

President's Corner

By Robert Shively

In the first issue of *Lead the Field*, I stressed the importance of values. Proper locating is as much art as science. To be successful in a business that requires "artful" work, trust becomes paramount. Every SM&P employee needs to understand that they are trusted, empowered to make decisions and take action but also accountable for the results.

We are currently implementing a new SM&P leadership development program that I believe will strongly support these values. The objective is to provide tools to strengthen the performance of every Supervisor and Manager. It begins with detailed and objective evaluations of each individual by Managers, peers and their subordinates to help them understand how their performance is judged by those with whom they work. As participants understand how others view their job performance, they will gain important insights for personal development.

This professionally developed and administered evaluation process has been used successfully by a number of other companies. It results

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New Business Update

By TIM SEELIG, VICE PRESIDENT, SALES & MARKETING

We are continuing to see the value of consistently high quality work in the form of expanding business with numerous small accounts and several large customers. This success would not be possible without the commitment of SM&P employees at every level, providing operational excellence through accurate, safe and timely locates.

In January, we began working with Detroit Edison (DTE Energy) in the Detroit and Eastern Michigan areas. This important account was acquired, in large part, because of our reputation for superior service provided to other Michigan customers.

In November of 2005, we contracted with MichCon, a natural gas supplier associated with DTE Energy, for locate work in the Grand Rapids area. This additional business provides new job opportunities, increases our density in Grand Rapids and strengthens SM&P's Michigan market share.

In Illinois, SM&P expanded its business with Nicor by gaining a significant amount of additional locates. This increased work level with an existing account was secured as a result of the level of service provided to Nicor over the past several years. It would not have been possible without the tremendous efforts of our Illinois teams.

Growth and performance ultimately lead to new opportunities, as demonstrated by a recent promotion. **Edward Dubuc**, formerly a Technician in Wisconsin, has been named Sales Associate with the goal of increasing SM&P business in northern markets. Ed lives in Sun Prairie, Wisconsin with his wife Debbie, three daughters and two sons. Congratulations and best wishes to Ed as he assumes his new responsibilities. ■



Ed Dubuc has been named an SM&P Sales Associate.

Earnings Growth for The Laclede Group in 2005

The Laclede Group announced 2005 fiscal year end consolidated earnings at \$40.1 million, an increase of \$4.0 million (approximately 11%) over 2004 earnings. Earnings per share increased from \$1.82 reported in fiscal 2004 to \$1.90 for fiscal 2005.

In his annual address to shareholders, The Laclede Group CEO credited SM&P with contributing to its year-over-year increases, citing the following success factors: SM&P's increased 2005 earnings, re-engineered business processes, training methods, mentoring programs, quality assurance and leadership development initiatives. ■



in objective performance measurement rather than representing a popularity contest. It is not about being liked but rather about being respected.

After the survey and analysis phase, Supervisors and Managers will have access to individual components of a 20-module training program that supports professional development. Specific modules will be assigned on the basis of evaluation, focusing on specific leadership aspects such as goal setting, communication, coaching and feedback. The goal will be to complement the leadership skills of each Supervisor and Manager with training in areas where there is opportunity for improvement.

Each SM&P District will have an executive sponsor from the senior leadership team for the leadership development program. This will be an integrated effort with all of the company involved in the same program, from supervisory levels to senior management. Effective leadership is critical to the quality of service we deliver to our customers, and to the long-term stability and success of the company. I look forward to reporting on the positive results of this effort in up-coming issues of *Lead the Field*. ■

Putting Family First: SM&P's Hurricane Rita Response

Hurricane Katrina's devastating effects left an impression across the country. SM&P considered itself fortunate not to have any Districts directly affected by the late August Category 5 hurricane. Less than a month later, however, as Hurricane Rita grew from a tropical storm into another Category 5 hurricane, SM&P immediately mobilized to ensure that what happened to New Orleans and Mississippi Gulf Coast residents would *not* happen to our Texas employees.

