# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION

**Washington, D.C. 20549**

# Form 8-K

**CURRENT REPORT**
**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): October 1, 2003**

# Yellow Corporation

**(Exact name of registrant as specified in its charter)**

| Delaware | 000-12255 | 48-0948788 |
|---|---|---|
| (State or other jurisdiction of incorporation) | (Commission File Number) | (IRS Employer Identification No.) |

**10990 Roe Avenue**
**Overland Park, Kansas** — **66211**
(Address of principal executive offices) — (Zip Code)

**Registrant's telephone number, including area code: (913) 696-6100**

**Item 7. Financial Statements, Pro Forma Financial Information and Exhibits**

(a) Financial statements of businesses acquired.

Not applicable

(b) Pro forma financial information.

Not applicable

(c) Exhibits.

99.1 Press Release of Yellow Corporation dated October 1, 2003.

99.2 Slide show presentation to analysts on October 3, 2003.

**Item 9. Regulation FD Disclosure**

On October 1, 2003, Yellow Corporation ("Yellow" or the "Company") issued a press release regarding an analysts meeting to be held at its world headquarters on Friday, October 3, 2003. The meeting, which will begin at 1 p.m. EDT, can be accessed either through the internet or by dial-in and will be available for 30 days on the Company's website. A copy of the press release and the slideshow presentation to be used at the meeting are attached hereto as Exhibits 99.1 and 99.2 and incorporated herein by reference.

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The information presented in this Current Report on Form 8-K may contain forward-looking statements and certain assumptions upon which such forward-looking statements are in part based. Numerous important factors, including those factors identified as in Yellow's Annual Report on Form 10-K and other of the Company's filings with the Securities and Exchange Commission, and the fact that the assumptions set forth in this Current Report on Form 8-K could prove incorrect, could cause actual results to differ materially from those contained in such forward-looking statements.

Information in this Current Report is being furnished pursuant to Item 9 and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. The information in the Current Report shall not be incorporated by reference into any registration statement pursuant to the Securities Act of 1933, as amended. The furnishing of the information in the Current Report is not intended to, and does not, constitute a representation that such furnishing is required by Regulation FD or that the information this Current Report contains is material investor information that is not otherwise publicly available.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: October 3, 2003

YELLOW CORPORATION

By: /s/ Daniel J. Churay

Daniel J. Churay
Senior Vice President, General
Counsel and Secretary

## Index to Exhibits

| Exhibit Number | Description |
|---|---|
| 99.1 | Press Release of Yellow Corporation dated October 1, 2003 |
| 99.2 | Slideshow presentation to analysis on October 3, 2003. |

**Exhibit 99.1**

*10990 Roe Avenue*
*Overland Park, KS 66211-1213*
*(913) 696-6100*
*(913) 696-6116 FAX*

***NEWS RELEASE***

**YELLOW CORPORATION**

**October 1, 2003**

**For Immediate Release**

**YELLOW CORPORATION TO HOST ANALYSTS MEETING**

OVERLAND PARK, KAN. — Yellow Corporation (NASDAQ: YELL), will host an analysts meeting at its world headquarters on Friday, October 3, 2003. The meeting, which will begin at 1 p.m. EDT, can be accessed either through the internet or by dial-in. Bill Zollars, Chairman, President and CEO of Yellow Corporation, and Jim Staley, President and CEO of Roadway Corporation, are scheduled to present, along with other members of Yellow senior management.

A live audio webcast of our strategic direction and financial update discussions can be accessed on our website, www.yellowcorp.com, or at: http://www.corporate-ir.net/ireye/ir_site.zhtml?ticker=yell&script=1010&item_id=788946. Presentations will be available for 30 days on these websites. The audio portion of the presentations can also be accessed live by dialing 1.888.609.3912.

*Yellow Corporation, a Fortune 500 company, is a holding company that through wholly-owned operating subsidiaries offers its customers a wide range of asset and non-asset-based transportation services integrated by technology. Its largest subsidiary, Yellow Transportation, offers a full range of regional, national and international services for the movement of industrial, commercial and retail goods. Meridian IQ is a non-asset global transportation management company that plans and coordinates the movement of goods worldwide. Yellow Technologies provides innovative technology solutions and services exclusively for Yellow Corporation companies. Headquartered in Overland Park, Kansas, Yellow Corporation employs approximately 23,000 people.*

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Media Contact: Suzanne Dawson
Linden Alschuler & Kaplan
212.329.1420
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Exhibit 99.2

# Analysts Meeting

YELLOW
CORPORATION
Roadway
Corporation
Stephen Bruffett
Vice President and Treasurer, Yellow Corporation

# Forward-looking Statements

- *This presentation (and oral statements made regarding the subjects of this presentation, contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The words "expect," "will," "remain," "estimated," "anticipated" and similar expressions are intended to identify forward-looking statements. The expectations set forth in this release regarding accretion, incremental margins, economic recovery, achievement of annual savings and synergies, achievement of strong cash flow, sufficiency of cash flow to fund capital expenditures and achievement of debt reduction targets are only the parties' expectations regarding these matters. Actual results could differ materially from these expectations depending on factors such as the combined company's cost of capital, the ability of the combined company to identify and implement cost savings, synergies and efficiencies in the time frame needed to achieve these expectations, prior contractual commitments of the combined companies and their ability to terminate these commitments or amend, renegotiate or settle the same, the combined company's actual capital needs, the absence of any material incident of property damage or other hazard that could affect the need to effect capital expenditures, any unforeseen merger or acquisition opportunities that could affect capital needs, the costs incurred in implementing synergies and the factors that generally effect both Yellow and Roadway businesses as further outlined in "Management's Discussion and Analysis of Financial Condition and Results of Operations" in each of the companies respective Annual Reports on Form 10-K for the year ended December 31, 2002. Yellow plans regarding the maintenance of the separate Yellow and Roadway brands and networks, technology matters, service offerings, the focus on administrative and back office synergies and are only its current plans and intentions regarding these matters. Actual actions that the combined company may take may differ from time to time as the combined company may deem necessary or advisable in the best interest of the combined company and its shareholders to attempt to achieve the successful integration of the companies, the synergies needed to make the transaction a financial success and to react to the economy and the combined company's market for its transportation services.*

# Analysts Meeting

# Bill Zollars

**Chairman, President and CEO, Yellow Corporation**

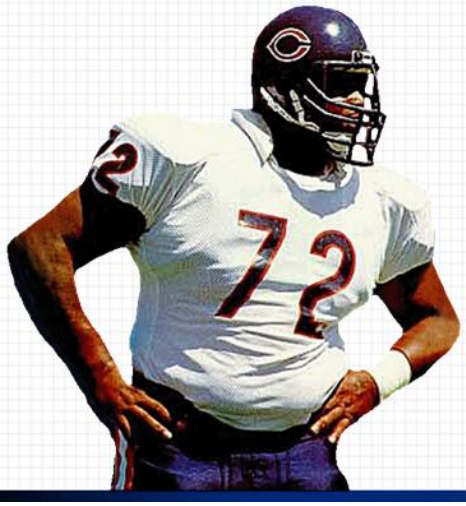
YELLOW®

YES WE CAN.®

“It is not the strongest of the species that survive, nor the most intelligent, but those most responsive to change.”

