

# AllCovered NEWS

## HIGHLIGHTS TO HELP YOU THIS WEEK

- **FOCUS: Biz Planning for Forwarding/Brokerage**  
--- See "Air & Ocean" Section ---
- **Why Can't You Hit Your Goals?**
- **Biggest Freight Index Drop In Five Tears**

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## >> SMALL BUSINESS SECTION <<

### SMALL BIZ - WHY CAN'T YOU HIT YOUR GOALS?

--- Excerpted from an article by Jeffrey Gitomer - Link at end ---

Everyone sets goals. Some people set them on their own. Others have goals set for them, in the form of sales quotas.

Some people make elaborate plans for goal achievement. Others write them down in their day planner. Others just cut out a picture from a magazine depicting something they wish they had (car, boat, house, vacation), but don't.

I post my goals on my bathroom mirror, in plain sight.

Have you ever set a goal you failed to achieve? Ever stop in the middle of a goal? Ever fall back to your old ways? Ever miss your sales goals?

Of course you have. Everyone has.

Want to know why?

Enter Ali Edwards. She has the answer... in the form of a question: "What are your intentions?"

Goals and intentions are linked. Intentions actually precede goal setting. If you fall short of intention, you will not likely achieve the goal you set. What a simple, powerful concept. And what a truth.

You may have a goal, or you may have been given a goal, but your intentions will dictate the outcome of your effort (or lack of it).

**Think about these questions:**

- What do you want to do?
- What do you need to do?
- What do you have to do?
- What do you love to do?
- How much do you love what you do?
- Do you dislike what you do?

Now maybe you're better equipped to answer, what do you intend to do?

If you intend to achieve a specific goal, your words and deeds will follow.]

What do you intend to do?

MORE: [http://www.bizjournals.com/extraedge/consultants/sales\\_moves/2006/09/04/column515.html?hbx=e\\_sol](http://www.bizjournals.com/extraedge/consultants/sales_moves/2006/09/04/column515.html?hbx=e_sol)

#### GOALS & INTENTIONS

- Be clear about your intentions
- Write down your intentions before you write your goals.
- Organize your intentions by categories.
- Use a single word to label each category. Examples of categories include "personal," "career," "job," "study" and "travel."
- For each category, write a sentence that states your intentions.
- Then, for each category, write a sentence stating what you intend to do -- and by when.

**NEXT WEEK**

Retirement  
Income You  
Cannot Outlive

Links to source  
stories at end of  
excerpts

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**SMALL BIZ – 2007 ECONOMIC FORECASTS**

As you begin your Business Planning for 2007, keep in mind the economic forecasts for major economies since any increase or slowdown in growth will affect trade and your business. The projections below are as of 1 October 2006 and subject to change.

**For a detailed look at developing a Business Plan from the ground-up for Freight Forwarding and Brokerage, see “Air & Ocean” section.**

	2006	2007		2006	2007	
Australia	3.2%	3.3%	<b>Gross Domestic Product Forecasts for Economic Growth</b>	Italy	1.5% 1.2%	
Brazil	3.7	4.0		Japan	2.6 2.3	
Britain	2.6	2.5		Mexico	4.0 3.6	
Canada	3.1	2.8		Netherlands	2.5 2.2	
China	10.0	10.0		Russia	6.4 6.4	
Euro Area	2.3	1.8		Spain	3.3 2.8	
France	2.2	2.0		US	3.4 2.5	
Germany	2.0	1.3		World	5.0 4.7	
India	8.2	7.2				

Source: *The Economist*

**SMALL BIZ – HEALTH COSTS UP 7.7% IN 2007:** Group health plan costs next year are projected to rise by an average of 7.7% to \$8,340 per employee, according to a Hewitt Associates analysis of health plans sponsored by 400 major employers.

