not enough docks positions for
12 the trucks to back up to. So the trucks, rather than
13 being able to press up to the dock and have the trucks
14 loaded right there at the dock, are instead pulled off
15 the dock, because there's no room there, and the packages
16 are put onto carts. So then drivers are having to take
17 packages off the carts and put them into the vehicles.
18 And indeed in some of my locations we are literally
19 loading outdoors right now, like under a tent outdoors
20 because the terminal doesn't have capacity.

21 So we're experiencing more workers'
22 compensation claims as a result of that and that's been
23 part of what I've been advocating to FedEx Ground is say
24 hey, there's got to be compensation for this. Because
25 when we're having to touch all of these packages, my

1 drivers are exhausted by the time they've touched every
2 box to put it on a cart and then in the truck.

3 So there's some components where I just
4 want to caution you on a captive. I know some
5 contractors are very pro-captive and they've had a really
6 good experience with it, so I don't want to say that
7 they're all bad, because that's not right, but I would
8 say that most contractors would color themselves cautious
9 towards a captive.

10 ANNALEE: I'm no good on questions today,
11 Spencer. I'm having too much fun naming my baby so I'm
12 like over here literally just reading. These are so many
13 good suggestions so I don't even, I don't know what the
14 question is. I'm just kidding. But I'm going to turn
15 this next one, this is so fun, over to Justin Dishion,
16 who said that, first of all very sweet who's thrown us
17 some love. He said we rock and they have already locked
18 in their dates for next year's Expo, so thank you for
19 that Justin. And he said he would recommend for a
20 fantastic girl's name Arabella. It's their oldest
21 daughter's name and she just turned eight this July.
22 That is beautiful, I love that name.

23 MR. PATTON: Yeah, it's echoes of your
24 name in there, right? You know, it's like --

25 ANNALEE: Yeah, so it's like (inaudible).

1 Um-hum.

2 MR. PATTON: -- (inaudible) Arabella. I,
3 I actually like that.

4 ANNALEE: Yeah. Beautiful. And so his
5 question is on standup scheduling, Spencer, their station
6 managers seem unsure when basically trying to set a
7 standup date for them, they're about to close on some
8 line haul runs. And so he said they're eager to purchase
9 tractors but they can't get a clear, you know, standup
10 date, and so he just wanted to know, one, is that typical
11 for that to be a challenge, and two, do they have to have
12 tractor files complete before their contract can
13 basically become active?

14 MR. PATTON: Yeah. So Justin, you do
15 have to have the tractor files complete. Those of you
16 that are not familiar, that are new here, every time that
17 you take over any business on the line haul side, the
18 18-wheeler side, you have to fill out what are called
19 tractor files, which involve you taking pictures and
20 filling out specifics about the tractor. You got to
21 change the decaling on the tractor, a number of different
22 parts and components that go into that. They have to
23 verify that the proper safety technology is on those
24 tractors. So that has to be complete before the contract
25 can change over to your name.

Page 19

1 And we do see standup dates get pushed,
2 standup dates is FedEx speak for the takeover date that
3 happens from buyer and seller. So the, the standup
4 dates, we do see those get pushed as there's a lot of
5 parts of the FedEx Ground ecosystem that have to touch
6 any individual takeover. So the local senior manager has
7 to do stuff but there's also things from what are called
8 the BDS individuals, those are, are business development
9 solutions. There's people at Pittsburgh where FedEx
10 Ground's Corporate Headquarter is at that have to touch
11 it. So we work hard to try to navigate through that
12 process and we understand the steps of the process but
13 some of that, a lot of that, is outside of our control
14 other than getting in front of the right people to say
15 hey, this needs to happen, this needs to happen. It's
16 part of the value that we bring to the table is to keep
17 things on track as much as possible, but not all of that
18 is in our control.

19 ANNALEE: Yeah. Spencer, Rob Williams
20 thinks I should just keep it steady Eddie and go Annalee,
21 Jr. So I will consider that for sure. It's a good name.
22 I mean I have to approve, Rob, so.

23 MR. PATTON: You can go by AJ.

24 ANNALEE: Yeah, I know. Actually AJ's
25 really cute. Okay. I'll consider that.

1 MR. PATTON: It will work.

2 ANNALEE: So he said he wanted to ask
3 this in the Q&A but they didn't quite get to him, I know
4 there was a lot going on. He also said thanks for
5 everything we're doing. But wants to know, so basically
6 over the past year he said he's been negotiating his
7 contract high variable and, you know, high on the
8 e-commerce stop, and so those were built, you know,
9 around nine percent projected growth projections and
10 obviously he has not seen that. He said for his business
11 they've actually been down nine percent year over year,
12 and so he's just bleeding out and wanted to know if we
13 have sort of any recommendations on, you know, he, he has
14 not been approved for renegotiation, but any suggestions
15 on how to try to, you know, push back to get a
16 renegotiation on that or just kind of hold and wait for
17 Express volume, just wants to know what thoughts you have
18 there.

19 MR. PATTON: Yeah. You know, this is a
20 narrative that thousands of contractors are, are finally
21 speaking up and saying, you know, FedEx Ground publicly
22 came out and called their contractors to renegotiate. I
23 did a webinar on that about three or four months ago
24 that, just like what happened today when they told all
25 the contractors to do that and then all of my

1 renegotiation requests were denied, and almost all of the
2 other contractors that had renegotiation requests were
3 also denied. So that, that is something that your story
4 is very consistent with a lot of other people there.

5 I think for those that haven't had a lot
6 of experience with the FedEx Ground contract, there is
7 variable compensation, which pays you on a per stop
8 basis, and then there's fixed compensation, which you
9 receive regardless of how many boxes you deliver. So
10 usually a contract is more skewed towards variable
11 compensation, so you're paid based upon the volume that
12 you do, but there's always some fixed component. And in
13 the negotiations you have the ability to slide the lever
14 between how much variable compensation you want and how
15 much fixed compensation you want on a percentage basis.
16 The more that you feel like your territory's going to
17 grow, the more that that variable compensation should be
18 higher as a priority. The less that you think your
19 territory's going to grow, or if you believe that growth
20 will be negative, you would want to move towards the
21 fixed side, because that's less dependent upon the volume
22 that you're doing.

23 So the outlook that I have, and that
24 FedEx Ground has, is that there is, for at least the next
25 12 months or so, a lot of flat is projected. Flat, not

1 growing, not shrinking. The outlook for five years from
2 now is, is really positive. So not that we sign
3 five-year agreements, but I would say that I think it
4 makes sense to lean more towards the balance between
5 variable and fixed side. I don't want to see you go all
6 fixed or all variable.

7 I think having balance there makes sense
8 because, as you indicated, Express is going to be
9 integrated, at least in part, to the Ground network.
10 And, and that's going to be good growth for us. And I've
11 said that that's going to be a win for both FedEx Ground
12 and their contractors to have that Express volume into
13 the network, but that's going to take time. FedEx
14 Ground's network is not able to handle all of the Express
15 volume that would go into the network right now. As I
16 mentioned, there's already terminals where I'm loading
17 outdoors, so it's just not the capacity there in this
18 very moment.

19 ANNALEE: That's right. Gosh, there's so
20 many good questions and so many good suggestions this
21 week, but loving it. Next question I'm going to do is
22 from Andy Rod who said he thinks, and I can see why, that
23 Andi with an I is a really cute girl's name, and I don't
24 disagree with you, Andy. I actually --

25 MR. PATTON: That is a good one, yeah.

1 ANNALEE: How to Lose a Guy in 10 Days is
2 one of my favorite movies and Andi is like the girl's
3 name so that one's actually not not on the table Andy,
4 I'll tell you that. So he was super excited about the
5 Route Consultant Purchasing Alliance, Spencer, from the
6 Expo, but just wanted a quick recap on what are the five
7 categories if you wanted to maximize participation in the
8 Purchasing Alliance?

9 MR. PATTON: Yeah, so in that day one
10 keynote, for those of you that watched, kind of the
11 middle part of my keynote what I talk about is we as
12 contractors spend about 15 billion dollars a year
13 collectively, and at no point in time has FedEx Ground,
14 or anyone, organized that procurement and, and put it
15 together so we can get better deals. Because, I mean,
16 you think about it, 15 billion dollars to spend you
17 should be getting really good deals. And, and many
18 contractors are purchasing at retail rates. Like for
19 those of you that are not contractors here, a lot of you
20 could go buy oil, go buy trucks, at the same price as
21 what a contractor could, which is absolutely crazy.

22 So this Route Consultant Purchasing
23 Alliance, there is no cost to join. And I detail it in
24 the keynote for about 25 minutes but I'll try to do that
25 in two minutes here. Is that there's five members of the

1 organization to start with, but there are going to be
2 more. We've already had about 50 that have come and said
3 they want to join the Alliance.

4 So the first one is Bridgestone Tire, so
5 that's the first one. We're going to have a new
6 pay-as-you-go tire subscription program. So rather than
7 paying for tires up front, which can blow out your cash
8 flow. Like when I have to change a couple vehicles'
9 tires, that could cost me five or ten thousand dollars if
10 I have enough tires that I'm changing. Bridgestone will
11 put on tires and there's no cost for that. You pay for
12 the tire as you use it and they measure the tread depth
13 on the tire, and this is for both pickup and delivery and
14 line haul, so we get to consolidate our spending and get
15 way better tires than any of us could regularly afford at
16 a price point that mirrors knockoff tires. So it brings
17 it way down on price, so that's a big part of the
18 program.

19 Number two is a fuel card. So the Route
20 Consultant Purchasing Alliance has a private label fuel
21 card, and that card is giving discounts of 10 cents per
22 gallon on unleaded and 30 cents per gallon on diesel. If
23 you have a Hello Truck Lease, then that 10 cents per
24 gallon discount goes up to 25 cents per gallon on
25 unleaded. So a really significant premium.

1 The third is a company called Realm
2 Health that offers benefits, both major medical and
3 ancillary benefits, so they're part of the program.

