Dover Corporation
Future of the Interstate – Freight Discussion

Russell Toney
Senior Vice President, Dover Corporation
Dover is a multi-billion dollar diversified global manufacturer

- $8 billion in annual revenue
- 4 major operating segments
- 30 operating companies
- 27,000+ employees
- FORTUNE 500 Company
- 60+ years of entrepreneurial success
Dover Engineered Systems

We design, manufacture and service critical equipment serving the printing & identification, vehicle service, waste handling, and select niche industrial end-markets.
Dover Fluids

Focused on the safe handling of critical fluids across the oil & gas, retail fueling, chemical, hygienic and industrial end-markets.
Dover Energy

A leading provider of solutions and services for safe and efficient production and processing of oil & gas worldwide.
Dover Refrigeration & Food Equipment

The leading provider of energy efficient equipment and systems serving the commercial refrigeration and food service industries.
We have a large global footprint with 200+ manufacturing locations

- Downers Grove, IL
  Global headquarters
- Brooklin, São Paulo
  Regional headquarters
- Geneva, Switzerland
  European center
- Shanghai, China
  Regional headquarters
- Bangalore, India
  Regional headquarters
Dover North American shipping profile

- Business to Business Shipper of industrial products
- Contract with trucking companies for virtually all shipments
- >100 shipping locations …majority east of Mississippi
- Some products highly susceptible to damage due to poor road conditions

**Annual shipping statistics (North America):**

<table>
<thead>
<tr>
<th>Transportation Mode</th>
<th>Mode Spend</th>
<th># Shipments</th>
<th>Avg. Weight/ Shipment</th>
<th>Annual Shipping Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Truckload</td>
<td>$35MM</td>
<td>20K</td>
<td>35,000#</td>
<td>700MM</td>
</tr>
<tr>
<td>Less than Truckload</td>
<td>$30MM</td>
<td>150K</td>
<td>1,100#</td>
<td>165MM</td>
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<tr>
<td>Parcel Ground</td>
<td>$9MM</td>
<td>1.3MM</td>
<td>17#</td>
<td>22MM</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$74MM</strong></td>
<td><strong>1.5MM</strong></td>
<td><strong>603#</strong></td>
<td><strong>887MM</strong></td>
</tr>
</tbody>
</table>
Over the road freight shipping …what is important to us?

**Speed & Flexibility**
- Faster delivery is a competitive advantage
- Efficient routes to urban and remote destinations
- Intermodal connections

**Predictability**
- Need reliable shipping times
- Minimize unplanned delays (traffic, road outages, etc.)

**Quality**
- Damage free goods delivered to customer
- Shipping damage often caused by road conditions

**Cost**
- Minimize regulatory cost and complexity
- Support for technology driven cost efficiencies
Considerations for future investment

1) Link investment dollars to economic impact
2) Expanded use of toll roads
3) Evaluate separate roads for commercial use
4) Increase use of intelligent highway management systems
5) Allocate funds towards advanced technology development