MORE: <http://www.businessinsurance.com/cgi-bin/news.pl?newsId=8533&print=Y>

**SMALL BIZ – WAL-MART SPEEDS UP \$4 GENERIC DRUG PLAN:** Wal-Mart Stores says it will expand a program offering generic drugs for \$4 per prescription to other US states by the end of this year. Originally Wal-Mart planned only to have all of Florida covered with the program by year's end and other states during 2007.

MORE: [www.businessinsurance.com/cgi-bin/news.pl?newsId=8515&print=Y](http://www.businessinsurance.com/cgi-bin/news.pl?newsId=8515&print=Y)

**SMALL BIZ – EMPLOYEE DENTAL COVERAGE PAYS:** More than 125 diseases can be spotted during a routine dental exam... from heart disease to diabetes. As a result, more employers are offering dental coverage for workers as a way to cut overall medical costs.

MORE: [http://kansascity.bizjournals.com/kansascity/stories/2006/10/09/story3.html?et=150&b=1160366400\\*1356813&hbx=e\\_vrt](http://kansascity.bizjournals.com/kansascity/stories/2006/10/09/story3.html?et=150&b=1160366400*1356813&hbx=e_vrt)

**SMALL BIZ – FLORIDA'S HOT JOB MARKET:** Five of the top ten job markets in the country are in Florida... with low unemployment and a tight market for good employees.

MORE: [http://portland.bizjournals.com/portland/stories/2006/10/09/story10.html?et=152&b=1160366400\\*1357273&hbx=e\\_vrt](http://portland.bizjournals.com/portland/stories/2006/10/09/story10.html?et=152&b=1160366400*1357273&hbx=e_vrt)

**TECH BIZ – GOOGLE OFFERS BASIC INTEGRATED OFFICE SUITE:** Google has released Docs & Spreadsheets, a Web-based program that combines a word processing program and spreadsheet. With this, two people can work on a document or spreadsheet at the same time. Documents can be stored on your local hard drive or stored on the web.

MORE: <http://ct.eneews.pcmag.com/rd/cts?d=184-3370-3-128-184798-423209-0-0-0-1>

## >>>> TRUCKING SECTION <<<<

**TRUCKING – FREIGHT INDEX BIGGEST DROP IN FIVE YEARS:** The Transportation Services Index for freight fell 3.2% in August to 108.1, turning down for the third consecutive month. It was the biggest monthly decline in the freight index since September 2001. The index measures month-to-month changes in the output of for-hire transportation services, including trucks, railroads, inland waterways, pipelines and air freight.

MORE: <http://www.etrucker.com/apps/news/article.asp?id=55912>

**TRUCKING – TIGHTER CDL RULES FOR IMMIGRANTS:** In the recent port security bill, Congress included provisions aimed at tightening the rules governing illegal residents working as truck drivers, as well as drivers that operate at ports. Part of the bill requires the Federal Motor Carrier Safety Administration to make each CDL applicant demonstrate that he is a US citizen, a permanent legal resident or otherwise legally present in the United States.

MORE: <http://www.etrucker.com/apps/news/article.asp?id=55888>

## **TRUCKING – TWIC ID PROGRAM NEEDS CHANGE**

The consolidated Transportation Worker Identification Credential program that requires one background check and one credential for truck drivers should be modified, says Philip Byrd, of Bulldog Hiway Express in testimony before Congress. The TWIC is an ID program for all workers in transportation, road, rail, air and ocean and the workers who move freight.

“A system can be implemented that truly will enhance the security of our country, while minimizing the cost of discovering the few bad apples in the large barrel of patriotic individuals who make their livings on our nation’s highways. The trucking industry understands that securing the nation’s supply chain involves costs. Motor carriers like mine are more likely willing to bear the cost of one, but not multiple, background checks and security credentials.”.

MORE: <http://www.etrucker.com/apps/news/article.asp?id=55734>

**TRUCKING – H-O-S REDUCED IN FLORIDA:** A truck driver hauling within Florida now cannot drive more than 12 hours after 10 consecutive hours of rest. The previous state rule allowed 15 hours of driving after 8 off duty. The more strict federal regulations for truck drivers in interstate travel allow up to 11 hours of driving after 10 consecutive hours of rest. Most truckers in the Florida abide by the federal hours-of-service standards and will not be affected by the new restrictions, says Philip Abaira, president of the Florida Trucking Association.