4 The fourth program, the fourth one is
5 Silicon Ledger. Silicon Ledger does the employee
6 retention tax credits, and that is something that we've
7 spent a lot of time talking about that organization, or
8 that, that credit and the savings that everyone should be
9 making sure that they're able to get from that.

10 And then the fifth one is Hello Truck
11 Lease that I've just mentioned earlier. But Hello Truck
12 Lease allows us to take our cap-ex and get significant
13 savings on the purchase of trucks. Hello Truck Lease is
14 a program where we're able to use our purchasing power
15 and purchase trucks at much lower prices than what any of
16 us could get individually and then I'm able to pass
17 through those savings.

18 And so to wrap up the Purchasing
19 Alliance, based upon how many of those businesses you're
20 doing business with, you get a dividend check each year.
21 So if you're doing business with one of those five, you
22 just get those savings, there's no dividend check. If
23 you're doing with two of the five, there's a thousand
24 dollar check. Three of the five is a two thousand dollar
25 check. Four of the five is a five thousand dollar check.

1 And if you're doing business with all five of the
2 alliance members there's a ten thousand dollar annual
3 check that you receive, because you are helping us
4 consolidate purchasing power and get better deals for
5 everybody.

6 So Annalee, that's as quickly as I can
7 possibly make through it. If you want to know more and
8 see slides and all the rest, go to the keynote, but I got
9 through it as quick as I can.

10 ANNALEE: And just one clarifying
11 question from Scott Gilchrist who thinks I should name my
12 baby Abby, which Abby Cate is also very cute. Wants to
13 know, Spencer, he's a Hello Truck Lease user. Thank you
14 for your business, Scott. And wants to know what is the
15 date of the rollout for the fuel card, because he's
16 anxious to tap into that 25 cents per gallon savings.

17 And I just want to address this that the
18 program is live and so we've received literally hundreds
19 of inquiries that we're processing through now and
20 starting those initial applications. So it will take
21 obviously a handful of weeks to get through and process
22 all of the applications and, you know, eventually get
23 cards in hand, but you can already apply for the program,
24 just reach out to our team.

25 And then in the next question I want to

1 jump down and do is from James Flynn who I love this. So
2 he thinks that the baby should be named Violet in honor
3 of the Purple Promise. Little Purple Friday baby.

4 MR. PATTON: I love that. That is pretty
5 spectacular. That's an all-in movement right there,
6 Annalee.

7 ANNALEE: Yeah, that's a lot of
8 commitment. I'm officially a workaholic at that point,
9 am I right? I love it.

10 MR. PATTON: That is good.

11 ANNALEE: And James' question, Spencer,
12 is so for contractors that are looking at their Schedule
13 K coming out here and some, some receiving anywhere in
14 the next matter of days, what are the consequences of
15 signing or not signing Schedule K for a contractor
16 besides just excess surge pay?

17 MR. PATTON: I'm so glad you asked this
18 question, Annalee, because I got to cover this some in
19 the day two Q&A side, which we haven't posted that yet
20 publicly so I'm glad you asked this.

21 Couple things that every contractor needs
22 to keep in mind related to their Schedule K. So number
23 one, Schedule K is supposed to be coming out in the next
24 handful of days and it's rumored, although not confirmed,
25 that the thresholds that we are going to be receiving

1 incentives on are no longer daily thresholds but are
2 weekly thresholds. Which for those of you that don't
3 know what Schedule K is or this is going straight over
4 your head, I don't have time to go through it in this
5 webinar, but we have videos that give you a tutorial of
6 what Schedule K is, so you can watch that and you'll
7 totally understand it. So if this is going to go over
8 your head for 60 seconds I apologize for that but here we
9 go anyway.

10 So Schedule K, that's one piece that is
11 going to change is a weekly stop threshold, which could
12 have real impact on our ability to earn incentives at
13 all. I have a lot to say about the change to weekly
14 thresholds, but I'm not going to do that until Schedule K
15 is released.

16 For those that sign Schedule K though,
17 and this is super important, FedEx Ground has included
18 language in Schedule K that allows them to forcibly have
19 you work in someone else's territory that FedEx Ground
20 gets to choose what boxes you get. And so I have had
21 this happen in my own business where someone else in the
22 terminal doesn't get all of their boxes delivered, and so
23 FedEx Ground can choose to have me go out into their
24 territory, which I'm not familiar with, and I don't
25 receive any extra compensation for that.

1 So Schedule K, a lot of people get lured
2 in to the up-front money that FedEx Ground pays to
3 participate with Schedule K, but just know that there are
4 some back end risks where FedEx Ground can invoice your
5 business for failures to perform on Schedule K, and
6 there's a lot of contractors that can tell that story
7 too.

8 So I would say on Schedule K, this is
9 something I'll be evaluating very closely in my own
10 business, and just like what I said in my keynote, I can
11 only speak to my own business and the decisions that I'm
12 making there, but I will talk about the rubrics that I'm
13 using in that calculus and we'll just have to see what
14 FedEx Ground comes out with on Schedule K. But those are
15 important things to keep in mind for those that have
16 historically not signed Schedule K that we're going to
17 have to look at closely in this year's release.

18 ANNALEE: Yeah. Actually also, Spencer,
19 just happening in real time, I'm getting posts on here
20 that there's a message that just got posted on Schedule K
21 saying that they will be I guess released next week, but
22 that the numbers will be better than last year and for
23 the most part threshold starting peak will be no higher
24 than our daily surge thresholds throughout this year. So
25 it will be interesting.

1 MR. PATTON: All this happens during the
2 webinar. This is, so the last time that I've been here
3 that -- Annalee, is it coincidental? Is it coincidental
4 that it comes out during the middle of the webinar?

5 ANNALEE: I don't know.

6 MR. PATTON: Now I'm going to like be
7 distracted and go through and check all this, so. You
8 ask a question, let me go --

9 ANNALEE: I'll, I'm going to keep jumping
10 through to these next ones. So there's, again, some
11 really, really good questions coming through here. I
12 also, I literally I texted my husband if you want to tune
13 into the webinar we're naming the baby today, and he said
14 I knew you all would do that but what does that have to
15 do with food? Like you all --

16 MR. PATTON: That is valid. It's valid.

17 ANNALEE: Like you all (inaudible) food,
18 what are you doing. All right, so let's see. So the
19 next question we're going to jump over to here comes in
20 from, let's see, Bill Hawkins, who thinks we should name
21 the baby Billy of course. Very cute, Billy Cate. But
22 said, says Spencer, he was specifically trying to find a
23 post from Ground Cloud's session, so will, will the other
24 sessions from the Expo be made available to those that
25 want to rewatch any of the content?

Page 31

1 MR. PATTON: Yes. Yes. We will have
2 sessions from a number of the sponsors, maybe all of the
3 sponsors, I don't want to put words in my sponsors' or in
4 our team's mouth. But I, if not every single one of them
5 it's the overwhelming majority. As long as we have their
6 permission, it will be posted.

7 ANNALEE: Yeah, absolutely. All right,
8 Spencer, next question comes from Dalton Swan who I got
9 to meet you there this weekend, Dalton. And said he's
10 always been fond of the name River from the series
11 Firefly, but sadly it does not work well with his last
12 name so I can have it. Thank you Dalton, for
13 contributing River. That's actually very cute as well,
14 River Cate. We're a little country so I'll take that, I
15 like it.

16 And Spencer, just wanted to know, you
17 know, from a contractor's perspective, right, if there
18 are contractors out there who, you know, are wanting to
19 show some solidarity with what's happening right now and
20 also express the same concerns but maybe are fearful of
21 directly corresponding with FedEx regarding their own
22 plans and, you know, fearful of retaliation and things
23 like that but are very much resonating with what's
24 happening and experiencing the same concerns, what, what
25 should they do to show solidarity there, Spencer?

Page 32

1 MR. PATTON: So a couple different
2 pieces. And, and in the day one keynote I talk about
3 three ways that contractors can help and, and that's
4 going to evolve over time. The most immediate thing to
5 be able to do is with the Trade Association for Logistics
6 Professionals. Consider nominating yourself to serve on
7 that ten contractor board. FedEx Ground, via a leaked
8 internal memo that came our way, is not going to be
9 contesting the Trade Association. They say, to their own
10 internal staff, that every contractor can make their own
11 business decision about whether they want to join the
12 Trade Association and whether it's in the best interest
13 of that contractor. So that should give a lot of
14 alleviation related to the Trade Association on that
15 side.

16 Helping us share it with the media is
17 really important. We have had tons of contractors since
18 the Expo that are speaking with the media, talking about
19 their stories, and those are really important stories to,
20 to be told. It's that, I said in my, in my keynote is
21 that if this is the Spencer Patton story by the end of
22 this, I have failed in my mission. This is not the
23 Spencer Patton show. This is contractors, 6,000 small
24 business owners that each have, on average, 10 to 25
25 employees that have their life savings in this. These

Page 33

1 are the stories that, you know, it's why our Fox Business
2 News interview went viral. We had a million views from
3 Fox Business News when I was on with Dagon on Friday. So
4 much so that Fox posted to their Twitter account to all
5 22 million viewers our video, and we got an additional
6 five million views in 72 hours from that. So there's a
7 lot of media around this. Sharing it with local media
8 and making sure that this is part of the conversation.

9 We've used the hashtag Purple Friday as a
10 important social media follower that we would encourage
11 you to use that as well. Annalee, if you want to turn
12 around I happen to believe I know what's on the back of
13 the shirt for Purple Friday. See? Yeah, there you go.
14 That's right. So Annalee was like what's behind me?

15 ANNALEE: I'm like what?

16 MR. PATTON: What's behind you. That was
17 a very concerned look when I said that, I was like what
18 is behind me there. Yeah, that's exactly right.

19 ANNALEE: Like there's like a bird about
20 to go, I was like what.

21 MR. PATTON: Oh man, that was good. So
22 anyway, the message is going to evolve. There's three
23 months and one day between now and Purple Friday, and,
24 and you will continue to hear from me over that time.

