

CON-WAY INC.

ANNUAL MEETING OF SHAREHOLDERS

9:02 A.M., TUESDAY, MAY 19, 2009

SONOMA-MENDOCINO ROOM

DOUBLETREE HOTEL

BURLINGAME, CALIFORNIA

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2 9:02 A.M.

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6 MR. KENNEDY: With that, I think we have all
7 the directors in attendance, either physically or
8 electronically, so I will call the annual meeting of the
9 shareholders to order. I am Keith Kennedy, the Chairman
10 of the Board of Con-way, and I'll be chairing this
11 meeting.

12 In order to ensure that our business of the
13 meeting proceeds in an orderly fashion and that
14 shareholders who wish to speak may have a fair
15 opportunity to do so, there will be a designated
16 question and comment period which will take place after
17 all the agenda items have been presented, but before the
18 polls are open for voting.

19 The meeting will be conducted in accordance
20 with the rules of conduct that I think each of you have
21 received as you came in. Sitting on the table to my
22 right is Doug Stotlar, our President and Chief Executive
23 Officer. Next is Steve Bruffett, executive vice
24 president and Chief Financial Officer, and Jennifer
25 Pileggi, Executive Vice President, General Counsel and

1 Corporate Secretary.

2 Also attending this meeting electronically by
3 telephonic conference call are our board members.

4 Jennifer, could you introduce them and also Dan
5 Stoller?

6 MS. PILEGGI: We have on the line board members
7 Jack Anton, Bill Corbin, Bob Jaunich, Mike Murray, Jack
8 Pope, Bill Schroeder, Peter Stott and Chip White, in
9 addition to Dr. Kennedy and Mr. Stotlar. We also have
10 Dan Stoller of the law firm Skadden Arps.

11 MR. KENNEDY: Okay. Thank you.

12 At this point, I'll turn it over to Ms. Pileggi
13 to talk about some of the details.

14 MS. PILEGGI: I would like to introduce Steven
15 Myers of BNY Mellon Shareholder Services --

16 MR. KENNEDY: Steve's in the back of the room.

17 MS. PILEGGI: -- who has been appointed by the
18 board of directors as inspector of elections for this
19 meeting. We have received affidavits that proper notice
20 of the meeting was mailed commencing April 10th, 2009 to
21 every shareholder who was a holder of record at the
22 close of business on March 30th.

23 MR. KENNEDY: Very good. Based on the proxies
24 received to date, a quorum is present and the meeting
25 will proceed. The items on the agenda are: No. 1, the

1 election of three class-three directors; No. 2, approval
2 of amendments of the certificate of incorporation and
3 bylaws to declassify the board of directors; No. 3,
4 approval of amendments to the certificate of
5 incorporation and bylaws to set the number of directors
6 at not less than seven, nor more than 11; and No. 4,
7 ratification of appointment of auditors.

8 Question-and-comment period will follow, a
9 presentation of these general -- I'm sorry, presentation
10 of these agenda items. Following the
11 question-and-comment period, there will be a voting on
12 all agenda items.

13 Mr. Randal Lund of KPMG -- would you stand up,
14 please -- is at the meeting today and is available to
15 respond to appropriate questions for share owners.

16 Thank you.

17 We will now proceed with the formal business of
18 the meeting. And again, I'll remind you to hold your
19 questions or comments till the agenda items have been
20 presented.

21 First item of business on the agenda is the
22 election of three class-three directors. If
23 shareholders approve the board declassification
24 proposal, the class-three directors will be elected for
25 a one-year term to serve until the 2010 annual meeting

1 and until their successors are elected and qualified.

2 If share owners cannot approve the board
3 declassification proposal, the class-three directors
4 will be elected for a three-year term to serve until the
5 2012 annual meeting and until their successors are
6 elected and qualified.

7 Secretary has advised that under the company's
8 bylaws, the only persons who have been properly
9 nominated are the nominees listed in the company's proxy
10 statement: Messieurs Corbin, Jaunich and Kennedy. I,
11 therefore, declare nominations for directors are closed.

12 The second item of business on the agenda is
13 approval of amendments to the certificate of
14 incorporation and bylaws to declassify the board of
15 directors.

