President's Corner
By Robert Shively

I'm pleased to introduce the first issue of Lead the Field, our new SM&P company newsletter. This quarterly newsletter will convey important information about the business and notable accomplishments of our SM&P family members. It will also highlight our vision, values and direction as a company. You are invited to submit comments and story ideas for future newsletter issues.

As we all know, SM&P is enjoying a period of intense growth. Annual sales have expanded at a rate of 35% for the past several years, and 1,100 people have joined the team in just the past 12 months. Such growth brings goodness as well as challenges, and one such challenge is for us to maintain our culture: who we are, what we stand for, and what sets us apart. We need to continue reminding one-another of the values of integrity, respect and commitment that are so important to success – as well as job satisfaction.

The statement, “we'd rather be good than look good”, tells a lot about the SM&P culture. If a problem develops, we want to find and fix it before it affects the

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SM&P Plays Key Role in The Laclede Group's Success

Doug Yaeger, President and Chief Executive Officer of SM&P’s parent company The Laclede Group, announced record earnings in fiscal year 2004 at the Annual Meeting of Shareholders. Although Mr. Yaeger cites many factors, he specifically mentioned SM&P as a major contributor to The Laclede Group’s success and a vital and growing part of the The Laclede Group organization.

Mr. Yaeger went on to state, “I remain very pleased with the spirit at SM&P. The employees have focused on what had to be done and executed their game-plan successfully. Our challenge now is to build upon this positive momentum, and continue to grow the business profitably. We have every reason to believe we can do so. An increasing amount of our country's vital infrastructure is in underground facilities. Therefore, the need to accurately locate and mark them on a timely basis is essential.”

Keep your eye out for Mr. Yaeger's comments regarding 2005 performance at SM&P. Indeed, 2005 was a success at SM&P.

SM&P at the 2005 International Locate Rodeo

At SM&P being the best of the best means achieving a balance across all four legs of the SM&P Performance Stool — maintaining a flawless safety record and high quality standards, as well as achieving on-time performance and productivity goals. The best at this get to compete against over 100 locators from around the country in an event that is now known as the “Superbowl” of the underground utility locating industry.

The 2005 International Locate Rodeo competition was held on Saturday, August 6th in Atlanta Georgia. SM&P’s seven talented top performers – April Ayling, Don Eppars, Jim Fredrick, Daniel Greaney, Jamie Johnson, John Tuggle, and Mark Willers – were charged with identifying a complex maze of underground utilities in 12 minutes or less. The competition was divided into four competitive divisions: telecommunications, cable, water and gas. An additional division labeled “Locate from Hell” staged locates that represented the most challenging a locator might encounter on the job. Competitors in the “Locate from Hell” division had to complete their locates in three minutes or less. All other divisions had a 12 minute time limit.

With spouses, friends, and family cheering them on, each of our competitors did an excellent job. Mark Willers, in particular, saw great success. He placed third in both the Gas and Locate from Hell Divisions.

SM&P selected its competitors on the basis of 12 month performance across all four legs of the SM&P Performance Stool. All slates have been wiped clean as we look forward to the 2006 International Locate Rodeo. Who might represent SM&P next year? It could be any one of our talented Locators. The only thing we know for sure is that next year, as with this year and last, our competitors will be the best of the best.
As a company we are enjoying a strong business environment, adding significant new business in all of our markets over the past two years. This expansion is due in large part to SM&P’s commitment to deliver operating excellence to our customers, and continually foster and further develop relationships with our current customers.

The recent reestablishment of SBC work in Michigan is one important example of business success. When SM&P lost this account several years ago we made every attempt to assist SBC in the transition, dealing with this important customer on the basis of respect rather than hard contract specifics. SM&P’s goal was simple – continue to provide SBC with superior service with the objective of working for SBC in Michigan in the future. As a result, the SM&P staff in Michigan has increased by more than 100 Locators, along with new supervisory and managerial positions.

SM&P recently added another customer in our South Texas market — American Electric Power (AEP). With focus and dedication SM&P crews have been able to improve locating results for AEP, beginning in the Corpus Christi, San Benito and Laredo areas. This is an important new account that offers the possibility of expanded business in the future, based on providing timely and accurate locates.

