

THE COOL NEWS



THE RAUCH REPORT BY LARRY RAUCH, PRESIDENT



LOS ANGELES COLD STORAGE

It has been a little while since we have put out a Cool News. Thom Thomas, our former VP, was the editor and energy behind it and it is only now we have geared up to publish again. The big spark was Greg Bloom, our IT Manager, who volunteered to be the new editor. Greg brings new ideas and enthusiasm to the role and that is a good combination for success. As many of you know, Greg cannot do it alone. It is a team effort, so I am encouraging everyone to let Greg know when something is going on in your business or personal life that you would like to share. You will find the new Cool News will have an increased focus on our employees and current events around the company. The more information Greg has, the better the publication. I think you will begin to see the difference in this publication. Read it and enjoy-but also participate in it and you will help make it a more enjoyable newsletter.

Here are just a few of the things that have been going on over the last year.

- Isaac Urquidez moved to San Diego and Iram Rhoads replaced him as the LAQ Team Lead. She is doing a great job along with Maria and Debbie servicing our growing customer base.
- We are in the middle of upgrading our major electrical service at 4th St. and have finished upgrading the elevators as well.
- We had a successful Safety Event at the bowling alley with some employees showing impressive bowling skills (some not so much). It didn't matter because we all seemed to have a great time with everyone going home with some cash in their pockets.
- Dan Nestor has been leading the engineering department since early 2017 and has been developing a dedicated staff that is responsible for both the refrigeration and maintenance of the facilities. It is a big responsibility and we are very happy to have Dan on board.
- We completed both our clerical and engineering union contracts. As has historically been the case, the effort was challenging, but was completed without any disruption to our operations.
- Alicia Carrillo, our Assistant Warehouse Manager at 4th St., completed her National Fisheries Future Leaders class. She joins Sam, Marlo, Renee and Erinn as having completed this important program.
- We just completed our latest annual BRC audit. As you know, this is an exhaustive two day third party audit of our warehouses that focuses on Food Safety, HAACP, Sanitation and Customer Service. In addition, we are graded on the policies and procedures we have established to meet the high standards required by the program and our adherence to them. We scored a certification grade of "AA", the highest possible BRC audit score. Terry Miller led our BRC team of Alicia Carrillo, Chuck Gunther, Marlo Acosta, Frosty Velez, Dan Nestor and Maria Solis with significant assistance from the engineering department and warehouse personnel. This is an important success for which we can all be proud.

- We have instituted our new Scan to Post process in the main office. We now are able to post a confirmed pick up and scan the delivery ticket at the same time allowing our customers to access the information simultaneously.
- Erinn Castro our Customer Service Team Lead, graduated from the WFLO Institute after a 3 year program. It is a vigorous educational program that covers all aspects of the Cold Storage industry. Graduating is quite an accomplishment and she joins a long list of LACS employees who have gone through the program. Our list of current employees who graduated includes Sam, Marlo, Jorge, Alicia, Alex and me. We are not stopping there, Gilbert Camacho just completed year two and Dan Nestor just completed year one, as we continue to make education an important component of our corporate culture.
- Marlo led another successful Holiday Donation Drive this year, collecting over \$2500 in employee donations for the children at Para Los Niño's. Marlo has been spearheading this drive for a number of years and has managed to increase our contribution every year. We want to thank again the vast majority of employees who participated.
- We already have many of our customers that receive their paperwork electronically, avoiding the time delay of the mail. For those customers that wish to receive their invoices electronically, we are offering them to receive it in excel format if they wish. It allows them to re-sort it to their specifications if that is more convenient. We already have a number of customers who are receiving it in this format and are very happy.

