TJOCARGO NEWS!

' The Holy Cow it's 2013 and We're Still Here Edition!'



Low IQ, drinking too much, and crazy

Does the transportation industry seem to be getting funny lately? I don't mean Ha Ha funny, I mean peculiar funny. I am hearing more and more stories of missed appointments, quoting errors, no shows, damaged trucks and freight, last minute requests for early payment, and general mayhem in the transport market. It's not that transportation hasn't always been a challenge worthy of keeping many alcohol distilleries and beer brewers busy, but the last twelve months have been especially beer worthy. It's the kind of thing that makes you sit back drink a stiff drink and go Hmmmm.

The transportation industry is still sound and doing its job, but like a waiter in a busy restaurant wearing huge clown shoes and a red nose, it just looks a little sillier getting things done. Could it be caused by a higher than normal amount of solar flares? Would passing a federal regulation requiring everyone in the transportation industry to wear aluminum foil hats to keep out the fatuous rays help? I think it would, but to keep our priorities straight, Congress and Senate get the first batch of aluminum foil hats. Are all of us stupid? Absolutely not, I for one am wearing my hat.



Publishers Note

It's Edition Thirty-eight of TJOCARGO News! This is the special 'Holy Cow it's 2013 and We're Still Here Edition!' Yep, another year has gone by giving us the opportunity to ridicule, poke fun at, and generally laugh at our friends and neighbors who maxed out their credit cards thinking the world was coming to an end in December 2012. As it turns out the end of civilization as we know it has been put off for an unknown period of time.

To receive your special autographed 'Holy Cow it's 2013 and We're Still Here Edition!' edition, just send one complete carburetor gasket set for a 1976 VW Bus to receive your autographed copy. Wait, there's more! Just pay for separate shipping and handling and we'll include your very own "survive the Mayan end of the world kit" for free! You'll love the kit and we got a killer deal on a ton of them.

TJOCARGO News is published on a strict schedule of whenever I stumble across some interesting information and have time to write about it. Who knows, this could be the last edition. Feel free to share a copy with a few hundred of your closest friends.

If you would like to contribute to the effort, contact us by e-mail. As long as your contribution is related to the transportation industry in some, even loose way, not offensive, and not obvious advertising (that's our territory) we can throw it in. Of course we reserve judgment on what goes in. As the publishers, we get to make or break rules as we go along, so anything and everything can change without notice. If for some deranged reason you wish not to receive this newsletter, let us know and we can remove you from the mailing list.

Gasket set should look like this- \rightarrow Enjoy,

Tom O'Malley tom@tjocompany.com



*Autographed copy and free end of the world kit may be substituted with a free pdf unsigned copy of this newsletter at any time for any reason.

(Continued Page Two)

Low IQ, drinking too much, and

Crazy (Continued From Page One)

As it turns out, it isn't mysterious rays from space that are making us stupid. It's post-recession IQ loss and freight coming back in a soft job market making us stupid; although I am still keeping my hat because I make aluminum look good. The industry shed quite a few people and companies during the recession. Brokers, owner operators, trucking companies, freight forwarders, and practically everyone else in the industry took a hit. No one was spared. Fast forward the clock to today and we see more freight in the pipeline than we have in years. To industry on lookers in a job weary market, the growing amount of freight in the pipeline looks like opportunity they want in on. Yes, newbies are coming in and they aren't coming in geniuses.

One more change as a result of the recession is thinner than ever margins. During the down turn transportation buyers made a transition from performance driven competitive purchasing to lowest quote of one hundred quotes get the freight. Since all carriers and 3PL's were hungry during the dark days, we all adjusted to downward pressure on rates by tightening our belts and getting skinny. I am afraid to even think about how much freight moved during the days of pain that had no real margin for anyone. Many experienced people that were in the industry before the recession, are not here now. Essentially this across the board belt tightening is why you are drinking more adult beverages than ever. You have lived through the IQ lowering of an industry and it is making you crazy. So here we are in 2013. We have low IQ's, we drink too much, and we are crazy.

Of course most of these situations seem to sort themselves out as industries recover. People return to the industry, companies come back to life, and rates get upward pressure as volume heads north. Don't give up your Xanax and favorite seat at the bar just yet, things are sort of stuck in crazy and stupid mode for the moment. There seems to be a few factors holding things from progressing. (*Continued on Page Three*)

Road trip!