MORE: <http://www.etrucker.com/apps/news/article.asp?id=55909>

**TRUCKING – DIESEL DROP CONTINUES:** The US average weekly retail on-highway price of a gallon of diesel fell for the week ended 9 October... down 4-cents to \$2.506, the lowest weekly average since the week ended Feb. 27, 2006, and \$0.64.4 lower than one year ago.

MORE: <http://www.thetrucker.com/News/Stories/2006/10/10/Priceofdieselcontinuestofallsodooilprices.aspx>

**TRUCKING – 90% OF DIESEL NOW LOW-SULFUR:** Ultra-Low Sulfur Diesel (ULSD) production currently tops 2.4 million barrels a day, more than 90% of the demand, says Environmental Protection Agency Administrator Stephen Johnson... calling it “the single greatest achievement in clean fuel since lead was removed from gasoline over 25 years ago.”

MORE: <http://www.etrucker.com/apps/news/article.asp?id=55906>

**TRUCKING – BORDER PASSPORT REQUIREMENT DELAYED:** Truck drivers entering the United States will not be required to present passports or similar documents if they have an ID card issued under a US expedited clearance program. The deadline for requirement of passports or planned PASS cards at sea and land crossings was moved back from January, 2008 to June, 2009, to give travelers and the freight transportation industry time to comply.

MORE: <http://www.joc.com/lede/20061006/sections/logis/w10248.asp>

## **>>>> SECURITY SECTION <<<<**

**SECURITY – BUSH SIGNS PORT SECURITY BILL:** US President Georgia Bush Friday signed into law the Security and Accountability for Every (SAFE) Port Act. The law calls for incremental changes in programs like the Customs-Trade Partnership Against Terrorism, and authorizes the testing of new technology, such as high-tech integrated scanning systems that can inspect container interiors and test for radiation.

MORE: <http://www.joc.com/20061013/sections/ocean/w85131.asp>

**SECURITY – DHS SEEKS DEAL ON CARGO SCANNING:** The US Homeland Security Department expects to formalize agreements with up to three foreign ports by the end of this year to scan all cargo containers before they are shipped to the United States.

MORE: <http://www.govexec.com/dailyfed/1006/101106tdpm1.htm>

**SECURITY – CPB MAY ALLOW OUTSIDE SECURITY AUDITORS:** US Customs and Border Protection wants to test the feasibility of using outside auditors to help verify the supply chain security practices of foreign suppliers, according to Commissioner Ralph Basham. Third-party validation "is a tool that we can use to get into those areas that we don't have access to," such as China, Basham told reporters.

MORE: [http://www.americanshipper.com/SNW\\_story\\_main.asp?news=40569](http://www.americanshipper.com/SNW_story_main.asp?news=40569)

## SMALL BIZ – 2007 BUSINESS PLAN FROM GROUND UP

--- Excerpted from a detailed article in Entrepreneur Magazine – Link at end ---

**NOTE:** As you develop your Business Plan for 2007 this year back away and look at your complete operation... starting with a clean sheet of paper as though your existing business did not exist. This way you have a complete plan for your business that reflects your hard-earned experience. This guide is designed for those considering starting a Freight Brokerage / Forwarding business who know nothing about the industry. It's a good way to help you back away from your day-to-day business and look at your business with a new perspective.

**NOTE:** This article is written from a truck freight broker's perspective, but most of the information is applicable to air and ocean forwarding as well.

Take a look around your home or office. It's highly unlikely you have much--if anything at all--that didn't reach you either entirely or partially by truck, by ocean, or by air. The size and scope of the freight industry is almost overwhelming. The good news is, there's still plenty of room for you to start and grow a profitable business serving the industry as a freight broker.