As I write this part of my report, Marlo, Sam and I are on our way back from the Boston Seafood Show. It is the largest gathering of companies in the Seafood Industry in the United States and includes 1300 exhibitors and thousands of people. We attend every year to see our customers to thank them for their support and work with them to ensure we are meeting their needs. A number of our services have come from these meetings. I am happy to report that the comments we received from our customers were universally positive. Their comments specifically addressed our strong customer service from both our clerical and warehouse staff. They rated us very highly for our accuracy, professionalism and communications. We have set the bar high and our customers are very pleased with the results. It made us proud to represent LACS in this environment and it has spurred us on to ensure we continue to meet the high goals we have set for ourselves. Everyone should be equally proud of the culture we have developed that sets such a high priority on exceeding our customer's expectations. I want to thank you all again for being part of this highly regarded team.

Enough from me now. Enjoy your Cool News!



April 2018

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Larry Rauch

Edited by
Greg Bloom

Para Los Niño's "For the Children"

Los Angeles Cold employees once again enjoyed the opportunity to help the children at Para Los Niños during the holiday season. Para Los Niño's is a non-profit organization that offers high quality education, family support, mental health services and community assistance to thousands of children living in "at-risk" areas of our city.

Employees of Los Angeles Cold have been supporting the children at Para Los Niños for over fifteen years. This annual holiday tradition was started by former employee Ray Quiton, who passed away in November of 2008. The support has continued, led by our Manager of Administration, Marlo Acosta.

A special thank you to the many employees who reached out to help the children and their families.



Below are a few of the amazing thank you letters we received from the children.



Anniversary Celebrations This Year!!!

Here's to the following LACS employees for their hard work and dedication...

Estela Soto - 2 Years of Service

Ramon Guevara - 2 Years of Service

Francisco Guevara - 2 Years of Service

Jeffrey Chang - 2 Years of Service

Rigoberto Bedolla - 2 Years of Service

Chris Wilson - 2 Years of Service

Charles Holloway - 5 Years of Service

Frank Cortez - 5 Years of Service

Carlos Canales - 5 Years of Service

Vincent Vasquez - 15 Years of Service

Alicia Carrillo - 20 Years of Service

Miguel Draper - 20 Years of Service

Lisa Garza - 20 Years of Service

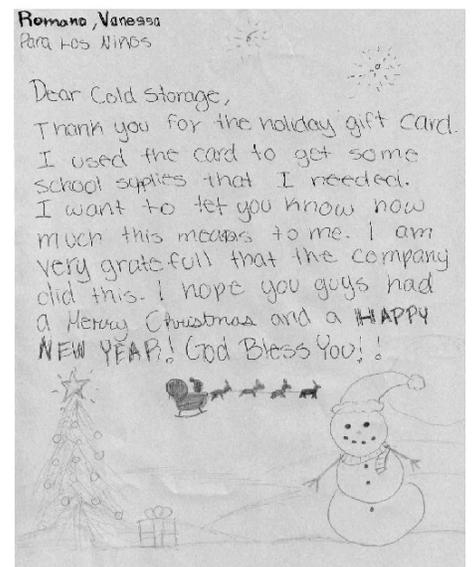
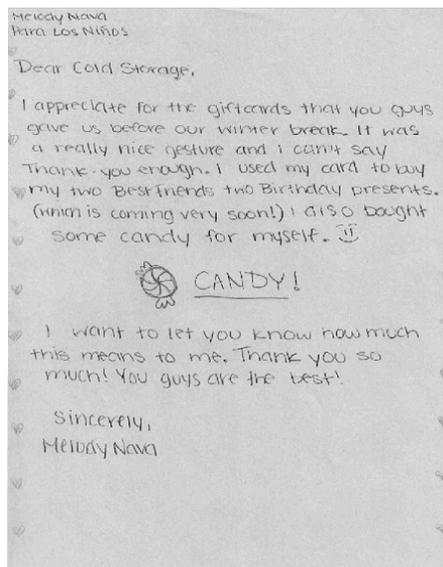
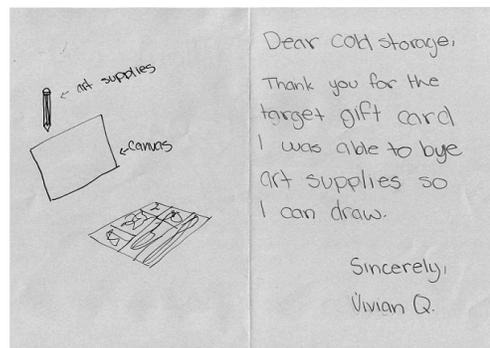
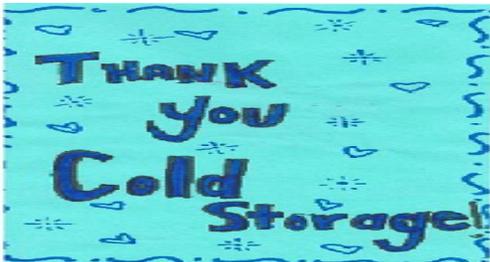
Vincent Mondragon - 20 Years of Service

