TrueBlue, Inc.
Form DEF 14A
April 14, 2008

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant **X**
Filed by a Party other than the Registrant o
Check the appropriate box:
o Preliminary Proxy Statement
o Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
X Definitive Proxy Statement
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TRUEBLUE, INC.
(Name of Registrant as Specified In Its Charter)
TRUEBLUE, INC.
(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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(1) Amount Previously Paid:

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(3) Filing Party:

(4) Date Filed:

Tacoma, Washington
April 14, 2008

Dear Shareholders:

It is a pleasure to invite you to your Company's 2008 annual meeting of shareholders, to be held at TrueBlue's corporate headquarters, 1015 A Street, Tacoma, Washington, 98402, on Wednesday, May 14, 2008, at 10:00 a.m. (Pacific Daylight Time).

The matters to be acted upon are described in the accompanying Notice of Annual Meeting and Proxy Statement.

I look forward to seeing our shareholders at the meeting. We will report on TrueBlue's operations and respond to questions you may have.

YOUR VOTE IS VERY IMPORTANT. Whether or not you plan to attend, it is important that your shares be represented. Please sign, date and mail the enclosed proxy card as soon as possible in the enclosed postage-prepaid envelope in order to ensure that your vote is counted. If you attend the meeting you will, of course, have the right to vote your shares in person.

Very truly yours,

/S/ Robert J. Sullivan

Robert J. Sullivan
Chairman of the Board

TRUEBLUE, INC.
1015 A Street
Tacoma, Washington 98402

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
Wednesday, May 14, 2008

To the Shareholders:

The annual meeting of the shareholders of TrueBlue, Inc., a Washington corporation, will be held at TrueBlue's corporate headquarters, 1015 A Street, Tacoma, Washington, 98402, on Wednesday, May 14, 2008, at 10:00 a.m. (Pacific Daylight Time) for the following purposes:

1. to elect the directors to serve until the next annual meeting of shareholders, and until their respective successors are elected and qualified;

2. to ratify the selection of PricewaterhouseCoopers LLP to serve as the independent registered public accounting firm of the Company for the fiscal year ending December 26, 2008; and,

3. to transact such other business as may properly come before the meeting.

Only shareholders of record at the close of business on April 1, 2008, will be entitled to notice of, and to vote at, the annual meeting and any adjournments thereof.

By Order of the Board of Directors

/S/ James E. Defebaugh

James E. Defebaugh
Secretary

Tacoma, Washington
April 14, 2008

YOUR VOTE IS IMPORTANT

WHETHER OR NOT YOU PLAN TO ATTEND THE MEETING, YOU ARE URGED TO DATE AND SIGN THE ENCLOSED PROXY CARD AND RETURN IT AS PROMPTLY AS POSSIBLE IN THE ENCLOSED STAMPED AND ADDRESSED ENVELOPE IN ORDER THAT THE PRESENCE OF A QUORUM MAY BE ASSURED. THE GIVING OF SUCH PROXY DOES NOT AFFECT YOUR RIGHT TO REVOKE IT LATER OR VOTE YOUR SHARES IN PERSON IN THE EVENT THAT YOU SHOULD ATTEND THE MEETING.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON MAY 14, 2008:
The Notice of Annual Meeting of Shareholders, Proxy Statement and the Annual Report to Shareholder are available on our website at www.trueblueinc.com.

TRUEBLUE, INC.
1015 A Street
Tacoma, Washington 98402

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PROXY STATEMENT
ANNUAL MEETING OF SHAREHOLDERS
Wednesday, May 14, 2008

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The Board of Directors of TrueBlue, Inc., a Washington corporation, is soliciting your proxy to vote your shares at the 2008 Annual Meeting of Shareholders of the Company to be held at 10:00 a.m. (Pacific Daylight Time) on Wednesday, May 14, 2008, at the corporate headquarters of TrueBlue, Inc., 1015 A Street, Tacoma, Washington, and at any adjournment thereof. This proxy statement contains the required information under the rules of the Securities and Exchange Commission and is designed to assist you in voting your shares.

Revocation of Proxies. If you execute a proxy, you will retain the right to revoke it at any time before it is voted. You may revoke or change your proxy before it is voted by (i) sending a written revocation to the Corporate Secretary of the Company at P.O. Box 2910, Tacoma, Washington 98401; (ii) submitting a proxy with a later date; (iii) delivering a written request in person to return the executed proxy; or, (iv) attending and voting at the annual meeting. Your right to revoke your proxy is not limited by or subject to compliance with a specified formal procedure, but you should give written notice to the Secretary of the Company at or before the annual meeting so that the number of shares represented by proxy can be recomputed.

Voting of Proxies. If you properly execute and return the enclosed proxy card, the individuals named on the proxy card (your proxies) will vote your shares in the manner you indicate. We urge you to specify your choices by marking the appropriate box on the enclosed proxy card; if you sign and return the proxy card without indicating your instructions, your shares will be voted FOR PROPOSAL 1 (the election of directors nominated by the Board of Directors), FOR PROPOSAL 2 (ratification of selection of independent registered public accounting firm) and, with respect to any other business that may come before the meeting, as recommended by the Board of Directors. In the vote on the election of the directors (Proposal 1), you may vote "For" all or some of the nominees or your vote may be "Withheld" with respect to one or more of the nominees. For the proposals to ratify the selection of the Company's independent registered accounting firm (Proposal 2), you may vote "For", "Against," or "Abstain".

Quorum. A quorum is necessary to hold a valid meeting. If shareholders entitled to cast at least a majority of all the votes entitled to be cast at the annual meeting are present in person or by proxy, a quorum will exist. Shares represented by proxies containing an abstention as to any matter will be treated as shares that are present and entitled to vote for purposes of determining a quorum. Similarly, shares held by brokers or nominees for the accounts of others as to which voting instructions have not been given for that matter and for which the broker does not have discretionary voting authority for that matter ("Broker Non-Votes") will be treated as shares that are present and entitled to vote for purposes of determining a quorum. Brokers may exercise discretion to vote shares as to which instructions are not given with respect to the proposals regarding the election of directors and the ratification of the selection of the independent registered accounting firm.

Voting Requirements to Approve Each Proposal. The eight nominees for election as directors who receive the greatest number of votes cast will be elected directors. There is no cumulative voting for the Company's directors. The proposal to ratify the appointment of PricewaterhouseCoopers LLP as the Company's independent registered

accounting firm will be approved under Washington law if the number of votes cast "For" the matter exceeds the number of votes cast "Against" the matter.

Effect of Abstentions, Withheld Votes and Broker Non-Votes. Abstentions, withheld votes and Broker Non-Votes will have no practical effect in the election of directors and in the ratification of appointment of PricewaterhouseCoopers LLP because abstentions, withheld votes and Broker Non-Votes do not represent votes cast "For" or "Against" the respective proposal.

Record Date. Shareholders of record at the close of business on April 1, 2008, are entitled to vote at the annual meeting. On April 1, 2008, the Company had 44,311,702 shares of common stock outstanding. Each share of common stock entitles the holder thereof to one vote.

Discretionary Authority. If any nominee for director is unable to serve or for good cause will not serve, or if any matters not specified in this proxy statement come before the meeting, eligible shares will be voted as specified by the named proxies pursuant to discretionary authority granted in the proxy. At the time this proxy statement was printed, we were not aware of any other matters to be voted on.

Solicitation of Proxies. Proxies may be solicited by officers, directors and regular supervisory and executive employees of the Company, none of whom will receive any additional compensation for their services.

Mailing and Forwarding of Proxy Materials. On or about April 14, 2008, we mailed this proxy statement and the enclosed proxy card to shareholders. We will arrange with brokerage firms and other custodians, nominees and fiduciaries to forward proxy solicitation material to certain beneficial owners of the common stock and will reimburse such brokerage firms, custodians, nominees and fiduciaries for reasonable out-of-pocket expenses that they incur as a result of forwarding the proxy materials.

Executive Offices. The principal executive office of the Company is located at 1015 A Street, Tacoma, Washington 98402. The mailing address of the principal executive office is P.O. Box 2910, Tacoma, Washington 98401. The telephone number for the Company is (253) 383-9101.

PROPOSAL 1. ELECTION OF DIRECTORS

The Company's directors are elected each year at the annual meeting of shareholders to serve until their successors are elected and qualified, or until they resign or are removed or are otherwise disqualified to serve. The Company's Board of Directors currently consists of eight directors. The Board of Directors has nominated the following persons for election as directors, all of whom are currently directors. **The Board of Directors recommends a vote for each of the nominees.** Proxies cannot be voted for a greater number of persons than the number of nominees named. The nominees are as follows:

Steven C. Cooper, 45, has served as a Director and the Company's Chief Executive Officer since 2006, and has served as President since 2005. From 2001 to 2005, Mr. Cooper served as the Company's Executive Vice President and Chief Financial Officer. Prior to joining the Company in 1999, Mr. Cooper held senior management positions in various professional services organizations, and with a NYSE-listed retail company.

Keith D. Grinstein, 47, has served as a Director of the Company since 2004. He has held a number of senior executive positions at Nextel International, Inc., a telecommunications company, serving as its President and Chief Executive Officer from 1996 to 1999 and a member of its Board of Directors from 1996 until 2002. Mr. Grinstein's other past experience includes positions at AT&T Wireless Services, Inc. (formerly McCaw Communications). He is currently a Partner of Second Avenue Partners, a venture capital fund, and a Director of F5 Networks, Inc., Coinstar, Inc., and Car Toys, Inc.

Thomas E. McChesney, 61, has served as a director of the Company since 1995. Since 2004, Mr. McChesney has been President of SR Footwear, LLC. From 1998 to 2005, he was Director of Investment Banking with Blackwell Donaldson and Company. He is also a Director of Nations Express, Inc. and Stonestreet One, Inc.

Gates McKibbin, 61, has served as a Director of the Company since 2001. Since 1996, Ms. McKibbin has been self-employed as a consultant developing comprehensive strategy and leadership programs for large,

nationally respected organizations. Prior to 1996 Ms. McKibbin held numerous executive and consulting positions.

Joseph P. Sambataro, Jr., 57, has served as a Director since 2000. Mr. Sambataro served as the Company's Chief Executive Officer from 2001 until 2006, and served as the Company's President from 2001 until 2005. Mr. Sambataro joined the Company in 1997 and served as Chief Financial Officer, Treasurer and Assistant Secretary until 2001 and as Executive Vice President until March 2001. Prior to joining the Company, he worked with BDO Seidman, LLP, KPMG Peat Marwick and in senior management of biotechnology firms in Seattle.

William W. Steele, 71, has served as a Director of the Company since 2001. Mr. Steele is currently a Director, Audit Committee member, and Chairman of the Executive Committee of ABM Industries, a large facilities services contractor traded on the New York Stock Exchange. In the course of his 43-year career with ABM Industries, Mr. Steele was appointed its President in 1991 and its Chief Executive Officer in 1994, and served in those capacities until his retirement in October of 2000.

Robert J. Sullivan, 77, has served as Chairman of the Board of the Company since 2000 and as a Director since November 1994. Mr. Sullivan's career included 12 years at American Express Company and related companies, where he served as a Financial Officer and Division General Manager. He served three years as Chief Financial Officer of Cablevision, Inc., and was general manager of the Long Island cable television system. He also spent 10 years as a financial consultant to small businesses, including TrueBlue from 1993 to 1994.

Craig E. Tall, 62, has served as a Director of the Company since 2006. Mr. Tall has been employed by Washington Mutual since 1985 and has served as the Vice Chair of Corporate Development for Washington Mutual since 1999. Mr. Tall was a member of Washington Mutual's Executive Committee from 1985 to 2005. Mr. Tall's management responsibilities included a variety of assignments, such as mergers and acquisitions, commercial banking, consumer finance, managing Washington Mutual's life insurance company, strategic planning, and real estate. Before joining Washington Mutual, Mr. Tall was president of Compensation Programs, Inc., a national employee benefits consulting firm.

PROPOSAL 2. RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee of the Board of Directors has appointed PricewaterhouseCoopers LLP as the independent registered public accounting firm to audit the Company's consolidated financial statements for the fiscal year ending December 26, 2008. Services provided to the Company and its subsidiaries by PricewaterhouseCoopers LLP in fiscal 2007 and 2006 are described under "Fees Paid to Independent Registered Public Accountant Firm for the 2007 and 2006 Fiscal Years" below. Representatives of PricewaterhouseCoopers LLP will be present at the annual meeting to make a statement, if they desire to do so, and respond to appropriate questions by shareholders. The ratification of the Board's selection of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending December 26, 2008, will be approved if the number of votes cast in favor of the ratification exceeds the numbers of votes cast against ratification. **Proxies will be voted "FOR" the ratification of the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for fiscal 2008 unless other instructions are indicated on your proxy.** In the event shareholders do not ratify the appointment, the Audit Committee will reconsider the appointment. The Audit Committee reserves the right to change its independent registered public accounting firm without seeking shareholder approval if it determines that such change is in the best interests of the Company.

Fees Paid to Independent Registered Public Accountant for Fiscal Years 2007 and 2006

PricewaterhouseCoopers provided audit and other services in the following categories and was paid the following amounts:

	2007	2006
Audit fees: (1)	$ 1,389,317	$ 1,799,877
Audit-related fees: (2)	$ 569,041	$ 151,877

Tax fees: (3)	$ 58,907	$ 19,382
All other fees: (4)	$ 0	$ 3,900

(1) Audit fees for the 2007 and 2006 fiscal years were for services rendered for the audits of the consolidated financial statements included in the Company's Annual Reports on Form 10-K, quarterly reviews of the financial statements included in the Company's Quarterly Reports on Form 10-Q, reviews of internal controls over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act and other Securities and Exchange Commission filings including consents, comfort letters, and other assistance required to complete the year-end audit of the consolidated financial statements.