- Charles Darwin

## William “Refrigerator” Perry



**Height: 6-2**

**Speed: Slow**

**Power: Enormous**

**Weight: 315**

**Agility: None**

**Versatility: Low**

## The Old Yellow

- Big
- Slow
- U.S.A. Only
- One Trick Pony
- Regulated
- Inwardly Obsessed
- Technology Aware
- 75 Year History

**Yellow**

**Worst of '97**

## Barry Sanders (The New Team Yellow)

**Height: 5-8**

**Speed: Lightning Fast**

**Power: Focused**

**Weight: 200**

**Agility: Nimble**

**Versatility: High**

## The New Yellow

- Big
- Nimble/Flexible
- Global
- Service Portfolio
- Highly Competitive
- Customer Centric
- Technology Driven
- Strong Brand

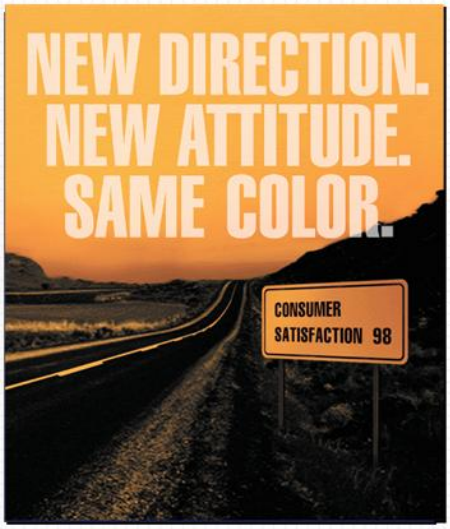
“Change everything fast
and all at once.”

- Gordon Bethune
Continental Airlines

# At Yellow, Everything Starts With The Customer

## Before and After

- Our business used to be:
  - Trucking
  - Freight Movement
  - Less Than Truckload (LTL)
- Now our business is:
  - Services that satisfy consumer needs
  - Services that give consumers peace of mind
  - Services that deliver on promises


NEW DIRECTION.
NEW ATTITUDE.
SAME COLOR.
CONSUMER
SATISFACTION 98

# Where To Start?

“Need A Light
On The Hill”

## Our Core Purpose

**To make global commerce work by connecting people, places and information.**

## Our Vision

**Yellow will be the leading provider of guaranteed, time-definite, defect-free, hassle-free transportation services for business customers worldwide.**

# How Do We Get To The Vision?

## How Do We Get To The Vision?

YELLOW CORPORATION

Roadway Corporation

**People**

**Process**

**Technology**

YELLOW CORPORATION
Roadway Corporation

## Challenge –

### Create a High Performance /

### Customer Centric Culture

YELLOW CORPORATION
Roadway Corporation

# Changing Culture Is Like

# Changing The Company's DNA

# People

**Management Team**

- **Well-balanced**
- **Yellow, Kodak, Ryder, P&G, Bristol Myers, FedEx, General Electric, Hillenbrand, Motorola, Baker Hughes, Hertz, SABRE, Honeywell**

YELLOW CORPORATION
Roadway Corporation

# Relentless Repetition of Vision

# Enabling Organization

YELLOW CORPORATION
Roadway Corporation

**Fallacy -**

**"Any Organizational Structure Will Work With The Right People."**

YELLOW CORPORATION
Roadway Corporation

## Truth -

**"The Best People Operating In
The Best Structure Will Always Win."**

# New Structure At Yellow

# (or anywhere)

# Destroy Silos / Build Teams

# Decisions Close To Customers

# Demand Entrepreneurship Without Sub-optimizing

# Create Passion

# Train, Train, Train

# Reinforce Right Behavior With Incentives

# Process

## Process

**Engineer From The Ground Up**

- **2-year effort**
- **Identify best practices**
- **Focus on short interval scheduling**
- **Certify and audit**
- **Institutionalize**

# Process

**Engineer From The Ground Up**

- **Results**
- **Faster**
- **More consistent**
- **More predictable**

YELLOW CORPORATION
Roadway Corporation

# Train, Train, Train

# Technology

YELLOW CORPORATION
Roadway Corporation

# Get Focused

# Make The Investment

# Stay Light On Your Feet

YELLOW CORPORATION
Roadway Corporation

# Relentless On
# Development vs. Maintenance

YELLOW CORPORATION
Roadway Corporation

# Train, Train, Train

## How Do We Get To The Vision?

YELLOW CORPORATION

Roadway Corporation

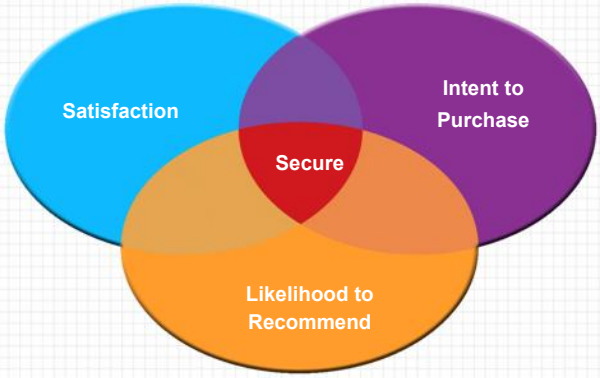
**People**

**Process**

**Technology**

## Progress

- **Highest Customer Satisfaction Ever**



## Progress

- Highest Employee Satisfaction
- Lowest Voluntary Turnover

One Trick Pony → Portfolio of Time Definite Services

YELLOW CORPORATION
Roadway Corporation

Exact Express
Expedited Air & Ground Delivery

Definite Delivery
Proactive Notification • Guaranteed Service

Standard Ground

Standard Ground
Regional Advantage

meridian IQ
A Yellow Company

YELLOW GLOBAL

YELLOW
EXHIBIT SERVICES

# Recognition - Number One In Our Industry

| Industry Ranking | 2003 |
|---|---|
| Social Responsibility | 1 |
| Innovation | 1 |
| Investment Value | 1 |
| Use of Corporate Assets | 1 |
| Employee Talent | 1 |
| Financial Soundness | 1 |
| Quality of Services | 1 |
| Quality of Management | 1 |
| **Overall** | **1** |

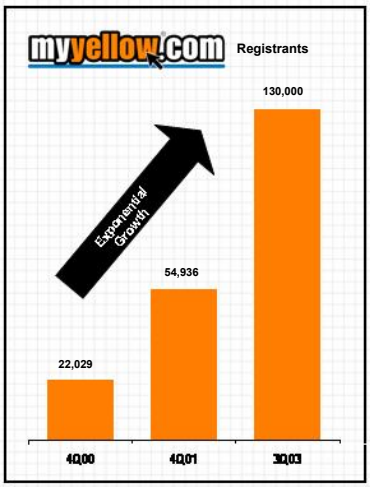
WAL★MART

DELL

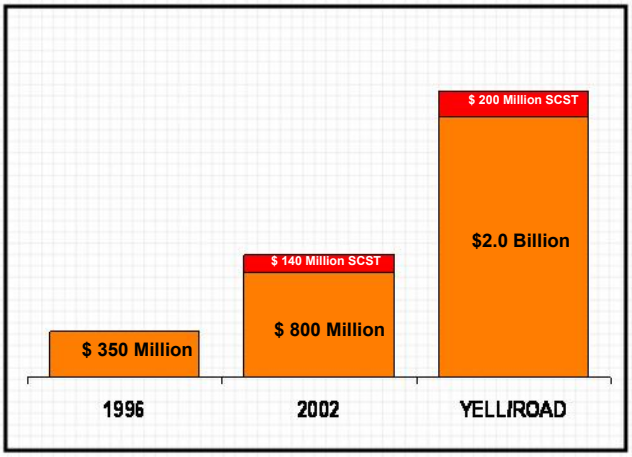
BERKSHIRE HATHAWAY INC.