The Hurricane Response Team, comprised of 26 Corporate and North Texas volunteers, had a single goal – account for each and every employee in the projected path of the hurricane. This meant contacting all 200 employees in the Houston and Southern Texas Districts and verifying their decision to either remain in the area or evacuate. If an employee chose to evacuate, our Response Team tracked their evacuation path and ensured they had a reliable means of evacuation, shelter and necessary support.

One of the Response Team's primary concerns was maintaining open lines of communication with evacuating employees. For this reason, employees were urged to take their SM&P laptops, cell phones, pagers, etc. with them during the evacuation. In addition to establishing a 24 hour toll free call center, SM&P transformed its website into a communication switchboard housing valuable evacuation and contact information.

The Response Team also understood the importance of reliable transportation. If an employee did not feel their personal vehicle was reliable, they were asked to use their company vehicle to evacuate. In the wake of city-wide evacuation orders and gridlocked traffic, stalled vehicles, record-breaking heat, and a gasoline shortage, many Houston employees found themselves in need of alternate travel routes and operating fuel stations. By calling SM&P's 24 hour hotline, employees were able to get valuable



Robin Gonzalez volunteering time at the 24 hour hotline.



Joey Roebken, Pam Crissman and Debbie Jones helping an evacuee locate an operating fuel station.

travel information and find out which fuel stations were still providing service. One evacuee, upon calling the 1-800 Response Team hotline and working with a volunteer to locate an operating fuel station said, "It's so hard to watch what is happening out here. Talking to someone means so much."

In addition to communication and transportation, the Response Team diligently worked to procure shelter for all evacuating employees. Quickly realizing the increasing scarcity of available hotel rooms along evacuation routes, SM&P volunteers booked as many unoccupied hotel rooms as they could find. One evacuee, upon arriving

in the hotel room SM&P had secured for him and his family, placed an emotional call to the hotline. "Thank you for this," he said. "I am so grateful." As an additional layer of security, the Response Team made a company-wide appeal to all employees willing to provide shelter to those in need. Employees from across all of SM&P's Districts immediately volunteered to open their homes.

Every precaution was taken to protect and assist SM&P employees. When asked about the level of support, President **Rob Shively**, responded, "The right thing to do for our employees is to be over prepared and then hope for the best. We simply cannot allow what happened to so many people in Louisiana and Mississippi to happen to our SM&P family in Texas."

Though Hurricane Rita left extensive post-landfall damage in southwest Louisiana and southeastern Texas, the ultimate effects were not nearly as severe as expected. Many employees returned home to minor damage and electrical outages. Company-wide, SM&P employees breathed a sigh of relief and were again reminded of one of SM&P's five values – family. ■

On the Subject of Safety

The subject of safety has always been featured prominently at SM&P. As one of the four legs of the SM&P Performance Stool, safety is an important indicator of overall outstanding job performance. Over the past several years, SM&P has worked hard to establish a culture of safety – a culture in which all employees understand the importance of safety and realize that those Technicians with the highest OTP, quality, and productivity ratings also happen to be the safest.

Because safety is one of the most important issues at SM&P, it will be a regular feature of our company newsletter. Each quarter, expect to read stories about using safe practices both on and off the clock. You will also see stories that highlight the importance of keeping safety top of mind and making it a daily priority.

Bryce Johnson, Supervisor of the NW Indy Team in the Central Indiana District, thinks about safety on a daily basis. He reviews safety topics and Smith System Keys at each tailgate session. In addition to quizzing teammates on safety topics, Johnson also encourages teammates to share their opinions and experiences

regarding safety issues.

To Bryce, it seems as though the topic of safety is always on his mind – at locate sites, at team

meet sites, and at home with his family.