Debra Basko — 25 Years of Service

Roxanne Gomez – 25 Years of Service

Chuck Gunther – 30 Years of Service

John Scherer – 40 Years of Service



LACS SAFETY SECTION

Did You Know?

Did you know the number one cause of forklift accidents is operator error. With the most common type of accident being a forklift tipping over.

O.S.H.A can impose fines of up to \$7,000 for each untrained employee operating a forklift.

An O.S.H.A ruling mandates that forklift drivers must be re-evaluated every 3 years.

Of all the forklift accidents 70% of those involve untrained operators.

SAFETY FIRST

Prevention is the best way to avoid and reduce risks.

- ◆ Prevention includes thinking ahead.
- *Preparation***
- ◆ Trying to spot possible hazards before accidents occur.
- *Observation***
- ◆ Doing safe acts to prevent accidents.
- *Prevention***

LA COLD STORAGE EMPLOYEES CELEBRATE ANOTHER SAFE YEAR!!!



Safety Pay\$ Jackpot\$
Recent Bingo Winners
Game One Winners!
 Alicia Carrillo \$75
 Roberta Espinoza \$75
 Charles Holloway \$125
 Dave McLellen/Ruben Ortega \$75

Game Two Winners!
 Jaime Velasco \$56
 Vincent Mondrago \$56
 Elizabeth Hernandez \$65
 Francisco Guevara \$65
 Edgar Flores \$70

Sam "Safety" Reyes says "Safety starts with awareness. Awareness starts with you."

LOS ANGELES COLD MISSION STATEMENT
 The employees of Los Angeles Cold Storage are committed to protect and preserve our customer's product and to enhance their efforts with on time, accurate product handling.

Welcome New Hires To LA Cold

Victor Arteaga - Central Warehouse
 Stephanie Blanco - Central Warehouse
 Erica Claustro - Main Office
 Roberta Espinoza - 4th St and Astro
 Geovanni Martinez - Central
 Dan Nestor –Engineering
 Maria Polanco –LA Qwik
 Iram Rhoads –LA Qwik
 Alejandro Solis –Central Warehouse

Lets welcome them all
 to the LACS Family!!

Technology Corner

LA Cold Puts In Place Training To Protect Us From Phishing Attacks

Did you know that phishing emails account for 98% of all social engineering related incidents and breaches?

No matter how much security technology we purchase, we all still need to be vigilant in our computer awareness.

Ransomware is very effective for criminals. It exposes them to relatively little risk. Even as ransomware surges in use and popularity, there are signs that business and governments aren't investing in appropriate security against it. Training users combined with common sense are essential in combatting cyberattacks.

It only takes one person to click on a phishing email to put the entire company at risk. The good news is that most of us know not to click without verifying that it is a legit email from a legit source.

That is why LA Cold has started a new program that will be sending “fake” phishing emails with the hopes that our users will understand what red flags to look for before they click.

Knowledge is key, and you should never click any links or open attachments that seem suspicious, it is so very important to know before you click.



LA COLD IS AA RATED!!

AA IS THE LA COLD WAY!!!

Fourth St. News To Know!!

Frank Cortez's Son—Gabriel Cortez

Gabriel Cortez, a junior at Northview High School, in Covina CA, and the son of 4th St. employee Frank Cortez, is excelling as a wrestling champion. This year with hard training and dedication he took 1st at CIF, 2nd at Master's and 7th at State. He is coached by ex-LA Cold Storage employee David Ochoa, who this year was inducted into the high school wrestling Hall of Fame.