(2) All audit-related fees for the 2007 and 2006 fiscal years were for due diligence related to mergers and acquisitions activity.

(3) Tax fees include consultation on tax compliance, tax advice, and tax planning.

(4) All other fees for the 2007 and 2006 fiscal years include subscriptions to accounting research services.

The services described above were approved by the Audit Committee pursuant to the policy described below; the Audit Committee did not rely on any of the exceptions to pre-approval under Rule 2-01(c)(7)(i)(C) under Regulation S-X.

Policy on Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of Independent Registered Public Accounting Firm

The Audit Committee pre-approves all audit and non-audit services provided by the independent registered public accounting firm prior to the engagement of the independent accountants with respect to such services. The Company's independent accountants may be engaged to provide non-audit services only after the Audit Committee has first considered the proposed engagement and has determined in each instance that the proposed services are not prohibited by applicable regulations, and that the accountants' independence will not be materially impaired as a result of having provided such services. In making this determination, the Audit Committee shall take into consideration whether a reasonable investor, knowing all relevant facts and circumstances would conclude that the accountants' exercise of objective and impartial judgment on all issues encompassed within the accountants' engagement would be materially impaired. The Audit Committee may delegate its approval authority to pre-approve services provided by the independent accountants to one or more of the members of the Audit Committee, provided that any such approvals are presented to the Audit Committee at its next scheduled meeting.

CORPORATE GOVERNANCE

Corporate Governance Guidelines

The Company has adopted Corporate Governance Guidelines (the "Guidelines") which are available at www.TrueBlueInc.com by first clicking "Investors," then "Corporate Governance" and then "Guidelines." The Guidelines are also available in print to any shareholder who requests them. The Guidelines were adopted by the Board to best ensure that the Board is independent from management, that the Board adequately performs its function as the overseer of management, and to help ensure that the interests of the Board and management align with the interests of the shareholders.

On an annual basis, each Director and executive officer is obligated to complete a Director and Officer Questionnaire which requires disclosure of any transactions with the Company in which the Director or executive officer, or any member of his or her immediate family, have a direct or indirect material interest.

Related Person Transactions

The Board has adopted a Related Person Transaction Policy that is attached as Exhibit A to the Guidelines which sets forth the policies and procedures for the review and approval or ratification of Related Person Transactions, which is defined to include transactions, arrangements or relationships in which the Company is a participant, the amount involved exceeds $120,000 and a Related Person had or will have a direct or indirect material interest. Related Persons is defined to include directors, executive officers, director nominees, beneficial owners of more than 5% of the Company s common stock and members of their immediate families. A Related Person Transaction must be reported to the Company s General Counsel and reviewed and approved by the Corporate Governance and Nominating Committee (the Governance Committee). Under certain circumstances a transaction may be approved by the Chair of the Governance Committee subject to ratification by the full Committee at its next meeting. In determining whether to approve or ratify a Related Person Transaction, the Committee, as appropriate, shall review and consider:

- the Related Person s interest in the Related Person Transaction;
- the approximate dollar value of the amount involved in the Related Person Transaction;
- the approximate dollar value of the amount of the Related Person s interest in the Related Person Transaction without regard to the amount of any profit or loss;
- whether the Related Person Transaction was undertaken in the ordinary course of business of the Company;
- whether the Related Person Transaction with the Related Person is proposed to be, or was, entered into on terms no less favorable to the Company than terms that could have been reached with an unrelated third party;
- the purpose of, and the potential benefits to the Company of, the Related Person Transaction; and
- any other information regarding the Related Person Transaction or the Related Person in the context of the proposed Related Person Transaction that would be material to investors in light of the circumstances of the particular transaction.

After reviewing all facts and circumstances the Governance Committee may approve or ratify the Related Person Transaction only if it determines that the transaction is in, or is not inconsistent with, the best interests of the Company.

Certain Relationships and Related Transactions

None.

Director Independence

The Board affirmatively determines the independence of each Director and nominee for election as a Director in accordance with criteria set forth in the Guidelines, which include all elements of independence set forth in the New York Stock Exchange listing standards and related Securities and Exchange Commission Rules and Regulations. At a portion of each Board meeting or as part of the Governance Committee meetings, the independent Directors meet in executive session without management or any non-independent Directors present.

Based on these standards, at its meeting held on February 11, 2008, the Governance Committee and the Board determined that each of the following non-employee Directors is independent and has no material relationship with the Company, except as a Director and shareholder of the Company:

- Robert J. Sullivan
- Keith D. Grinstein

- Thomas E. McChesney
- Gates McKibbin
- William W. Steele
- Craig E. Tall

In making their determinations the Governance Committee and the Board reviewed the following transactions, relationships or arrangements which were determined to be immaterial and not to impair the independence of the respective directors: (i) the Company has retained a law firm with which an adult daughter of Mr. Sullivan has an "Of Counsel" relationship (i.e., no equity interest or management role) and with respect to which engagement his daughter will not receive any compensation or other benefit; and (ii) Mr. Steele is a director of ABM Industries, which is a customer and vendor of the Company for services that were less than 2% of ABM's consolidated revenues during 2007.

In addition, based on the New York Stock Exchange Rules, the Board affirmatively determined that: (a) Steven C. Cooper is not independent because he is the Chief Executive Officer of the Company, and (b) Joseph P. Sambataro, Jr. is not independent because he was the Chief Executive Officer of the Company until his retirement effective May 17, 2006.

Nominations for Directors

Qualifications of Nominees

Our Guidelines include the criteria our Board believes are important in the selection of director nominees. While the Board has not established any minimum qualifications for nominees, the Board does consider the composition of the Board as a whole, the requisite characteristics (including independence, diversity, experience in industry, finance, administration and operations) of each candidate, and the skills and expertise of its current members while taking into account the overall operating efficiency of the Board and its committees.

Nominee Identification and Evaluation

The Governance Committee may employ a variety of methods for identifying and evaluating nominees for director. The Governance Committee regularly assesses the size of the Board, the need for particular expertise on the Board, the need for diversity on the Board, and whether any vacancies on the Board are expected due to retirement or otherwise. In the event that vacancies are anticipated or arise, the Governance Committee considers various potential candidates for director which may come to the Governance Committee's attention through current Board members, professional search firms, shareholders or other persons. These candidates will be evaluated at regular or special meetings of the Governance Committee and may be considered at any time during the year.

The Governance Committee will consider candidates recommended by shareholders when the nominations are properly submitted. Following verification of the shareholder status of persons proposing candidates, the Governance Committee will make an initial analysis of the qualifications of any candidate recommended by shareholders or others pursuant to the criteria summarized above to determine whether the candidate is qualified for service on the Board before deciding to undertake a complete evaluation of the candidate. If a shareholder or professional search firm in connection with the nomination of a director candidate provides any materials, such materials will be forwarded to the Governance Committee as part of its review. If the Governance Committee determines that additional consideration is warranted, it may engage a third-party search firm to gather additional information about the prospective nominee's background and experience and to report its findings to the Governance Committee. Other than the verification of compliance with procedures and shareholder status, and the initial analysis performed by the Governance Committee, the Governance Committee will treat a potential candidate nominated by a shareholder like any other potential candidate during the review process. In connection with this evaluation, the Governance Committee will determine whether to interview the prospective nominee. If warranted, one or more members of the Governance Committee, and others as

appropriate, will interview prospective nominees in person or by telephone. After completing this evaluation and interview, the Governance Committee will make a recommendation to the full Board as to the persons who should be nominated by the Board, and the Board will determine the nominees after considering the recommendation and report of the Governance Committee.

Nominations by Shareholders

The Governance Committee will consider director candidates recommended by shareholders on the same basis as are candidates recommended by the Governance Committee. On May 17, 2007, the Company adopted a Bylaw requiring notice of shareholder proposals and nominations for director. Any shareholder wishing to nominate a candidate should provide the following information in a letter addressed to the Chairman of the Governance Committee in care of the Company's General Counsel no later than 120 days and no earlier than 180 days prior to the one year anniversary of the date the proxy statement was mailed in connection with the most recent annual meeting (nominations for the 2009 annual meeting must be submitted between October 16, 2008 and December 15, 2008):

- the name and address of the shareholder recommending the person to be nominated;
- a representation that the shareholder is a holder of record of stock of the Company, including the number of shares held and the period of holding;
- a description of all arrangements or understandings between the shareholder and the recommended nominee;
- information as to any plans or proposals of the type required to be disclosed in Schedule 13D (including, without limitation, plans involving acquisitions of the Company's securities and/or plans involving a potential merger or change of control transaction) and any proposals that the nominee proposes to bring to the Board of Directors if so elected;
- any other information regarding the recommended nominee as would be required to be included in a proxy statement filed pursuant to Regulation 14A promulgated by the Securities Exchange Commission pursuant to the Securities Exchange Act of 1934 (the "Exchange Act"); and
- the consent of the recommended nominee to serve as a director of TrueBlue if so elected.

Additional information may be requested to assist the Governance Committee in determining the eligibility of a proposed candidate to serve as a director. This may include requiring that a prospective nominee complete a director and officer questionnaire and provide any follow-up information requested. In addition, the notice must meet all other requirements contained in TrueBlue's Bylaws.

Shareholder Communications

Any shareholder or interested party who wishes to communicate with our Board of Directors or any specific directors, including non-management directors, may write to:

Board of Directors
TrueBlue, Inc.
c/o Corporate Secretary
P.O. Box 2910
Tacoma, WA 98401

The mailing envelope must contain a clear notation indicating that the enclosed letter is a "Board Communication" or "Director Communication." All such letters must indicate whether or not the author is a shareholder and clearly state whether the intended recipients are all members of the Board or just certain specified individual directors. The General Counsel will make copies of all such letters and circulate them to the appropriate director or directors. If the Company develops any other procedures, they will be posted on the

Company's corporate website. Procedures addressing the reporting of other concerns by shareholders, employees or other third parties are set forth in our Code of Business Conduct and Ethics (described below).

Code of Business Conduct and Ethics

Our Code of Business Conduct and Ethics is applicable to all directors and employees of the Company. Our Code of Business Conduct and Ethics is available at www.TrueBlueInc.com by clicking on "Investors," then "Corporate Governance" and then "Code of Business Conduct." Shareholders may also request a free printed copy of the Code of Business Conduct and Ethics from:

TrueBlue, Inc.
c/o Investor Relations
P.O. Box 2910
Tacoma, WA 98401

The Company intends to disclose any amendments to the Code of Business Conduct and Ethics (other than technical, administrative or non-substantive amendments), and any waivers of a provision of the Code of Business Conduct and Ethics for directors or executive officers, on the Company's website at www.TrueBlueInc.com. Information on the Company's website, however, does not form a part of this proxy statement.

New York Stock Exchange Certification

The certification of the Chief Executive Officer required by the New York Stock Exchange Listing Standards, Section 303A.12(a), relating to TrueBlue's compliance with the New York Stock Exchange Corporate Governance Listing Standards, was submitted to the New York Stock Exchange on June 20, 2007. In addition, the Company's CEO and CFO certifications required under Section 302 of the Sarbanes-Oxley Act are filed as exhibits to the Company's Annual Report on Form 10-K.

Corporate Governance Quotient

The Company has received information from Institutional Shareholders Services (ISS) that its Corporate Governance Quotient (CGQ) exceeds the CGQ for 67% of the companies included in the Standard & Poors' SmallCap 600 companies and 83% of the companies included in the S&P Commercial Services & Supplies industry classification.

MEETINGS AND COMMITTEES OF THE BOARD

The Board

Each Director is expected to devote sufficient time, energy and attention to ensure diligent performance of his or her duties and to attend all Board, committee and shareholders' meetings. The Board met 14 times during 2007, 13 of which were regular meetings, and one was a special meeting. All Directors attended at least 75% of the meetings of the Board and of the committees on which they served during the fiscal year ended December 28, 2007. Directors are expected to attend the annual meetings and special meetings of shareholders, if any. All of the Directors attended the 2007 Annual Meeting of Shareholders on May 16, 2007.

Committees of the Board

The Board has three standing committees to facilitate and assist the Board in the execution of its responsibilities. The committees are currently the Audit Committee, the Compensation Committee and the Governance Committee. In accordance with New York Stock Exchange listing standards, all the committees are comprised solely of non-employee, independent Directors. Charters for each committee are available on the Company's website at www.TrueBlueInc.com by first clicking on "Investors" and then "Corporate Governance." The charter of each committee is also available in print to any shareholder who requests it. The table below shows current membership for each of the standing Board committees. The Board has also appointed an Executive Committee, to which is delegated the authority to act on behalf of the Board as necessary when the Board is not

in session and it would be impracticable to call a meeting of the Board. The Executive Committee, which currently consists of Mr. Sullivan, who chairs the committee, and Messrs. McChesney, Steele, Grinstein, and Sambataro, did not meet during fiscal year 2007.