Congratulations to the Michigan and South Texas SM&P staff and crews for these important achievements. The key to continuing this encouraging trend is to continue pursuing operational excellence at every work site, for every customer.

I find it curious that a technical business such as ours, which may appear on the surface to depend primarily on training and knowledge, is at the heart a people business — driven by personal pride and passion even more than technical skill. A person might master everything there is to learn about the science of locating, but if the heart is not in it — if there is not a strong personal drive to get it right, every time — then mistakes, safety lapses and damage will be the eventual result.

We’ve all learned that locating is as much art as science, and it demands patience and constant attention to detail, day after day. Our common goal is to bring as much — or even more — dedication to protecting the underground infrastructure as do our customers. Being merely good puts us in danger of decline. What we must seek is to be great.

We want to pursue constant improvement, working with tenacity and energy as a matter of habit. Such efforts begin on the inside, and are driven by personal pride that inspires and encourages those around us. Winners operate on the basis of core values that include a willingness to be accountable for their work, never accepting less from themselves than full effort.

The real measure of a company is the way it responds to problems in tough times. That’s when integrity and respect for the customer really stand out. We’ve learned by experience that acting in accordance with customer interest builds an enviable reputation and supports future success.

Our focus as leaders should be to seek solutions, not to place blame. We need open communication in an atmosphere where truth is valued. So let’s talk openly with one another, support and encourage the pursuit of integrity, and complete every ticket as though it is important to our personal and company success five and ten years from now — because it is! Thanks to each of you for working hard every day to make SM&P the industry leader.

New Business Update
BY TIM SEELIG, VICE PRESIDENT, SALES & MARKETING

The Value of “Living by Values”
Why values and beliefs are the foundation of our business
BY ROBERT SHIVELY
**Corporate News - SBC Recognition**

**BY TIM SEELIG, VICE PRESIDENT, SALES & MARKETING**

SM&P is the proud recipient of the SBC 2004 Supplier Recognition Award for Teamwork. The SBC Supplier Recognition Award Program is an opportunity for SBC to evaluate its suppliers in all aspects of business partnership. The program recognizes those suppliers that provide SBC with excellent customer service as well as business results. In addition, the program recognizes those suppliers who continuously strive to meet and exceed SBC’s rigorous quality standards. Only 1% of SBC’s suppliers receive these highly coveted awards.

**Employee Profiles**

**Jim Frederick**, an SM&P Locator in the Racine, Wisconsin area, has a record of high achievement in meeting the company’s safety, quality, on-time performance and productivity standards. He was one of seven SM&P Locators who distinguished themselves among their 1700 fellow Locators and qualified to represent the company at the International Utility Locate Rodeo™ competition, a position he achieved in 2004 as well. This year’s Rodeo was held early in August at Emory University in Atlanta, Georgia.

“I had a blast at the Rodeo again this summer,” Frederick recalls. “It was good to meet and share experiences with locators from other states and compete with them on some challenging locating tasks. The Rodeo offers a great opportunity to sharpen your skills and observe some of the best people in the business.”

For the first six years of his SM&P career, Jim’s work centered on telecommunications and cable TV locating. More recently, his assignments have also included electric power and gas facilities. Jim will celebrate his eighth anniversary with the company this fall. When asked his secret for good locating performance he replied, “Just routing yourself out efficiently, having a good map and sticking to the 10 Basics consistently, every day. Don’t skip tickets.”

Another SM&P representative to the International Utility Locate Rodeo for the past two years is **Don Eppars** of Dallas, Texas. He also found the competitive experience enjoyable, and a useful learning opportunity. “Every locate was different and challenging,” Don said. “Most contestants can find underground facilities quickly. The trick is to fine-tune your measurements to the most precise level possible.”

Don has been an SM&P Locator for ten years. He stresses that pride in his work has been the key ingredient to success. “SM&P is the best in the business,” he said. “We’re provided with the tools and training we need in order to meet performance metrics. My habit is to follow the 10 Basics carefully, and I have an eleventh step as well: if in doubt, repeat the 10 Basics until you are confident of your measurements. That’s the best approach to remaining damage free.

“This is a fast-paced business, and our job is to protect the customer’s facilities. I’m thankful for the management changes that have been made over the past three or four years because they have really turned the company around, helping and encouraging us to be the best that we can be,” Don concluded.