General Electric Company

## Yellow Technologies
## Innovative & Award-winning Solutions



## Market Value



# A Bold Strategic Combination

# Building for the Future

Roadway® Corporation

## Roadway Transaction – The Right Strategy, the Right Partner

- **Right Strategy**
  - World-class transportation brands
  - Broader capabilities
  - Increased capacity
  - Non-asset solutions to larger base of customers
  - More effective technology investment
  - Focus on growth
- **Right Partner**
  - Strong brand equity
  - Strong operating performance
  - Significant synergies available
  - Large customer base with limited overlap

## Roadway Transaction – The Right Time

YELLOW CORPORATION
Roadway Corporation

- **Right Time**
  - **Both companies are solidly profitable**
  - **Roadway management team supportive of strategy**
  - **5-year labor agreement**
  - **Favorable financial markets**
  - **Potential of economic recovery**
    - **Substantial operating leverage**
    - **Incremental margins of 15 – 20%**

## Ensuring Success

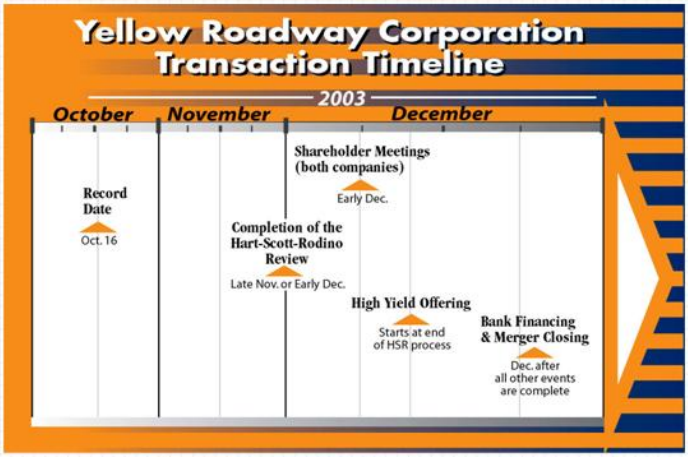
YELLOW CORPORATION
Roadway Corporation

- Maintain separate networks
- Maintain customer contacts
- Invest and build brands
- Implement incremental technology change
- Focus on growth

# Analysts Meeting

YELLOW
CORPORATION
Roadway
Corporation
Dan Churay
Senior Vice President, General Counsel and Secretary, Yellow Corporation
Don Barger
Senior Vice President and Chief Financial Officer, Yellow Corporation

## Transaction Timeline



## Acquisition Timeline Update

- Department of Justice review
  - Second request received on August 18
  - Currently providing responses
- SEC process
  - Preliminary proxy filed on August 19
  - Record date established for October 16
  - Shareholder vote likely in fourth quarter
- Closing targeted for fourth quarter

## Financing Timeline Update

- July 8 - Agreement announced
- August 4 - $250 million 5% Contingent Convertible Senior Notes
- DOJ Clearance - $150 million High Yield Senior Notes
- At Closing
  - Secured facility (revolver, term loan, LOC collateral)
  - $300 million liquidity

# Anticipated Capital Structure at Closing

YELLOW CORPORATION
Roadway Corporation

- Debt structure provides flexibility at attractive terms

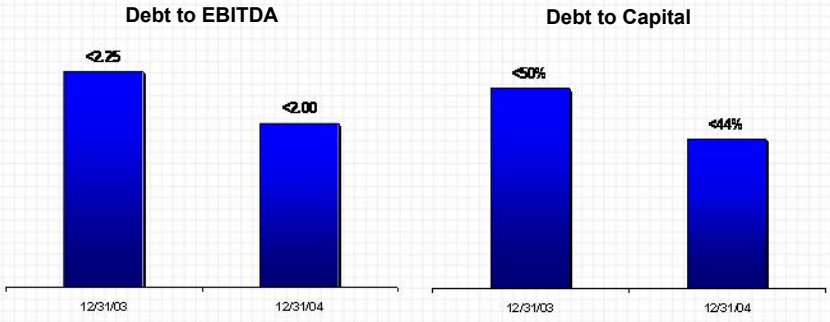
| | (millions) | |
|---|---|---|
| ABS borrowings | $103 | |
| Term loan | 175 | |
| Convertible notes | 250 | |
| New senior unsecured notes | 150 | |
| Roadway senior unsecured notes | 252 | (1) |
| Industrial development bonds | 14 | |
| Total debt | $944 | (2) |

- All-in cost of debt of approximately 7%

(1) - $225 million of notes marked to fair value of $252 million as part of purchase accounting.

(2) - Total debt amount may vary.

# Pro Forma Leverage




- Both companies will continue to reduce debt
- Free cash flow generation allows for rapid debt reduction
- NOPAT return on capital above cost of capital within 12 months of closing

## Required Accretion Synergies

| | 2004 Consensus |
|---|---|
| Yellow | $2.74/share |
| Roadway | $3.10/share |
| Yellow Roadway assumptions | |
| Shares | 50 million |
| Interest expense | $65 million |
| Required synergies | $30 million |

## Required Accretion Synergies (cont'd)

- Required synergies for NOPAT return to be greater than WACC
- Yellow Roadway expected WACC 10%
- Pro Forma committed capital at June 30, 2003
  - Debt $950 million
  - Equity $850 million
  - Capital $1,800 million
- Consensus synergy requirement $30 million

## Synergy Update

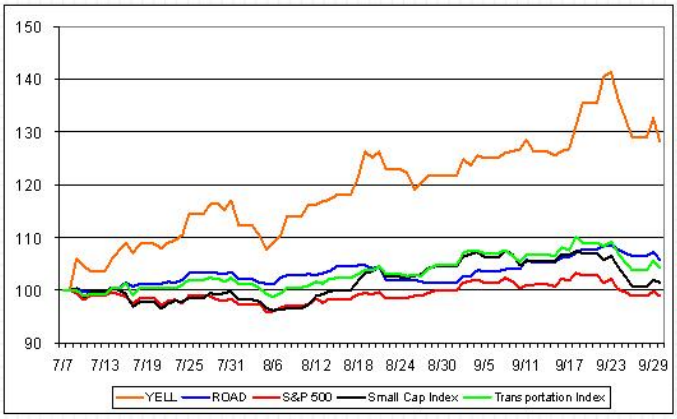
- Early September - Synergy cost reduction teams established
- 13 teams - joint Yellow Roadway
- Cost reduction run rate $45 - $125 million within one year
  - Update on third quarter 2003 conference call
- Target is at least 5% of costs ($300+ million)

## Near-Term and Longer-Term Synergies

- **Examples of near-term conservative case synergies:**
  - **Purchased transportation (rail, ocean, air, cartage)**
  - **Duplicate support infrastructure**
  - **Equipment and parts purchasing**
  - **Technology acquisition & licensing (no systems integration required)**
  - **Best practices opportunities**
- **Examples of longer-term synergies:**
  - **Optimization of linehaul networks and terminal efficiency**
  - **Moving toward common technology systems**
  - **Common equipment maintenance systems**