Audit	Compensation	Governance
Keith D. Grinstein*	Thomas E. McChesney*	William W. Steele*
Gates McKibbin	William W. Steele	Keith D. Grinstein
Robert J. Sullivan	Craig E. Tall	Thomas E. McChesney
		Gates McKibbin
		Robert J. Sullivan
		Craig E. Tall

* Chair

Audit Committee

The Audit Committee has three members and met six times in fiscal 2007. The Audit Committee is comprised solely of non-employee Directors, all of whom the Board has determined are independent pursuant to the New York Stock Exchange rules and the independence standards set forth in Rule 10A-3 of the Exchange Act. The Governance Committee and the Board have determined that all the members of the Audit Committee are financially literate pursuant to the New York Stock Exchange rules. The Board also has determined that Messrs. Grinstein and Sullivan of the Audit Committee are Audit Committee Financial Experts within the meaning stipulated by the Securities and Exchange Commission. The Board has adopted a charter for the Audit Committee which is available at www.TrueBlueInc.com by first clicking on "Investors" and then "Corporate Governance." The charter is also available in print to any shareholder who requests it.

Governance Committee

The Governance Committee has six members and met six times in fiscal 2007. The Committee is comprised solely of non-employee Directors, all of whom the Board has determined are independent pursuant to the New York Stock Exchange rules. The Board has adopted a charter for the Governance Committee, which is available on the Company's website at www.TrueBlueInc.com by first clicking on "Investors" and then "Corporate Governance." The charter is also available in print to any shareholder who requests it.

Compensation Committee

The Compensation Committee has three members and met six times in fiscal 2007. The Compensation Committee is comprised solely of non-employee Directors, all of whom the Board has determined are independent pursuant to the New York Stock Exchange rules. The Board has adopted a charter for the Compensation Committee, which is available on the Company's website at www.TrueBlueInc.com by first clicking on "Investors" and then "Corporate Governance." The charter is also available in print to any shareholder who requests it. Additional information regarding the Compensation Committee and its procedures and processes for the consideration and determination of executive and director compensation are included under the Compensation Discussion and Analysis section of this proxy statement.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act, requires the Company's officers and directors and certain other persons to timely file certain reports regarding ownership of, and transactions in, the Company's securities with the Securities and Exchange Commission. Copies of the required filings must also be furnished to the Company. Based solely on its review of such forms received by it, or representations from certain reporting persons, the Company believes that during 2007 all applicable Section 16(a) filing requirements were met, and that all such filings were timely, except for a late Form 4 filing for Mr. Sambataro. Mr. Sambataro's late Form 4 filing was filed to report the sale of stock on April 25, 2007.

Compensation of Directors

Annual Retainers

The Chairman of the Board of Directors, if not an employee of the Company, receives an annual retainer of $60,000. Committee chairs receive an annual retainer of $40,000. All other non-employee directors receive an annual cash retainer of $30,000.

Meeting Fees

Each non-employee director receives meeting fees for attendance during each regular or special Board of Directors or committee meeting in accordance with the schedule below.

Meeting	In Person	Telephonic
Board of Directors	$1,500	$750
Audit Committee Chair	$1,500	$750
Audit Committee	$1,250	$625
Compensation Committee Chair	$1,250	$625
Compensation Committee	$1,250	$625
Executive Committee	$1,250	$625
Corporate Governance Chair	$1,250	$625
Corporate Governance Committee	$1,250	$625

Equity Grants

Each non-employee director receives an annual grant of unrestricted common stock worth $100,000. The Chairman of the Board of Directors receives an additional $96,000 grant and each committee chair receives an additional $25,000 grant. In 2006 the value of each grant was based on the mean between the high and low stock prices on the first trading day in January of each year. Beginning in 2007, the Company changed its practice and will now price and determine the number of shares of each annual grant of vested common stock based on the closing price on the second full trading day after the announcement of the Company's fourth quarter and year-end financial results. Non-employee Directors appointed during the year are entitled to receive a pro rata grant as follows: 100% if appointed prior to the first quarterly meeting, 75% if appointed prior to the second quarterly meeting, 50% if appointed prior to the third quarterly meeting, and 25% if appointed prior to the last quarterly meeting of the year.

Non-Employee Director Compensation

The following table discloses the cash, equity awards and other compensation earned by each of the Company's non-employee directors during the last completed fiscal year.

Name	Fees Earned or Paid in Cash	Stock Awards (1)	Option Awards	Non-Equity Incentive Plan Compensation	Change in Pension Value and Nonqualified Deferred Compensation Earnings	All Other Compensation	Total
Keith D. Grinstein	$69,875	$125,000					$194,875
Thomas E. McChesney	$67,375	$125,000					$192,375
Gates McKibbin	$59,010	$100,000					$159,010
	$67,207	$125,000					$192,207

William W. Steele							
Robert J. Sullivan	$89,690	$196,000					$285,690
Craig E. Tall	$55,375	$100,000					$155,375
Joseph P. Sambataro, Jr.	$56,750	$100,000					$156,750

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(1) Reflects the dollar value of stock awards granted to the named non-employee directors, which amount is also the dollar amount recognized by the Company for financial statement reporting purposes for the 2007 fiscal year in accordance with SFAS 123R.

EXECUTIVE OFFICERS

The names, ages and positions of the current non-director executive officers of the Company are listed below, along with their prior business experience. No family relationships exist among any of the directors or executive officers of the Company.

Robert P. Breen, 43, has served as Vice President of Strategic Planning and Financial Analysis since 2003. Prior to that time, Mr. Breen served as Director of Financial Planning and Analysis and held other positions within the finance area since joining the Company in 1997. Prior to that, Mr. Breen spent eight years in public accounting with BDO Seidman, LLP.

James E. Defebaugh, 53, has served as Executive Vice President, General Counsel and Secretary of the Company since 2006, after serving as Vice President, General Counsel and Secretary of the Company since joining the Company in 2005. Prior to joining TrueBlue, Mr. Defebaugh served as Senior Vice President and Chief Compliance Officer of Sears Holdings Corporation (2005). Prior to joining Sears Holdings, Mr. Defebaugh held various positions with Kmart Holding Corporation, including Senior Vice President and Chief Legal Officer (2004-2005), Senior Vice President and Chief Compliance Officer (2002-2004), Vice President and Corporate Secretary (2001-2002), and Vice President, Legal (2001).

Timothy P. Dyn, 41, has served as Vice President, Spartan Staffing since the Company acquired Spartan Staffing in 2004. Prior to the acquisition, Mr. Dyn was Vice President of Spartan Staffing from 2000 to 2004. Mr. Dyn owned and operated staffing companies from to 1994 to 2000, and prior to that had worked for Rawlings Sporting Goods in various finance and accounting positions.

Derrek L. Gafford, 37, has served as the Company's Executive Vice President and Chief Financial Officer since 2006, after serving as Vice President and Chief Financial Officer since 2005 and served as the Company's Vice President of Finance and Accounting beginning in 2004. Mr. Gafford is a Certified Public Accountant and first joined the Company in 2002 serving as Vice President and Treasurer. Prior to joining the Company, Mr. Gafford served as Chief Financial Officer for Metropolitan Markets, a grocery retailer, from 2001 to 2002 and held a variety of finance positions with Albertsons from 1995 to 2001. Previous to that, he worked for Deloitte & Touche LLP.

Wayne Larkin, 42, has served as Executive Vice President for Operations since 2007. Prior to this position, he was Senior Vice President for Operations in 2006, after serving as a Regional Vice President for Operations since 2005. Mr. Larkin originally joined the Company as a District Manager in 1996 and then was promoted in 1998 to Area Director of Operations. Between 1999 and 2002, Mr. Larkin worked for Staffmark, serving first as a Business Development Manager and then as a General Manager. Mr. Larkin rejoined the Company in 2002. Prior to working for the Company, Mr. Larkin held various management positions with Avis Rent-A-Car.

Richard L. Mercuri, 61, has served as Vice President, Human Resources and Organizational Development since June 2006. Prior to this assignment Mr. Mercuri served as Vice President of Human Resources and Organizational Development for CLP Resources beginning in September 2004. He has over 25 years of senior level human resources experience in both Fortune 200 and global consulting practices. Mr. Mercuri holds a Ph.D.

in Business Management and Organizational Development.

Billie R. Otto, 41, has served as Vice President and Chief Information Officer since 2004. Ms. Otto has been with TrueBlue since 1998, serving as Vice President and Corporate Controller prior to her current role. Prior to joining TrueBlue, Ms. Otto worked in public accounting with the firm now known as RSM McGladrey from 1990 to 1998.

Noel S. Wheeler, 67, has served as the President and CEO of CLP Resources since 1999. From 1994 to 1999, he was President and COO of TRS Staffing Solutions, Inc., a wholly-owned staffing subsidiary of Fluor Daniel, Inc. Mr. Wheeler joined Kelly Services in 1984, where he established their international division in 1988 and served as Senior Vice President until 1994. From 1980 to 1984, Mr. Wheeler managed his own staffing company in Canada, following 12 years with staffing company Drake International, Inc. from 1968 to 1980, where he served in a variety of management positions in Asia/Oceania, Europe and North America.

COMPENSATION DISCUSSION AND ANALYSIS

The Compensation Committee

Compensation for our executives is determined by the Compensation Committee (the "Committee") which consists of Thomas McChesney, Chair, William Steele and Craig Tall. As discussed under the "Corporate Governance" section, each of the members satisfies all of the independence requirements of the New York Stock Exchange. Each member also meets applicable requirements under the regulations issued by the Securities and Exchange Commission as "non-employee directors" and the Internal Revenue Service as "outside directors." Our Chief Executive Officer, Chief Financial Officer and the other executive officers identified in the Summary Compensation Table, below, are referred to as "named executive officers."

The mission of the Committee, as stated in its Charter, is "to further shareholder value by helping to create compensation plans that provide financial incentives to employees for producing results that fairly reward shareholders."

The Committee has regularly scheduled in-person meetings each quarter and has additional in-person or telephonic meetings as appropriate. During 2007 the Committee met six times. The agenda for each meeting is set by the Chair. The Committee has full authority to directly retain the services of outside counsel and compensation consultants and has done so on a regular basis. Our Chief Executive Officer and other named executive officers have attended portions of Committee meetings in order to provide information and help explain data relating to matters under consideration by the Committee but are not present during deliberations or determinations of their respective compensation or during executive sessions which occur in connection with each meeting. Outside counsel also regularly attends Committee meetings.

Prior to each regular meeting the Committee receives meeting materials including the agenda, minutes from prior meetings, a summary of outstanding equity awards and other briefing and background materials relating to agenda items. The briefing materials include tally sheets for each of our named executive officers, which are made available to the Committee for each meeting at which the Committee considers material changes to existing compensation arrangements or exercises discretion under existing plans. The tally sheets summarize (i) all material aspects of the executive compensation program for each named executive officer for the last two full years as well as year-to-date information for the current year including base salary, cash awards under the short-term incentive plan, equity awards (restricted stock and option grants) under the long-term incentive plan and all other miscellaneous compensation and benefits; (ii) equity ownership information for the last two years and the current year including current holdings, option vestings and exercises, restricted stock vestings, and any other purchases or sales of our stock; and (iii) amounts payable to named executive officers in the event of termination under various scenarios, including voluntary and involuntary termination with and without cause or good reason. The regular availability of tally sheets is intended to provide the Committee with up to date and relevant information so that the Committee members can assess the effect of individual decisions and new proposals in the context of the existing programs and prior awards and benefits taken as a whole.

Objectives of the Executive Compensation Programs

The objective of our compensation program for our executive officers is to provide significant incentives which attract, motivate, and retain key executives and reward them for developing and pursuing the strategies and obtaining the objectives proposed by management and set by the Board with the overall objective of producing fair long-term rewards for our shareholders. Our compensation programs are annually reviewed and modified, as appropriate, in order to be closely integrated with Company strategies and objectives for the ultimate purpose of growing shareholder value on a long-term basis.

Our current compensation programs are the result of decisions made by the Committee during the last four years. In December 2003, the Committee directly engaged an outside compensation consultant who is currently with Mercer Human Resources Consulting, LLC (Mercer), to advise on restructuring the Company's short-term and long-term incentive plans for senior executives. The consultant and her colleagues did extensive research and analysis and met with the Committee numerous times over a period of months. The Committee has continued to

work with the same consultant in revising and implementing our executive compensation programs. Based on the Board's feedback and further research, the Committee prepared final recommendations for executive base compensation and short-term and long-term executive incentive plans that were approved by all of the independent members of the Board of Directors in March 2004. The three primary elements of the compensation program – base salary, short-term incentive and long-term incentive – were developed together to support the Company's objectives and each element of the compensation programs have been reviewed annually by the Committee to determine whether the individual elements and their collective effect are continuing to further the Company's objectives. Other than minor modifications the programs have been consistent during the last four years.

Compensation Philosophy

Our compensation philosophy is to base a significant portion of executive compensation on the Company's overall performance, but both the short-term and long-term incentive plans also provide mechanisms for adjustments based on the Committee's independent evaluation of the individual performance of each executive. As discussed in the next section, the short-term incentive plan and the stock option portion of the long-term incentive plan are by design directly linked to Company performance, while the restricted stock portion of the long-term incentive plan provides a continual incentive to increase the long-term value of the Company's stock regardless of the stock value at the time of grant. The combination of base salaries and the short-term and long-term incentive plans are intended to provide an opportunity for executives to earn competitive compensation which over time will correlate with overall Company performance. The three components are designed to provide executive compensation that is competitive with the long-term goal of placing the executives at or near the mid-point for total compensation received for comparable positions at the companies included in the surveys and studies described below.