25 ANNALEE: All right, Spencer, next

1 question, and there's a couple kind of our new investors
2 here asking this question so I'm going to add like two
3 parts to this. But this question comes from Vikram D.
4 who said, first of all, which this is amazing, I don't
5 think Vikram knows this, so he said he would suggest
6 Raylee Cate because the initials are RC and the last
7 three letters, lee, are my name. I don't know, Vikram,
8 if you know that my husband's name is Ray and so actually
9 that's a legit, that's a legit suggestion. It's a little
10 mom and dad name plus like RC for initials, it's not bad.
11 That's not a bad suggestion.

12 MR. PATTON: You're getting incredible
13 suggestions, Annalee. I am serious. These are
14 incredible suggestions. I am amazed.

15 ANNALEE: Yeah. I'm like screen shotting
16 you guys, don't worry. So I'm taking notes today.

17 MR. PATTON: Yeah. I'm still trying to
18 get this announcement to pull up. I think it's literally
19 crashed mygroundbiz, because I tried to pull it up and
20 it's just been spinning wheels.

21 ANNALEE: Mine was spinning too.

22 MR. PATTON: It just loaded a second ago
23 but now I can't get in. So --

24 ANNALEE: Yeah.

25 MR. PATTON: -- I think from what I'm

1 seeing it was sent out to all the contractors across the
2 United States and so I think mygroundbiz is now getting
3 bombed by all the contractors trying to log in. So I
4 can't see the message yet, I, otherwise I'd give you a
5 reply. But Annalee, in order to allow me to get to this
6 let's do five more minutes of questions and then I
7 probably need to go run and check this out.

8 ANNALEE: I think that's probably right.

9 MR. PATTON: So we'll do a lightning
10 round and give it a couple questions and then we're going
11 to call it.

12 ANNALEE: That's right. So two
13 questions, Spencer, on this. So first of all, as a new
14 investor, with everything that's happening in the space,
15 one, is it still a good time to get into this space? And
16 then I'll do the second question on that.

17 MR. PATTON: Yeah, so here's the thing.
18 You can always count on us to be authentic with you. And
19 since the start of this I have said I believe in where
20 this industry will be five years from now. I really do.
21 When you look at e-commerce and the growth of e-commerce,
22 e-commerce is going to be a significantly greater part of
23 our economy five years from now than where we are now.
24 And our business is a pure play on that growth. I've
25 been publicly on the record to say that I think if you

1 buy a FedEx business today, the top line revenue should
2 be double five years from now.

3 But I do expect that this next 12 months
4 could be really tough. And I just don't know how tough
5 the next 12 months will be. I know for my own business
6 I'm taking this incredibly seriously with Purple Friday
7 because I will not continue to subsidize FedEx Ground's
8 business. That is just not something I'm willing to do.
9 So it all depends on the lens that you have here.

10 What I know is that FedEx Ground has
11 outsourced 100 percent of their network to contractors.
12 There's 6,000 small business owners and we make up 100
13 percent of FedEx Ground. So FedEx Ground cannot survive
14 without their network, and contractors cannot survive
15 without FedEx Ground. So we are inextricably linked
16 together and that is what I think protects both of us.
17 But we may see some really tough moments in the times
18 ahead.

19 So all of those things are part of the
20 risk calculus that I'm going to call a spade a spade, and
21 that's something that I've done for my entire time is
22 that I'm going to speak truth into the matter, and that
23 way I'll tell you when it's good, I'll tell you when it's
24 bad, and I'll tell you when I don't know. And so right
25 now it just depends on how far your telescope is set.

1 Are you looking 12 months from now, are you looking for
2 five years from now, how is it set? And that's going to
3 be an important part of your decision.

4 ANNALIE: And then the second part of his
5 question, Spencer, is so if he's, if he's looking at
6 potentially acquiring and they're going to be targeting
7 some sort of like late fall, close to peak season standup
8 date, one, do you think that's okay to do or a bad idea,
9 and then any suggestions on how to make that go
10 successful if you're closing sometime close to peak?

11 MR. PATTON: So I think the thing around
12 peak is that people have always looked at peak as a
13 double-edged sword. So peak season, historically from
14 2020 and before, has been when we can make about a third
15 of our annual profits in four weeks' time. So a lot of
16 people have really targeted peak to say man, I want to
17 take over right before so that way they can get all this
18 profit momentum right in the first part of their
19 business.

20 But it also carries a lot of operational
21 challenges, right. You're going to be new to this
22 business, and no matter how much we teach you there's
23 going to be plenty of learning that you still have to do.
24 So going into peak season on a takeover is going to be
25 like going straight into the professional leagues right

1 away rather than having a chance to get your sea legs on.

2 So I think the thing to balance there is
3 the profitability of peak season, which we're going to be
4 learning about here as it relates to Schedule K.

5 Whatever this announcement is, as soon as I get off the
6 webinar all the other pieces we'll be, we'll be learning
7 about that and I'll speak with that as I have something
8 to speak about.

9 So Annalee, let's do one more question
10 and then we'll call it a wrap.

11 ANNALEE: Yep, last question. I'm just
12 going to end with this one for funny. Dave Thomas
13 recommended that I name the baby Poskina, short for
14 potatoes with skins.

15 MR. PATTON: That is fantastic. See
16 that's an inside joke that some of our people aren't
17 going to get here. Annalee and I have had a, coming up
18 on three year running dispute, about with whether skins
19 belong in mashed potatoes or not. I have the right
20 opinion and Annalee has the wrong opinion, but.

21 ANNALEE: Well Steve agrees I guess with
22 you, so. But Spencer, just his question is on the
23 Bridgestone Tire program. How long do you anticipate the
24 rollout of that to take and just to kind of gauge
25 timelines there?

1 MR. PATTON: Yeah, I think the
2 Bridgestone program's going to take a while. So I've
3 been transparent in this in the keynote. This is all of
4 a two-year rollout because Bridgestone is going to be,
5 you know, having an enormous amount of fleets to onboard
6 onto their platform. So it's a, it's exciting program,
7 it's going to save us a lot of money. They're offering a
8 bridge program that allows you to get some discounts up
9 until FedEx -- or up until Bridgestone is active in your
10 market. So there's some ways that give you an on-ramp to
11 get on the platform.

12 They've publicly said that they plan to
13 roll it out in all the major metro markets first and then
14 start to expand into ancillary markets, but there's a lot
15 to be said there. The key influencing factor that you
16 have is Bridgestone wants to know if you want the program
17 in your area. And for terminals where 70 percent or more
18 of the contractors want the program in their area, then
19 Bridgestone is more likely to focus on that area, so that
20 way you can make sure that you reach out to Bridgestone
21 and have the best opportunity to get this program coming
22 to you sooner rather than later.

23 For me, I've been piloting this for three
24 months in my own fleet and it has cut my tire consumption
25 in half. It has been enormous because I'm getting a way

1 higher quality tire. I showed some photos of the tires
2 that I have on there that I showed at the keynote and,
3 and it's making a big difference for, for my own fleet,
4 so.

5 ANNALEE: Spencer, also I just want to
6 say too, because I can't read through, I mean there's
7 been so many questions, but there's also just so much
8 love and support in the comments from you guys, so just a
9 collective thank you for all of the really, really sweet
10 supportive posts and the compliments on the Expo. It was
11 our pleasure, so thank you guys for that.

12 MR. PATTON: Yeah. I mean it's
13 unbelievable. Like I said, having 60 percent of the
14 entire network come out there, it meant the world to me,
15 I can't thank you enough for that. Our team was just
16 blown away by how much all of you all are supporting and
17 just had the, the kindest things to say. So it meant the
18 world to us and please keep that coming our way.
19 Especially during these times we really, really
20 appreciate that very much.

21 If we did not get to your question, which
22 obviously there are a massive number of questions that we
23 didn't get to, please reach out to us. We have a whole
24 staff that is here to answer your questions, you can call
25 us, you can e-mail us. We will answer your questions, we

1 just want to get through as many as we can and obviously
2 FedEx Ground has released a press release here during my
3 webinar so I'm going to go and check that out. So in the
4 meantime I will see you all same time, same place, next
5 week. Take care, everybody.

6 ANNALEE: Bye everyone.

7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CERTIFICATE
STATE OF MICHIGAN
COUNTY OF MACOMB

I, Andrea Filar, C.S.R. and Notary Public
in and for the County of Macomb, State of Michigan, do
hereby certify that the attached is a true, correct, and
complete transcript of my stenographic notes taken at the
time and place hereinbefore stated and they were
transcribed upon a computer under my direct supervision.
The undersigned assumes no responsibility for copies not
made under my direction or control. September 19, 2022



Andrea Filar, CSR - 8349
Notary Public, Macomb County
My Commission Expires: 10-01-2028

[& - announcement]