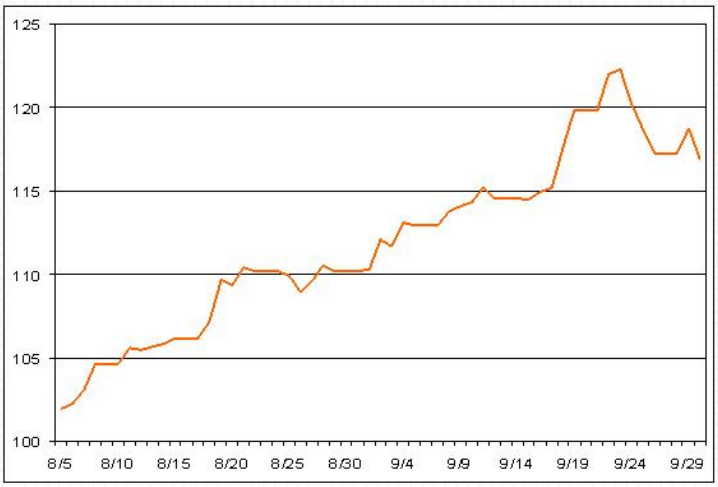
## Market Reaction

**Yellow stock performance since announcement**



## Market Reaction

**Yellow 5% convertible senior note pricing**



# Transaction Terms and Structure

YELLOW CORPORATION
Roadway Corporation

**Transaction value**

- $48 per share
- Equity value: $961 million
- Total enterprise value: $1.2 billion
- Adjusted total enterprise value: $1.5 billion [1]

**Consideration**

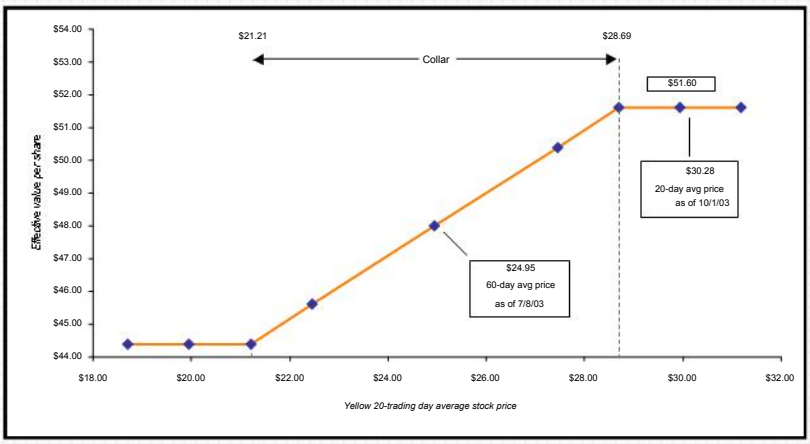
- 50% cash and 50% Yellow stock
- Roadway shareholders will be given a right to elect cash or stock for each share they own
- Following election, cash and stock will be pro rata amongst shareholders (i.e., in aggregate approximately 50% stock and 50% cash)

[1] Leases capitalized at 5.0x.

# Transaction Terms and Structure (cont'd)

YELLOW CORPORATION
Roadway Corporation

**Value per Roadway share assuming 50% stock / 50% cash consideration**



# Questions&Answers

# Analysts Meeting

## James Welch

**President and CEO, Yellow Transportation**

## Mike Smid

**Executive Vice President and Chief Administrative Officer, Yellow Transportation**

## The Yellow Transportation Mission

**To be the leading provider of guaranteed, time-definite, defect-free, hassle-free transportation services for business customers worldwide.**

## Reengineering the Business

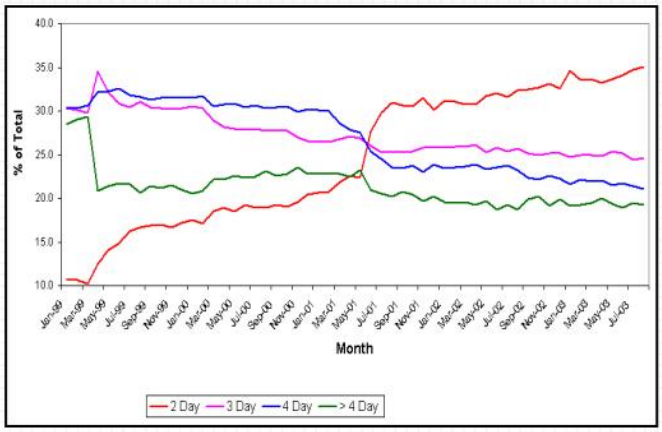
- Design a network to support a multiple service portfolio
- Reduce fixed costs
- Optimize variable cost
- Improve customer focus and quality of services

## The Path

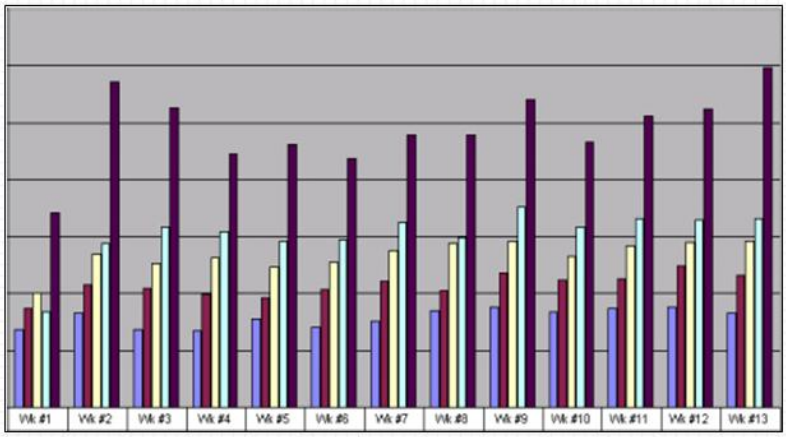
- The variable speed network
- Capital optimization
- Variable cost component management
- Standard engineered process

# Variable Speed Network

## System Bills by Service Standard



## Exact Express Weekly Revenue History
## First Quarter 1999-2003



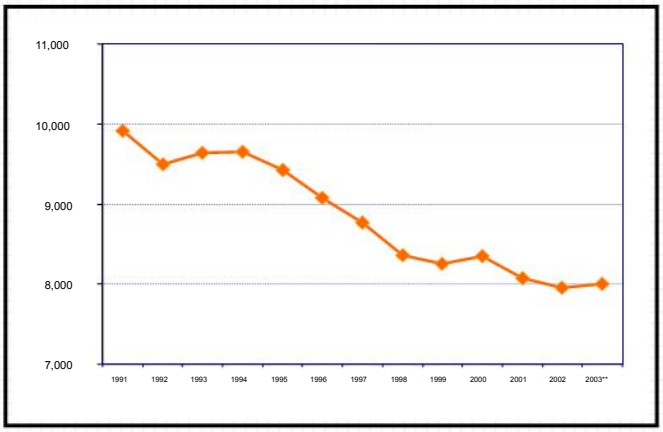
# Network Systems
# Sysnet Demonstration

