

Dow and Menlo Worldwide Logistics Launch New Distribution Center in Monitor's Valley Center Technology Park

Midland, Michigan – January 27, 2010 – Menlo Worldwide Logistics and The Dow Chemical Company today announced the formal opening of a new 134,000 square foot warehousing and distribution operation in Bay City.

The new operation is housed in Monitor Township's Valley Center Technology Park, in a former manufacturing facility at 5300 Mackinaw Road which had been vacant for many years. The property recently underwent a major renovation and upgrade, which converted the building into a modern, energy-efficient, purpose-designed facility which will provide strategic warehousing and distribution services for Dow Wolff Cellulosics products manufactured at Dow Michigan Operations in Midland.

"Bay City is ideally located for the business solution we are implementing for this important Dow product line," said Mike Wood, Menlo's director of operations based in Midland. "We're pleased to welcome Bay City to Menlo's operating network. This is an excellent opportunity to invest in and create new jobs for the community while strategically expanding our relationship with Dow." Menlo operates other logistics programs for Dow in several other Michigan communities as well as throughout the U.S.

"This strategic location in Bay County will provide great value to Dow by reducing costs while maximizing efficiencies," said Anne Adams, North America Supply Chain Leader for Dow Wolff Cellulosics. "And this project is another example of our commitment to the Great Lakes Bay Region."

The Bay City facility created six new local jobs with Menlo and will provide a variety of inventory management, warehousing and fulfillment services, including receipt, put-away, storage and shipping of cellulose products, which are packaged in drums, bags and supersacks. The Dow Wolff Cellulosics products are used in several applications, including pharmaceutical, food and building materials.

Concurrent with the opening of the new facility, Menlo and Dow also designed a new transportation management program for inbound and outbound freight shipment. Previously, 53' foot semi-trucks would haul product from Midland, MI to an existing Menlo warehouse at Grove City, OH. Under the new program, Bay City will receive inbound shipments directly from Dow's nearby Midland plant and will provide fulfillment of orders direct to customers.

By strategically establishing the new Bay City distribution center, and re-engineering its transportation network to reduce costs and increase direct-to-customer shipping, Menlo and Dow have eliminated nearly 450 interstate trucking moves representing some 130,000 miles annually. In addition to saving wear and tear on highway infrastructure, the re-engineered solution is projected to conserve annually some 20,400 gallons of diesel fuel, which eliminates nearly 460,000 pounds of CO₂ emissions from being introduced into the environment. The carbon footprint reduction is the equivalent to removing about 40 cars from the nation's highways.

Menlo hired local Midland general contractor Sowle Properties, Inc. for the building renovation, which was completed on schedule. Several local subcontractors were also utilized in the project. Associated energy efficiency upgrades also were installed for lighting and HVAC systems while new lighting occupancy sensors were installed to reduce the energy required to operate the building.

AKT Peerless Environmental and Energy Services of Saginaw was retained for the project's environmental work. The lease coordination was handled by Kevin Schonscheck of Schonscheck, Inc. of Warren and the property and project management is being handled by Eric Finnigan of Wirt Financial & Leasing Services, Inc. of Bay City.

Menlo specializes in the integration of all functions across the supply chain, from sourcing of raw materials, through product manufacturing to the distribution of finished goods. Top Tier companies like Dow and other companies around the world look to Menlo for innovative solutions that help develop business strategies,

improve customer service, accelerate order cycle times, and tighten control of the supply chain—all while reducing costs in transportation, inventory and order fulfillment.

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Menlo Worldwide Logistics images are available at http://www.con-waybrandstandards.com/photo_library/page_1100

About Menlo Worldwide Logistics

Menlo Worldwide Logistics, LLC, is a US\$1.4 billion global provider of logistics, transportation management and supply chain services with operations in five continents, including North America. As a third-party logistics provider, San Mateo, Calif.-based Menlo Worldwide Logistics' services range from dedicated contract logistics to warehouse and distribution management, transportation management, supply chain reengineering and other value-added services including packaging, kitting, order fulfillment and light assembly through a strategic network of multi-client and dedicated facilities. With more than 16 million square feet of dedicated warehouse space in North America, the Asia Pacific, Europe and Latin America, and industry-leading technologies, Menlo Worldwide Logistics creates effective, integrated solutions for the transportation and distribution needs of leading businesses around the world.

Menlo Worldwide Logistics, LLC, is a subsidiary of Con-way Inc. (NYSE: CNW), a \$4.3 billion freight transportation and logistics company. For more information, please visit us on the Web at www.con-way.com.

About Dow Wolff Cellulosics

Dow Wolff Cellulosics is a global leader and pioneer in Cellulose Ethers and preferred development partner for manufacturers and suppliers in the food and pharmaceutical markets, and in other specialty industrial applications. It supplies high-performance, cellulose-based products and formulation know-how to help customers innovate and differentiate in highly-regulated markets. Cellulosics and their derivatives are produced from renewable raw materials, mainly wood pulp and cotton, sourced primarily from suppliers that implement certified sustainable forestry practices. Ranging from healthier food ingredients and formulations, to enhanced pharmaceutical delivery, most products containing Cellulosics help to make improvements in the daily lives of billions of people.

Dow Wolff Cellulosics is a business unit of The Dow Chemical Company, employing 1,200 people across more than 9 sites and 15 assets, with 6 cGMPs, serving customers in around 160 countries. More details can be found at www.dowwolffcellulosics.com.

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