Luckily for Bryce, safety was on his mind the morning of December 20th while driving back to his District office. Bryce

was stopped at the busy intersection of State Road 37 and 126th St. in Fishers, Indiana. He was facing east, waiting for the green light to travel north on State Road 37. When the light turned green, rather than proceeding directly through the light, Bryce first checked both ways for cross traffic [Smith System Key #2: Get the big picture – be aware of all vehicles within and approaching an intersection]. As he began to move into the intersection,



Bryce Johnson

he noticed a semi barreling north on State Road 37. Although Bryce had the right-of-way, he was fairly certain the semi had not acknowledged the stoplight and would not stop at the intersection [Smith System Key #2: Get the big picture – correctly anticipate moves of other drivers and avoid conflict]. Bryce slowed and moved to the left of the intersection to avoid being rear-ended. [Smith System Key #4: Leave yourself an out]. As Bryce had anticipated, the driver of the semi drove through his red light and continued through the intersection. By correctly employing several Smith System Keys and keeping safety top of mind, Bryce narrowly avoided a possibly catastrophic accident.

Looking back at how he handled the situation, Bryce said, “Had I not been focused on safety, SM&P would probably be looking to fill a Supervisor position and my family would have been burying me on Christmas Day. We, as drivers, cannot count on the people we share the road with to be as safety-driven as we are. We are the first and last line of defense in preventing accidents.” ■

Employee Profiles: Teaming up for life

When **Joe Carlton** and **David Shelley** met twelve years ago, they didn't predict that one would be saving the other's life some day. Nor did they predict they would be adding depth to the word “teamwork.”

Joe Carlton, District Manager in Joliet, Illinois, joined SM&P in the fall of 2000. With Joe's encouragement, David Shelley joined SM&P as a Supervisor in the spring of 2004. Early in 2005, Carlton found himself in the last stages of renal failure and in need of a kidney transplant. He never expected his much-needed kidney to come from his SM&P teammate.

“My kidney problems resulted from untreated hypertension, which is accurately called the silent killer,” said Carlton. “Since my experience, I've become a strong proponent of blood pressure checks and taking prescribed medicines. I was first diagnosed with renal failure nearly eight years ago, and my condition gradually deteriorated until work became difficult.

Thanks to David's kindness, my strength and vitality have been restored and I've been given a new lease on life.”

When it came to making the decision to donate, Shelley never hesitated. He knew two things for sure — how badly Carlton needed the transplant and how much he wanted to help his friend. Of all the family and friends who offered to make a donation, Shelley was the first to turn in his donation paperwork and begin proceedings.

Carlton returned to work after six weeks of recuperation, while Shelley resumed his duties in just two weeks. In August, Shelley was promoted to Kansas District Manager. According to Shelley, this was the first time he ever considered being a medical donor, but finds that it has been the most satisfying experience of his life. “There are at least 30,000 people on the waiting list for kidney donors today,” he said, “and based on my experience I strongly encourage others to consider donor-ship as well.”



Joe Carlton



David Shelley

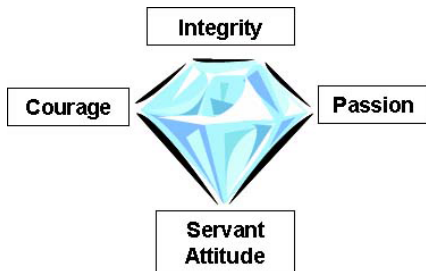
Joe Carlton and his wife Lori reside in Oswego, Illinois. David Shelley, his wife Kerry and their four children recently relocated to Wichita, Kansas. Throughout their experience, Carlton and Shelley never lost their sense of humor. “I'm thankful Dave decided to take the position in Kansas,” said Carlton. “It makes it harder for him to ask for his kidney back!” ■

Leading the Field

As a company, we increased our annual sales, expanded into and re-entered several markets, and saw our SM&P family grow by over 1,000 new employees. Our parent company, The Laclede Group, applauded SM&P's significant contributions to the company's overall success. There is no denying fiscal year 2005 was a good year for SM&P.

The big question in 2006 is: where do we go from here? **Rob Shively**, President, answers this question with a simple answer, "We need to take SM&P from good to great and we are going to achieve this with one thing – strong leadership at every level of this company."