## Capital Optimization

- Reduce capital demand
- Improve utilization

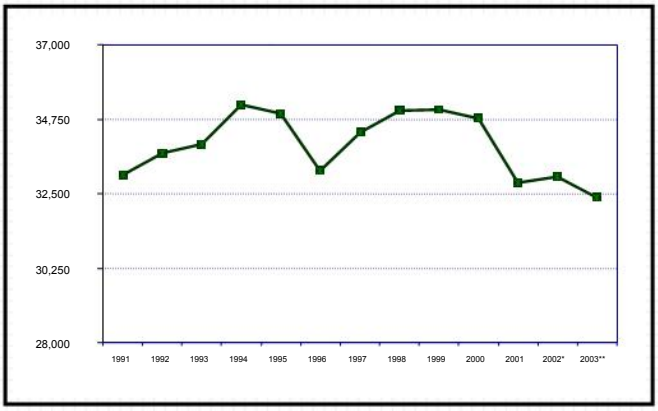
# Tractor Count at Year End

**Yellow Transportation, Inc. - Combined L/H Tractors* and City Power**




* includes leased sleepers
** year-end projection

# Trailer Count at Year End

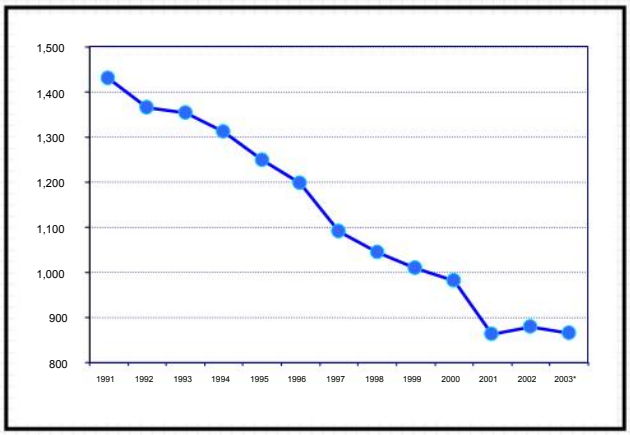



* includes 2003 L/H and city trailer purchases made in 2002

** year-end projection

# Mechanic Count at Year End

**Yellow Transportation, Inc.**

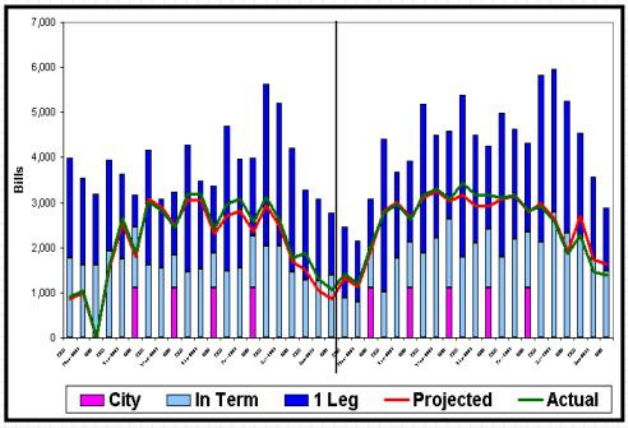



* year-end projection

## Variable Cost Management

- Labor optimization
- Service performance

# CGB Breakbulk Status Report – 9/01/03-9/14/03



# Variable Cost Management Vital Signs

## Demonstration

# Engineered Systems - ISO 9001-2000

ISO 9001

QSI

*Certifies that the Quality Management System established at*

**YELLOW TRANSPORTATION, INC.**

10990 Roe Avenue Overland Park, KS 66211

*complies with*

**ISO 9001:2000**

*and is hereby registered under the following scope:*

Transport, Storage And Communications

**IAF # 31**

*This is a Corporate Certification covering the sites listed on the annex. The scope of the Certification includes activities related to freight transportation.*

**REGISTRATION DATE:** 07/16/2002

**REGISTRATION No.:** R02081901

**EXPIRATION DATE:** 07/16/2007

QSI ISO 9001 CERTIFIED COMPANY

IAR International Accreditation Registrars

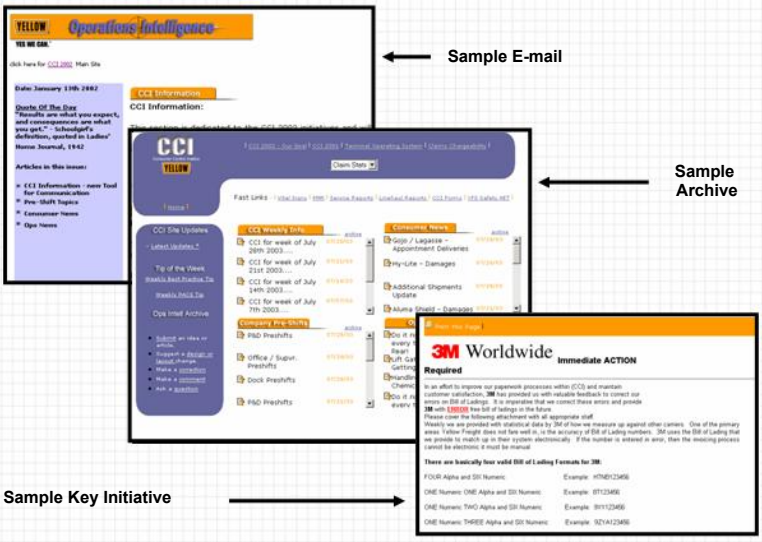
*For the Certification Board*

THIS CERTIFICATE IS THE PROPERTY OF QSI AMERICA, INC. 18446 FLORIDA

CERTIFICATION IS VALIDATED PERIODICALLY VIA SURVEILLANCE AUDITS

QS 9000 R1 / Issue 3 - 09/15/2001

# Consumer Centric Initiative (CCI)




Sample E-mail

Sample Archive

Sample Key Initiative

# Terminal Operating System

YELLOW®

YES WE CAN.®

# Analysts Meeting

# Lynn Caddell

**President, Yellow Technologies**

## The Yellow Core Purpose

**To make global commerce work by connecting people, places and information.**

## The Yellow Technologies Mission

**To provide innovative information solutions and exceptional technology services that create a competitive advantage for Yellow businesses.**

## The Yellow Technologies Difference

- Driven by the business
  - Prioritized by the business
  - No technology for technology's sake
- Technology has a seat at the table
  - Management teams tightly integrated
  - Part of the decision-making process

## Innovative Information Solutions

- Customers
  - MyYellow.com
  - Customer Service Centers
  - Exact Express -- ease of engagement

## Innovative Information Solutions

- Operations
  - Sysnet
  - Stats and Docs
  - Manpower planning
- Employees
  - Sales information tools
  - Intranet

## Exceptional Technology Services

- System availability
- Enterprise architecture
- Leverage domain expertise
- Easy to do business with
- Secure environment

# Creating a Competitive Advantage

| Operational Efficiency | | Impact |
|---|---|---|
| Efficient variable-speed network | → | One network serving multiple markets |
| Industry-leading cost management systems | → | 80% of costs variable with business volumes |

| Customer Interface | | Impact |
|---|---|---|
| myyellow.com | → | 130,000 registered customers |
| World-class Customer Service Centers | → | High customer satisfaction |

# An inside look at the Yellow Customer Service Centers

## Recognized for Excellence

## Looking Ahead

- RFID
- Data warehouse
- Joint applications with Roadway

# Analysts Meeting

# Jim Ritchie

**President and CEO, Meridian IQ**

## The Meridian IQ Mission

**To be the recognized leader in transportation solutions management.**

# Covering the Basics

## What is Meridian IQ?

- A global transportation management company

## What do you do?

- We plan and coordinate the movement of goods throughout the world

## How do you create value?

- We design, implement and manage global transportation solutions via any mode, anywhere, any time that provide economic value and peace of mind for our clients

## What makes you different from your competitors?

- People, processes and technology, combined with broad service offerings, geographic coverage, and volume leverage.
- Lastly, we'll guarantee the results!