In addition to the 2004 SBC Supplier Recognition Award, this customer also recognized the SM&P Metropolitan Springfield team as the top performing team for SBC. This supplier recognition was based on safety, on-time performance and quality. SBC Network Vice President **Cliff Agee** presented the award in a recent ceremony at the Springfield SM&P office. Former area Supervisor **Jerry Baker** and the entire team demonstrated real dedication in their efforts to meet this customer’s needs, showing exceptional technical skills from year to year, with stellar results.

**Region Spotlight - Indiana, Missouri and Kansas**

**BY RUSSELL REEVES, SENIOR DIRECTOR OF OPERATIONS**

We have a number of items of interest to report for our region. **David Shelley**, formerly a Supervisor in SM&P’s Chicago operation, has been promoted to Kansas District Manager, and is relocating to Wichita. Congratulations to David.

We’re proud to report that **Mark Willars** from the Springfield, Missouri, staff won 3rd place in both the Gas and “Locate from Hell” Divisions at this year’s International Utility Locate Rodeo™. This is the second year that the Springfield team has been represented in the Rodeo. Springfield continues to be a superior performing market for SM&P, recently winning back City Utilities from a competitor by means of excellent service.

Good service has earned the St. Louis district additional work from Charter Communications. Congratulations are also in order for the Eastern Missouri district for achieving a 97% completion time performance for Ameren.

Two Locators were recently promoted from Locator to Supervisor: **Bryce Johnson** of the South Central Indy team and **Mark Blue** of the South Indy team.

Finally, our congratulations and best wishes go to two central Indiana SM&P families and their new baby daughters. They are Quality Coordinator **Morgan Thompson** and baby **Taylor**, and Operations Coordinator **Tammy Hathcoat** and baby **Olivia**.

Thanks to all of the Indiana, Missouri and Kansas teams for a great effort in Fiscal Year 2005. Keep up the good work.
A number of SM&P employees are celebrating significant career milestones in 2005. Congratulations to each of you and best wishes for continued success and satisfaction in your work.

**Celebrating 10 Years with SM&P:**
- Randy L. Aldridge
- Carey A. Barber
- Justin D. Barnes
- Brian S. Boehnen
- Jerry D. Cobenais
- William P. Culhane
- Mike Dettmering
- Brett M. Duncan
- Don E. Eppars
- Ismael Escalante
- Eric D. Ford
- William J. Foutch
- Walter K. Friday
- Eddie C. Gammon
- Mike P. Hall
- David L. Hemker
- Steven R. Heneisen
- Kevin R. Hickson
- William E. Hunt
- Tommy G. Johnson Jr.
- Erick R. Johnson
- James S. Kaminski
- Timothy K. Kendall
- James E. Kimbrough
- Adam R. Lackey
- David H. Lewis
- John R. Maruna
- Donald L. Moser
- Stacy D. Ogle
- Brian A. Papierniak
- Daniel R. Parnell
- Scott A. Peterson
- David S. Pirkle
- Matthew S. Raprager
- John D. Rodriguez
- Tim Seelig
- Christopher L. Smith
- Rodney L. Spence
- Fredrick M. Stoll
- Brian M. Supinski
- Anthony D. Tingley
- Ronnie L. Walker
- Eugene A. Wilde
- Edmond G. Williams

**Celebrating 15 Years with SM&P:**
- Melvin W. Clegg, Supervisor – Appleton, Wisconsin
- Keith O. Hofmann, Locator Level 3 – Milwaukee North
- Leslie Honea, Locator Level 3 – Central Indiana
- Thomas R. Kees, Locator Level 3 – Milwaukee North
- David R. Leath, Locator Level 3 – NE Indy
- Kevin S. Mingee, Locator Level 3 – South Central Indiana
- Christopher W. Vesely, Locator Level 3 – Madison North
- Stephen H. Zielinski, Locator Level 3 – Madison North

**Celebrating 20 Years with SM&P:**
- David A. Adams, Claims Coordinator – Grand Rapids, Michigan
- Timothy S. Sanders, District Manager – Southern Indiana
- Blaine S. Walters, Quality Manager – Indiana & Michigan