What exactly is a freight broker? Very simply, it's an individual or a company that brings together a shipper that needs to transport goods with an authorized motor carrier that wants to provide the service.

A freight broker falls into the category of transportation intermediary, which is a company that is neither a shipper nor an asset-owning carrier, but plays a role in the movement of cargo. "Transportation intermediaries leverage their knowledge, investment in technology and people resources to help both the shipper and carrier succeed," says Robert Voltmann, executive director and CEO of the Transportation Intermediaries Association.

Brokers provide an important and valuable service to both motor carriers and shippers. They help carriers fill the trucks and earn a commission for their efforts. They help shippers find reliable motor carriers that they (the shippers) might not have otherwise known about. In fact, some companies use brokers as their traffic department, allowing the broker to coordinate all their shipping needs.

### THE PLAYERS

An industry so huge and diverse requires a wide range of participants to thrive. Some of these participants' titles may be a bit confusing, and some of their responsibilities may overlap. But to keep things as clear and simple as possible, let's look at who the key players are and what they do:

**Freight broker.** A freight broker is the middleman who connects shippers and carriers.

**Shipper.** A shipper is an individual or business that has products or goods to transport.

**Motor carrier.** A motor carrier is a company that provides truck transportation. There are two types of motor carriers: private (a company that provides truck transportation of its own cargo) and for hire (a company that is paid to provide truck transportation of cargo belonging to others).

**Freight forwarder.** Often confused with freight brokers, freight forwarders are significantly different. Forwarders typically take possession of the goods, consolidate numerous smaller shipments into one large shipment, then arrange for transport of that larger shipment using various shipping methods, including land, air and water carriers.

**Import-export broker.** These people are facilitators for importers and exporters. Import-export brokers interface with U.S. Customs, other government agencies, international carriers, and other companies and organizations that are involved in international freight transportation.

**Agricultural truck broker.** Generally small and operating in one area of the country, unregulated agricultural truck brokers arrange motor carrier service for exempt

### EXISTING FORWARDERS

Sometimes when we make our business plans for the next year, it can be good to start with a "clean sheet of paper" and look at our operations from a very basic standpoint.

This detailed guide to setting up a Forwarding business can serve as a blueprint for a complete review of your operations.

agricultural products.

**Shipper's associations.** Shipper's associations are exempt, nonprofit, cooperative organizations formed by shippers to reduce transportation costs by pooling shipments. Shipper's associations operate in a manner very similar to that of freight forwarders, but their service is limited to their members and is not available to the general public.

It's quite common for a successful freight broker to expand his or her business by creating subsidiaries or additional companies that offer other freight services such as warehousing or consulting.

#### **EDUCATION & EXPERIENCE**

The brokers we spoke with recommended working in the industry--either for a shipper, a carrier or both--before starting your own brokerage. You'll not only gain technical expertise, but you'll make contacts that are critical to success in this business.

Some brokers may opt to use agents to develop a wider scope of operations. In this context, agents are independent contractors who represent a freight broker in a given area. This would enable you to offer a local presence when you might not have the volume to justify opening your own office.

After you have some experience, as a step to going on your own, consider starting out as an agent rather than a broker. Chuck A.'s company is based in Indianapolis, but he has agents in Florida, Georgia, Indiana, Texas and West Virginia. Because his agents aren't brokers and because they're home-based, their start-up materials are minimal and typically consist of a computer, telephone and fax machine. An agent's work is very similar to what a broker does, but the agent functions under the auspices of the broker and the broker is the one responsible for such issues as paying carriers and maintaining the required surety bond.

#### **YOUR BUSINESS PLAN**

Your Business Plan is your road map to success. If you don't know where you're going, your chances of reaching your goals are not very good.

Allcovered has offered many tips and ideas on how to create a successful Business Plan in past issues of our weekly newsletter Allcovered News.