Assuming that an executive earns the maximum short-term and long-term incentives, the ratio of the two incentive components to base salary (as of the time each is established) have historically been as follows:

2007 Interrelationships of Compensation Components

Officer	Base Salary	Maximum Short-Term Incentive	Maximum Long-Term Equity Incentive
Chief Executive Officer	1.0	0.5	1.5
Other Named Executive Officers	1.0	0.5	1.2

As discussed below, in order to improve the Company's competitive position, the Committee has modified the relative compensation components for 2008 so that the short-term incentive if fully earned could represent as much as 0.9 of base salary for the CEO and 0.6 for the other named executive officers, while the Long-Term Equity Incentive awards are being set at 1.5 of base salary for the CEO and 1.0 for the other named executive officers.

However, the actual values obtained under either the short-term or long-term incentives may vary significantly depending on the performance of the Company in the case of the short-term incentive and specifically our stock in the case of the long-term incentive awards.

Based on all information available, the Committee concluded at the time the plans were instituted and continues to believe that the levels of compensation obtainable under its compensation programs, especially taking into account the variable nature of the short-term and long-term incentive plans, represent an appropriate balance between what is needed to attract, retain and motivate executives and what is fair to the Company's shareholders.

Design of Compensation Programs

The three major elements to our compensation program – base salary, the short-term incentive plan and the long-term incentive plan – are reviewed and determined annually and presently consist of the following components:

Base Salaries

The base salaries of the named executive officers paid in 2007 were largely based on a study the Committee undertook in 2004. The Committee directly retained the compensation consultant identified above and together reviewed three different compensation surveys involving companies in related industries with similar annual revenues. The surveys were national surveys published by Mercer Human Resource Consulting, Watson Wyatt Data Services and Economic Research Institute. Due to the limited number of businesses of a similar size and complexity to the Company in the temporary staffing industry, the study focused on published survey data rather than a proxy peer group and used a slightly broader industry – Professional and Business Services. After review of the information provided by the consultant retained by the Committee, discussions with the then Chief Executive Officer solely with respect to the other executive officers, and the application of the collective subjective judgments of the Committee relating to each executives' prior performance and experience, base salaries were set for 2005 in December 2004 at levels generally at or near the mid-point for the combined three surveys.

The Committee's policy is to review base salaries every two years, so no general changes were made to the salary structure for 2006, except in the case of Mr. Cooper who was first promoted from Chief Financial Officer to President on September 16, 2005, and to Chief Executive Officer on May 17, 2006. In each case his base salary was increased to a level consistent with the 2004 study taking into account his new position and his experience. Similarly the Committee has established base salaries for named executives who were hired or promoted during 2006 at levels and on a basis consistent with the 2004 study. At management's request, which the Committee accepted, no changes were made for base salaries for 2007.

In 2007, base salaries for the named executive officers as a group totaled $1,200,003 or 42% of "Total Compensation" as calculated for the Summary Compensation Table below

At its September 2007 meeting the Compensation Committee received a presentation from Mercer relating to base salaries and short-term incentive targets. The presentation was based on information compiled from both published salary surveys and a peer group compiled by Mercer based on input from Committee members. The following companies were selected. Although they differ in many respects from TrueBlue they were selected because they are engaged in staffing or functionally similar industries operate national branches and share similar revenue, market cap, total assets and core employee demographics:

ABM Industries Inc.	MPS Group Inc.
Administaff Omc/	Resources Connection Inc.
CDI Corp	RSC Holdings Inc.
Dollar Thrifty Automotive GP	Spherion Corp
G&K Services Inc.	Unifirst Corp
Hudson Highland Group Inc.	Volt Info Sciences Inc.

Kforce Inc. Westaff Inc.

The data from this peer group was combined with national published surveys compiled by Mercer (Mercer Benchmark Database) and Watson Wyatt Data Services (Top Management Compensation Report). The Committee's review of both the peer group data and the national surveys made it apparent that the base salaries and short-term target bonuses would likely produce total cash compensation which would be less than the median goal previously established by the Committee. The Committee again reviewed this subject and the relevant data at its December 2007 meeting as well as considering the background, experience, and past performance of each executive and determined that base salaries should be raised in 2008 so that the Chief Executive's base salary will be $550,000 and each of the named executive officers base salaries will be $300,000. These adjustments still result in a base salary for the Chief Executive that is below the median determined by the combined survey and peer group review and base salaries for the named executives that are on average close to but generally just below the median. The Committee concluded that the resulting salaries, taking into account the ability to earn substantially more through the short-term and long-term incentive arrangements, and also taking into account the significant challenges faced by the Company during the current economic slowdown, represented an appropriate balance and was consistent with the objective and philosophy of attaining a compensation program that is fair to both the executives and to the shareholders.

Base compensation is utilized in determining awards under both the short-term and long-term incentive plans since the awards under those plans are determined by multiplying base compensation by a percentage or factor in addition to other objective and subjective adjustments as described below.

Short-Term Incentive Plan

The short-term incentive plan was initially adopted in 2003. The Committee has made minor prospective revisions each year. Prior to the commencement of each year, the Committee establishes a Company performance target which is based on the attainment of a pre-established earnings target and which is also approved by the full Board. In 2007, net income was computed without charges for incremental share-based compensation since those charges were not comparable from year to year. This is a non-GAAP financial measure that can be calculated by adding back incremental share-based compensation and the short-term incentive awards to the Company's net income. Individual target incentive percentages are also established prior to the commencement of the year. In 2007, individual target incentive percentages were set within a range of 30% to 45% of base compensation for each named executive officer. In addition to the targets, the Committee sets a threshold point (50% of the Company performance target) below which no awards are payable and a maximum point (125% of the Company performance target) at which awards are capped. Thus, no short-term award is earned unless the Company achieves at least half of the pre-established earnings goal.

Once the base incentive award is determined, an individual multiplier between 0.5 and 1.2 may be applied. The purpose of the multiplier is to provide the Committee with the means to make adjustments for variations in individual performances based on the subjective review and determination of the Committee. In determining the multiple applicable to the Chief Executive Officer, the Compensation Committee and the Governance Committee annually evaluate the Chief Executive Officer's performance against pre-established goals and objectives. In the case of other named executive officers, the Committee receives input from the Chief Executive Officer as to the performance of all other executive officers, but the Committee makes the final decision as to each of the executive officers.

In 2007 the adjusted net after-tax profit declined by 11.7% over the adjusted net after-tax profit in 2006. This represented 0% of the Company performance target of obtaining a 20% increase in adjusted net after-tax profit and accordingly the threshold level was not attained and no short-term incentive bonuses were earned in 2007 under the general plan. Noel Wheeler, the CEO of the CLP subsidiary had 50% of his 2007 short-term incentive based on performance goals for CLP. In 2007 the adjusted net after-tax profit of CLP increased by 10.1% over the adjusted net after-tax profit in 2006. This represented 100% of CLP's performance target of obtaining a 6.1% in adjusted net after-tax profit. Based on the Company's performance target and results, no named executive officer, other than Mr. Wheeler, received a short term incentive award for 2007.

The Company performance target and the individual performance target percentages are set each year. The targets are discussed and developed as the Company's operating plan is developed and approved by the Board, typically at the September and December meetings. The Company's business has historically been closely linked to the overall economy, especially the demand for industrial temporary staffing which has historically been very volatile in that many customers cut back on the use of temporary staffing when they incur or anticipate an economic slowdown. Similarly, many customers will increase their use of temporary staffing as they anticipate and benefit from an economic recovery. In setting the Company performance target the Committee has historically taken into account the outlook for temporary staffing in the coming year as well as the Company's long-term growth goals. The Committee's policy has been to set the Company performance target at a point which represents a significant challenge for management as evidenced by the fact that no short-term incentive bonuses were earned in 2007 under the general plan. After taking into account all of these factors the Committee set the Company's 2008 performance target as an increase in net income of 10%.

The compensation surveys and peer group reviews discussed above also clearly indicated that the target bonuses applicable in 2007 were below median. Thus, even if the Company performance targets had been attained or exceeded total cash compensation would not, in the judgment of the Committee, represent the appropriate balance between proper incentives for management to achieve results which are likely to produce fair rewards for

our shareholders. In 2008, all members of the executive team will have individual performance targets of 40% of their base salary, except the CEO, who will have an individual performance target of 60%. As discussed above, any short-term incentive award will remain subject to individual multipliers ranging from 0.5 to 1.2. In 2008, Messrs Wheeler and Larkin will have 50% of their short-term incentive bonus determined by the attainment of the Company performance target and 50% based on the performance of their respective business units.

Long-Term Executive Equity Incentive Plan

The long-term executive equity incentive plan, which is designed to align the long-term interests of the named executive officers with the shareholders, was first implemented in 2004 as part of the Committee's study, consists of annual grants of restricted stock and stock options together with ownership retention requirements. The Committee, in conjunction with its consultant, after a review of data compiled from the same three compensation studies described above for base salaries, determined that the annual equity awards should be set at multiples of base compensation, ranging from 0.6 to 1.5 depending upon the executive position and experience and the subjective evaluations of the Committee. Each annual award in 2004 through 2007 consisted of restricted stock having a value equal to 50% of the annual equity award and stock options having a value equal to 50% of the annual equity award. As part of the most recent review the Committee increased the restricted stock portion to 60% and reduced the option portion to 40% for awards in 2008 for the named executive officers other than the Chief Executive Officer. The restricted stock awarded in 2004 through 2008 are generally subject to vesting equally over three years. The stock options awarded in 2004 through 2006 are generally subject to vesting equally over three years and the stock options awarded in 2007 and 2008 fully vest on the third anniversary after their grant date.

Beginning in 2007, for executives receiving over $100,000 of stock option grants, the first $100,000 worth of stock option grants is intended to qualify as incentive stock options, which provide favorable tax treatment for the executive provided that the executive satisfies the statutory holding period requirement of two years after grant and one year after exercise. Also, options granted to executives in 2007 or later cliff vest three years from the grant date. The Board of Directors continues to encourage executives to achieve and retain significant direct ownership of Company stock in addition to these specific vesting requirements.

The Committee believes that the use of both stock options and restricted stock, taking into account applicable vesting requirements, closely aligns executive compensation with the value to be received by shareholders during the same period. The option awards provide the executive with a benefit only if the value of Company shares increases over the exercise price of the options, but potentially provide greater leverage since more shares are included in an option grant than in a grant of restricted stock. The value of the restricted stock will fluctuate with the value of Company shares and provides a benefit even if the value of the Company's shares decline but has less upside potential than stock options since fewer shares are typically awarded in a restricted stock award having an equivalent initial value.

The Company will price and determine the number of shares to be received in each annual equity award based on the closing price on the second full trading day after the announcement of the Company's fourth quarter and year-end financial results. Named executive officers may also receive an equity award in connection with their initial hiring or upon a promotion. In each case the equity award is valued as of the later of the date of approval by the Board or the effective date of such hiring or promotion.

In 2007, the aggregate value of the equity awards under the long-term incentive plan to the named executive officers was $1,331,932, or 47% of "Total Compensation" as calculated for the Summary Compensation Table below. The valuation of the equity awards are based on the valuations included in the Summary Compensation Table which are determined in accordance with FASB Statement 123R as applied to the Company's financial statements.

In addition to the three basic components of the Company's compensation program, the Committee also approved Change in Control Agreements during 2006.

Total Compensation

As part of its review at meetings in September and December 2007 the Committee also concluded that the ratio between the total compensation that may be earned by the Chief Executive Officer and the total compensation that may be earned by the named executive officers, which in 2007 averaged .28 to 1.0, is in its opinion both equitable and competitive.

Change in Control Agreements

In 2006 at the suggestion of a member of the Committee, outside counsel and Mercer were engaged to assist in the development of change in control agreements. These agreements are described in greater detail under "Potential Payments upon Termination or Change in Control," below, and were approved by all of the independent directors. The change in control agreements are intended to protect the interests of the Company's shareholders by providing short-term security for the executives in the event management and the Board are presented with a business combination or other opportunity which is determined to be in the best interest of the Company's shareholders. The Committee designed the change in control agreements to achieve a balance between the benefits of providing executives with security and the potential impact on the shareholders. The major provisions included to achieve this balance include:

- the change in control agreements require a "double trigger," i.e., both a change in control and either an involuntary termination by the Company or a termination for good reason by the executive;
- the basic benefit is limited to an amount equal to two times (three times in the case of the Chief Executive Officer) the sum of (i) the executive's annual base salary rate in effect for the year in which the termination date occurs, (ii) the executive's short-term incentive target award; plus (iii) the immediate vesting of outstanding, unvested equity awards;
- the effective cost is further controlled by a "modified cap" which provides that if the "parachute" amount payable would trigger an excise tax under Section 4999 of the Internal Revenue Code then the amount required to be paid is the greater of the cut-back parachute payment or 90% of the full parachute payment after taxes;
- the Company is not obligated to pay a "gross up" in the event excise taxes are payable;
- the executives agreed to restrictive covenants including non-competition, non-solicitation, non-disparagement and confidentiality.

In addition to the three basic components of the Company's compensation program and the change in control agreements, the Committee also approved and adopted the Company's Nonqualified Deferred Compensation Plan during 2006.

Nonqualified Deferred Compensation Plan

The named executive officers, in addition to certain other eligible executives, are entitled to participate in the TrueBlue Nonqualified Deferred Compensation Plan (the "Deferral Plan"). Pursuant to the Deferral Plan, eligible employees can defer up to 50% of base salary and up to 75% of amounts received under the short-term incentive plan. Under the Deferral Plan the Company may make discretionary matching contributions which, if made, will be designed to provide a benefit generally equivalent to matching benefits that the Company generally makes available to its employees, but was not able to make under its 401(k) Plan for executive officers due to limitations that apply to highly compensated employees. Although the Company plans to invest deferred amounts in separate investment funds managed by third parties it is not required to do so and all deferred amounts are subject to the risk of loss in the event that the Company becomes insolvent. The Deferral Plan is administered by a benefits committee consisting of Company employees and named executive officers are eligible to participate on the same basis as other eligible employees. For the reasons discussed above the Committee believes that the Deferral Plan is a reasonable benefit for the named executives and does not impose any significant risk to or burden on the Company.