Gabriel has been wrestling since he was 4 years old. As a freshman he took 2nd in CIF and as a sophomore he took 1st at CIF, along with qualifying for the State Finals both years. The California wrestling season starts with over 27,000 wrestlers competing in 14 different weight classes. Only 8 wrestlers from each group will make the podium and Gabriel was one of them.

Gabriel's goals for his upcoming senior season is to put in a lot of hard work and dedication and win the State Championship.

He currently has letters of intent from the Air Force Academy, Cal State Bakersfield and West Point to name a few.

Way to go Gabriel!! Keep up the great work!!!



WFLO Program Graduations and New Students

Congratulations to Erinn Castro, who completed 3 years of the WFLO Institutes program and is now a proud graduate. The program she completed consisted of a broad range of subjects related to food preservation, temperature controlled logistics, refrigerated warehousing, facilities management, personnel management and industry best practices.

Some of the biggest takeaways she learned was to create the best experiences for your customers and take pride and ownership in the work you do, and doing it all with a positive attitude. Whether she is speaking with customers or interacting with co-workers she always does it with a smile. She says "I always answer the phone with a smile, it makes a difference on the other end of the phone call, just as I like to greet everyone in the office with a smile."



Erinn really enjoyed interacting with all her fellow WFLO colleagues, especially during group activities and learning how other warehouses operate on a daily basis. Erinn states "I am really going to miss my WFLO classmates whom I had the privilege of getting to know not only on a professional level but a personal as well. The Cold Storage/Warehouse is an incredible industry." She also says how grateful she is "So thankful for this opportunity that Larry, Marlo and all LACS has given me. I hope this leads to more growth at LACS."

Some advice she can impart on two of our newer WFLO students, Dan Nestor and Gilbert Camacho, is that there will be so many amazing learning opportunities, and that there are so many outstanding professor's. Gilbert agrees with Erinn, as he has said "I really like getting to learn all the many aspects of the cold storage business, not only warehousing but a wide range of the warehousing operations."

FUN FACTS

U.S. FOOD CONSUMPTION

In the United States:

- Americans constitute 5% of the world's population but consume 24% of the world's energy.
- The U.S. population is projected to increase by nearly 130 million people - the equivalent of adding another four states the size of California - by the year 2050.
- Americans throw out 200,000 tons of edible food daily.
- The average American generates 52 tons of garbage by age 75.
- The average individual daily consumption of water is 159 gallons.

US Consumer per capita consumption per year:

- 91 lbs. of chicken
- 57 lbs. of beef
- 51 lbs. of pork
- 17 lbs. of turkey
- 15 lbs. of seafood



Dedicated to Our Former Editor in Chief

We are dedicating this edition of Cool News to our former editor and now retired V.P., Thom Thomas.

Thom did a terrific job of establishing the Cool News and we intend to carry on with his high standards.

Thank You Thom!

Addition to the LACS Family!!

Congratulations to Yasmin Basilio and her family.



Carlos Ariel Hernandez

Born: January 12, 2018

Time: 11:03AM

Weight: 7 lbs 1 oz

Height: 19 inches



Here's the whole family looking good...
Proud father Carlos, Yasmin and
big sis Sophia.

Congratulations To LA Cold Storage and Our Engineering Department For Continuously Striving To Be More Green!

Los Angeles Cold Storage Company

**-Greenest Customers-
2nd Place**

Account Advisor:
Janet Zelaya

Technical Assistance Program

- Installed cooling tower pH/C onductivity Controller
- Saves **12%** of its annual water consumption



Our paper recycling efforts for the year of 2017 have saved over 144 cubic feet in the landfill and 287 LBS of air pollution.

As well as we saved at least 9 trees from being forested.

That's a lot of trees!!!

To produce that amount of paper it would have taken 1585 Gallons of Oil, 29576 Gallons of Water and 26040 Kilowatts of Energy.

