

Press Release

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**Alliance between
Northwest Container Services Inc.
And
City of Shafter**

In developing the California Integrated Logistics Center (CILC) located in Shafter, California, Northwest Container Services, Inc. (NWCS) and City of Shafter (COS) have formed an alliance. The CILC would combine an Inland Intermodal Center (IIC) with a dedicated short-haul rail logistics serving international marine terminals (in this case, at the Port of Oakland).

The (CILC) will be a new generation of inland intermodal centers that will revolutionize a system for efficient freight movement and create the standard for future intermodal handling of international as well as domestic transportation needs within

California, Ports and across the country. The (CILC) will feature a rail freight intermodal facility that will facilitate the balance and re-use of inbound import containers loaded with consumer goods destined for the Central Valley and Southern California thereby providing outbound containers for export of agricultural goods from the U.S.

NWCS will be the intermodal facility operator for the (CILC), coordinating transportation services including all aspects of rail and truck transportation, switching of railcars, storage, handling, repair and maintenance of marine containers, chassis and trailers of all related operations. NWCS will lead a joint intermodal service development program with the City of Shafter and will coordinate a sales & marketing staff. COS will lead the development agency, including all aspects of land and infrastructure investment at the CILC.

Shafter City Manager John Guinn in announcing the alliance with Northwest Container Services said:" We are very excited to see (NWCS) be a major logistical partner with the City of Shafter. (NWCS) has proven this model of shuttle train service to be effective in the Pacific Northwest for almost 20 years between Seattle, Tacoma and Portland. California has been experiencing unprecedented congestion problems as a result of increased trade. The (CILC) will give both importers and many local exporters in Central and Southern California options not

previously available. The cornerstone of this type of operation is to increase efficiency and get more container loads on to railways." Northwest Container Services Inc. Chief Executive Officer Gary Cardwell in announcing the alliance with the City of Shafter said:" We're very excited as well to be partnering with the City of Shafter; their proximity to the central valley's exporters and future destination for importers creates the load/load transportation model we have strongly been advocating for today's land use planners. Typically 50% of the time an international marine container is on the highway, it's empty. We want to work with cities, ports and states that understand a new transportation model needs to be developed by locating importers where the exporters are. Our company's mission is to help United States exporters reduce their transportation costs thereby maintaining and/or improving their competitive advantage within the markets they service.