For more on creating and using an effective Business Plan, see these past issues of Allcovered News:

<http://www.allcovered.net/Newsletter/2006/2006-01-02-NEWS.pdf>

<http://www.allcovered.net/Newsletter/2006/2006-01-16-NEWS.pdf>

<http://www.allcovered.net/Newsletter/2006/2006-02-13-NEWS.pdf>

<http://www.allcovered.net/Newsletter/2006/2006-07-17-NEWS.pdf>

#### **TARGET MARKET – CHOOSE A NICHE**

There are many valid reasons for choosing a well-defined market niche. By targeting a specific market segment, you can tailor your service package and marketing efforts to meet that segment's needs. You'll also develop a reputation for expertise that attracts new customers.

You can design your niche based on geography (either the location of the shippers or the destination of the freight), types of cargo (agricultural, perishable, oversized, bulk commodities, etc.), size of loads, specific industries or some other special shipping need.

To choose a niche, first consider what types of shipments and/or shippers you'd enjoy working with. You may opt to simply handle general commodity freight-materials that are typically easy to handle and don't require any special attention. Or you may want to develop some expertise in areas such as heavy equipment, oversized loads, perishable commodities or even hazardous materials.

Don't limit your specialization plan to the commonly accepted areas; instead, find your own niche. Bill T., for example, does some interesting work for retailers.

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**The contents of this Startup Kit are excerpted from How to Start a Freight Brokerage Business, an Entrepreneur Startup Guide.**

Visit: <http://www.SmallBizBooks.com> for more information.

One major national chain hires his company to handle the distribution of point-of-sale promotion displays that have to be delivered to hundreds of stores on the same day. Other big businesses use Bill's company to manage shipments related to store openings and closings.

**CLICK: "Sales Help"**

You will find tools to help you plan, target your marketing, create powerful sales materials and more.

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Your next step is to conduct market research to determine if there's a sufficient demand for the services you want to provide. If there is, move ahead with your marketing plan. If there isn't, consider how you might adjust your niche to one that generates adequate revenue.

**FINDING CARRIERS**

There are tens of thousands of motor carriers operating in the United States. Your job as a broker is to identify the ones that provide the services your customers need and to confirm their reliability before using them.

You'll find carriers listed in a number of directories and trade magazines. Word-of-mouth is also a good way to find carriers; as you're out there networking, pay attention to what others are saying about particular trucking companies, and follow up on good reports.

You can also look for trucks at truck stops and on the road. When you see trucks that are clean and well-maintained, try to speak to the driver to find out something about the company. If it isn't practical to speak to the driver, make a note of the company name and headquarters location (it will be posted on the truck or the cab), and give the company a call.

**START-UP COSTS**

The following list will give you an idea of the necessary startup expenses for a freight brokerage.

Where your operation falls within the ranges depends on whether you start as a home-based business or in a commercial location; and whether you hire employees right away or do everything yourself in the beginning.

The suggested operating capital should be enough to cover the first three months of operation and must be sufficient to cover what it will cost to pay the carriers before the shippers pay you.

TYPICAL START-UP COSTS	
Rent	\$0 - \$1,000
Equipment	\$6,000 - \$22,000
Licenses/Tax Deposits	\$200 - \$400
Advertising / Marketing	\$500 - \$1,500
Utilities / Phone	\$100 - \$300
Professional Services	\$200 - \$750
Payroll	\$0 - \$5,000
Supplies	\$300 - \$500
Insurance (first quarter)	\$700 - \$1,400
Operating Capital	\$5,000 - \$250,000 (cash or line of credit)

BASIC OFFICE EQUIPMENT
Typewriter: For filling out pre-printed and multi-part forms
Computer and Printer
Software – including accounting, customer information management, and programs designed specifically for freight forwarders
Modem
Copy Machine
Fax Machine
Postage Scale
Postage Meter
Paper Shredder
Telecommunications Equipment – telephone, voice mail, cell phone, pager, toll-free number and email

**BANKING ON YOUR BANKER**

Solid banking relationships are critical for brokers. Chuck A. says it's not unusual for a new broker to need a line of credit in the range of \$250,000 to \$300,000 to be able to pay carriers before being paid by the shippers. "If you don't pay the trucks in a timely fashion, they won't haul your freight. If you have nobody to haul your freight, you have no business," Chuck says. "Other than getting your licensing and insurance, setting up [a relationship] with a good banker is probably at the top of the list."