&	3.15 12:14	acquiring 38:6	amazing 11:11
& 1:5	30 8:15 10:5 25:22	activate 13:15 13:16	35:4
1	4	active 19:13 40:9	amazon 2:23 5:25 6:3,4 12:11 12:19,20
10 2:11 14:1 24:1 25:21,23 33:24	40 5:4 12:13	add 35:2	amount 16:25 40:5
10-01-2028 43:17	5	added 10:4	ancillary 26:3 40:14
100 5:23 9:21 37:11,12	50 25:2 508 11:22	additional 10:19 34:5	andi 23:23 24:2
11 14:1	6	address 1:5 7:9 7:17,22 27:17	andrea 1:11 43:5 43:16
12 22:25 37:3,5 38:1	6,000 4:19 33:23 37:12	adorable 15:10	andy 23:22,24 24:3
15 24:12,16	60 5:16 29:8 41:13	advocating 17:23	annalee 3:3,18 3:19 4:2 10:24 11:7,8 12:23 13:1,6,13,19,21 14:11,15,20,23 15:2,17,21 18:10 18:25 19:4 20:19,20,24 21:2 23:19 24:1 27:6 27:10 28:6,7,11 28:18 30:18 31:3,5,9,17 32:7 34:11,14,15,19 34:25 35:13,15 35:21,24 36:5,8 36:12 38:4 39:9 39:11,17,20,21 41:5 42:6
150 11:11	692 11:21	affairs 6:9	
18 7:11 9:25 19:18	7	afford 25:15	
19 43:12	70 40:17 72 34:6	ago 3:19 7:7 8:23 9:5 21:23 35:22	
2	8	agreement 7:24 8:1 9:1	
2 11:25	8 14:1	agreements 23:3	
2020 38:14	8349 1:11 43:16	agrees 39:21	
2022 1:5,9 6:12 7:6 43:12	9	ahead 9:18 37:18	
22 34:5	950 12:4	aj 20:23	
225 2:10	a	aj's 20:24	
23rd 8:13	abby 27:12,12	alignment 9:11	
24 1:9	ability 22:13 29:12	alleviation 33:14	
25 24:24 25:24 27:16 33:24	able 2:7,25 10:9 10:10,10,19 11:17 12:9 17:6 17:13 23:14 26:9,14,16 33:5	alliance 24:5,8 24:23 25:3,20 26:19 27:2	
25th 6:12 7:5	absolutely 5:15 24:21 32:7	allow 4:10 36:5	
26748 43:16	account 34:4	allows 26:12 29:18 40:8	
275 2:10		alternatively 14:15	
3		amazed 35:14	
3 14:1			annalee's 3:23 10:24
3,300 5:18			announced 3:18 15:13
			announcement 1:6 8:3,4,24

[announcement - call]

<p>35:18 39:5 annual 27:2 38:15 answer 3:5,14 3:17 4:3 13:4 41:24,25 answered 4:6 answers 13:23 anticipate 39:23 anxious 27:16 anybody 15:9 anyway 29:9 34:22 apologize 29:8 applications 27:20,22 apply 27:23 appreciate 6:20 41:20 appreciative 6:14 approval 14:14 approve 20:22 approved 4:13 14:13 21:14 approximates 12:12 arabella 18:20 19:2 arbitraging 8:20 area 11:13,25 16:23 40:17,18 40:19 ascertain 17:4 asked 28:17,20 asking 16:6 35:2 associated 4:14</p>	<p>association 33:5 33:9,12,14 assumable 12:8 assumes 43:11 assure 6:21 attached 43:7 attend 5:17 attendees 5:25 attention 6:24 august 1:9 authentic 36:18 authentically 11:3 available 11:13 11:13 12:7 31:24 average 33:24</p> <p style="text-align: center;">b</p> <p>baby 3:20 18:11 27:12 28:2,3 31:13,21 39:13 back 9:21 17:12 21:15 30:4 34:12 bad 11:5 18:7 35:10,11 37:24 38:8 balance 23:4,7 39:2 bally's 5:19 barrel 9:21 based 2:11 16:13 22:11 26:19 basically 16:1 19:6,13 21:5 basis 22:8,15</p>	<p>bds 20:8 beautiful 18:22 19:4 beginning 8:23 believe 8:4 22:19 34:12 36:19 belong 39:19 benefits 26:2,3 best 3:5 33:12 40:21 better 4:4 24:15 25:15 27:4 30:22 big 12:1 25:17 41:3 bill 31:20 billion 24:12,16 billy 31:21,21 bird 34:19 bit 3:20 bites 17:1 bleeding 21:12 blow 25:7 blown 41:16 board 33:7 bombed 36:3 bonus 12:1 boo 13:10,19 14:20,20 booed 14:18 bore 4:10 boring 2:14 4:8 born 3:23 bottom 3:8 box 3:11 18:2 boxes 16:25 22:9 29:20,22</p>	<p>boy 14:17 bridge 40:8 bridgestone 25:4 25:10 39:23 40:2,4,9,16,19 40:20 bring 9:18 13:17 20:16 brings 25:16 built 10:12 21:8 bullet 7:21,22 8:2,24 business 5:3 6:10,25 9:8 10:12 11:1 12:16 15:25 19:17 20:8 21:10 26:20,21 27:1,14 29:21 30:5,10,11 33:11 33:24 34:1,3 36:24 37:1,5,8 37:12 38:19,22 businesses 26:19 button 13:20 buy 24:20,20 37:1 buyer 20:3 bye 42:6</p> <p style="text-align: center;">c</p> <p>c.s.r. 43:5 calculus 30:13 37:20 call 16:2 36:11 37:20 39:10 41:24</p>
---	---	--	--

[called - contractor]

<p>called 9:3 16:5 19:18 20:7 21:22 26:1 camera 13:15,16 cap 26:12 capacity 17:20 23:17 capital 11:17 12:10 captive 16:5,7,9 16:11,20,22 18:4 18:5,9 card 25:19,21,21 27:15 cards 27:23 care 42:5 carly 13:24 14:3 14:13,14 carolina 12:12 carries 38:20 cart 18:2 carts 17:16,17 carve 11:21 cash 25:7 cassidy 15:8,9 15:11,15 cate 15:9,11,15 27:12 31:21 32:14 35:6 categories 24:7 category 9:25 caught 7:6 caution 18:4 cautious 18:8 central 12:12 cents 25:21,22 25:23,24 27:16</p>	<p>certificate 43:1 certify 43:7 challenge 19:11 challenges 6:10 38:21 challenging 7:14 chance 15:4 39:1 change 10:2,15 10:15 19:21,25 25:8 29:11,13 changes 3:16 changing 25:10 charging 8:6,20 10:17 chat 3:10 6:7 check 12:6 16:18 26:20,22,24,25 26:25 27:3 31:7 36:7 42:3 checked 14:6 checks 16:12 child 13:3 choose 29:20,23 chose 14:8 cincinnati 11:10 11:19 claims 17:22 clarifying 27:10 clean 12:16 clear 6:13 19:9 climate 7:15 close 11:25 12:9 19:7 38:7,10 closely 30:9,17 closing 38:10 cloud's 31:23 coincidental 31:3,3</p>	<p>collective 41:9 collectively 24:13 color 18:8 come 2:18 3:13 5:5 13:25 25:2 41:14 comes 6:13 15:16 30:14 31:4,19 32:8 35:3 coming 10:25 28:13,23 31:11 39:17 40:21 41:18 comments 41:8 commerce 21:8 36:21,21,22 commission 43:17 commitment 28:8 comp 15:24 16:2 company 26:1 compare 9:5 compensation 16:6,8,22 17:22 17:24 22:7,8,11 22:14,15,17 29:25 complete 19:12 19:15,24 43:8 completely 6:17 compliments 41:10 component 22:12</p>	<p>components 18:3 19:22 computer 43:10 concerned 34:17 concerns 7:17 32:20,24 confirmed 28:24 connection 4:14 consequences 28:14 consider 20:21 20:25 33:6 considering 15:24 consistent 22:4 consolidate 25:14 27:4 consultant 2:8 3:3 4:11,13 24:5 24:22 25:20 consumer 8:16 8:21 9:13 10:17 consuming 8:18 consumption 40:24 content 2:15,24 5:6 10:19 31:25 contesting 33:9 continuation 9:2 continue 34:24 37:7 contract 19:12 19:24 21:7 22:6 22:10 contractor 5:2 24:21 28:15,21 33:7,10,13</p>
---	--	---	---

[contractor's - earlier]

<p>contractor's 32:17 contractors 2:9 4:20 5:10 6:2,4 6:5,23 7:11 8:17 8:21 9:2,12,14 10:1,9 16:14 17:5 18:5,8 21:20,22,25 22:2 23:12 24:12,18 24:19 28:12 30:6 32:18 33:3 33:17,23 36:1,3 37:11,14 40:18</p>	<p>crashed 35:19 crazy 24:21 created 10:9 credit 26:8 credits 26:6 crude 9:20 csr 1:11 43:16 current 5:1 6:9 customer 8:7 cut 14:11 40:24 cute 15:2,3,9 20:25 23:23 27:12 31:21 32:13</p>	<p>deafness 9:3 deal 9:20 deals 24:15,17 27:4 debt 12:8 decaling 19:21 decision 33:11 38:3 decisions 30:11 definitely 16:7 deliver 17:7 22:9 delivered 29:22 delivery 11:12 11:25 17:5 25:13</p>	<p>discounts 25:21 40:8 discussed 10:18 dishion 18:15 dislocated 10:14 dispute 39:18 distracted 31:7 dividend 16:12 16:18 26:20,22 dock 17:13,14,15 docks 17:11 dog 16:25 doing 2:14 6:19 6:21 21:5 22:22 26:20,21,23 27:1 31:18 dollar 26:24,24 26:25 27:2 dollars 24:12,16 25:9 door 5:19 double 15:19 37:2 38:13 doubled 5:21 drills 2:15 drivers 10:10 11:13,13 16:24 17:6,16 18:1 dsp 12:13 dsps 5:25 dunlap 15:4</p>
<p>contributing 32:13</p>	<p>d</p>	<p>denied 22:1,3 dense 11:12,24 dependent 22:21 depends 37:9,25 depot 13:20 depth 25:12 detail 24:23 development 20:8 diesel 9:22,24 25:22 difference 41:3 different 2:11,23 11:1 15:25 19:21 33:1 dire 6:23 direct 7:9 43:10 direction 43:12 directly 32:21 disagree 23:24 disclaimer 4:9 discount 25:24</p>	<p>e</p>
<p>control 20:13,18 43:12 conversation 34:8 copies 43:11 corporate 20:10 corporation 4:12 4:15 correct 43:7 corresponding 32:21 cost 16:2 24:23 25:9,11 count 36:18 country 32:14 county 43:3,6,17 couple 3:18 7:12 16:8 25:8 28:21 33:1 35:1 36:10 course 31:21 cover 28:18</p>	<p>d 35:3 dad 2:17 35:10 daagon 34:3 daily 29:1 30:24 dalton 32:8,9,12 data 6:24 date 19:7,10 20:2 27:15 38:8 dates 18:18 20:1 20:2,4 daughter 3:23 daughter's 18:21 daughters 14:8,9 dave 39:12 day 3:22 5:22 6:8 7:1,5 9:10 12:13,14,14,23 17:7 24:9 28:19 33:2 34:23 days 5:5 24:1 28:14,24</p>	<p>denied 22:1,3 dense 11:12,24 dependent 22:21 depends 37:9,25 depot 13:20 depth 25:12 detail 24:23 development 20:8 diesel 9:22,24 25:22 difference 41:3 different 2:11,23 11:1 15:25 19:21 33:1 dire 6:23 direct 7:9 43:10 direction 43:12 directly 32:21 disagree 23:24 disclaimer 4:9 discount 25:24</p>	<p>e 21:8 36:21,21 36:22 41:25 eager 19:8 earlier 26:11</p>

