

Pride

PDC
PDC Australia
PDC UK
PDC Logistics
Procall

Company News
Spring 2010

Professional results in daily efforts.

As I see it...

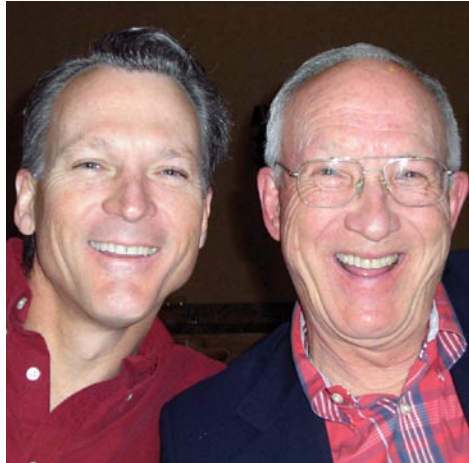
Woody Clum Jr., Chairman & CEO

In 1923, my grandfather, Henry Woodworth Clum, started a newspaper in Los Angeles, California, called the *Downtown Shopping News*. My father, Woodworth B. Clum, joined the paper in the late 1920's. By the 1940's he had transformed it into Pacific Press with the added responsibility of printing *Time*, *Life*, and *Sunset* magazines.

In 1949, my father sold his interest in Pacific Press and formed Product Development Corporation (PDC). I joined PDC in 1965 and have had the distinct pleasure of watching over its growth and success these many years. However, at the age of 73, it's time for me to step back and let the younger generation—with their energy and enthusiasm—begin to assume leadership.

Historically, this "passing of the baton" to a fourth generation is somewhat unique in the world of business, but it is highly important to customers, employees and owners. Webster's Dictionary refers to this process of succession as "the continuance of corporate personality." And, actually, PDC started this process years ago with younger family members being involved operationally and on our board of directors.

At this point, I would like to announce the latest development in PDC's "continuance of corporate personality" with the addition of my eldest son, Woodworth B. Clum, III, to the PDC team. Better yet, let's have him introduce himself:



Like father, like son: Woodworth B. Clum (Bernie and Woody)

I'd like to introduce myself to all of you in the PDC organization. My name, Woodworth B. Clum, may be familiar to you; however, I am not Bill or Woody. I am WBC III and I go by the name Bernie. You see, all of us with that crazy name go by some simpler nickname. It makes life a bit easier by avoiding situations where people say "huh?, what?, wood what?, I'm sorry what was your name again?"

When I was a kid, I remember my dad was sometimes away from home on business. I wasn't quite sure what that meant or why it was so important for him to be away. As I grew older, I learned more about the business. PDC was a family business that had been started by my grandfather, Bill, and the torch had been passed down to my father. I had an aunt and uncle involved, and later cousins got on board, as well.

I watched as the company became an integral part of my family, woven into its fabric

and helping to hold it together. PDC became a source of pride in my life and it seemed only natural that I should get deeply involved, too. Well, actually, I had other plans...

You see, like many young boys, I wanted to go where the action was. I wanted to be involved in emergencies and rescues. So, off I went, becoming a paramedic and eventually an ER doctor. Boy, did I see the action I was looking for! I spent the last twenty-five years of my life trying to save people from the ravages of life that had come their way. It was both challenging and rewarding. But, there comes a time when you feel that you've completed one of life's challenges and it's time to move on. That time has come for me.

I am excited to return to my roots and join the PDC family. Beginning on March 1st, I will be trying to learn as much as I can about this unique and wonderful business. I will be traveling around to meet as many of you as I can. I am already impressed with the quality of the people I have met at PDC and of the company they represent. My goal is to continue the family tradition of making PDC all that it can be. And, with your help, I think together we can go a long way.

Initially, Bernie's role will be to totally immerse himself in all that PDC does and then, with other team members, consider what additional things PDC might undertake.

I am excited about the future of PDC. We have an exceptional management team, highly perfected operational processes, a solid financial background and the total commitment of the ownership. We have nowhere to go but up! And we will. Welcome to the team, Bernie!!

Investing in the Future: A New Address for CIS, Initial, and HR



Tim Dinovo (Sr. Vice President, Support Services)

After nearly 10 years, PDC's CIS, Initial and HR teams in Thornton, Colorado, now have a new home in neighboring Westminster. While the move was only about a mile in distance as a crow flies, the buildings are worlds apart when it comes to space, security, and modernity.

With the recent downturn in the economy, we were able to take advantage of the soft real estate market and relocate our offices to a modern and eco-friendly building. The 13,000 square feet of office space was designed around our existing staff and departments, and how they all interact. There's also a state-of-the-art server and print room, as well as room for future growth of the business. We're proud of the investment we've made in the building and our operations, but more importantly, in the environment we provide for our employees who spend so much of their time in the office.

Just after settling in we were fortunate to have a visit by owner/board member, John Clum, who shared his comments by e-mail:

On February 8th, I flew to Denver to visit the new facilities in Westminster. The outside of the building is very attractive, however, the inside is nothing short of amazing. The planning and hard

continued other side >

PDC UK...Licensed to Deliver!

Simon Raine (Vice President, UK Operations)

Just like the British spy James Bond, PDC UK is now 'licensed' to deliver postal items. This could prove to be very exciting indeed for the UK operation as it ventures into the addressed mail market.

With the recent award of a Postcomm license, PDC UK can now offer delivery services to companies who participate in campaigns with fully addressed letters, brochures and packages. We're not in a position (yet!) to compete with the Royal Mail for individually posted items but for bulk campaigns, there is an opportunity to offer a cost-effective alternative for both public sector organizations and private companies. We've already made a start in this new area by gaining a contract to deliver 99,000 addressed packages on behalf of the London Borough of Islington in March 2010.