Of course, you don't want to walk empty-handed into a bank you've never done business with and ask for a major line of credit.

"You have to know your banker really well. Go in with a business plan. It also helps if you have been doing business with that bank and they know you," Chuck says. "You have to have an excellent credit record, because [as a broker,] you have no assets for them to come after."

Put together a package that clearly demonstrates to the bank that you're not a credit risk and that they'll benefit by establishing a line of credit for you.

For more, see "Banker Hot Buttons For Loans" in the 17 July 2006 edition of

**BUSINESS PLAN TEMPLATES & OTHER USEFUL FORMS**

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Allcovered News here:

<http://www.allcovered.net/Newsletter/2006/2006-07-17-NEWS.pdf>

### **OPERATIONS**

The basic concept of freight brokering is pretty simple: A shipper (or consignor, as they're sometimes referred to) calls you with a load. You complete your own internal paperwork and check with your carriers to see who has a vehicle available. If you already have a relationship with a carrier, you fax it an addendum to your basic contract that describes this particular load and the rate. If the carrier agrees, the company's representative signs the document and faxes it back. (If you don't already have a relationship with the carrier, you'll need to set up a carrier/broker agreement before you finalize the deal on the first shipment.)

Next, the carrier dispatches the driver. It's a good idea to require that the driver call you to confirm that the load has been picked up and again when it's been delivered.

After the shipment has been delivered, the carrier will send you an invoice and the original bill of lading. You invoice your customer (the shipper), pay the trucker and then, ideally, do the whole thing again with another shipment.

### **RECORD KEEPING REQUIREMENTS**

The Code of Federal Regulations is very specific about what types of records you must maintain. While you may keep a master list of shippers and carriers to avoid repeating the information, you're required to keep a record of each transaction.

That record must show:

- the name and address of the consignor (shipper);
- the name, address and registration number of the originating motor carrier;
- the bill of lading or freight bill number;
- the amount of compensation received by the broker for the brokerage service performed and the name of the payer;
- a description of any nonbrokerage service performed in connection with each shipment or other activity, the amount of compensation received for the service, and the name of the payer; and
- the amount of any freight charges collected by the broker and the date of payment to the carrier.

You must keep these records for a period of three years, and each party to a particular transaction has a right to review the records relating to that transaction.

### **LOCATION**

One of the most appealing aspects of a freight brokerage business is that your physical startup requirements are relatively small. Unlike a carrier or freight forwarder, you don't need a warehouse or loading dock. Your customers aren't likely to come to your location, so you don't need to worry about an impressive reception area or elegant offices. In fact, while there are some definite advantages to a commercial location, a freight brokerage is an ideal business to start and run from home.

Where you operate depends on your resources and goals for your company. Many brokers start from home with the goal of moving into commercial space as soon as they're established with a few clients, an excellent strategy.

The major benefit of starting a home-based business is the fact that it significantly reduces the amount of startup and initial operating capital you'll need. But there's more to consider than simply the upfront cash you'll need. Do you have a separate room for an office, or will you have to work at the dining room table? Can you set up a comfortable workstation with all the tools and equipment you'll need? Can you separate your work area from the rest of the house so you can have privacy when you're working--and get away from "the office" when you're not?

By contrast, starting in a commercial location requires more initial cash than starting from home. If you decide to do this, your range of options is fairly broad, and your choice should be guided largely by the goals you've set for your business in terms of market and growth. Consider office buildings, light industrial parks and executive suites.