**Any mode, anywhere, at any speed**

## Meridian IQ

- Formed in 2002 as a non-asset transportation solutions provider
- Combined several existing businesses within the Yellow company portfolio
- Headquartered in Overland Park
- 445 employees
- 8,500 customers
- 10 dedicated global offices
- Gross billings have doubled to a 2003 projection of $200 MM
- Profitable

## Understanding the Needs of the Market

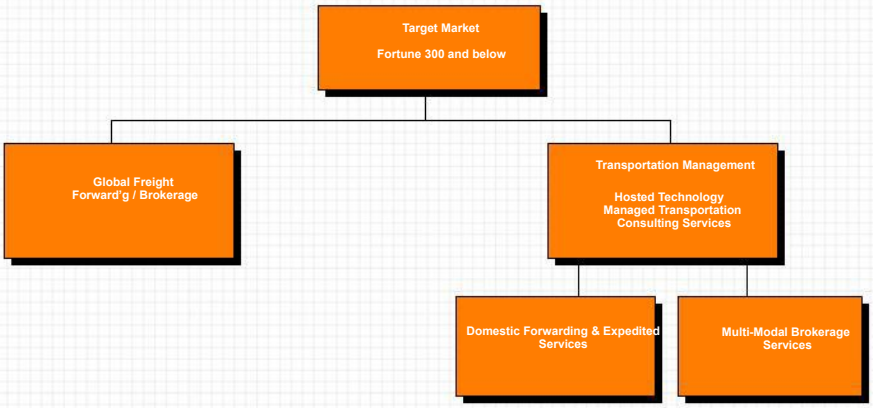
**Insourcing**

- A large gap between the ROI promised and reality
- Lack of transportation management expertise exacerbates the ROI failure
- Too much investment sitting on a shelf

**Outsourcing**

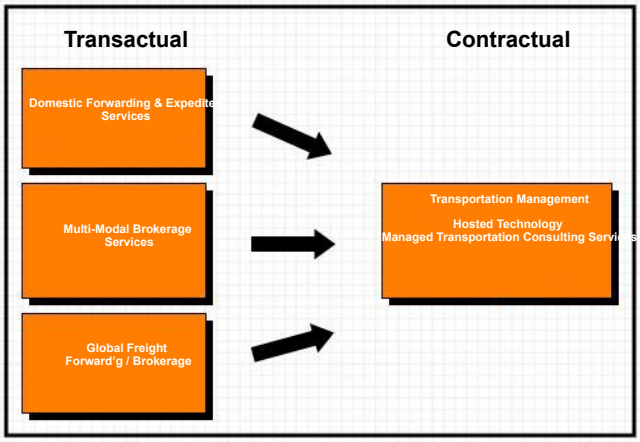
- Outsourcing requires actions that are difficult to reverse should a customer become dissatisfied with a 3PL
- Customers are sensitive to the loss of control when outsourcing to a 3PL
- Global capabilities are a critical decision criteria when a company selects a transportation solutions provider

# Business Structure

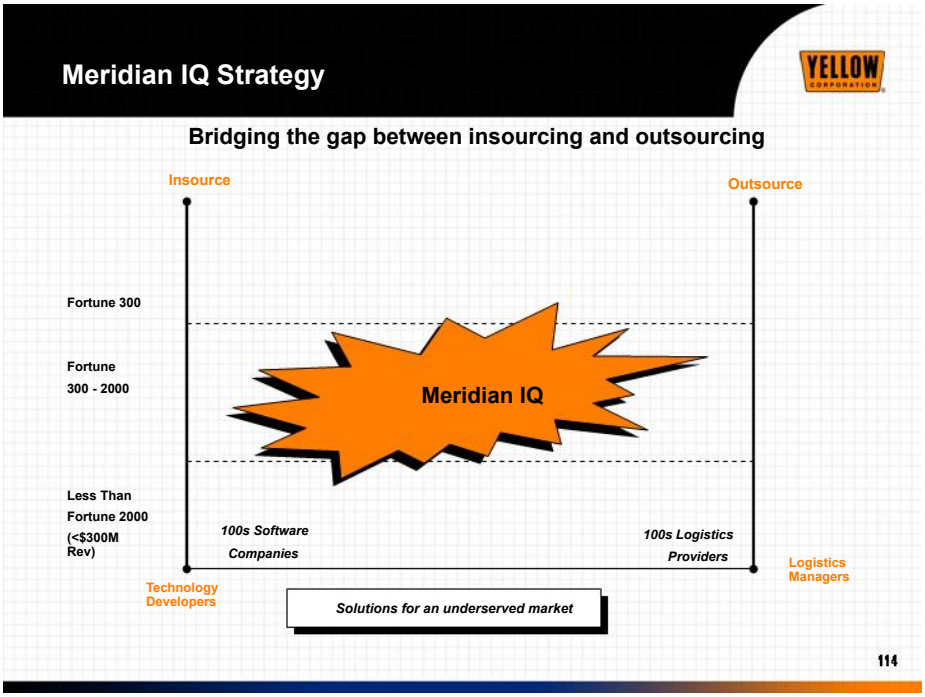


# The Services We Provide

**Farming transactual clients to establish contractual solutions**



# Meridian IQ Strategy



## Bridging the gap between insourcing and outsourcing

## Value Drivers for the Client

- Ability to acquire industry-leading technology at very competitive pricing
- Key personnel are focused on strategies other than transportation management
- Flexible solutions focused on business processes vs. full functional outsourcing required by traditional 3PLs
- Leveraged purchasing power on all modes
- Shared resource management vs. traditional dedicated management
- One-stop shopping – technology, expert resources, expedited, global, multi-modal, strategy

## Sales Process

- Highly complex buy process with multiple buyers and stakeholders
- Decision is usually made at a VP level or higher
- Process usually takes a minimum of six months
- Significant cost to prepare a proposal
- Each contract is customized to the client's specific requirements
- Finishing second pays zero

# Value Model

**A defined approach ensures we deliver the value promised and the ROI expected by our clients**

**Value Drivers**

- Best practice
- Meet predefined objectives
- Measure results, not activity

**Target Value**

- Express results in customer-centered metrics

# Case Study

## Consumer Products and Auto Supplier

- Aggressive growth via acquisition
- Moving from a decentralized to centralized environment
- 17 U.S. and Mexico plants that managed transportation independent of each other
- Outsourced one of their plants to MegaSys 7 years ago
- Typical shipper from mode perspective

## Consumer Products and Auto Supplier

- **Client Objectives:**
  - **Reduce transportation expenses by 10%**
  - **Create a compliant environment**
  - **Gain access to leading technology without the investment**
  - **Achieve ROI in 2003**
  - **Establish framework to standardize processes and share best practices**

## Intercompany Synergy

- Current modal usage: air expedite, ground expedite, customs brokerage, international, freight brokerage, auditing fees, truckload, LTL, small package, vendor truck, inter-plant
- Current spend: in excess of $65 million
- Yellow/Roadway current revenue: less than 1%
- Potential Yellow Roadway revenue: 30%

## Value Proposition

- Transportation savings of 14%
- Technology ensures compliance
- Client gains optimization efficiencies from Power TMS
- ROI begins in Q-4 of this year!
- Management team standardizes processes and shares best practices
- Economic results are guaranteed