Tax and Accounting Implications

Deductibility of Executive Compensation

162(m) of the Internal Revenue Code limits the Company's ability to deduct certain compensation over $1 million paid to the named executives unless such compensation is based on performance objectives meeting certain criteria or is otherwise excluded from the limitation. The Committee believes that it is generally in the Company's best interests to comply with Section 162(m) and expects that most of the compensation paid to the named executives will be under the $1 million limit, eligible for exclusion (such as stock options) under the $1 million limit, or based on qualified performance objectives. However, notwithstanding this general policy, the Committee also believes that there may be circumstances in which the Company's interests are best served by maintaining flexibility in the way compensation is provided, whether or not compensation is fully deductible under Section 162(m). Accordingly, it is possible that some compensation paid to named executive officers may not be deductible, such as the restricted stock portion of the long-term executive equity incentive plan to the extent that the aggregate of non-exempt compensation exceeds the $1 million level.

Nonqualified Deferred Compensation

On October 22, 2004, the American Jobs Creation Act of 2004 was signed into law, changing the tax rules applicable to nonqualified deferred compensation arrangements by adding a new Section 409A to the Internal Revenue Code. The Company is operating in compliance with the statutory provisions regarding nonqualified deferred compensation arrangements.

Accounting for Stock-Based Compensation

Beginning on December 31, 2005, the Company began accounting for stock-based payments, including its Stock Option Program, Long-Term Stock Grant Program, Restricted Stock Program and Stock Award Program in accordance with the requirements of FASB Statement 123(R).

COMPENSATION COMMITTEE REPORT

The Compensation Committee of the Company has reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K with management and, based on such review and discussions, the Compensation Committee recommended to the Board that the Compensation Discussion and Analysis be included in this Proxy Statement.

Members of the Compensation Committee:

Thomas E. McChesney, Chair
William W. Steele
Craig E. Tall

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

The Compensation Committee is comprised entirely of independent directors. During 2007 none of the Company's executive officers served as a member of a compensation committee or board of directors of any other entity which had an executive officer serving as a member of the Company's Board of Directors.

EXECUTIVE COMPENSATION

Summary Compensation Table

The following table shows all 2007 compensation paid by the Company to our Chief Executive Officer, Chief Financial Officer, and the other three most highly paid executive officers based on 2007 compensation. All individuals listed in the following table are referred to in this Proxy Statement as the "Named Executive Officers." Annual Compensation includes amounts deferred at the Named Executive's election.

Name and Principal Position	Year	Salary	Stock Awards (1)	Option Awards (2)	Non-Equity Incentive Plan Compensation (3)	Change in Pension Value and Deferred Compensation	All Other Compensation	Total
Steven C. Cooper	2006	$ 394,848	$ 220,315	$ 260,473	$ 184,700			$ 1,060,336
President and Chief Executive Officer	2007	$ 425,000	$ 315,633	$ 260,399			$ 4,014(4)	$ 1,005,046
Derrek L. Gafford	2006	$ 250,001	$ 83,704	$ 125,188	$ 84,600	$ 196(5)	$ 3,163(6)	$ 546,656
Executive Vice President and Chief Financial Officer	2007	$ 250,001	$ 138,446	$ 147,440			$ 3,875(6)	$ 539,762
James E. Defebaugh	2006	$ 275,001	$ 83,186	$ 70,652	$ 77,600		$ 33,326(7)	$ 539,765
Executive Vice President and General Counsel	2007	$ 275,001	$ 140,441	$ 104,854			$ 288,780(8)	$ 809,076
Wayne Larkin	2006	$ 250,001	$ 75,589	$ 78,451	$ 70,500		$ 3,163(6)	$ 477,704
Senior Vice President for Operations	2007	$ 250,001	$ 129,667	$ 95,052			$ 9,056(9)	$ 483,776
Noel S. Wheeler	2006	$ 250,000	$ 140,062	$ 155,517	$ 79,600	$ 590(5)	$ 100,000(10)	$ 725,179
President and Chief Executive Officer for CLP Resources	2007	$ 250,000	$ 230,253	$ 226,339	$ 37,500	$ 2,597	$ 3,875(6)	$ 750,564

(1) This column represents the dollar amount recognized for financial statement reporting purposes with respect to the 2006 and 2007 fiscal year for the fair value of shares granted to each of the named executive officers in 2006 and 2007 as well as prior fiscal years, in accordance with SFAS 123R. Pursuant to SEC rules, the amounts shown exclude the impact of estimated forfeitures related to service-based vesting conditions. For restricted stock, fair value is calculated using the closing price of Company stock on the date of grant. For additional information, refer to Note 12 to the Notes to Consolidated Financial Statements found in Item 8 of Part II of our 2006 and 2007 Form 10-K (listed under Stock Based Compensation). These amounts reflect the company's accounting expense for these awards, and do not correspond to the actual value that will be recognized by the named executive officers. Information regarding the shares of restricted stock granted to our named executive officers

during 2006 and 2007 is set forth in the Grants of Plan-Based Awards Table. The Grants of Plan-Based Awards Table also sets forth the aggregate grant date fair value of the restricted stock granted during 2006 and 2007 computed in accordance with SFAS 123R.

(2) This column represents the dollar amount recognized for financial statement reporting purposes with respect to the 2006 and 2007 fiscal year for the fair value of stock options granted to each of the named executive officers in 2006 and 2007 as well as prior fiscal years, in accordance with SFAS 123R. Pursuant to SEC rules, the amounts shown exclude the impact of estimated forfeitures related to service-based vesting conditions. For additional information, refer to Note 12 to the Notes to Consolidated Financial Statements found in Item 8 of Part II of our 2006 and 2007 Form 10-K (listed under Stock Based Compensation). For information on the valuation assumption with respect to grants made prior to 2006, refer to the note on other

stock-related information for the Company financial statements in the Form 10-K for the respective year-end. These amounts reflect the company's accounting expense for these awards, and do not correspond to the actual value that will be recognized by the named executive officers. Information regarding the stock options granted to our named executive officers during 2006 and 2007 is set forth in the Grants of Plan- Based Awards Table. The Grants of Plan-Based Awards Table also sets forth the aggregate grant date fair value of the stock options granted during 2006 and 2007 computed in accordance with SFAS 123R.

(3) The amounts set forth in this column for the respective fiscal year were earned during such fiscal year and paid in the early part of the corresponding subsequent fiscal year to each of the named executive officers under our Short-Term Incentive Plan. This column represents the dollar amount recognized for financial statement reporting purposes. These amounts reflect the company's accounting expense for these awards, and materially correspond to the actual value that was recognized by the named executive officers. For additional information on the determination of the amounts related to Non-Equity Incentive Plan Compensation, see the discussion above in the Compensation Discussion and Analysis entitled, "Short-Term Incentive Plan."

(4) This amount represents $680 in a gift card, $3,334 in spousal travel,

(5) These amounts represent the "above market" earnings on contributions to the Company's deferred compensation plan, described in more detail below in the section regarding Nonqualified Deferred Compensation.

(6) These amounts represent 401(k) matching funds paid to the named executive officer.

(7) This amount represents $2,512 paid in 401(k) matching funds and $30,814 paid in relocation expenses.

(8) This amount represents $2,812 paid in 401(k) matching funds, $4,495 for a 2006 tax shortfall, and $281,473 in relocation expenses paid to or on behalf of the named executive officer.

(9) This amount represents $680 in a gift card, $4,501 in spousal travel, and $3,875 in 401(k) matching funds.

(10) This amount represents part of the transition bonus relating to the acquisition of CLP Resources.

Grants of Plan-Based Awards

The following table provides information about equity and non-equity awards granted to the named executive officers in 2007. In the columns described as Estimated Future Payouts Under Non-Equity Incentive Plan Awards, this table quantifies potential awards under the Short-Term Incentive Plan discussed above. In the columns described below as Estimated Future Payouts Under Equity Incentive Plan Awards, this table quantifies actual stock option and restricted stock grants made to named executive officers under the Long-Term Incentive Plan discussed above. For additional information about the non-equity incentives and option awards and restricted stock awards, see the description of incentive compensation in the Compensation Discussion and Analysis section.

			Estimated Future Payouts Under Non-Equity Incentive Plan Awards (2)			Estimated Future Payouts Under Equity Incentive Plan Awards (3)			
Name	Grant Date	Action Date (1)	Threshold	Target	Maximum	Stock Options	Restricted Stock	Exercise or Base Price of Option Awards ($/Share)(4)	Grant Date Fair Value of Stock and Option Awards (5)
Steven C. Cooper		12/13/06	$96,000	$191,000	$239,000				
	2/2/2007					51,000		$18.98	$343,740
	2/2/2007						16,794		$318,750
Derrek L. Gafford		12/13/06	$37,500	$ 75,000	$ 94,000				
	2/2/2007					24,000		$18.98	$161,760
	2/2/2007						7,903		$150,000
James E. Defebaugh		12/13/06	$41,000	$ 83,000	$103,000				
	2/2/2007					26,400		$18.98	$177,936
	2/2/2007						8,693		$165,000
Wayne Larkin		12/13/06	$37,500	$ 75,000	$ 94,000				
	2/2/2007					20,000		$18.98	$134,800
	2/2/2007						6,586		$125,000
	9/5/2007						4,924		$100,000
Noel S. Wheeler		12/13/06	$37,500	$ 76,000	$ 94,000				
	2/2/2007					24,000		$18.98	$161,760
	2/2/2007						7,903		$150,000

(1) This column reflects the date that the Compensation Committee approved the Company performance target and individual target incentive percentages pursuant to the Short-Term Incentive Plan.

(2) These columns show what the potential payout for each named executive officer was under the Short-Term Incentive plan in 2007, if the threshold, target, or maximum goals were satisfied for all performance measures. The potential payouts were

performance-driven and therefore completely at risk. The business measurements, performance goals, and salary multipliers for determining the payout are described in the Compensation Discussion and Analysis, above.

(3) This column shows the number of stock options and restricted stock awards granted in 2007 to the named executive officers under the Long-Term Incentive plan. The 2007 stock options vest in full three years after the date of grant. The majority of our restricted stock awards vest over periods ranging from three to four years.

(4) This column shows the exercise price for the stock options granted, which was the closing price of Company stock on the grant date indicated.

(5) This column shows the full grant date fair value of grants under SFAS 123R. Generally the full grant date fair value is the amount that the company would expense in its financial statements over the award's vesting schedule, excluding the impact of estimated forfeitures. For options, the fair value is calculated using the Black Scholes value on the grant date which was $6.74 for all 2007 option grants. The fair value shown for stock awards and option awards are accounted for in accordance with SFAS 123R. For restricted stock, fair value is calculated using the closing price of Company stock on the grant date. For additional information,

refer to Note 12 to the Notes to Consolidated Financial Statements found in Item 8 of Part II of our 2006 Form 10-K (listed under Stock Based Compensation). These amounts reflect the Company's accounting expense, and do not correspond to the actual value that will be recognized by the named executive officers.

Outstanding Equity Awards at Fiscal Year-End

The following table provides information on the holdings of stock option and restricted stock awards to the named executive officers as of December 28, 2007. This table includes unexercised and unvested option awards and unvested shares of restricted stock. Each equity grant is shown separately for each named executive. The option exercise price shown below reflects the closing market price of the Company's stock on the date of the grant. The market value of the restricted stock awards is based on the closing market price on December 28, 2007. For additional information about the option awards and restricted stock awards, see the description of equity incentive compensation in the Compensation Discussion and Analysis. The vesting schedule for each grant is shown following this table, based on the option or restricted stock award grant date. Grants that are not listed in the vesting schedule are 100% vested.

	Option Awards					Restricted Stock Awards		
Name	Grant Date	Number of Securities Underlying Unexercised Options Exercisable	Number of Securities Underlying Unexercised Options UnExercisable	Option Exercise Price	Option Expiration Date	Grant Date	Number of Shares or Units of Stock That Have Not Vested	Market Value of Shares or Units of Stock That Have Not Vested
Steven C. Cooper	3/17/04	34,449		$12.00	3/17/2009	1/3/05	3,592	$ 53,126
	1/3/05	17,314	8,656	$16.98	1/3/2012	1/3/06	6,075	$ 89,849
	1/3/06	12,751	25,500	$21.24	1/3/2013	5/17/06	7,500	$110,925

	2/2/07		5,268	18.98	2/2/2014	2/2/07	16,794	$248,383
	2/2/07		45,732	18.98	2/2/2014			
Derrek L. Gafford	12/4/03	7,000		$11.85	12/4/2008	12/15/05	3,000	$ 44,370
	1/3/05	7,500	7,500	$16.98	1/3/2012	1/3/06	4,707	$ 69,617
	1/3/06	9,881	19,762	$21.24	1/3/2013	2/2/07	7,903	$116,885
	2/2/07		18,732	$18.98	2/2/2014			
	2/2/07		5,268	$18.98	2/2/2014			
James E. Defebaugh	1/3/06	9,059	18,115	$21.24	1/3/2013	9/12/05	3,000	$ 44,370
	2/2/07		5,268	$18.98	2/2/2014	1/3/06	4,315	$ 63,819
	2/2/07		21,132	$18.98	2/2/2014	2/2/07	8693	$128,469
Wayne Larkin	12/4/03	4,200		$11.85	12/4/2008	1/3/05	898	$ 13,281
	1/3/06	8,235	16,469	$21.24	1/3/2013	4/21/05	3,000	$ 44,370
	2/2/07		14,732	$18.98	2/2/2010	1/3/06	3,923	$ 58,021
	2/2/07		5,268	$18.98	2/2/2010	2/2/07	6,586	$ 97,407
						9/5/07	4,924	$ 72,826
Noel S. Wheeler	5/27/05	28,383	14,191	$20.39	5/27/2009	5/27/05	5,889	$ 87,098
	1/3/06	9,882	19,762	$21.24	1/3/2013	1/3/06	4,707	$ 69,617
	2/2/07		5,268	$18.98	2/2/2014	2/2/07	7,903	$116,885
	2/2/07		18,732	$18.98	2/2/2014			

Vesting Schedule for Outstanding Awards at Fiscal Year-End Table

Vesting schedules are provided below only for grants that were not 100% vested as of December 28, 2007.

