

2300 Clayton Rd. Suite 1200 * Concord, CA 94520 * 925-887-1400 * 877-917-2237

October 9, 2002 Electronic Bulletin No. 344 Start your Engines!

Dear Valued Customer:

As you may already be aware, a Federal Judge in San Francisco issued an injunction late yesterday afternoon in accordance with the Taft Hartley Act that ordered both sides of the West Coast Port lockout back to work. Labor is expected to begin work at all facilities during the PM Shift today, Wednesday, October 9.

In order to insure a smooth and orderly resumption of rail service and rail terminal support activity with the start-up of work at West Coast Port facilities, the Rail Carriers have initiated an allocation system for all 20', 40' and 45' containers at all (Eastbound and Westbound) of their terminal facilities. Only a limited number of 20', 40' and 45' containers, loaded or empty, Domestic or International, will be accepted for movement at Rail Terminal facilities until backlogged volumes are worked off and/or Rail Terminal facilities are in a condition to accept additional 20'-45' container volumes.

The allocation system initiated by the Rail Carriers does NOT apply to 48' and 53' containers. The 48' and 53' containers will continue to move on a normal basis throughout the Pacer Stacktrain network.

Pacer Stacktrain Operations personnel will be working with the Rail Carriers on a daily basis to manage the allocation process at terminal facilities. As you can well imagine, there is a tremendous inventory of backlogged volume at Customers' docks, on trains parked along the rail network, at the rail terminal facilities, at the West Coast marine facilities and on vessels anchored at Ports along the West Coast. It will take some time to process all of this volume through the network and return the "pipeline" to normal fluid operation. We expect the 20', 40' and 45' container allocation process to be in place in some manner for at least 30 days.

Any questions regarding the allocation process affecting 20', 40' and 45' containers should be directed to your local Pacer Stacktrain Customer Service Representative.

Thank you for your patience, understanding and cooperation!