# Analysts Meeting

# Greg Reid

**Senior Vice President and Chief Marketing Officer, Yellow Corporation**

## Marketing

- Understand market trends and customer need
- Monitor customer behavior
- Create strategic direction
- Translate into communication positioning

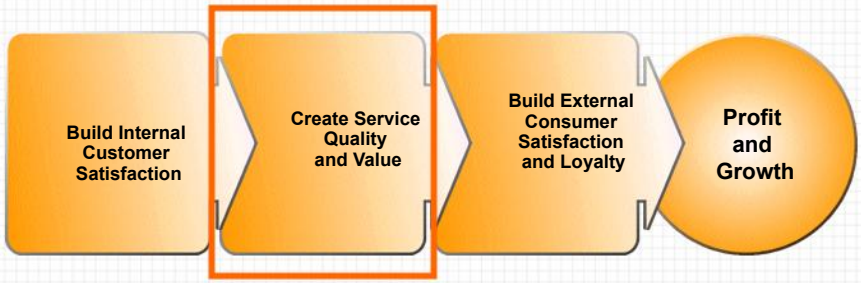
## Brand

- **The promise and delivery of an experience that the target market finds engaging and fulfilling**
- **Goal not to simply meet expectations but to exceed expectations**

# Customer

(Consumer)

## Service Profit Chain




Len Slesinger

## Fact-Based Decision Making

- Consumer-oriented metrics are at the heart of our ongoing Transformation
  - Ensures listening to all audiences
  - Statistically valid performance monitoring
  - Challenge conventional thinking

## Voice of the Consumer Research

- **Monthly Consumer Satisfaction Tracking (CSAT)**
  - **Over 500 monthly phone interviews**
  - **Respondents have “most day-to-day contact” with transportation providers**
  - **Respondents evaluate all services: Standard Ground, Exact Express, Definite Delivery, Yellow GPS, and Canada service**
  - **Projectable results**

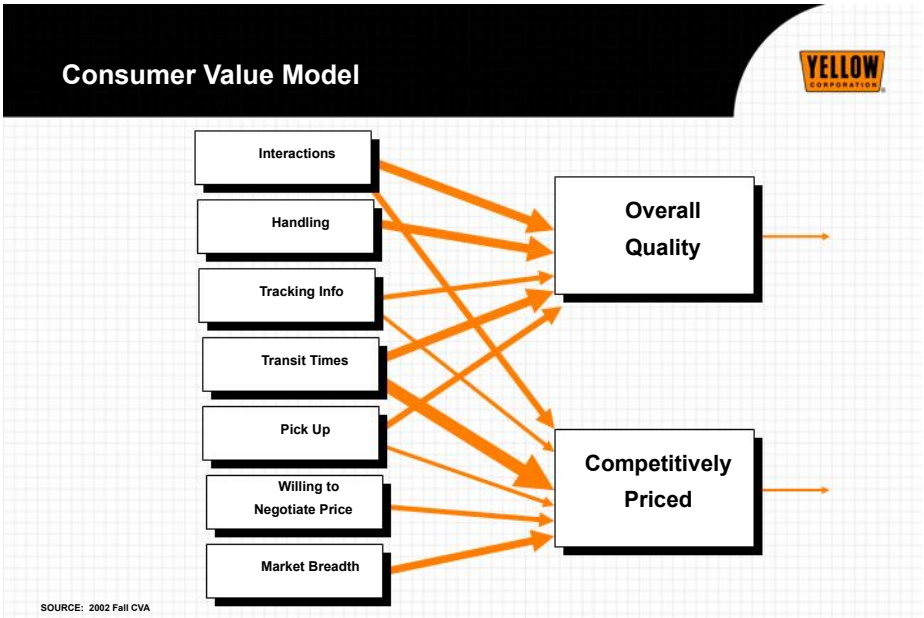
## Voice of the Consumer Research (cont.)

- **Consumer Value Analysis (CVA)**
  - **Quarterly market/competitor analysis involving over 700 decision makers**
  - **All key companies evaluated**
  - **Blind study**
  - **Projectable results**

## Key Findings

- Time constrained professionals with multiple responsibilities
- Value “One Stop Shop” concept
- Needs for multiple services beyond traditional LTL
- Requires the value of premium specialty services
- Superior value creates loyalty

# Consumer Value Model

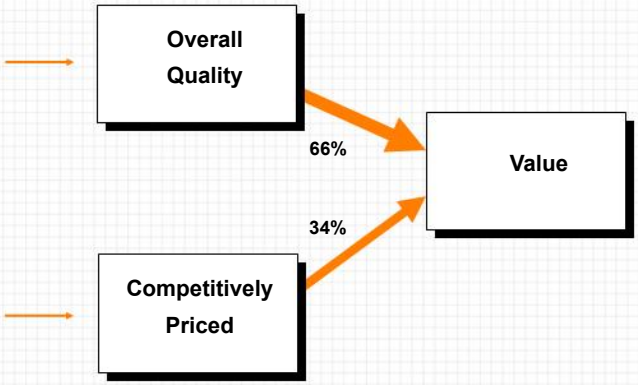



SOURCE: 2002 Fall CVA

- The weight of the line denotes the impact of that attribute on Overall Quality and Competitively Priced

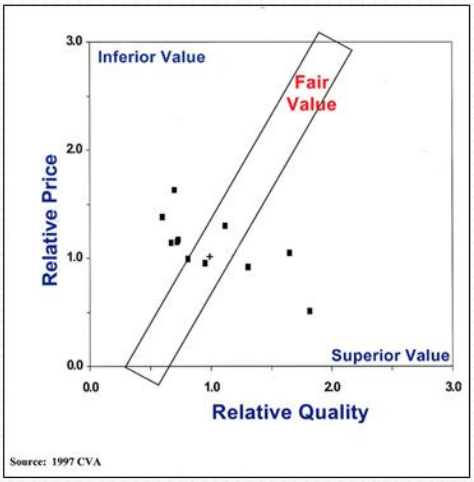
## Consumer Value Model

- **Quality + Price = Value**

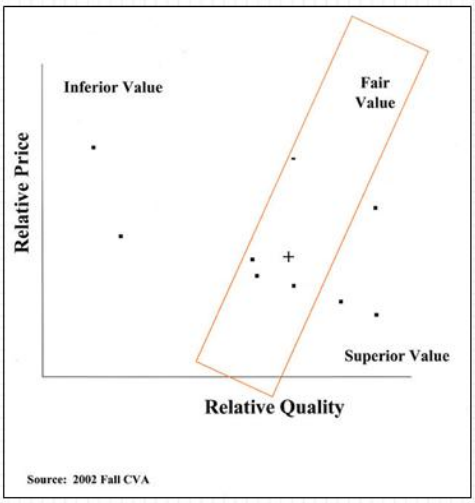



SOURCE: 2002 Fall CVA

# Value Map 1997



# Value Map Fall 2002




Source: 2002 Fall CVA

# Positioning

YELLOW®

YES WE CAN.®

THE BOSS
CHOSE OUR COLOR.

THE BOSS
WAS COLOR BLIND.

IN 1924
YOU DIDN'T CORRECT
THE BOSS.