Grant Date	Option Awards Vesting Schedule	Grant Date	Stock Awards Vesting Schedule
12/4/03	25% vests each year for 4 years	4/21/05	25% vests each year for 4 years
3/17/04	33% vests each year for 3 years	9/12/05	25% vests each year for 4 years
1/3/05	33% vests each year for 3 years	5/27/05	25% vests each year for 4 years
5/27/05	33% vests each year for 3 years	5/27/05	33% vests each year for 3 years
1/03/06	33% vests each year for 3 years	12/15/05	25% vests each year for 4 years
2/2/07	100% vests on 3rd anniversary of award	1/03/06	33% vests each year for 3 years
		5/17/06	25% vests each year for 4 years
		2/2/07	25% vests each year for 4 years

Option Exercises and Stock Vested

The following table provides information for the named executive officers on (1) stock option exercises during 2007, including the number of shares acquired upon exercise and the value realized; and (2) the number of shares acquired upon the vesting of restricted stock awards and the value realized, each before payment of any applicable withholding tax and broker commissions.

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise	Value Realized on Exercise (1)	Number of Shares Acquired on Vesting	Value Realized on Vesting (2)
Steven C. Cooper	6,250	$ 91,750	3,038	$ 56,188

			3,592	$ 66,434
			14,000	$263,410
			2,500	$ 56,313
Derrek L. Gafford	7,500	$110,175	2,355	$ 43,556
	7,500	$ 74,925	1,500	$ 23,070
James E. Defebaugh			2,159	$ 39,931
			1,500	$ 30,015
Wayne Larkin	1,500	$ 18,960	449	$ 8,304
	2,500	$ 28,249	1,962	$ 36,287
	3,500	$ 69,265	1,500	$ 32,370
	1,374	$ 26,889		
Noel S. Wheeler			2,355	$ 43,556
			5,889	$136,860

(1) The dollar amount realized upon exercise was calculated by determining the difference between the market price of the underlying securities at exercise and the exercise price of the options.

(2) The dollar amount realized upon vesting was calculated by multiplying the number of shares of stock by the market value of the underlying shares on the vesting date.

Pension Benefits

The Company does not maintain a defined benefit pension plan or supplemental pension plan.

Nonqualified Deferred Compensation

The Company maintains a nonqualified unsecured Deferred Compensation Plan that allows certain highly compensated employees, including the named executive officers, to defer portions of their base salary and annual incentive bonus and thereby defer taxes. The amounts contributed to this plan by certain of the Company's named executive officers are set forth in the following table, and are included in the amounts shown as "Salary" in the Summary Compensation Table, above.

Name	Executive Contributions in Last FY	Registrant Contributions in Last FY	Aggregate Earnings in Last FY(1)	Aggregate Withdrawals/ Distributions	Aggregate Balance at Last FYE
Steven C. Cooper					
James E. Defebaugh					
Derrek L. Gafford	$ 33,460		$ 235		$ 43,611
Wayne Larkin					
Noel S. Wheeler	$ 160,180		$ 8,655		$ 179,644

(1) The amounts reported in the "Aggregate Earnings in Last FY" column represent all earnings on nonqualified deferred compensation in fiscal year 2007. Pursuant to SEC rules, all earnings on nonqualified deferred compensation in fiscal year 2007 in excess of 4.72% (the December 2007 Applicable Federal Long Term Rate with compounding) have been deemed "above-market earnings". Based on the performance of the funds elected in advance by the participants (as described below), Mr. Wheeler had earnings on nonqualified deferred compensation in excess of 4.72% in fiscal year 2007. All "above-market earnings" on nonqualified deferred compensation were reported in this year's "Summary Compensation Table." See the "Change in

Pension Value and Nonqualified Deferred Compensation Earnings column of the Summary Compensation Table.

The participants in the Nonqualified Deferred Compensation Plan may annually elect to defer up to 50% of salary and up to 75% of their annual incentive bonus. Participants are always 100% vested in the elective deferral contributions to the plan. The amounts deferred into this plan and all earnings remain subject to the claims of the Company's general creditors until distributed to the participant. Participants may receive their funds during employment in the case of an unforeseen emergency, the disability of the participant, or a change in control. The participant may only receive their funds after employment in the case of their separation from the Company or the participant's death or disability. The Company's matching contributions are discretionary. Whether a matching contribution will be made for a plan year and the amount of any such match will be determined each year by the Company. Any matching contributions a participant receives in the plan for a plan year are subject to a vesting schedule over five years. The plan account balances are credited with earnings based on the performance of one or more of the following mutual funds pre-selected by the participant:

- Alliance Bernstein LargeCap Value Fund (2007 rate of return: -4.20%).
- Columbus Circle Investors LargeCap Growth Fund (2007 rate of return: 22.37%).
- Neuberger Berman MidCap Value Fund (2007 rate of return: -2.38%).
- Turner Investment Partners MidCap Growth Fund (2007 rate of return: 23.78%).
- JP Morgan/Mellon Equity SmallCap Value I Fund (2007 rate of return: -9.88%).
- UBS/Emerald Advisers SmallCap Growth II Fund (2007 rate of return: 5.22%).
- Principal Global Investors International Emerging Market Fund (2007 rate of return: 40.99%).
- Principal Global Investors Diversified International Fund (2007 rate of return: 14.99%).
- Principal Global Investors Money Market Fund (2007 rate of return: 4.46%).
- Principal Global Investors Bond and Mortgage Securities Fund (2007 rate of return: 2.54%).
- Principal Global Investors High Quality Intermediate Term Bond Fund (2007 rate of return: 2.63%)

The deemed rates of return for these earnings options may be positive or negative and thus may result in gains or losses to a participant's plan balance. No assets are required to actually be invested in such funds. The deemed investment options may be changed by the participant periodically throughout the year. For certain key employees, the distribution election must be made at least six months before the actual payment of the participant's account balance.

Potential Payments to Named Executive Officers upon Termination of Employment or Change in Control

The Company has entered into employment agreements and change in control agreements with each of the named executive officers pursuant to which each named executive officer may be entitled to payments upon termination of employment under the circumstances described below. The payments are subject to the fulfillment of certain conditions, including compliance with a non-competition agreement, which is also described below. The information below is a summary of certain material provisions of these agreements and does not attempt to describe all aspects of the agreements. The rights of the parties are governed by the actual agreements and are in no way modified by the abbreviated summary set forth in this proxy statement.

Following the description of the agreements, there is a table showing the potential payments the named executive officers could have received under these agreements, assuming their employment with the Company was terminated by the Company without cause or for good reason by the named executive officer on December 28, 2007.

Employment Agreement for Steven C. Cooper

Mr. Cooper's employment agreement provides that if the Company terminates his employment without cause, or if Mr. Cooper terminates his employment with good reason, then he will be entitled to the following:

- separation payments at a rate equal to his base salary at the time of termination through the expiration date of his employment agreement, which is May 17, 2009, or for a period of 12 months, whichever is greater; and

- unless otherwise specifically prohibited under applicable laws, or by the rules and regulations of any applicable governmental agencies or national securities exchanges, all of his unvested options, unvested restricted stock shares, and any and all other unvested incentive awards will vest on the termination date.

The foregoing separation benefits are conditioned upon the execution by Mr. Cooper of a release of claims against the Company and, in the case of the acceleration of vesting of equity awards, full compliance by Mr. Cooper with all covenants with the Company. Pursuant to his employment agreement, Mr. Cooper's covenants with the Company include, without limitation, covenants requiring a duty of loyalty, non-disclosure of confidential information, assignment of inventions and non-competition and non-solicitation. Mr. Cooper has also signed a non-competition agreement with the Company, which is described below. Although Mr. Cooper is subject to the non-competition and non-solicitation provisions both in his employment agreement and in the non-competition agreement, the non-competition agreement provides that it supersedes and controls in the event of any conflict with the employment agreement.

Mr. Cooper's employment agreement also provides that if he is deemed to receive an "excess parachute payment" as defined in Section 280G of the Internal Revenue Code of 1986, as amended (the "Code") by reason of his vesting of the unvested equity awards (taking into account any other compensation paid or deemed paid to him), the amount of such payments or deemed payments shall be reduced, or, alternatively the provisions of the employment agreement shall not act to vest unvested equity incentive awards to Mr. Cooper, so that no such payments or deemed payments shall constitute excess parachute payments. The determination of whether a payment or deemed payment constitutes an excess parachute payment shall be in the sole discretion of the Board.

Employment Agreements for James E. Defebaugh, Derrek L. Gafford, Wayne Larkin, and Noel S. Wheeler

Messrs. Defebaugh, Gafford, Larkin, and Wheeler are parties to employment agreements which provide that if the Company terminates the executive's employment without cause, or if he terminates his employment with good reason, and such termination is for other than death or disability, then he will be entitled to the following:

- separation payments for twelve months from the termination date at a rate equal to his base salary at the time of termination; and

- accelerated vesting in any previously awarded stock options, restricted stock and other equity awards as if he had worked for the Company for 12 months after his termination date, provided that any options or other equity awards that are not exercised within the time periods for exercise set forth in the applicable plan, sub-plan or grant agreement, shall expire in accordance with the terms of such plan, sub-plan or grant agreement.

As a condition precedent to being entitled to receive the benefits set forth above, the executive must (1) sign and deliver and thereafter not revoke a release; (2) be and remain in full compliance with all provisions of the sections of the employment agreement relating to non-disclosure of confidential information and assignment of inventions; and (3) be and remain in full compliance with the non-competition agreement and any other covenants with the Company entered into by the executive. The employment agreement contains, among other things, covenants relating to assignment of inventions, non-disclosure of confidential information, non-disparagement and duty of loyalty. Messrs. Defebaugh, Gafford, Larkin, and Wheeler are also parties to a non-competition agreement in the form described below.

In addition to the provisions described above, the employment agreement for each named executive officer also provides that, if at the time of termination of employment the executive is considered a "specified employee" subject to the required six-month delay in benefit payments under Section 409A(a)(2)(B)(i) of the Code, then any separation payments that would otherwise have been paid within the first six months after termination of employment shall instead be paid in a single lump sum on (or within 15 days after) the six-month anniversary of such termination of employment and any remaining severance payments shall be made monthly after such six-month anniversary.

Change in Control Agreements

On December 31, 2006, the Company entered into change in control agreements with various executive officers, including each of the named executive officers. Each change in control agreement expires on December 31, 2009, provided that beginning with January 1, 2010, the change in control agreements will automatically be extended for an additional year unless either party gives notice of termination not later than September 30 of the immediately preceding year. If a change in control occurs during the term, the term will expire on the earlier of the third anniversary of the change in control and the date of the executive's death (such period is referred to as the "Severance Period"). If the executive ceases to be employed prior to a change in control, the agreement will expire on the date of termination of employment. The change in control agreements are effective on the date executed, but do not become operative unless a change in control occurs.

Change in control means that during the term of the agreements any of the following events occurs:

- any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) is or becomes the beneficial owner (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of more than 33 1/3 % of the combined voting power of the then-outstanding voting stock of the Company;
- a majority of the Board ceases to be comprised of incumbent directors; or

- the consummation of a reorganization, merger, consolidation, plan of liquidation or dissolution, recapitalization or sale, or other disposition of all or substantially all of the assets of the Company or the acquisition of the stock or assets of another corporation, or other transaction (each, a "Business Transaction"), and as a result of which less 50% of the outstanding voting interests or securities of the surviving or resulting entity immediately after the Business Transaction are owned in the aggregate by the former shareholders of the Company, as the same shall have existed immediately prior to such Business Transaction, in substantially the same proportions as their ownership before such Business Transaction.

The Company will be required to pay the amounts described below if following the occurrence of a change in control (or within 90 days prior to the date of a change in control if at the request of a third party who has taken steps reasonably calculated to effect a change in control) (1) the Company terminates the executive's employment during the Severance Period other than for cause, or as a result of the executive's death or permanent disability, or (2) the executive terminates the executive's employment for good reason during the Severance Period. Each of (1) and (2) is referred to in the change in control agreement as a "Triggering Termination." As a condition precedent to receiving any payments and benefits under the change in control agreement, the executive must execute and not later revoke a waiver and release agreement and be in compliance with the restrictive covenants and terms of the change in control agreement. The material covenants of the executive in the change in control agreement include a duty of loyalty, non-disclosure, non-use and protection of confidential information, nondisparagement, non-competition and non-solicitation of employees and clients. The non-competition and non-solicitation provisions apply during the term of the change in control agreement and for a period of 2 years following the termination of employment.