16 The third item of business on the agenda is
17 approval of amendments to the certificate of
18 incorporation and bylaws to set the number of directors
19 at not less than 7 or more than 11.

20 And the fourth item of business on the agenda
21 is ratification of the appointment of independent
22 auditors to examine and report on the financial
23 statements of the company for the year 2009. The audit
24 committee of the board of directors has reappointed
25 KPMG, LLP.

1 It is the board's recommendation that share
2 owners vote for the election of the board's three
3 director nominees, for the amendments to the certificate
4 of incorporation and bylaws and for ratification of the
5 appointment of KPMG, LLP.

6 We will now proceed to the question-and-answer
7 period at this point. I will ask for share owners who
8 have a question or a comment. Before I do that, I'll
9 say, in order to ensure fair treatment to all share
10 owners, our meeting rules provide that questions or
11 comments will be limited to two minutes for each
12 speaker.

13 When you are recognized to speak, please step
14 to the microphone. We ask that until you are
15 recognized, you remain seated. Before you ask your
16 questions or make your remarks, please state your name
17 and whether you are a share owner or a proxy for a share
18 owner. And please direct all the questions at me, and
19 then I will either answer or have the appropriate
20 individual provide a response.

21 So the floor is now open for your questions and
22 comments. Are there any?

23 Jim, I'll let you go first. Jim Diehl.

24 MR. DIEHL: Thank you. Is this mic good?

25 MR. KENNEDY: Yes.

1 MR. DIEHL: First of all, I want to say: I
2 flew 3,000 miles to ask three questions, and I hope you
3 permit for me to ask these questions. This -- and I'm
4 James Diehl, shareholder of record. This question
5 falls, information that the company through -- outside
6 of counsel, was sent to the Security Exchange Commission
7 in response to a shareholder's proposal that I submitted
8 November of 2008.

9 In the company's efforts to oppose -- omit that
10 proposal, the company retained the law firm of Skadden
11 Arps, Dan Stoller, who is on the mic with us, your
12 efforts to omit were successful; proposal was omitted
13 from the proxy materials.

14 In a letter dated September 9, 2008,
15 Mr. Stoller provided the SEC with a number of
16 allegations against me, the Proponent, only one of which
17 I will ask Chairman Kennedy, perhaps Jennifer Pileggi,
18 to respond to.

19 Quoting from Mr. Stoller's letter on page 7,
20 (reading): The Proponent's apparent bias -- or basis
21 for his false and misleading allegations is that fact
22 that Chairman Kennedy, in response to a question asked
23 by the Proponent at the 2005 Annual Meeting, referred to
24 the payment to Mr. Schmoller as "stay pay" rather than
25 severance pay. Mr. Kennedy and Ms. Pileggi subsequently

1 advised the Proponent, on several occasions, that the
2 payment to Mr. Schmoller was severance payment, but the
3 Proponent persists in publishing his erroneous and
4 unsupported allegations as proxy material.

5 Keith, as recently as the 2008 Annual Meeting,
6 which was eight months prior to Mr. Stoller's statement
7 to the SEC, you had continued to characterize that
8 payment as severance pay -- I'm sorry, stay pay.

9 I am asking you to please cite the document or
10 verbal occasions where you had informed me, the
11 Proponent, that the payment to Mr. Schmoller was, in
12 fact, severance payment.

13 MR. KENNEDY: Well, I believe we have been
14 consistent on severance, but in terms of the documents,
15 I'll ask Jennifer Pileggi to answer that part of the
16 question.

17 MS. PILEGGI: Jim, we can get -- let me back
18 up.

19 I think, Jim, that we have been very clear in
20 our documentation; that we have been clear on what we
21 have given you in the past, and what we have provided in
22 the past, and what we have disclosed in the past. I'm
23 not sure if there is a need to go through that again
24 here.

25 MR. DIEHL: I have every letter of what you and

1 Keith sent me. I'll be happy to show you copies if you
2 show me where you stated this was severance pay. But
3 I've read it many times; it doesn't say it. All of our
4 conversations have been taking place during these annual
5 meetings. Those transcripts do not say that.

6 So again, what is Mr. Stoller talking about?
7 We've -- he's supposedly repeatedly told me that it was
8 severance pay.