[earn - fixed]

<p>earn 29:12 earnings 8:13 echoes 18:23 economic 7:14 economy 36:23 ecosystem 5:24 20:5 eddie 20:20 edged 38:13 efficient 12:16 eight 12:3 18:21 either 13:9 eleven 11:21 eligible 11:14 12:5 eliminated 14:5 else's 29:19 emphasized 7:9 employee 4:17 26:5 employees 2:10 33:25 encourage 7:2 34:10 endorsed 4:11 engineering 17:4 17:6 enormous 40:5 40:25 entertain 2:16 entire 5:16,18 9:23 37:21 41:14 entry 11:12 environment 7:15 9:15 equal 14:17</p>	<p>especially 41:19 essentially 5:10 evaluating 30:9 event 5:17,23 eventually 27:22 everybody 2:3 2:18 27:5 42:5 evolve 33:4 34:22 ex 26:12 exactly 34:18 examine 9:4 examining 11:1 excellent 12:19 15:19 excerpt 5:11 excess 28:16 excited 2:4 24:4 exciting 40:6 exhausted 18:1 expand 40:14 expanded 8:14 expect 3:25 8:8 37:3 expense 9:4 experience 3:2 16:1 18:6 22:6 experienced 6:10 experiencing 17:21 32:24 expires 43:17 expo 1:5 5:15 15:5,22 18:18 24:6 31:24 33:18 41:10 express 4:12,15 4:17 21:17 23:8</p>	<p>23:12,14 32:20 external 10:6 extra 29:25</p> <hr/> <p style="text-align: center;">f</p> <hr/> <p>factor 40:15 factually 8:10 failed 2:20 33:22 failing 8:16 failures 30:5 fair 16:24 fall 38:7 false 6:17 familiar 19:16 29:24 fantastic 18:20 39:15 far 37:25 favorable 6:20 favorite 24:2 fearful 32:20,22 federal 4:12,15 fedex 1:5 2:10,22 4:12,15,17,18,19 5:1,9,24 6:1,4,14 6:17,18,22 7:8 7:14,15 8:5,8,10 8:13,14,19 9:11 9:12 10:5,16 17:3,8,23 20:2,5 20:9 21:21 22:6 22:24 23:11,13 24:13 29:17,19 29:23 30:2,4,14 32:21 33:7 37:1 37:7,10,13,13,15 40:9 42:2</p>	<p>fedex's 4:23 feedback 5:13 7:16 13:7 feel 6:21 22:16 felt 9:17 female 14:16 fifth 26:10 figure 5:2 figured 14:25 filar 1:11 43:5 43:16 files 19:12,15,19 fill 19:18 filling 19:20 finally 21:20 financial 6:23 12:16 financing 11:15 12:7 find 16:15 31:22 fire 8:19 firefly 32:11 first 2:6 3:7,14 4:3 5:9 7:21 8:24 11:10 15:6 18:16 25:4,5 35:4 36:13 38:18 40:13 five 5:25 11:8 12:14 23:1,3 24:6,25 25:9 26:21,23,24,25 26:25 27:1 34:6 36:6,20,23 37:2 38:2 fixed 22:8,12,15 22:21 23:5,6</p>
--	---	---	---

[flat - hawkins]

<p>flat 22:25,25 fleet 40:24 41:3 fleets 40:5 flow 25:8 fluctuates 12:13 flynn 28:1 focus 40:19 follower 34:10 fond 32:10 food 31:15,17 forcibly 29:18 four 5:20 7:21 14:1,7,10 21:23 26:25 38:15 fourth 26:4,4 fox 34:1,3,4 friday 6:11 7:5 9:9 28:3 34:3,9 34:13,23 37:6 front 12:10 20:14 25:7 30:2 frustrating 9:15 fuel 7:23,25 8:8 8:10,11,15,18,25 9:4,19,25 10:2 10:15 25:19,20 27:15 fun 3:24,25 4:6 18:11,15 funny 39:12</p>	<p>generally 16:11 getting 16:18 20:14 24:17 30:19 35:12 36:2 40:25 gilchrist 27:11 girl 3:21 14:17 girl's 18:20 23:23 24:2 give 5:12 10:24 13:21,22,23 14:12 29:5 33:13 36:4,10 40:10 giving 8:21 25:21 glad 28:17,20 go 5:6 9:18 10:22 11:6 13:7 14:25 15:6 17:10 19:22 20:20,23 23:5,15 24:20,20 25:6 27:8 29:4,7,9,23 31:7,8 34:13,20 36:7 38:9 42:3 goes 8:1 25:24 going 2:16,16,17 2:18,19,21,22,23 3:23,24 4:1,6 5:7,11,12,22 9:6 10:18,23,24 11:4 11:6 13:4,4,15 14:11,18 15:3 16:9 18:14 21:4 22:16,19 23:8,10 23:11,13,21 25:1 25:5 28:25 29:3</p>	<p>29:7,11,14 30:16 31:6,9,19 33:4,8 34:22 35:2 36:10,22 37:20 37:22 38:2,6,21 38:23,24,24,25 39:3,12,17 40:2 40:4,7 42:3 good 6:22 11:4 11:24 12:22 13:18 16:1 18:6 18:10,13 20:21 23:10,20,20,25 24:17 28:10 31:11 34:21 36:15 37:23 goodness 14:9 gosh 11:14 23:19 great 11:18 16:24 greater 36:22 ground 1:5 2:10 2:22 4:12,15,17 4:18,19 5:9,24 6:2,14,17,18,22 7:8,14,15 8:11 9:11 10:5,16 17:4,8,23 20:5 21:21 22:6,24 23:9,11 24:13 29:17,19,23 30:2 30:4,14 31:23 33:7 37:10,13,13 37:15 42:2 ground's 8:5,8 20:10 23:14 37:7</p>	<p>groups 6:5 grow 22:17,19 growing 23:1 growth 21:9 22:19 23:10 36:21,24 guess 30:21 39:21 guy 24:1 guys 11:9 12:11 12:21 35:16 41:8,11</p>
h			
			<p>half 2:24 5:22 40:25 hand 27:23 handful 9:22 27:21 28:24 handle 23:14 happen 5:7 20:15,15 29:21 34:12 happened 7:3 21:24 happening 30:19 32:19,24 36:14 happens 20:3 31:1 hard 12:23 20:11 hashtag 34:9 haul 6:4,4 7:10 9:24 10:1,6,11 11:2 19:8,17 25:14 hawkins 31:20</p>

[head - know]

<p>head 2:15 29:4,8 headquarter 20:10 health 26:2 hear 2:17,17 5:11 34:24 hello 25:23 26:10,11,13 27:13 help 3:20 33:3 helpful 4:24 helping 27:3 33:16 hereinbefore 43:9 hey 17:24 20:15 high 21:7,7 higher 8:8 22:18 30:23 41:1 highlight 9:6 highlighted 8:12 8:14 highlighting 8:2 highlights 7:20 historically 10:8 30:16 38:13 history 12:19 hold 21:16 home 14:24 honor 28:2 honored 3:12 hoped 15:22 hopefully 4:23 hotel 5:18,19,19 hour 5:8 7:7 8:23 hours 34:6</p>	<p>huge 8:22 9:20 hum 19:1 hundreds 27:18 hurt 6:16 16:24 husband 31:12 husband's 35:8</p> <p style="text-align: center;">i</p> <p>idea 2:13 15:1 38:8 imagine 15:15 immediate 33:4 impact 29:12 impacting 17:8 importance 9:9 important 29:17 30:15 33:17,19 34:10 38:3 inaudible 18:25 19:2 31:17 incentives 9:11 9:15 29:1,12 included 29:17 increased 8:11 incredible 5:20 35:12,14 incredibly 37:6 independently 14:4 indiana 11:20 indianapolis 11:20 indicated 23:8 individual 20:6 individually 26:16 individuals 20:8</p>	<p>industry 5:1 16:9,23 36:20 inextricably 37:15 influencing 40:15 information 4:21,22,24 7:19 initial 1:5 27:20 initials 35:6,10 initiatives 6:17 inquiries 27:19 inside 39:16 integrated 23:9 intercom 15:14 interest 33:12 interesting 6:3 30:25 internal 33:8,10 interview 34:2 introduce 10:23 inventory 10:25 investment 11:17 12:10 investor 4:25 36:14 investors 35:1 invoice 30:4 involve 19:19 issues 7:17</p> <p style="text-align: center;">j</p> <p>james 28:1,11 job 2:20 join 16:11 24:23 25:3 33:11 joining 2:5</p>	<p>joke 39:16 jokes 2:17 jr 20:21 july 18:21 jump 28:1 31:19 jumping 31:9 june 8:13 justin 18:15,19 19:14</p> <p style="text-align: center;">k</p> <p>k 28:13,15,22,23 29:3,6,10,14,16 29:18 30:1,3,5,8 30:14,16,20 39:4 keep 20:16,20 28:22 30:15 31:9 41:18 keeping 10:16 key 7:20 40:15 keynote 6:7,8,15 7:1 24:10,11,24 27:8 30:10 33:2 33:20 40:3 41:2 kick 15:3 kidding 18:14 kiddos 14:1 kids 13:25 kind 11:16 12:25 15:12,15 21:16 24:10 35:1 39:24 kindest 41:17 knew 31:14 knockoff 25:16 know 4:1 6:18 8:10 9:23 13:3 13:14 15:14</p>
---	---	--	---