The Congress and Senate decided they needed a break. They had been at each other's throats for so long they started wondering if they remembered why they came to work. Their days seemed to be spent arguing and slicing and dicing up the truth until the truth was unrecognizable.



The system was buckling and the people were losing faith in them. They decided it was time for a serious change.



They formed up a plan to start anew. To make sure it was a clean slate they decided to begin by the entire house and senate taking a trip together as a team building function.

For appearance purposes they wanted it to be somewhere in the United States and be a national treasure. The considered Yellow Stone Park, Mount Rushmore and all of the wonderful resources the country has to offer, but as a group they were able to make their first clear decision in years. The house and senate were going to the Grand Canyon. America loves the Grand Canyon and they wanted to as well.



To make it even more of a bonding experience they chose charter buses for the outing. It seemed like such a great idea to the president and the vice president, they decided to join the group and lead the charter bus outing.



The trip started and went beautifully. All were in good spirits. The long bus caravan, 15 buses in all, was going smoothly due to the bus drivers being under strict orders to follow the lead bus with the president and the vice president riding in it. This would keep things orderly and there was to be no variance and no exception. The adult beverages kept the mood lighthearted and even the harshest political adversaries were getting along. As the buses entered the great state of Arizona all were giddy with anticipation. They were headed to the Grand Canyon and had an unlimited supply of booze doing it. Yes, things had gone well and all of the legislators were patting themselves on the back for it. *(Continued on Page Five)*

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Low IQ, drinking too much, and crazy

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Dumb and Dumber

People are coming in to the industry, but they aren't the ones who left the industry. As an example which applies to many transportation professions, I will use trucking. There are new owner operators and trucking companies opening their doors every day, but seldom with any experience. The veterans, who closed their doors during the period of time that shall not be mentioned, retired or entered new industries. As companies who are hiring, but are looking to hire on the cheap, bring in rookies and throw them to the wolves; the previous IQ of the industry does not come back. Okay, the newbies are not dumb. There, I said it. People can stop being offended now. But new entries into the wonderful world of moving things from here to there do lack experience. They are thrust into positions they have no hope to being able to manage due to their lack of experience and do it at painfully low pay. They toil at their jobs, try to manage the improbable just to break even, fall for every pitfall that the transportation industry has to offer, and develop a hell of a drinking problem. After our newbie has struggled through about a year and actually has learned a few things, they are fed up. They quit, go to alcohol rehab, and go find a new job. Basking in our industry wisdom we go out and find a brand new newbie! Yeah, of course the new one is dumb, but you can get them on the cheap. Yep, you guessed it, the whole process starts all over again. The IQ of the firm, thus the industry, gets lowered again and goes from dumb to dumber.

Down pressure in an up market

Although there are some price spikes due to regional shortages of equipment, over all ground transport rates are staying surprisingly low as compared to general inflation and the growing cost of doing business. This is a symptom partially brought on by the newbies coming into the industry combined with every transportation buyer thinking they are Sam Walton continuously trying to beat down rates through quote-fests. Normally the quote-fest technique would have stopped working months ago. It is regrettable it still has some traction and the bottom feeder buyer can still attract carriers if they wait long enough. As I mentioned, some of it is due to the influx of so many newbies into the trucking market desperate to get the brand new trucking businesses moving. The new trucker will accept ridiculously low rates just to book a load. The 'wanna-be' Sam Walton knows if they wait long enough, they will find some fool to move their freight at well below make a living rates. Like the Dumb and Dumber example, when the new, working for nothing, trucker goes out of business, Sam Walton simply finds a new newbie.

At first glance the downward pressure on rates and the dumb and dumber syndrome seem related by similar symptom, but seem independent in function. In reality, they are very a much related in function. As long as the rates continue to be beaten down by quota-palooza type purchasing by transportation buyers, the transportation industry will stay polarized with razor focus on cost cutting measures in an attempt to win a quote orgy now and then. Since personnel and transport costs, whether asset based or 3PL, are the two major variable costs, both are the areas under continuous assault, thus perpetuating both the dumb and dumber syndrome and the downward pressure on rates in a rising costs world. (*Continued on Page Four*)

Get your facts first, then you can distort them as you please.	
Mark Twain	Albert Einstein
Do you think Mark and Albert were related?	



Psychics predict world didn't end yesterday Two seers also envision Treasure Coast boom

A government that robs Peter to pay Paul can always depend on the support of Paul.