In the event of a Triggering Termination, subject to the terms of the agreement, the Company is required to pay to the executive an amount equal to two times (except in the case of Mr. Cooper, in which case it shall be three times) the sum of (A) the executive's annual base salary rate in effect for the year in which the termination date occurs, plus (B) the executive's incentive or target bonus (in an amount equal to the target bonus immediately prior to the change in control or, if such target shall not have been established or shall be reduced after a change in control, the highest aggregate incentive pay earned in any of the three fiscal years immediately preceding the year in which the change in control occurred). Such amounts shall be payable as follows: 50% shall be payable within 5 business days after the termination date and 50% shall be payable in equal monthly installments over the 24 months following the termination date, provided that the agreement provides that the timing of payments may be adjusted if necessary to comply with Section 409A of the Code. The Company will also

either provide employee benefits to the executive comparable to the benefits that the executive was receiving or entitled to receive immediately prior to the termination date or will pay a lump sum payment in lieu of the continuation of such benefits, as described in the change in control agreement.

In addition to the amounts described above, if there is a Triggering Termination, the Company will pay in cash to the executive a lump sum amount equal to the sum of (i) any unpaid incentive compensation that has been earned, accrued, allocated or awarded to the executive for any performance period ending prior to a Triggering Termination, plus (ii) the value of any annual bonus or long-term incentive pay earned, accrued, allocated or awarded with respect to the executive's service during the performance period or periods that include the date on which the change in control occurred. Furthermore, if there is a Triggering Termination, all stock options, restricted stock and any other equity award shall become fully vested as of the date of termination.

Notwithstanding any provision of the change in control agreement or any other agreement between the executive and the Company to the contrary, if any amount or benefit to be paid or provided under the change in control agreement or any other agreement would be a payment that creates an obligation for the executive to pay excise taxes under Section 280G of the Code (an "excess parachute payment"), then the payments and benefits to be paid or provided under the change in control agreement and any other agreement will be reduced to the minimum extent necessary (but in no event to less than zero) so that no portion of any such payment or benefit, as so reduced, constitutes an excess parachute payment; provided that the foregoing reduction will not be made if such reduction would result in the executive receiving an after-tax amount less than 90% of the after-tax amount

of the severance payments he would have received under the change in control agreement or under any other agreement. In the event that any payment or benefit intended to be provided is required to be reduced pursuant to this provision, the executive will be entitled to designate the payments and/or benefits to be so reduced.

In addition to the foregoing limitation, the change in control agreements provide that to the extent that the executive receives payments by reason of his termination of employment pursuant to any other employment or severance agreement or employee plan (collectively, "Other Employment Agreements"), the amounts otherwise receivable under the change in control agreement will be reduced by the amounts actually paid pursuant to the Other Employment Agreements, but not below zero, to avoid duplication of payments so that the total amount payable or value of benefits receivable under the change in control agreement, and under the Other Employment Agreements, is not less than the amounts payable or value receivable had such benefits been paid in full under the change in control agreement.

Non-Competition Agreements

Each of the named executive officers has also entered into a non-competition agreement with the Company. Each non-competition agreement provides, among other things, that during the executive's employment with the Company and for a period of 2 years following the termination of such employment for any reason, the executive shall not, directly or indirectly:

- employ or solicit for employment any Company employee who has been employed by the Company during the six months prior to the termination of the executive's employment or urge any such person to discontinue employment with the Company; seek to employ any individual who has applied for and/ or accepted placement in a job by the Company with a client, and about whom the executive obtained information or with whom the executive interacted on behalf of the Company;
- solicit any client of the Company for the purpose of providing temporary and/or permanent staffing services on behalf of a competing business;
- engage in any conduct intended to induce or urge any client to discontinue its business relationship with the Company; or

- do any business with any Company client in connection with the provision of temporary and/or permanent staffing services.

The non-competition agreement also provides that during the executive's employment with the Company and for a period of 12 months following the termination of such employment, the executive shall not, directly or indirectly, in any location in which the Company conducts or plans to conduct business, work for or participate in a business similar to or that competes with the business of the Company. Within 15 days after the termination of the executive's employment, the Company, in its sole discretion, may elect to extend the non-competition period from 12 months to 24 months, provided that if the Company makes such election and either the Company terminated the executive's employment without cause or the executive terminated employment with good reason, then, if the executive has complied with certain conditions precedent, the period during which the executive is entitled to receive separation payments pursuant to the executive's employment agreement will automatically and without further action be extended from 12 months to 24 months, except in Mr. Cooper's case. In Mr. Cooper's case, if at the time of termination the period during which he is entitled to separation payments pursuant to his employment agreement is less than 24 months, then such period will be increased to 24 months, and if at the time of termination the period during which he is entitled to separation payments pursuant to his employment agreement is 24 months or more, then such period will be extended by one additional month. The non-competition agreement also contains, among other things, provisions covering duty of loyalty and non-disclosure, non-use and other protection of confidential information.

Stock Option and Restricted Stock Agreements

The award agreements that govern the stock option and restricted stock grants to the named executive officers also provide that the stock options and restricted stock, as applicable, will become fully vested if after a change of control the named executive officer is terminated without cause or terminates his employment for good reason. For purposes of the stock option and restricted stock agreements, change of control means the first day that any one or more of the following conditions shall have been satisfied:

- the sale, liquidation or other disposition of all or substantially all of the Company's assets in one or a series of related transactions;
- an acquisition (other than directly from the Company) of any outstanding voting securities by any person, after which such person has beneficial ownership of 25% or more of the then outstanding voting securities of the Company, other than a Board approved transaction;
- during any 24-consecutive month period, the individuals who, at the beginning of such period, constitute the Board cease for any reason other than death to constitute at least a majority of the members of the Board, subject to certain exceptions; or
- a merger, consolidation or reorganization of the Company, as a result of which the shareholders of the Company immediately prior to such merger, consolidation or reorganization own directly or indirectly immediately following such merger, consolidation or reorganization less than 50% of the combined voting power of the outstanding voting securities of the entity resulting from such merger, consolidation or reorganization.

Potential Payout Upon an Involuntary Termination Without Cause or for Good Reason

The table below quantifies the potential payouts to each of the named executive officers assuming that on December 28, 2007, the named executive officer was terminated by the company without cause or the named executive officer terminated his employment for good reason. The table shows two alternative scenarios termination before a change in control and termination after a change in control.

	Potential Payouts upon Involuntary Termination by Company without Cause or by Executive for Good	**Potential Payouts upon Involuntary Termination by Company without Cause or by Executive for Good Reason before a**

	Reason after a Change in Control (1)(2)				Change in Control (3)		
Name	Cash Payment	Restricted Stock Vesting (4)	Stock Option Vesting (5)	Continuation of Health & Welfare Benefits	Cash Payment	Restricted Stock Vesting (4)(6)	Stock Option Vesting (5)(6)
Steven C. Cooper (7)	$1,848,750	$502,283	—	$33,633	$602,083	$502,283	—
James E. Defebaugh (7)	$ 715,000	$236,758	—	$22,422	$275,000	$ 96,963	—
Derrek L. Gafford (7)	$ 650,000	$230,872	—	$22,422	$250,000	$ 95,972	—
Wayne Larkin (7)	$ 650,000	$285,905	—	$22,422	$250,000	$108,529	—
Noel Wheeler (7)	$ 650,000	$273,600	—	$22,422	$250,000	$160,886	—

(1) Assumes that (a) the change in control agreement was effective as of December 28, 2007, (b) a change in control occurred on or before such date and (c) the named executive officer was terminated by the company without cause on such date or the named executive officer terminated his employment for good reason on such date.

(2) As explained above, the definition of a change of control for purposes of the stock option and restricted stock agreements differs slightly from the definition of change in control in the change in control agreements. In the event a named executive officer was terminated on December 28, 2007, by the company without cause or the named executive officer terminated his employment for good reason on such date following a change of control under the stock option and restricted stock agreements that did not constitute a change in control

for purposes of the change in control agreement, the named executive officer would have been entitled to the restricted stock vesting and stock option vesting but not the cash payment or continuation of health and welfare benefits shown in the table.

(3) Assumes that (a) the employment agreement was effective as of December 28, 2007, (b) no change in control occurred on or before such date and (c) the named executive officer was terminated by the company without cause on such date or the named executive officer terminated his employment for good reason on such date.

(4) The amounts shown for each named executive officer are calculated by multiplying the number of unvested restricted stock awards for such named executive officer with respect to which the vesting would accelerate as a result of termination under the circumstances noted by the closing price of a share of common stock on December 28, 2007, which was $14.79. Unvested restricted stock awards are set forth in the Outstanding Equity Awards at Fiscal Year-End table.

(5) The amounts shown for each named executive officer are calculated by multiplying the number of in-the-money options with respect to

which the vesting would accelerate as a result of termination under the circumstances noted by the difference between the exercise price and the closing price of a share of common stock on December 28, 2007. The option values above are zero for each named executive officer since the executives currently have no in-the money options (all options have an exercise price below the closing price of a share of common stock on December 28, 2007). The number of shares subject to unvested stock options and exercise prices thereof are shown above in the Outstanding Equity Awards at Fiscal Year-End table.

(6) Mr. Cooper's employment agreement provides for the accelerated vesting of all equity awards upon termination of employment under the conditions noted in footnote (3) above. Under the employment agreements for the named executive officers (other than Mr. Cooper), however, vesting is only accelerated for those equity awards which would have vested in the 12 month period following a termination of employment under the conditions noted in footnote (3) above.

(7) As discussed above, the amounts actually payable to the named executive officers pursuant to the change in control agreement (and the amounts actually payable to Mr. Cooper pursuant to his employment agreement) are subject to reduction if any amount or benefit to be paid under such agreement or any other agreement would be a payment that creates an obligation for the named executive officer to pay excise taxes under Section 280G of the Code. For purposes of Section 280G, the value of the acceleration of stock options and restricted stock is based on a time-based formula and is different than the method described in footnotes (4) and (5) above.

Security Ownership of Certain Beneficial Owners and Management

The following table sets forth certain information regarding the beneficial ownership of common stock of the Company as of March 14, 2008, for (i) each person known to the Company to own beneficially 5% or more of our common stock; (ii) each director of the Company; (iii) each individual identified as a named executive officer of the Company pursuant to Item 402 of Regulation S-K; and (iv) all named executive officers and directors of the Company as a group. Except as otherwise noted, the named beneficial owner has sole voting and investment power. As of March 14, 2008, the Company had no other classes of outstanding equity securities.

Name & Address of Beneficial Owner**	Title of Class	Amount and Nature of Beneficial Ownership (Number of Shares) (1)	Percent of Class
Steven C. Cooper (2)	Common Stock	228,791	*
Joseph P. Sambataro, Jr (3)	Common Stock	201,117	*
Noel S. Wheeler (4)	Common Stock	87,694	*
Derrek L. Gafford (5)	Common Stock	100,437	*
Thomas E. McChesney (6)	Common Stock	60,592	*
William W. Steele (7)	Common Stock	57,889	*
James E. Defebaugh (8)	Common Stock	57,728	*
Wayne W. Larkin (9)	Common Stock	55,532	*
Craig E. Tall (10)	Common Stock	31,656	*
Gates McKibbin (11)	Common Stock	30,450	*
Keith D. Grinstein (12)	Common Stock	27,389	*
Robert J. Sullivan (13)	Common Stock	21,423	*
All officers and directors as a group (12 individuals)	Common Stock	960,698	2.17%
Jeffrey L. Gendell, et al. (14)	Common Stock	4,047,517	9.13%

Royce & Associates, LLC (15)	Common Stock	6,798,877	15.34%
Columbia Wanger Asset Management, LP (16)	Common Stock	2,850,000	6.44%

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(1) Beneficial ownership is calculated in accordance with Rule 13d-3(d)(1) of the Exchange Act, and includes (i) shares held outright and restricted shares; (ii) share units accrued under the Company's 401(k) plan; and, (iii) shares issuable upon exercise of options, warrants and other securities convertible into or exchangeable for shares, which were exercisable on or within 60 days after March 14, 2008.

(2) Includes 136,623 shares held outright, 6,248 shares accrued under the 401(k) plan and options for 85,920 shares.

(3) Includes 76,926 shares held outright, 11,279 shares accrued under the 401(k) plan and options for 112,912 shares.

(4) Includes 39,548 shares held outright, and options for 48,146 shares.

(5) Includes 57,282 shares held outright, 5,142 shares accrued under the 401(k) plan and options for 38,013 shares.

(6) Includes 31,592 shares held outright, 9,000 shares held indirectly in IRAs, and options for 20,000 shares.

(7) Includes 50,389 shares held outright, and options for 7,500 shares.

(8) Includes 32,358 shares held outright, 7,253 shares accrued under the 401(k) plan, and options for 18,117 shares.

(9) Includes 34,435 shares held outright, 427 shares accrued under the 401(k) plan, and options for 20,670 shares.

(10) Includes 31,656 shares held outright.

(11) Includes 15,450 shares held outright and options for 15,000 shares.

(12) Includes 20,889 shares held outright and options for 6,500 shares.

(13) Includes 21,423 shares held outright.