[know - melander]

<p>16:1,15 18:4,13 18:24 19:9,10 20:24 21:3,5,7,8 21:12,13,15,17 21:19,21 27:7,13 27:14,22 29:3 30:3 31:5 32:16 32:17,18,22 34:1 34:12 35:7,8 37:4,5,10,24 40:5,16 knows 35:5</p>	<p>length 1:10 lens 37:9 letters 35:7 level 11:12 lever 22:13 life 33:25 light 10:20 lightning 36:9 likes 15:8 line 6:4,4 7:10 9:23 10:1,6,11 11:2 15:25 19:8 19:17 25:14 37:1 lines 7:13 linked 37:15 list 8:1 14:2,7,10 listed 11:11,21 11:22 12:4,14 listings 11:9 lists 7:21 lit 8:19 literally 17:18 18:12 27:18 31:12 35:18 little 3:20,21 11:18 15:10 28:3 32:14 35:9 live 27:18 loaded 17:14 35:22 loading 17:19 23:16 loan 11:16 local 20:6 34:7 locations 17:18 locked 18:17</p>	<p>log 36:3 logistics 33:5 long 9:12 10:7 32:5 39:23 longer 29:1 look 3:7 7:2 8:5 8:7 16:14 30:17 34:17 36:21 looked 15:23 16:3,7 38:12 looking 5:3 11:15 12:6 28:12 38:1,1,5 lose 24:1 lot 2:21 6:24 12:1 16:10 20:4 20:13 21:4 22:4 22:5,25 24:19 26:7 28:7 29:13 30:1,6 33:13 34:7 38:15,20 40:7,14 lots 12:16 love 14:23 15:3,7 18:17,22 28:1,4 28:9 41:8 loving 23:21 low 11:17 lower 8:9 12:9 26:15 lowest 16:15 lured 30:1</p>	<p>major 26:2 40:13 majority 32:5 making 26:9 30:12 34:8 41:3 male 14:16 man 34:21 38:16 management 11:23 manager 20:6 managers 12:15 19:6 margins 8:15 12:15 market 10:25 40:10 markets 40:13 40:14 mashed 39:19 massive 41:22 materially 4:22 4:24 matter 28:14 37:22 38:22 maximize 24:7 mean 9:20 11:16 12:25 13:10,12 17:1 20:22 24:15 41:6,12 means 4:16 meant 41:14,17 measure 25:12 media 33:16,18 34:7,7,10 medical 26:2 meet 15:5 32:9 melander 7:8</p>
<p>l</p>			
<p>label 25:20 language 5:12 29:18 largely 17:9 larger 16:25 largest 2:9 las 5:17 late 38:7 laugh 2:19 leagues 38:25 leaked 33:7 lean 23:4 learn 11:2 learning 38:23 39:4,6 lease 25:23 26:11,12,13 27:13 leasing 12:17 ledger 26:5,5 lee 35:7 legit 35:9,9 legs 39:1</p>			
		<p>m</p>	
		<p>macomb 43:3,6 43:17 mail 41:25</p>	

[members - optimization]

<p>members 24:25 27:2 memo 33:8 mentioned 7:7 23:16 26:11 menu 3:9 message 6:12,16 8:23 30:20 34:22 36:4 met 14:14,16 15:8 metro 40:13 michael 15:4,7 15:10,18 michael's 15:19 15:21 michigan 12:3 43:2,6 middle 24:11 31:4 miles 12:1 million 12:14 34:2,5,6 mind 28:22 30:15 mine 35:21 minute 4:2 minutes 24:24 24:25 36:6 mirrors 25:16 misaligned 9:14 mission 33:22 mobile 3:8 mom 35:10 moment 10:14 23:18 moments 37:17</p>	<p>momentum 38:18 money 30:2 40:7 months 3:19 7:4 21:23 22:25 34:23 37:3,5 38:1 40:24 mouth 32:4 move 22:20 movement 28:5 movies 24:2 moving 7:12 mygroundbiz 35:19 36:2 mygroundbiz.... 7:19</p>	<p>36:7 needing 3:20 needs 11:18 20:15,15 28:21 negative 22:20 negotiating 21:6 negotiations 22:13 network 5:17,21 6:20,23 7:12,17 9:24 10:4,6,8,12 17:8 23:9,13,14 23:15 37:11,14 41:14 never 15:8 new 10:25 11:8 19:16 25:5 35:1 36:13 38:21 newly 3:18 news 34:2,3 nine 11:22 21:9 21:11 nominating 33:6 non 4:22 north 11:10 12:12 notary 43:5,17 notes 35:16 43:8 november 6:12 7:5 number 9:7 16:10,14 19:21 25:19 28:22 32:2 41:22 numbers 30:22</p>	<p>o obviously 21:10 27:21 41:22 42:1 offering 40:7 offers 26:2 office 13:20 officially 28:8 oh 11:14 34:21 ohio 11:10 oil 9:20 24:20 okay 10:21 13:8 13:11 14:19 16:4 20:25 38:8 oldest 18:20 onboard 40:5 one's 12:14 24:3 ones 8:18 14:6 31:10 open 2:24 operating 7:14 12:15 operational 38:20 operator 11:23 12:18 opinion 39:20,20 opinions 4:17,18 4:19 opportunities 11:22 opportunity 7:1 10:9 11:19 12:4 12:20 14:17 40:21 optimization 11:18</p>
	n		
	<p>name 2:7 3:20 3:22,22 4:5 13:2 13:5 14:3,17 15:8,8,9 18:20 18:21,22,24 19:25 20:21 23:23 24:3 27:11 31:20 32:10,12 35:7,8 35:10 39:13 named 28:2 names 14:2,5,7,8 14:10 15:13 naming 13:25 18:11 31:13 narrative 21:20 nashville 2:12 navigate 20:11 need 6:23 10:4 13:19,19 14:24</p>		

[order - pretty]

<p>order 16:12 36:5 organization 11:6 25:1 26:7 organized 24:14 outdoors 17:19 17:19 23:17 outlook 22:23 23:1 outright 13:10 outside 20:13 outsourced 37:11 outsourcing 10:5 overcapacity 17:9 overlap 6:1,3 overlapped 14:6 14:8 overwhelming 32:5 owner 2:8 owners 33:24 37:12</p>	<p>38:3,4,18 partial 12:25 participate 10:11 12:24 13:9 30:3 participation 24:7 particularly 9:17,23 10:2 12:24 16:23 parts 11:1 19:22 20:5 35:3 pass 8:16 26:16 passing 8:15 9:13 passionate 5:21 patience 16:10 patton 2:3,8 12:22 13:2,8,14 13:21 14:21,25 15:12,18 16:4 18:23 19:2,14 20:23 21:1,19 23:25 24:9 28:4 28:10,17 31:1,6 31:16 32:1 33:1 33:21,23 34:16 34:21 35:12,17 35:22,25 36:9,17 38:11 39:15 40:1 41:12 paul 7:7 pay 17:5 25:6,11 28:16 paying 16:19 25:7 pays 22:7 30:2</p>	<p>peak 7:18 30:23 38:7,10,12,12,13 38:16,24 39:3 people 13:10 20:9,14 22:4 30:1 38:12,16 39:16 percent 5:16,25 8:15 10:6 21:9 21:11 37:11,13 40:17 41:13 percentage 22:15 perform 16:17 30:5 performance 12:19 16:13,16 16:24 permission 32:6 permutation 6:16 perspective 32:17 photos 41:1 pickup 17:5 25:13 pictures 19:19 piece 29:10 pieces 33:2 39:6 piloting 40:23 pittsburgh 20:9 place 3:14 5:5 11:23 12:15,18 42:4 43:9 plan 40:12 plans 32:22 platform 40:6,11</p>	<p>play 36:24 player 5:24 please 41:18,23 pleasure 41:11 plenty 38:23 plus 35:10 point 7:22 8:24 24:13 25:16 28:8 points 7:21 8:2 positions 17:11 positive 23:2 poskina 39:13 possible 20:17 possibly 27:7 post 6:7 31:23 posted 7:18 28:19 30:20 32:6 34:4 posts 30:19 41:10 potatoes 39:14 39:19 potentially 38:6 power 26:14 27:4 pregnant 3:18 premium 16:19 25:25 present 6:6 presentation 6:15 presentations 6:8 press 5:9 17:13 42:2 pretty 28:4</p>
p			
<p>p&d 11:2,11 12:3 packages 17:15 17:17,25 paid 22:11 paris 5:18,19 part 8:22 10:8 11:21 13:15 16:21 17:2,23 20:16 23:9 24:11 25:17 26:3 30:23 34:8 36:22 37:19</p>			

[previous - related]