9 MR. KENNEDY: All right. What we'll do is:
10 Let us look at the documentation, and we will send you a
11 response to that question.

12 MR. DIEHL: That's fine. Can you tell me now:
13 Do you -- either of you recall ever telling me, in
14 writing or in person or during these meetings, that it
15 was, in fact, severance as Mr. Stoller -- or Kennedy --

16 MS. PILEGGI: Mr. Stoller.

17 MR. KENNEDY: Stoller.

18 MR. DIEHL: -- Stoller, that he claims -- he's
19 -- he's claiming that -- I keep repeating that there's
20 erroneous information. Sounds like what he is saying is
21 erroneous. We have no documents that state that fact.

22 MR. KENNEDY: All right. Well, you have a
23 valid question, and we will research the documents.
24 It's my memory that I called it severance, but we will
25 research, and we will respond to you.

1 MR. DIEHL: Thank you.

2 "Con-way's Code of Business Conduct and Ethics
3 for Directives instructs Board Members that they should
4 never take unfair advantage of others through
5 manipulation, concealment, misrepresentation or any
6 other unfair dealing practice, and they have an
7 obligation to conduct the Company's business in an
8 honest and ethical manner includes the ethical handling
9 of actual or apparent conflicts of interest.

10 Suspected violations of this code MUST, MUST,
11 be reported to the Chairman of the Board or the Chair of
12 the Director Affairs Committee."

13 April 2005, the same month that the --
14 Mr. Stotlar took command of the company, a complaint was
15 filed with you, Chairman Kennedy, regarding the Audit
16 Committee's handling of the investigation of Eb
17 Schmoller, the former General Counsel. That complaint
18 charged the Audit Committee violated the Code -- their
19 Code and cites specific details. Yet the Board took no
20 action.

21 As the lead executive of the Company, I'd like
22 Mr. Stotlar to explain to the shareholders and -- why
23 the Board chose to ignore the complaint, and how that
24 decision did not compromise the integrity of that Code.

25 MR. KENNEDY: Well, I'm going to answer that

1 question, Jim. Since your employment with the company
2 was terminated in 2001, you have pursued a number of
3 grievances against the Company and certain of its former
4 and current officers and directors. As you mentioned,
5 you started with our former general counsel, Eb
6 Schmoller, you then had some problems with Bob Wayman,
7 our former director who chaired the Audit Committee.

8 At the time, it reviewed your complaints and
9 found them without merit. You've now moved to our
10 current general counsel, Jennifer Pileggi, and myself.
11 And I believe we have given everything -- you have sent
12 us a detailed review. We've hired outside attorneys.
13 We have told you we do not find basis in your
14 grievances. You keep raising the same issues
15 repeatedly, and we've responded to you.

16 So I feel the issue is closed and do not intend
17 to go back and reopen that.

18 MR. DIEHL: I understand that. If you're not
19 -- the actual question is: Why -- why did you choose
20 not to investigate a complaint that was filed with you?
21 The Code of Conduct dictates that you will investigate
22 these claims. What was it about that that you chose --
23 since it involved your business partner, why you chose
24 not to investigate it?

25 MR. KENNEDY: We investigated your grievances

1 -- not once, but twice. And the grievances you have
2 sent us since repeated the same information over and
3 over again. We had two separate investigations, and we
4 feel that the issue is closed.

5 MR. DIEHL: Okay. My investigation -- now that
6 you mentioned it, yes, I was terminated by -- I was
7 assisting your internal auditors with an internal
8 investigation. Is that not true?

9 MR. KENNEDY: Jim, I --

10 MR. DIEHL: Is that true or not?

11 MR. KENNEDY: I have no knowledge of that. I
12 was not the Chairman at the time.

13 MR. DIEHL: You were Vice Chairman.

14 MR. KENNEDY: Not at that particular date of
15 2001. I became the Vice Chairman in 2003, if I remember
16 correctly.

17 MR. DIEHL: But you were Vice Chairman when you
18 conducted your investigation of my complaint.

19 MR. KENNEDY: That is exactly correct. The
20 Audit Committee retained an outside attorney. It was
21 investigated. And, in fact, they did it twice.