YELLOW

1-800-GO YELLOW

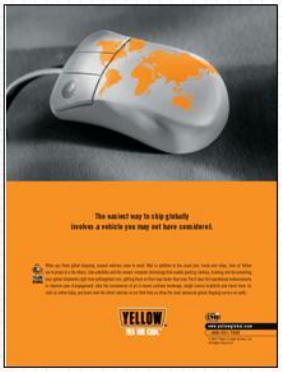
YELLOW
BLUE
GREAT AT SHIPPING.
GREEN
TERRIBLE AT COLOR.
YELLOW
YELLOW

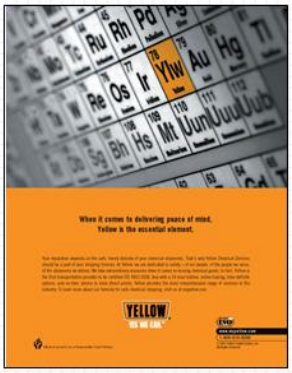
YELLOW
MAKES YOU WANT TO SHIP
SOMETHING. DOESN'T IT.
YELLOW
1-800-GO YELLOW

In grade school, it took lots of colors to do things right.
Now it just takes one.
YELLOW
YES WE CAN.

Wouldn't it be great to get a few more of these?
YELLOW
YES WE CAN.

NEW
FROM YELLOW
Introducing Standard Ground Regional Advantage.
We've added short sprints to our long hauls.
YELLOW
YES WE CAN.


The smartest way to ship globally
involves a vehicle you may not have considered.
YELLOW
YES WE CAN.


When it comes to delivering peace of mind,
Yellow is the essential element.
YELLOW
YES WE CAN.

Now there's one more thing that will arrive exactly when you expect it.
Your shipment.
YELLOW
YES WE CAN.

## Cause Marketing

HEART TO HEART INTERNATIONAL

YELLOW HABITAT FOR HUMANITY PROJECT 2000

VOLUNTEER

## Sponsorship Marketing

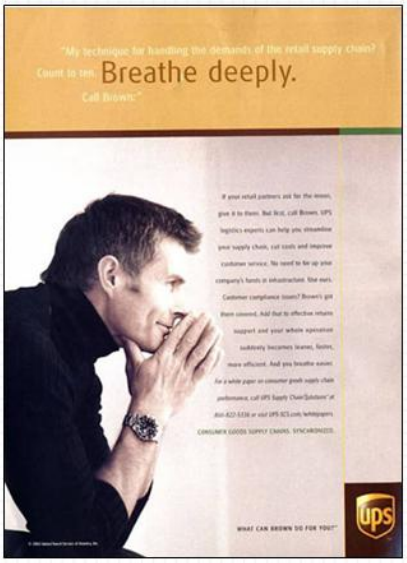
# Motorsports Schedule

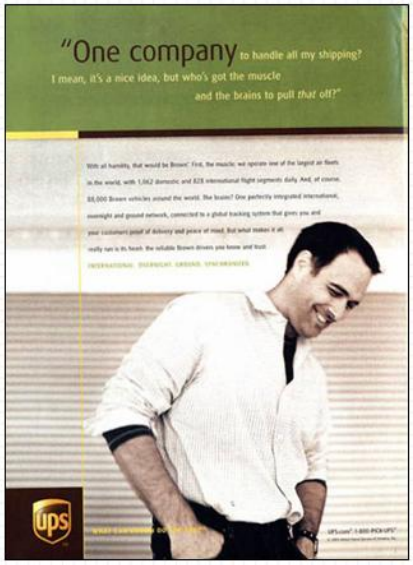
## 2003 NASCAR BUSCH SERIES SCHEDULE

Feb. 15: Daytona International Speedway
Feb. 22: North Carolina Speedway
March 1: Las Vegas Motor Speedway
March 15: Darlington Raceway
March 22: Bristol Motor Speedway
**March 29: Texas Motor Speedway**
April 5: Talladega Superspeedway
April 12: Nashville Superspeedway
**April 26: California Speedway**
May 2: Richmond International Raceway
May 10: Gateway International Raceway
May 18: Nazareth Speedway
**May 24: Lowe's Motor Speedway**
May 31: Dover International Speedway
June 7: Nashville Superspeedway
**June 14: Kentucky Speedway**
June 29: The Milwaukee Mile
July 4: Daytona International Speedway
**July 12: Chicagoland Speedway**
**July 19: New Hampshire International Speedway**
**July 26: Pikes Peak International Raceway**
Aug. 2: Indianapolis Raceway Park
**Aug. 16: Michigan International Speedway**
Aug. 22: Bristol Motor Speedway
Aug. 30: Darlington Raceway
Sept. 5: Richmond International Raceway
**Sept. 20: Dover International Speedway**
**Oct. 4: Kansas Speedway**
Oct. 10: Lowe's Motor Speedway
Oct. 18: Memphis Motorsports Park
**Oct. 25: Atlanta Motor Speedway**
Nov. 1: Phoenix International Raceway
Nov. 8: North Carolina Speedway
Nov. 15: Homestead-Miami Speedway

* Race took place in May in 2002 as non-companion race.

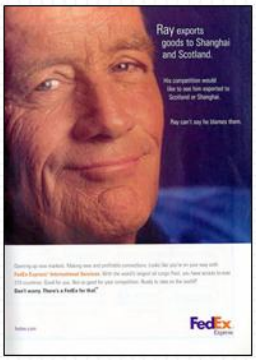
# Competitive Positioning


"My technique for handling the demands of the retail supply chain?
Count to ten. Breathe deeply.
Call Brown."
WHAT CAN BROWN DO FOR YOU?
ups


"One company to handle all my shipping?
I mean, it's a nice idea, but who's got the muscle
and the brains to pull *that off*?"
ups

" Synchronized? Of course my business is synchronized. It's perfectly synchronized. It couldn't be more synchronized...
Define synchronized."

Deadlines worry
Mitch.
FedEx


Ray exports
goods to Shanghai
and Scotland.
FedEx

Nobody is more
demanding than
Daria's clients.
FedEx

# A no-fee money-back guarantee on LTL shipments.

Peace of mind.
Now it's free.

For years, we've provided superior LTL coverage, speed and on-time performance. Now we provide it with a no-fee money-back guarantee.* That gives you one less thing to worry about. And one less thing to pay for. **Relax. It's FedEx.**

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INTRODUCING

# We're Proud To Announce That Your Shipment Will Be Late.

**Definite Delivery**

Delays happen. That's why every guaranteed delivery service should monitor your shipment from pickup through delivery and call in advance if your shipment is delayed. But only Definite Delivery does. Thanks to ACS Technology, the industry's most state-of-the-art tracking system, we give you the greatest on-time assurance of any guaranteed delivery option. And we let you know when delays happen. No one else has the guts to do that.

YELLOW

1.800.GO YELLOW

Introducing

Hurricane Courier

Definitely has to be there overnight.

Definitely has to be there by 6:00 a.m. tomorrow. And it's Big.

**Exact Express**

Expedited Air & Ground Delivery

*Exactly when you need it.*™

Your shipment's too big for one of those little parcel companies and too urgent for a big ol' 18-wheeler. No problem. Call Yellow. We'll get it there. With **Exact Express**™ *Expedited Air & Ground Delivery*, you choose how fast you want us to deliver your shipments of 70 pounds or more. **Same day, next day, even weekends.** Just say when. We'll deliver **on the day** you request, **by noon** on the day you request, even **within the hour** you request. And we'll back it up with the industry's only **100% customer satisfaction guarantee.** So rest assured that your screaming hot shipments can now be delivered anywhere at any time, even through the air. **Exact Express.** This is a big deal.

YELLOW

*For Exact Express, call* **1.800.610.8500**

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# Analysts Meeting