<p>previous 7:24 8:1 9:1 price 4:23 11:12 24:20 25:16,17 prices 9:20,22 10:3,15 26:15 priority 22:18 private 25:20 pro 18:5 probably 16:6 36:7,8 process 20:12,12 27:21 processing 27:19 procurement 24:14 professional 38:25 professionals 33:6 profit 38:18 profitability 39:3 profitable 5:3 profits 38:15 program 12:17 15:24 16:13,17 25:6,18 26:3,4 26:14 27:18,23 39:23 40:6,8,16 40:18,21 program's 40:2 programs 16:7 projected 21:9 22:25 projections 21:9 promise 28:3</p>	<p>proper 19:23 prospective 4:25 protects 37:16 provide 6:24 provided 7:18 providers 7:10 7:13,16 10:1,6 providing 6:2 proximity 11:25 public 4:22 11:9 17:3 43:5,17 publicly 8:11 13:11,17 21:21 28:20 36:25 40:12 pull 3:9 14:3 35:18,19 pulled 17:14 purchase 19:8 26:13,15 purchasing 24:5 24:8,18,22 25:20 26:14,18 27:4 pure 36:24 purple 6:11 7:5 9:9 28:3,3 34:9 34:13,23 37:6 push 21:15 pushed 20:1,4 pushing 9:12 put 17:16,17 18:2 24:14 25:11 32:3</p> <p style="text-align: center;">q</p> <p>q&a 2:24 3:9,11 10:23 11:7 14:22 21:3</p>	<p>28:19 quality 41:1 question 3:14,16 3:17,21 4:3,4,6 12:23 13:23 15:6,20,21 18:14 19:5 23:21 27:11,25 28:11 28:18 31:8,19 32:8 35:1,2,3 36:16 38:5 39:9 39:11,22 41:21 questions 3:1,3,7 3:10,13 18:10 23:20 31:11 36:6,10,13 41:7 41:22,24,25 quick 4:9 24:6 27:9 quickly 10:23 27:6 quite 21:3</p> <p style="text-align: center;">r</p> <p>ramp 40:10 rapid 10:15 rate 1:6 16:15 rates 7:23,25 8:10 9:1 24:18 ray 35:8 raylee 35:6 rc 35:6,10 reach 27:24 40:20 41:23 read 4:9 5:11 41:6 reading 18:12</p>	<p>real 29:12 30:19 really 5:6 7:1 9:15 11:17 12:15,17,18,18 12:20 13:3 15:7 15:16 17:7 18:5 20:25 23:2,23 24:17 25:25 31:11,11 33:17 33:19 36:20 37:4,17 38:16 41:9,9,19,19 realm 26:1 recap 1:5 24:6 receive 16:12 22:9 27:3 29:25 received 27:18 receiving 28:13 28:25 recognized 9:8 recommend 18:19 recommendation 4:1 14:12 recommendati... 21:13 recommended 4:11 39:13 record 4:10 36:25 records 12:17 recruit 10:10 refund 16:2 regarding 32:21 regardless 22:9 regularly 25:15 related 10:20 28:22 33:14</p>
---	---	---	--

[relates - sharing]

<p>relates 39:4 relation 6:11 release 5:9 9:6 30:17 42:2 released 7:8 8:13 29:15 30:21 42:2 relevant 9:18 rely 11:5 remain 7:23,25 9:1 remember 16:17 renegotiate 21:22 renegotiation 21:14,16 22:1,2 reply 36:5 report 8:13,14 requests 22:1,2 required 16:11 resonating 32:23 response 5:9,13 responses 7:15 responsibility 43:11 responsible 7:11 rest 27:8 result 16:19 17:22 retail 24:18 retaliation 32:22 retention 26:6 retro 15:24 reveal 13:4 revenue 37:1 rewatch 31:25 right 5:5,5 9:21 11:8 13:17,18</p>	<p>14:19,21 15:25 17:8,14,19 18:7 18:24 20:14 23:15,19 28:5,9 31:18 32:7,17,19 34:14,18,25 36:8 36:12 37:24 38:17,18,21,25 39:19 rise 17:1 risk 16:16 37:20 risks 30:4 river 32:10,13 32:14 road 2:11 rob 20:19,22 rock 18:17 rod 23:22 roll 40:13 rollout 27:15 39:24 40:4 room 17:15 rooms 5:18 round 36:10 route 2:8 3:3 4:10,12 24:5,22 25:19 routes 11:11,21 11:22 12:4,13 17:10 row 7:23,24 8:25 rsvps 5:21 rubrics 30:12 rule 3:11 rumored 28:24 run 12:16 36:7 running 39:18</p>	<p>runs 3:3 9:24 10:11 19:8</p> <hr/> <p>s</p> <hr/> <p>s 12:23 sadly 32:11 safety 19:23 saginaw 12:3 savannah 14:13 15:2,3 save 40:7 savings 26:8,13 26:17,22 27:16 33:25 saw 8:5 saying 7:10 8:14 8:25 9:6 21:21 30:21 says 6:16 7:13 7:22 31:22 sba 11:15 12:5 schedule 28:12 28:15,22,23 29:3 29:6,10,14,16,18 30:1,3,5,8,14,16 30:20 39:4 scheduling 19:5 scott 27:11,14 screen 3:8 35:15 sea 39:1 season 38:7,13 38:24 39:3 second 5:14 7:22 7:24 8:25 9:3 35:22 36:16 38:4 seconds 29:8</p>	<p>section 3:9,11 see 7:1 8:23 9:11 10:3 14:6,23 15:13 20:1,4 23:5,22 27:8 30:13 31:18,20 34:13 36:4 37:17 39:15 42:4 seeing 6:1,1 9:20 16:25 36:1 seen 5:9 9:21 10:7 21:10 seller 12:7 20:3 senior 20:6 sensational 5:16 sense 23:4,7 sent 36:1 september 43:12 series 32:10 serious 35:13 seriously 37:6 serve 33:6 service 7:9,13,16 10:1 services 6:2 session 2:25 31:23 sessions 31:24 32:2 set 19:6 37:25 38:2 settlement 7:19 shame 13:11,17 share 4:21 10:20 13:6 33:16 sharing 34:7</p>
---	--	--	---

[shirt - sure]

<p>shirt 34:13 short 39:13 shotting 35:15 show 32:19,25 33:23 showed 41:1,2 shows 5:21 shrinking 23:1 shut 15:1 side 13:22 16:6,9 16:22 19:17,18 22:21 23:5 28:19 33:15 sign 23:2 29:16 signature 43:16 signed 30:16 significant 25:25 26:12 significantly 36:22 signing 28:15,15 silicon 26:5,5 single 32:4 site 11:9 sites 14:3 size 11:16 skewed 22:10 skins 39:14,18 slide 22:13 slides 27:8 small 33:23 37:12 social 34:10 sold 5:17,18 solid 12:18 solidarity 32:19 32:25</p>	<p>solutions 20:9 soon 39:5 sooner 40:22 sort 13:1 21:13 38:7 sorts 2:23 6:5 17:1 sound 13:18 15:13 sounds 15:9 space 36:14,15 spade 37:20,20 span 5:20 spare 11:13,13 12:4 speak 6:9 20:2 30:11 37:22 39:7,8 speaking 17:3 21:21 33:18 speaks 6:9 specifically 31:22 specifics 19:20 spectacular 28:5 spence 14:23 spencer 2:7 14:12,24 15:22 18:11 19:5 20:19 24:5 27:13 28:11 30:18 31:22 32:8,16,25 33:21 33:23 34:25 36:13 38:5 39:22 41:5 spencers 14:16 14:17</p>	<p>spend 24:12,16 spending 25:14 spent 26:7 spinning 35:20 35:21 sponsored 4:13 sponsors 5:23 32:2,3,3 sports 15:14 spreadsheet 14:4 stable 12:18 stadium 15:14 staff 33:10 41:24 standup 19:5,7,9 20:1,2,3 38:7 start 25:1 36:19 40:14 started 6:15 9:19 starter 11:18 starting 27:20 30:23 state 6:9 43:2,6 stated 43:9 statement 7:8 states 2:9,11 4:21 36:2 station 19:5 steady 20:20 stem 12:1 stenographic 43:8 steps 20:12 steve 39:21 stock 4:23 stop 21:8 22:7 29:11 stories 33:19,19 34:1</p>	<p>story 22:3 30:6 33:21 straight 29:3 38:25 strong 12:15,20 stuff 20:7 subscription 25:6 subsidize 37:7 successful 38:10 successfully 10:10 suggest 4:5 35:5 suggested 15:5 suggestion 35:9 35:11 suggestions 3:24 18:13 21:14 23:20 35:13,14 38:9 super 24:4 29:17 supervision 43:10 supplement 7:23 7:25 8:25 supplements 8:6 10:4,16,17 support 41:8 supporting 41:16 supportive 41:10 supposed 28:23 surcharge 8:6 surcharges 8:8 8:11,16,17 9:13 sure 3:1 6:12 20:21 26:9 34:8 40:20</p>
--	---	---	--

[surge - transportation]

<p>surge 9:21 28:16 30:24 survive 37:13,14 swan 32:8 sweet 13:22 18:16 41:9 sword 38:13</p>	<p>telescope 37:25 tell 11:4,4 13:5 24:4 30:6 37:23 37:23,24 ten 11:10 25:9 27:2 33:7 tennessee 2:12 tent 17:19 tenured 11:23 terminal 11:25 17:11,20 29:22 terminals 17:9 23:16 40:17 territory 29:19 29:24 territory's 22:16 22:19 texted 31:12 thank 14:9 18:18 27:13 32:12 41:9,11,15 thanks 21:4 thing 4:8 8:19 9:24 33:4 36:17 38:11 39:2 things 5:4 8:2 16:8 17:1,7 20:7 20:17 28:21 30:15 32:22 37:19 41:17 think 12:23 13:11 15:16 16:4,21 17:6 22:5,18 23:3,7 24:16 35:5,18,25 36:2,8,25 37:16 38:8,11 39:2 40:1</p>	<p>thinks 20:20 23:22 27:11 28:2 31:20 third 26:1 38:14 thomas 39:12 thoughts 21:17 thousand 11:11 14:2,7 25:9 26:23,24,25 27:2 thousands 21:20 three 7:4 14:9 16:12,16 21:23 26:24 33:3 34:22 35:7 39:18 40:23 threshold 29:11 30:23 thresholds 28:25 29:1,2,14 30:24 thrilled 2:7 3:19 thrown 18:16 thumbs 13:9,10 time 2:6,22,22 3:7,12 5:20 8:9 9:3 10:7 14:16 18:1 19:16 23:13 24:13 26:7 29:4 30:19 31:2 33:4 34:24 36:15 37:21 38:15 42:4 43:9 timelines 39:25 timeliness 10:20 times 37:17 41:19 tire 25:4,6,12,13 39:23 40:24 41:1</p>	<p>tires 25:7,9,10 25:11,15,16 41:1 today 2:17 3:2 3:24 4:6,9,18,21 11:14 18:10 21:24 31:13 35:16 37:1 today's 5:6 told 21:24 33:20 tone 9:2 tons 33:17 top 37:1 total 16:2 totally 29:7 touch 17:25 20:5 20:10 touched 18:1 tough 37:4,4,17 track 20:17 tractor 19:12,15 19:19,20,21 tractors 19:9,24 trade 4:22 33:5,9 33:12,14 tradition 3:12 traditional 16:5 trailers 7:12 training 11:24 transcribed 1:11 43:10 transcript 43:8 transition 11:24 transparent 40:3 transpiring 5:4 7:4 transportation 7:9,16 10:1</p>
<p>t</p>			
<p>table 20:16 24:3 tailored 2:25 take 7:2 10:11 11:7 13:22 17:16 19:17 23:13 26:12 27:20 32:14 38:17 39:24 40:2 42:5 taken 43:8 takeover 20:2,6 38:24 talk 6:11 11:14 24:11 30:12 33:2 talking 26:7 33:18 tap 27:16 targeted 38:16 targeting 38:6 taught 10:13 tax 26:6 teach 2:21,22 11:3 38:22 team 27:24 41:15 team's 32:4 technology 19:23</p>			