The award of a postal license heralds a new era for PDC and gives us a great opportunity to take advantage of the postal market.

In the Spirit of Giving...

We're proud to announce that PDC has contributed a total of \$15,000 to the American Red Cross, Doctors Without Borders and UNICEF to assist with the relief efforts in Haiti following January's devastating earthquake in Port-au-Prince. Please consider sending your support to help their rebuilding efforts.



Via e-mail: ksmaby@teampdc.com
Or call: (831) 333-1100

Monterey, CA 93940
20 Ragsdale Drive, Suite 100
Product Development Corporation
Attn: Kristi Smaby, Editor
PDC Pride

Please submit your letters to:

about and articles for "PDC Pride."
We welcome your comments, ideas, suggestions

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Product Development Corporation
6850 Enterprise Drive, Suite 500
South Bend, IN 46628



PDC Logistics earns own "Gold"!

Teri Cook (Director, PDC Logistics-West)

Vancouver is honored to host the 2010 Olympic Winter Games. Yet, long before the Olympic Torch began its 100-day journey across Canada, we at PDC Logistics were planning for the successful initial distribution of the Vancouver Yellow Pages.

In fact, preparation began 16 months prior with the goal of completing the delivery by the opening day of the Games on February 12th. We began with monthly meetings, then weekly, then daily. Our focus was twofold: to contract enough distributors and staff, and to gain access to all the Olympic venues in addition to the quarter of a million existing customers.

Distributors were contracted locally and from as far away as Calgary, Alberta. We had to be competitive with our distribution rates as we were competing with one of the biggest shows on Earth. Although the Olympic Games relied heavily on volunteerism, they also hired van drivers to shuttle visitors around town. In addition, we were also competing with another directory publisher for distributors.

BY THE NUMBERS:

The **21st** Olympiad · **1** festival · **2** world-class competitions · **27** days of sporting events · **60** days of celebration · **65** venues, sites and facilities

85 participating countries · **6,100** athletes and officials · **10,000** credited media games workforce (primarily volunteer) of **5,000**

1.6 million event tickets · a worldwide television audience of **3 billion** · **6.2** million person-trips on the metro transit system · **300,000** Yellow Page books to deliver to the City of Vancouver!

a credit to all of the PDC Logistics team, lead by Field Supervisor Adrian McNamara. A big thank you also goes out to Sabia Gabriel at Yellow Pages Group for coordinating access to the Olympic Village.

In addition to the Vancouver YP delivery, we also distributed the North Vancouver YP, lead by David Antonio. Although not as affected by the Games as the Vancouver YP, that delivery was also a huge success completing on opening day.

As I am writing this article it is day six of the Games. With these two high-profile deliveries long completed, the ban on vacation time has been lifted and our team members were urged to take part in all that the Games have to offer. Through hard work and careful planning the PDC Logistics West team has earned their own "Gold."

Remember Your Roots!

With the entire world focused on Vancouver during the Olympic Winter Games comes a story of support for one nation's sole Olympic athlete. We at PDC Logistics-West are honored that one of our own, Hameed Qureshi, became the delegate to Pakistan's only winter Olympian.

Mohammad Abbas, a 24-year-old employee of the Pakistani Air Force, was competing in the Men's Giant Slalom event on February 23rd. Ranked 2,785 in the world, he is the first Pakistani ever to compete in a Winter Olympic event. Unfortunately, his original delegate, Air Marshal Hifazat Ullah Khan (Vice Chief of the Air Staff, Pakistani Air Force), had to return to Pakistan before Abbas' event. However, Khan's long-time friend, Hameed Qureshi, was permitted to join the team for the moral boosting. Khan and Qureshi served in the Pakistani Air Force as fighter pilots and on various executive posts together years earlier. Hameed flew to Whistler, BC, and performed his delegate duties alongside Abbas, who placed 79th in a field of 103 in the competition.

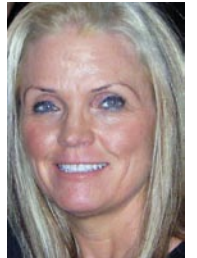


In the Spirit of Service

Eric Cameron (Director, PDC Logistics-East)

Eastern Canada's Jamie Norton (Manager, Initial Delivery) joined PDC in February 2009

as this new business was transitioning from the prior contractor. She has been instrumental in a smooth transition. Jamie has improved all key performance indicators, reduced costs and upgraded delivery standards—all while achieving a near-perfect record of on-time deliveries and distributing more books than in prior years.



As with any transition there have been hiccups to deal with, including new routing systems and training the staff on the new company's processes and procedures. Throughout, Jamie has maintained a high level of professionalism, a commitment to superior standards of delivery and a view toward constantly improving the processes. Without her drive, determination and commitment, we would not have been as successful in our first year. Congratulations, Jamie!

Service Anniversaries

15 YEARS
Andy Badamo
Harold Lobaugh
Chuck Antico

35 YEARS
Marty Healey

New Address continued from previous page >

work required to accommodate the over 70 associates involved with IT, Initial and HR—and their specific needs—was impressive. Tim Dinovo showed me around the building and introduced me to each associate allowing me to take note of the new facility.

It was some 45 years ago that we rented our first small building in Denver to do initial and fulfillment work for Mountain Bell. We had two full-time associates working in that first building. Since those humble beginnings we have been in at least six other buildings, each one designed to keep up with changing customer requirements.

This new facility is perfectly designed for associate comfort and productivity, and to accommodate all our customers as well as their current and future requirements in this ever-changing business environment. Hats off to the PDC team in Westminster. Job well done!