Unless you have an extremely large home, you'll find that a commercial location allows you to create a setup that's more efficient and practical than what you might be able to do in a spare bedroom.

### **INCOME & PRICING**

Freight charges are based on a number of variables, but the two main factors are the weight of the load and the distance it must travel. Rates are also affected by the type of truck needed, whether the driver needs to make one or more stops to pick up the freight, and whether the driver needs to make more than one stop to deliver the

goods. Each shipment is entitled to one pickup and one delivery with no extra charge; you can usually negotiate the rate for additional stops with the carrier.

Before you begin shopping for rates for specific shipments, get an idea of the current "going rates" for the types of shipments you're likely to be handling. You can do this by requesting copies of tariffs from several carriers and studying them.

Your income is generated by the commissions you earn on each load. You'll be paid one of two ways: You can bill the shipper the amount you're going to pay the carrier plus the amount of your commission, or the carrier can bill the shipper directly and then pay you a commission from its revenue. The most common way to handle billing and commissions is to have the carrier bill you and then you bill your customers.

Your commission is negotiable, and you can get whatever the traffic will bear. The average broker's commission is between 5% and 11% of the shipping charges, sometimes higher. Keep in mind that your commission is your gross revenue, and out of that you must pay your overhead: rent, taxes, payroll, sales commissions, utilities, debts and so on. Ron W. estimates that most brokers are lucky to earn a net profit of 1 to 2 percent after expenses.

#### **MARKETING & RESOURCES**

Just about everything must move at least part of the way to its final destination by truck. With that in mind, it's safe to say that almost every company is a potential customer for you. But if you take that approach, you'll have a tough time coming up with an effective, not to mention affordable, marketing plan.

As we said above, Allcovered offers Sales Help to help you identify your potential customers, and offers ways to tailor your marketing materials so that your words and presentation "resonate" with the prospective customers.

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#### **KEEP IN MIND:**

- Who are your potential customers?
- How many of them are there?
- Where are they located?
- How do they currently transport freight?
- Can you offer them anything they aren't getting now?
- How can you persuade them to do business with you?
- Exactly what services do you offer?
- How do you compare with competitors?
- What kind of image do you want to project?

**TRADE – JAPAN BANS NORTH KOREAN SHIPS:** Japan has ordered a ban on all North Korean imports and prohibited its ships from entering Japanese ports. North Korea Monday claimed to have conducted a test of a nuclear device. The US wants the United Nations to require international inspections of all cargo moving into and out of North Korea.

MORE: <http://www.joc.com/lede/20061012/sections/trade/w36579.asp>

**TRADE – RECORD US CARGO VOLUME – NO SNARLS:** Ports in the United States are handling record container volumes this month but should make it through the peak shipping season without any congestion, according to the October Port Tracker compiled by the National Retail Federation and the research firm Global Insight. Although the intermodal rail network and trucking industries are stretched thin, surface transportation carriers are expected to handle the peak-season freight volumes with only minimal delays. October is the busiest month of the year in international transportation. The merchandise that will be sold at retail stores throughout the US this coming holiday season is moving through the seaports and along the inland transportation networks at record volumes.

MORE: <http://www.joc.com/20061009/sections/ocean/w93994.asp>

**TRADE – RAIL CAPACITY PROBLEMS LOOM:** US r capacity and infrastructure crunches loom, according to a Government Accountability Office report. The report said the government must assist the railroads in developing more capacity: “Significant increases in freight traffic are forecast, and the industry’s ability to meet them is largely uncertain.”

MORE: [http://www.americanshipper.com/SNW\\_story.asp?news=40381](http://www.americanshipper.com/SNW_story.asp?news=40381)

**TRADE – CUSTOMS WANTS MORE IMPORT DATA:** US Customs and Border Protection will publish before the end of the year proposed rules requiring importers and carriers to provide additional data to improve screening of high-risk cargo.