On December 14, 2005, SM&P's Senior Leadership Team kicked off its Leadership Development Program by introducing overall strategic leadership initiatives, goals, methodology and tools to SM&P's Directors and Managers. **John Walls**, Senior Director of Human Resources, described the Leadership Development Program as "not just another management tool, but a way to embrace and ingrain leadership skills into SM&P's culture at every level." He went on to state that the primary objective of the



Team involvement during a breakout session.

December Management Meeting was to "establish the baselines and create the roadmap necessary to deliver leadership skills to each SM&P employee."

Mark Hinderliter, founder of the Abel Group, has extensive experience with leadership development and will help deploy SM&P's Leadership

Development Program company-wide. Hinderliter compares good leaders to diamonds – authentic, valuable and rare. After interviewing and studying leaders, Mark found that great leaders have four common characteristics: integrity, passion, courage and a servant attitude. "Great leaders," says Hinderliter, "understand



Penny Conway, Russell Reeves, Tony Sincere and Gary Lape involved in team discussion.

that it is not about them, but about the people they lead."

Future issues of our company newsletter will feature articles on leadership – articles that will include tips on how to nurture leadership skills, thoughts on what makes a strong leader, and examples of leadership in the field. ■



Shane Doyle, Jeremy Moore and Scott Woerner during a breakout session.



Veronica Jones and Hugh Spinks during a break.

Robert Morris, a Technician in the Rockford District, has a sure-fire recipe for customer service – he follows the 10 Basics on each and every locate. Customer service is about meeting the customer's needs. To Morris, this means not only locating a customer's facility but also keeping a customer's facility and the public safe. Morris believes that by simply following the 10 Basics, he will consistently meet and exceed customer expectations.



Robert Morris

On December 13, 2005, during a routine gas locate at a construction site, Morris put his theory to the test. While performing the visual scan that is a key part of the 10 Basics, he noticed a damaged Commonwealth Edison pedestal. Snow had melted off the pedestal, exposing what appeared to be live wires. He also heard a buzzing sound, confirming the danger the wires posed to those work-

ing in the area. After making his discovery, Morris efficiently worked to resolve the issue.

Morris makes it his business to get to know his customers. He keeps his customer contacts' phone numbers as accessible as possible – programmed into his cell phone. In case of an emergency, Morris says, "I can immediately call up a customer without the red tape." On December 13th, he made phone calls to the appropriate parties and then remained on-site until help arrived. Upon examination, Commonwealth Edison characterized the damaged pedestal as "an extremely hazardous" situation and one that warranted immediate resolution. They felt that given the live nature of the exposed wires and the water surrounding the area, Morris' observations and quick thinking saved the customer's facilities from further damage and more importantly, saved those working in the area from electrocution.

As Morris continued through the rest of his work week, he was surprised by the thanks he received from Commonwealth

Edison employees who had heard of the incident. As Morris put it, "I didn't do anything special. Safety First!! is step one of the 10 Basics. Step 4 is to perform a visual scan. Step 10 is to never assume. I just did what I've been trained to do. I take safety seriously and wanted to make sure everyone at that work site went home without an injury."

Despite Morris' humble attitude, Exelon Energy Delivery (Commonwealth Edison's parent company), honored him by inducting him into their "Hundred and One" Club – a safety program that recognizes and congratulates those employees and subcontractors who exceed safety expectations. Morris is the first Exelon contractor to receive this honor (heretofore, the 101 Club was reserved for Exelon employees).

SM&P joins Exelon in thanking Robert Morris for outstanding customer service. By exceeding customer expectations as he does, he not only provides outstanding customer service to an important customer, but also shines a positive light on all of us at SM&P. ■

Regional Spotlight

By SCOTT NELSON, SENIOR DIRECTOR OF OPERATIONS – ILLINOIS, MINNESOTA & WISCONSIN

I am proud to have the opportunity to shine a spotlight on the Illinois, Minnesota & Wisconsin Region. In the past several months, our Districts have worked hard to meet and exceed customer expectations, focus on safety, and develop personal career goals.