George Bernard Shaw



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To protect yourself from at least some of the risk sent your way by an inexperienced carrier and service base, do the same thing you would do if you were hiring a contractor to add a room to your home, do your research. Whether it's a 3PL or an asset based carrier, find out how long they have been in business. If they just started out this year it doesn't mean they are bad people, it does mean they might not have the experience or resources yet to move your freight with the least risk. Ask for a copy of their cargo insurance certificate, they should be happy to send it. If you are dealing with a 3PL, ask for their policy and procedure on checking the MC number (Motor Carrier Number) of carriers they contract. Does the 3PL have a 'time in business' requirement for its carriers? TTS turns down carriers every day due to the carrier not having an old enough MC number to meet TTS carrier requirements. Is the policy always convenient? Absolutely not, the requirement cheeses off carriers and operations people on a regular basis. Although the practice, and others like it, does offer the best carrier base for TTS customer's money can buy.

If you are a would be Sam Walton beating down rates and taking the lowest quote of one hundred to select who carries your freight, tread carefully. Litigation for liability of carrier's actions which may have caused injury and damage has begun to sneak back to the transportation buyers. Lawyers have figured out, and juries are beginning to agree, the transportation buyer may be held liable if they didn't do their due diligence in selecting the carrier. In the event the carrier causes damage or injury, the carrier may not be the only one on the hook come lawsuit time. Ask Heyl Logistics about their \$5.2 Million dollar verdict they had to deal with in Oregon.

Here's one more good reason not to embrace the bottom feeder buying trend. It's only a matter of time for all of us. One day we will wake up in intensive care in the hospital and be told how lucky we are to be alive. We'll hear about our sudden illness, how close of a call it was, the lifesaving procedures used, and about the pacemaker installed in our chest to allow us to lead a normal life going forward. Won't it be nice to know the manufacturer of the pacemaker was the lowest quote of one hundred?

Road Trip! (Continued from Page Two)

The lead bus driver's voice came over the intercom system instructing the public servants to gather up their things to prepare to disembark their bus. It was time to enjoy the beauty of the Grand Canyon.



As the passengers of the 15 buses were certainly VIP's, their buses would be allowed to pull right up to the Canyon to save them the long walk from the general parking area.



The lead bus headed straight to the Canyon with all passengers looking out the windows in awe of the beauty they saw around them.

As the lead bus approached the edge of the Canyon cliff the driver pumped the brakes to stop near the edge. Sadly the brakes on the lead bus failed and the bus plummeted over the edge of the Grand Canyon before the driver could stop.



The remaining 14 buses, being under strict orders to follow the lead bus without exception, followed their orders and also tragically drove off the edge of the Canyon cliff.

Long in the future in a better world, the story will be told over and over again by teachers teaching our grandchildren's children. The teachers will tell their students, "and that boys and girls is why the east edge of the Grand Canyon is named 'The Fecal Cliff', how the United States federal budget of 2013 got balanced, and is an important lesson on the dangers of following people, who say they are the smartest of all, without question.

What's in a toast?

We've all seen toasts. Some of us have even had the responsibility of giving toasts at different functions. Some are lame and clumsy, or poignant and heart felt, some even funny as Ron White, and some are fake as a three dollar bill. But one thing for sure, we have all become used to toasts as a part of various functions.

Where did they come from? I read various accounts on the origination of toasts. The most likely explanation to me goes back to ancient Greece. As they had ancient Grecian beer parties wishing each other 'good health' they would raise their glasses upward to the gods as a gesture to the gods. Not so much so the gods would take a snort with them, but more of a nod to thank the gods for good health and the fact they were drinking booze.

Our highly valued, yes I am sucking up, customer Trip must have been thinking about toasts today. Trip suggested we have some fun and throw some toasts in to our newsletters from our readers or anywhere else we can find them. Since I write the newsletter, the onus of starting with the first toast fell to me. I delegated this task to Franklin P. Jones. I needed something clever yet not offensive as all the quotes that came to my thoughts were, well, offensive.

Below is the result.

Here's to love.

It doesn't make the world go 'round, It's what makes the ride worthwhile.

- Franklin P. Jones

So there you go. Do you have a toast you would like to share with our slice of the world? Send it to my e-mail. As long as it is not offensive as the ones in my head, you can be our next guest toaster.