[tread - willing]

<p>tread 25:12 tried 35:19 truck 12:8,17 18:2 25:23 26:10,11,13 27:13 trucks 2:10 17:12,12,13 24:20 26:13,15 true 43:7 truth 37:22 try 20:11 21:15 24:24 trying 4:25 5:2 6:16 17:4 19:6 31:22 35:17 36:3 tsp 1:5 tsps 7:16 tune 31:12 turn 18:14 34:11 turned 18:21 tutorial 29:5 twitter 34:4 two 5:22 8:7,9 8:12 9:5 11:21 13:23 19:11 24:25 25:19 26:23,24 28:19 35:2 36:12 40:4 type 4:4 typical 12:13 19:10</p>	<p>um 19:1 unbelievable 41:13 unchanged 7:23 7:25 9:1,7 undersigned 43:11 understand 4:25 20:12 29:7 undoubtedly 6:18 united 2:9 4:20 36:2 unleaded 9:25 25:22,25 unsure 19:6 upcoming 7:20 update 10:24 updated 7:3 updates 5:3,7 urgent 10:3 use 25:12 26:14 34:11 user 27:13 usually 22:10</p>	<p>video 34:5 videos 29:5 viewers 34:5 viewing 6:19 views 34:2,6 vikram 35:3,5,7 violet 28:2 viral 34:2 volume 21:17 22:11,21 23:12 23:15 vote 12:25</p>	<p>ways 33:3 40:10 we've 2:13 3:18 5:8 9:21 11:10 12:3 25:2 26:6 27:18 34:9 web 14:3 webinar 2:4,6,14 3:2,4,13 5:8 6:19 9:19 10:21 15:6 21:23 29:5 31:2,4,13 39:6 42:3</p>
<p style="text-align: center;">u</p>	<p style="text-align: center;">v</p>	<p style="text-align: center;">w</p> <p>wait 21:16 want 3:10 10:22 12:6 14:5 18:4,6 22:14,15,20 23:5 25:3 27:7,17,25 31:12,25 32:3 33:11 34:11 38:16 40:16,18 41:5 42:1 wanted 10:19 19:10 21:2,12 24:6,7 32:16 wanting 11:2 32:18 wants 21:5,17 27:12,14 40:16 watch 29:6 watched 24:10 way 3:7,21 5:11 6:21 7:2,10 10:25 25:15,17 33:8 37:23 38:17 40:20,25 41:18</p>	<p>webinars 2:13 wednesday 2:4 week 2:5,18 3:16 3:17 5:20 11:9 12:12,21 23:21 30:21 42:5 weekend 5:8,15 7:3 10:21 32:9 weekly 29:2,11 29:13 weeks 9:22 27:21 38:15 welcome 2:3,6 3:25 went 5:10 14:4 34:2 whatsoever 4:14 wheeler 9:25 19:18 wheelers 7:11 wheels 35:20 wife 13:24 williams 20:19 willing 11:23 37:8</p>
<p>u.s. 8:16,20 10:17</p>	<p>valid 31:16,16 value 20:16 variable 21:7 22:7,10,14,17 23:5,6 vegas 5:17 vehicle 12:5 vehicles 17:17 25:8 verify 19:23</p>		

[win - zoom]

<p>win 15:19 23:11</p> <p>words 32:3</p> <p>work 16:2 20:11 21:1 29:19 32:11</p> <p>workaholic 28:8</p> <p>workers 15:24 16:5,8,22 17:21</p> <p>world 41:14,18</p> <p>worry 35:16</p> <p>wrap 26:18 39:10</p> <p>wrong 39:20</p>	<p>yep 15:17 39:11</p>
	z
	<p>zoom 3:8</p>
y	
<p>yeah 13:8,13 14:18 18:23,25 19:4,14 20:19,24 21:19 23:25 24:9 28:7 30:18 32:7 34:13,18 35:15,17,24 36:17 40:1 41:12</p> <p>year 7:21,22,24 8:25 21:6,11,11 23:3 24:12 26:20 30:22,24 39:18 40:4</p> <p>year's 18:18 30:17</p> <p>years 2:14 8:7,9 8:12 9:5 10:12 10:13,13,14 16:12,17 23:1 36:20,23 37:2 38:2</p>	

Route Consultant Founder Spencer Patton Calls for Network-Wide Financial Remedies for FedEx Ground Contracted Service Providers (CSPs)

NEWS PROVIDED BY
Route Consultant →
Jul 20, 2022, 13:00 ET

NASHVILLE, Tenn., July 20, 2022 /PRNewswire/ -- In a video appeal and supporting letter Spencer Patton, Founder + President of Route Consultant, urged FedEx Ground to provide substantial financial remedies to its base of 6,000+ Contracted Service Providers (CSPs) by November 25, 2022.

[Continue Reading](#)



The FedEx Ground pickup & delivery (P&D) and linehaul networks are serviced by contracted logistics companies, and FedEx Ground relies entirely on the service success of these companies for its day-to-day operations. Mr. Patton notes in his letter that the current CSP financial model is collapsing due to substantial increases in the cost of fuel, labor, and vehicles over the past 12 months:

FedEx Ground's largest contractor: Financial model is collapsing from big increases in cost of fuel, labor, vehicles

 [Tweet this](#)



Route Consultant offers consulting services to new and experienced professionals in the logistics community. These services include acquisition strategy, business valuations, operations efficiency, post-close support, compliance review, and more. Finally, Route Consultant maintains an exclusive portfolio of routes and runs for sale across the United States.

Links:

Spencer Patton video, letter to FedEx Ground:

<https://www.routeconsultant.com/updates/route-consultant-founder-spencer-patton-calls-for-network-wide-financial-remedies>

Video Conference - Wednesday 7/20, 3:30pm CT: <https://www.routeconsultant.com/upcoming-events/weekly-webinar-072022>

Contact:

To schedule an interview or if you have questions, please contact:

Chad Schmidt

chad@sheridanpr.com

(615) 504-6336

SOURCE Route Consultant



John Smith
President & CEO
FedEx Ground

Letter of Assurance

Last week FedEx Ground received a letter which was accompanied by a publicly released video and was followed very closely with related media stories. The letter and the video make several claims about FedEx Ground and your individual businesses and reference the formation of a third party that would "speak on behalf of thousands of CSPs across the United States." In the letter and video, certain "across the board" financial demands were made of FedEx Ground along with a deadline for the company to agree.

Since these communications were released in a very public and coordinated manner, FedEx Ground wants to make clear to every service provider our initial thoughts concerning this effort.

- FedEx Ground recognizes the challenges of current market conditions and cost pressures. We remain committed to engaging in a productive dialog with service provider businesses to understand and address these issues.
- FedEx Ground will not discuss, negotiate, or renegotiate service provider agreements or financial terms with a committee or any individual purporting to represent a collective body of service provider businesses. The service provider model was built around the recognition that each business has unique and distinct characteristics and entrepreneurial goals, and therefore each agreement is – and will, without exception, continue to be – negotiated individually. Moreover, any effort by service providers to negotiate financial terms as a group is a breach of the contract with FedEx Ground.
- FedEx Ground expects every business under contract to honor its obligation to provide service.

The communications published contain several inaccuracies. For example:

- Service levels are not declining and have instead improved significantly since January, including a steady climb in the past three months.
- The communications inaccurately speculate about the impact of Sunday operations on FedEx Ground's financial results. We have been evaluating the efficiency and market demand for these operations for several months, and it is after this thorough analysis that FedEx Ground announced the suspension of Sunday delivery operations in certain markets.
- Lastly, the communications mischaracterize as a "fine" the Liability Coverage Contribution and Safe Operating Incentive that is based on each service provider's accident frequency. The vast majority of service provider businesses will not, in fact, be affected by this program in October as claimed, but rather several months later. In addition, based on current safety results, more service provider businesses than not will experience no financial impact – or will receive an additional financial payment from FedEx Ground for excellent safety results.

We recognize that the shifting market dynamics and current economic conditions may pose new challenges for your business. Whether your company operates under the ISP or TSP agreement, or both, let me assure you that all of us at FedEx Ground are committed to working directly with your company to understand the market in which it operates. We continue to encourage authorized officers of service providers to pursue the opportunity to renegotiate your business' agreement as you see fit.

We are committed to listening, reviewing the relevant data about your business, and engaging in a productive business-to-business dialog. We believe this is the most effective path for creating continued opportunities for success and respecting the fact that each of you own and lead your own businesses.

Thank you.



John Smith
President and CEO
FedEx Ground

Copyright © 2022 FedEx, All rights reserved.

You are receiving this email because your business is contracted to provide services to FedEx Ground and you have been designated as your business's authorized officer.

Our mailing address is:

FedEx
1000 FedEx Drive
Moon Township, PA 15108

[Add us to your address book](#)

Want to change how you receive these emails?
You can [update your preferences](#) or [unsubscribe from this list](#).