Special congratulations are due to **Robert Morris**, a Technician in our Rockford District. Morris received special recognition from Commonwealth Edison (ComEd) for his outstanding contribution

to public safety and customer service. This is the first time ComEd has recognized one of their contractors with this award. Their recognition of Morris is one that makes all of us very proud.

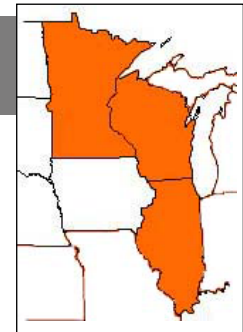
The Illinois Districts secured the remaining 40% of the Nicor work in December 2005. Outstanding performance and customer service were the driving factors in Nicor's decision to turn over the remainder of their work. In addition, the Verizon contract in Wisconsin and the



Mike Friedli (left), Shane Doyle (center) and Lewis Strange (far right), pictured with Rob Shively and John Gilbert - receiving the award for Operational Excellence.

Xcel, Aquila and Qwest contracts in Minnesota were all renewed due to the solid performance of our dedicated workforce in these states.

At the December Management Meeting, the Illinois and Wisconsin Districts took home awards recognizing their 2005 performance in Tenure Management, Efficiency, Safety, Quality, Overall Operational Excellence, and Most Improved Operational



Excellence. These awards reflect this region's tremendous commitment to excellence across the 4 legs of the stool. Period.

I am pleased to make the following personnel announcements:

1. **Herman Perez, John Vasarella, Barrett Bartos, Eric Freese and Mike Reese** have all been promoted to Supervisor
2. **Emir Ahmedic**, a technician from Northern Wisconsin was promoted to Claims Coordinator in Minnesota
3. Welcome to **James Madison**, District Manager for the Chicago District.

The employees in this region continuously raise the bar by working together to achieve high standards. It has been my pleasure working with all of you over the past 6 months; I applaud your efforts and look forward to great things in 2006. ■

SM&P Service Anniversaries

A number of SM&P employees are celebrating significant career milestones in 2005 and 2006*. Congratulations to each of you and best wishes for continued success and satisfaction in your work.

Celebrating 10 Years with SM&P:

Carey A. Barber
Bernard K. Behara
Jeffrey S. Conseen
Jane E. Dorsett
Eugene P. Gierzynski
Kevin R. Hickson
Tony W. Howerton
William A. Hrovat
Robert E. Hurt Jr.
Ralph B. Looney
Grover D. McNeal
Dustin L. Owen
Stephen Schelp
Holly B. Shaver
Michael D. Tolzman
Ronnie L. Walker
Troy J. Zaloudek

Celebrating 15 Years with SM&P:

<u>Name</u>	<u>Title</u>
Michael D. Bales	Technician Level 3 – Milwaukee
John E. Brizendine	Technician Level 3 – Springfield
Wilson J. Dantin	Technician Level 3 – St. Louis
Brad J. Grober	Technician Level 2 – Milwaukee
Matthew A. Hart	Technician Level 3 – Kansas City
Leslie K. Honea	Technician Level 3 – Central Indiana
James J. Meyer	Claims Coordinator – Northern Indiana
Randall S. Penkalski	Quality Coordinator – Milwaukee

Celebrating 20 Years with SM&P:

<u>Name</u>	<u>Title</u>
Terry W. Dean	Supervisor – Northern Indiana
Terry D. Hinman	Technician Level 3 — Evansville

*These SM&P employees are celebrating employment anniversaries from August 31, 2005 through February 28, 2006.

The quarterly *Lead the Field* newsletter is published by SM&P for its employees and their families to communicate important information about our company and to highlight our vision, values and direction. Comments, suggestions and contributions are welcomed. Please direct them to Editor **Gaya Boyers**, SM&P Communications & Marketing Manager. ■

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