(14) Information provided is based solely on a Schedule 13G dated January 25, 2008, filed on behalf of Jeffrey Gendell and the following affiliates of Jeffrey L. Gendell: Tontine Overseas Associates, LLC; Tontine Capital Partners, LP; and Tontine Capital Management, LLC. Mr. Gendell is managing member of Tontine Overseas Associates, LLC which has shared voting and shared dispositive power over 796,720 shares. Mr. Gendell is general partner of Tontine Capital Partners, LP, and managing member of Tontine Capital Management, LLC, which have shared voting and dispositive power over 3,250,797 shares. The mailing address of Mr. Gendell and the aforementioned affiliates is 55 Railroad Avenue, Greenwich, Connecticut, 06830.

(15)

	Information provided is based solely on a Schedule 13G dated January 30, 2008, filed on behalf of Royce & Associates, LLC and its subsidiaries. Royce & Associates, LLC has sole voting and sole dispositive power of 6,798,877 shares. The business address of Royce & Associates, LLC is 1414 Avenue of the Americas, New York, New York, 10019.
(16)	Information provided is based solely on a Schedule 13G dated January 23, 2008, filed on behalf of Columbia Wanger Asset Management, L.P.. Columbia Wanger Asset Management, L.P. has sole voting and sole dispositive power of 2,850,000 shares. The business address of Columbia Wanger Asset Management, L.P. is 227 West Monroe Street, Suite 3000, Chicago, Illinois, 60606.
*	Less than 1%.
**	The address of the named executive officers and directors is c/o TrueBlue, Inc., 1015 A Street, Tacoma, Washington 98402.

Audit Committee Report

The Audit Committee is comprised of three independent members of the Board of Directors. Members of the Audit Committee currently include Mr. Grinstein, who chairs the committee, and Mr. Sullivan and Ms. McKibbin. The Board of Directors has affirmatively determined that each member of the committee is "financially literate" under the listing standards of the New York Stock Exchange, and that Mr. Grinstein and Mr. Sullivan are each an "audit committee financial expert" as such term is defined in Item 407 of Regulation S-K.

The Audit Committee met six times in 2007. Over the course of these meetings, the Audit Committee met with the Company's chief executive officer, chief financial officer, chief information officer, general counsel, chief compliance officer, other senior members of the finance department, the director of internal audit, the Company's outside counsel and independent auditors. These meetings included private, executive sessions between the Audit Committee and the Company's independent auditors and director of internal audit, respectively. During its meetings, the Audit Committee reviewed and discussed, among other things:

- the status of and any significant issues in connection with the quarterly reviews and annual audit of the Company's financial statements;
- the Company's annual internal and external audit plans and the internal and external staffing resources available to carry out the Company's audit plans;
- the Company's significant accounting policies and estimates;
- the Company's progress toward evaluating and documenting its internal controls pursuant to Section 404 of the Sarbanes-Oxley Act of 2002;
- the impact of new accounting pronouncements;

- the impact of recent developments in corporate governance;
- current tax matters affecting the Company; and
- the Company's management information systems.

The Audit Committee has reviewed and discussed with management and the independent auditors the Company's audited financial statements as of and for the year ended December 28, 2007. This discussion included, among other things:

- critical accounting policies and practices used in the preparation of the Company's financial statements;
- significant items involving management's estimates and judgments, including workers compensation reserves, tax matters, allowances for doubtful accounts, and legal and regulatory contingencies;
- alternative treatments within GAAP of the Company's annual financial information;
- the effect of regulatory and accounting initiatives on the Company's financial statements, including the adoption of significant accounting pronouncements;
- any significant audit adjustments proposed by the independent auditors and management's responses; and
- confirmation that there were no matters of significant disagreement between management and the independent auditors arising during the audit.

In addition to the meetings discussed above, the Audit Committee, or its chair, reviewed with management, and the Company's independent auditors, the Company's financial statements for each quarter of 2007 prior to the quarterly release of earnings.

The Audit Committee has discussed with the independent auditors the matters required to be discussed by Statement on Auditing Standards No. 61, *Communication with Audit Committees*, as amended, by the Auditing Standards Board of the American Institute of Certified Public Accountants. The Audit Committee has received and reviewed the written disclosures and the letter from the independent auditors required by Independence Standard No. 1, *Independence Discussions with Audit Committees*, as amended, by the Independence Standards Board, and has discussed with the independent accountants the independent accountants' independence.

The Audit Committee has considered whether the provision of non-audit services by the Company's principal auditor is compatible with maintaining auditor independence and has concluded that such services are compatible with maintaining the independence of the auditors. Based on the reviews and discussions referred to above, the Audit Committee believes that PricewaterhouseCoopers has been objective and impartial in conducting the 2007 audit.

In performing all of the functions described above, the Audit Committee acts in an oversight capacity. In that role, the Audit Committee relies primarily on the work and assurances of our management, which has the primary responsibility for our financial statements and reports, and of the independent auditors who, in their report, express an opinion on the conformity of our annual financial statements to accounting principles generally accepted in the United States.

The Audit Committee has recommended to the Board of Directors that the financial statements referred to above be included in the Company's Annual Report on Form 10-K for the year ended December 28, 2007, for filing with the Securities and Exchange Commission.

Members of the Audit Committee:

Keith D. Grinstein, Chair
Robert J. Sullivan
Gates McKibbin

Equity Compensation Plan Information:

			Number of securities remaining available for future issuance

Plan category	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans not approved by security holders (1)	214,000	$12.13	
Equity compensation plans approved by security holders (2)	811,000	$18.13	4,059,000
	1,025,000	$16.88	4,059,000
Employee stock purchase plans approved by security holders (3)			434,000
	1,025,000	$16.88	4,493,000

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(1) Equity compensation plans not approved by security holders include the following:

TrueBlue, Inc. 2000 Stock Option Plan. This is a broadly based plan, which provides for the issuance of non-qualified stock options to directors, officers, and employees of the Company. The Board or a committee of the Board administers the plan. The exercise price for options issued under the plan must not be less than 100% of the fair market value of the Company's common stock on the grant date. No further awards were made pursuant to this plan upon shareholder approval of the 2005 Long-Term Equity Incentive Plan.

TrueBlue, Inc. 2002 U.K. Stock Option Plan. This plan is a "sub-plan" of the 2000 Stock Option Plan discussed above, which provides for the issuance of non-qualified stock options to officers and employees of the Company's UK subsidiary. The plan is administered by the Board or a committee of the Board. The exercise price for options issued under the plan must not be less than 100% of the fair market value of the Company's common stock on the grant date. The plan limits the amount of options that may be granted to any grantee under the plan, by providing that the aggregate fair market value of common stock underlying all such options held by a grantee (measured as of the grant dates) cannot exceed £30,000. No awards were made pursuant to this plan upon shareholder approval of the 2005 Long-Term Equity Incentive Plan.

(2) Equity compensation plans approved by security holders include the following:

1996 TrueBlue, Inc. Employee Stock Option and Incentive Plan. This plan applies to directors, officers, and employees of the Company and permits the granting of non-qualified and incentive stock options, restricted shares, stock appreciation rights and other stock based awards. There were 63,000 restricted shares outstanding as of December 28, 2007. Outstanding stock options as of the fiscal year end are listed in the table above. No further awards were made pursuant to this plan upon shareholder approval of the 2005 Long-Term Equity Incentive Plan.

TrueBlue, Inc. 2005 Long-Term Equity Incentive Plan. This plan applies to directors, officers, employees and consultants of the Company and permits the granting of nonqualified stock options, incentive stock options, restricted stock, restricted stock units and

stock appreciation rights. The total number of shares authorized under this plan is 5,500,000 shares. As of December 28, 2007 there were 4,100,000 shares available for future issuance under this plan. There were 600,000 restricted shares outstanding as of December 28, 2007. Outstanding stock options as of the fiscal year end are listed in the table above. All future stock compensation awards will be awarded from this plan.

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(3) Employee stock purchase plans approved by security holders include the following:

1996 TrueBlue Employee Stock Purchase Plan. This plan provides an opportunity for regular employees who have met certain service qualifications to purchase shares of our common stock through payroll deductions of up to 10% of eligible after-tax compensation. These deductions are used to purchase shares of our common stock at 85% of the fair market value of our common stock as of either the first day or last day of each month, whichever is less. As of December 28, 2007, there were 434,000 shares available for future issuance under this plan.

PROPOSALS OF SHAREHOLDERS

The Company anticipates that the 2009 Annual Meeting will be held no later than June 2009. Accordingly, a shareholder proposal to be presented at the Company's 2009 Annual Meeting of Shareholders and included in the Company's proxy statement relating to such meeting must be received by the Company at its executive offices at P.O. Box 2910, Tacoma, WA 98401, no later than December 15, 2008, and no earlier than October 16, 2008. Please send the proposal to the attention of the Company's Corporate Secretary. A proposal for action to be presented by any shareholder at an annual meeting will be out of order and will not be acted upon unless (i) specifically described in the Company's proxy statement relating to such meeting, (ii) such proposal has been submitted in writing to the Secretary at the above address on or before December 15, 2008, and not earlier than October 16, 2008, and (iii) such proposal is, under law, an appropriate subject for shareholder action.

OTHER BUSINESS

We do not intend to bring any other business before the meeting, and, so far as we know, no matters are to be brought before the meeting except as specified in the notice of the meeting. However, as to any other business which may properly come before the meeting, it is intended that proxies, in the form enclosed, will be voted in respect thereof, in accordance with the judgment of the persons voting such proxies.

FORM 10-K REPORT AVAILABLE

A copy of the Company's annual report on Form 10-K, as filed with the Securities and Exchange Commission, will be furnished without charge to shareholders upon request to Chief Financial Officer, TrueBlue, Inc., P.O. Box 2910, Tacoma, WA 98401; telephone: (253) 383-9101.

TRUEBLUE, INC.
By Order of the Board of Directors

James E. Defebaugh
Secretary

/s/ James E. Defebaugh

Tacoma, Washington
April 14, 2008

TRUEBLUE, INC.
C/O COMPUTERSHARE
350 INDIANA STREET
SUITE 350
GOLDEN, CO 80401

VOTE BY INTERNET - www.proxyvote.com
Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 P.M. Eastern Time Wednesday, May 13, 2008. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

ELECTRONIC DELIVERY OF FUTURE SHAREHOLDER COMMUNICATIONS
If you would like to reduce the costs incurred by TrueBlue, Inc. in mailing proxy materials, you can consent to receiving all future proxy statements, proxy cards and annual reports electronically via e-mail or the Internet. To sign up for electronic delivery, please follow the instructions above to vote using the Internet and, when prompted, indicate that you agree to receive or access shareholder communications electronically in future years.

VOTE BY PHONE - 1-800-690-6903
Use any touch-tone telephone to transmit your voting instructions up until 11:59 P.M. Eastern Time Wednesday, May 13, 2008. Have your proxy card in hand when you call and then follow the instructions.

VOTE BY MAIL
Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to TrueBlue, Inc., c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS: TRUEB1 KEEP THIS PORTION FOR YOUR RECORDS

DETACH AND RETURN THIS PORTION ONLY

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

TRUEBLUE, INC.

Election of Directors

1. The Board of Directors recommends a vote FOR the listed nominees.

Nominees:

01)	Steven C. Cooper	05)	Joseph P. Sambataro, Jr.
02)	Keith D. Grinstein	06)	William W. Steele
03)	Thomas E. McChesney	07)	Robert J. Sullivan
04)	Gates McKibbin	08)	Craig E. Tall

For All	Withhold All	For All Except
o	o	o

To withhold authority to vote for any individual nominee(s), mark For All Except and write the number(s) of the nominee(s) on the line below.

Issues

	The Board of Directors recommends a vote FOR the following proposal.	For	Against	Abstain
2.	Ratification of the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending December 26, 2008.	o	o	o
3.	In their discretion, the Proxies are authorized to vote upon such other business as may properly come before the meeting.			

Authorized Signatures - Sign Below- This section must be completed for your instructions to be executed.

NOTE: When shares are held by joint tenants, both should sign. When signing as attorney, executor, administrator, trustee or guardian, please give full title as such. If a corporation, please sign in full corporate name by President or other authorized officer. If a partnership, please sign in partnership name by an authorized person.

For address changes and/or comments, please check this box and write them on the back where indicated. o

Signature [PLEASE SIGN WITHIN BOX]	Date	Signature (Joint Owners)	Date

Important Notice Regarding Internet Availability of Proxy Materials for the Annual Meeting:
The Notice and Proxy Statement and Annual Report are available at www.proxyvote.com.

Proxy - TRUEBLUE, INC.

FOR ANNUAL MEETING OF THE SHAREHOLDERS

This Proxy is Solicited on Behalf of the Board of Directors

The undersigned hereby appoints Robert J. Sullivan and James E. Defebaugh (collectively, the "Proxies"), and each of them, with full power of substitution, as proxies to vote the shares which the undersigned is entitled to vote at the annual meeting of the Company to be held at 10:00 a.m. (Pacific Daylight Time) on Wednesday, May 14, 2008, at 1015 A Street, Tacoma, Washington, and at any adjournment thereof.

This proxy, when properly signed, will be voted in the manner directed herein by the undersigned shareholder. **IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED FOR THE ELECTION OF ALL DIRECTORS AND FOR THE RATIFICATION OF THE APPOINTMENT OF PRICEWATERHOUSECOOPERS LLP, AND, IN THEIR DISCRETION, UPON SUCH OTHER BUSINESS AS MAY PROPERLY COME BEFORE THE MEETING.**

Address Changes/Comments:

(If you noted any Address Changes/Comments above, please mark corresponding box on the reverse side.)

IMPORTANT - PLEASE SIGN AND RETURN PROMPTLY.