22 MR. DIEHL: I wasn't aware of the second one.

23 Could you provide details at some point of that
24 second investigation?

25 MR. KENNEDY: We will provide you also with the

1 answer on that issue, yes.

2 Okay. Two. You said you had three questions?

3 MR. DIEHL: Yes.

4 MR. KENNEDY: Okay. The third.

5 MR. DIEHL: And four and five, I will just
6 submit in writing, and you can choose to respond or not.

7 MR. KENNEDY: Okay.

8 MR. DIEHL: The 2008 Annual Meeting transcripts
9 indicate -- and this -- this is addressed to Jennifer,
10 but you can answer how you like.

11 The 2008 Annual Meeting transcripts indicate
12 Jennifer Pileggi minimized the significance of Eb
13 Schmoller's relationship with Morrison & Foerster.
14 Since conducting research in that investigation, did
15 Jennifer determine that Mr. Schmoller, or his office,
16 was involved in the three CNF cases that Mo-Fo
17 attorneys, Melvin Goldman and Paul Flum, cited on their
18 web site, or any other cases with Mo-Fo? I can cite --
19 cite these three cases if you like, but I leave your --

20 MR. KENNEDY: Again, I'll answer the question.
21 But let me say, the basis, I believe, for your grievance
22 was that we hired, as you characterize in Mo-Fo, for a
23 reason they did not have a large amount of business with
24 us. And you felt because of these three cases, they
25 were not independent outside counsel.

1 In terms of relative size, those were very
2 small retainments. And we feel that they were
3 independent counsels. We will, again, inform you of
4 that in writing. But at that point -- or at this point,
5 I'd like to ask you to sit down and give some of the
6 other share owners present a chance to ask questions.

7 MR. DIEHL: Thank you.

8 MR. KENNEDY: Okay. Mr. Timmerman, you had a
9 question?

10 MR. TIMMERMAN: Yeah. Good morning, and it's
11 nice to be here to meet all the people of Con-way. My
12 name, Ray Timmerman, and I have been a shareholder of
13 this company since 1961. And I'd like to talk about
14 dividend policy.

15 I know it's a hell of a bad time to be talking
16 about dividend policy, and I certainly want to
17 congratulate the Board for not cutting its dividends
18 like so many other companies have during these difficult
19 -- very difficult economic times.

20 However, it seems that the dividend policy of
21 the company is not to increase its dividend as it has
22 not increased since for -- for many, many years.
23 Well-managed and well-directed companies should be able
24 to increase its dividend at reasonable intervals. And
25 I'm sure long-time loyal shareholders, like myself,

1 would like to have the company take that kind of a
2 policy.

3 Thank you for listening to me.

4 MR. KENNEDY: Thank you very much.

5 Are there any other questions?

6 We have some other former employees here. Any
7 questions?

8 Well, if not, then we will proceed to the
9 voting. The polls are open. Is there anyone who would
10 like to vote by ballot? If so, raise your hand.

11 Okay. Seeing none, all the proxy and ballots
12 have been turned over to Bank of New York Mellon
13 Shareholder Services as inspector of election.

14 If you've previously voted, you do not need to
15 vote unless you wish to change your vote. Your vote
16 will be cast as previously instructed.

17 Looks like no one is going to change, so we
18 will move on. I will declare the polls closed, and
19 Ms. Pileggi will now report on the results of the voting
20 on the four agenda items.

21 MS. PILEGGI: Based on the current tally, the
22 company shareholders have voted on -- to elect the three
23 nominated directors, in favor of the proposal to amend
24 the Certificate of Incorporation and Bylaws to
25 declassify the Board, in favor of the proposal to amend

1 the Certificate of Incorporation and Bylaws to reduce
2 the size of the Board and to ratify the appointment of
3 KPMG as the company's auditors.

4 Because the shareholders have approved the
5 Board declassification proposal, the three nominated
6 directors have been elected for a one-year term to serve
7 until the 2010 annual meeting and until their successors
8 are elected and qualified.

9 MR. KENNEDY: That concludes the meeting. And
10 I want to thank our shareholders and our -- those who
11 are former employees for attending. And I declare this
12 meeting adjourned.

13 Thank you.

14 (Whereupon, at 9:18 a.m., the
15 Annual Meeting of Shareholders
16 was concluded.)

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