MORE: <http://www.joc.com/lede/20061011/sections/trade/w43226.asp>

**AIR – BA-WORLD CARGO CUTS SURCHARGE:** British Airways World Cargo is cutting its fuel surcharge to \$0.50 per kilogram effective Thursday, 19 October.

MORE: [http://www.americanshipper.com/SNW\\_story.asp?news=40382](http://www.americanshipper.com/SNW_story.asp?news=40382)

**AIR – BA-CARGO ADDS SCOTLAND-US ROUTE:** British Airways has begun a new freighter route to the United States from Scotland amid rising exports of heavy manufactured goods and oil exploration equipment to North America. BA World Cargo uses a 747-400 on twice-a-week flights from Prestwick airport, near Glasgow, to Atlanta and a weekly service to Chicago and Houston. Flights began the 11th.

MORE: <http://www.joc.com/20061006/sections/air/w61094.asp>

**AIR – JORDANIAN FREIGHTER SERVICE TO LONDON:** Within two weeks, Royal Jordanian Airline (RJA) will add a weekly freighter service to London Stansted Airport. RJA already operates a weekly freighter operation into London Heathrow.

MORE: [http://www.aircargonews.net/article.asp?art\\_id=1081](http://www.aircargonews.net/article.asp?art_id=1081)

**AIR – LH-CARGO LAUNCHING FRA-LAX SERVICE:** Lufthansa Cargo will launch a twice-weekly MD-11F service from Frankfurt to Los Angeles via Chicago beginning 29 October.

MORE: <http://www.atwonline.com/news/other.html?issueDate=10%2F10%2F2006>

**AIR – AF-KLM CARGO UP 4.2% IN SEPTEMBER:** Air France-KLM cargo volume gained 4.2% in September, on capacity that was 2.2% higher than the previous month.

MORE: <http://www.joc.com/20061009/sections/air/w6301.asp>

**AIR – CATHAY CARGO UP 6.3% IN SEPTEMBER:** Cathay Pacific carried 106,604 tons of freight in September, up 6.3% from the same month last year, with a 5.9% rise in capacity. Cathay’s cargo load factor for the month increased by 2.6% to 71.3%.

MORE: [http://www.americanshipper.com/SNW\\_story.asp?news=40571](http://www.americanshipper.com/SNW_story.asp?news=40571)

**AIR – LH-CARGO UP 3.9% IN SEPTEMBER:** Lufthansa Cargo carried 153,000 tons of freight and mail in September, 3.9% rise over the same month in 2005. The German airline’s cargo load factor improved 4.5% to 68.4% as available capacity was reduced by 0.3 percent.

MORE: [http://www.americanshipper.com/SNW\\_story.asp?news=40572](http://www.americanshipper.com/SNW_story.asp?news=40572)

MORE: <http://www.joc.com/lede/20061011/sections/air/w6725.asp>

**AIR – DELTA ANNOUNCES MORE INTERNATIONAL ROUTES:** Delta, which has reduced domestic flying in favor of an expanded international schedule, plans to launch direct flights in spring 2007 from Atlanta to Prague (from May 2), Vienna (from May 21), Dubai (from May 31) and Seoul Incheon (from June 4) and from New York JFK to Pisa/Florence (from May 31), Shannon (from June 2) and Bucharest (from June 5). Additionally, it will double JFK-London Gatwick service from once to twice daily from April 1 and ATL-Sao Paulo from once to twice daily from June 15 to Aug. 15.

MORE: <http://www.atwonline.com/news/story.html?storyID=6748>

**AIR – EMIRATES ORDERED 10 747-8 FREIGHTERS – EYES 747-8I:** As part of its plans to expand its cargo services, Emirates has ordered 10 new 747 freighters with options for ten more. Emirates also expresses interest in the 747-8-Intercontinental, Boeing’s competitor to Airbus’ delayed A380 super-jumbo.

MORE: <http://www.atwonline.com/news/story.html?storyID=6706>

MORE: [http://www.dubaicityguide.com/geninfo/news\\_dtls.asp?newsid=2394](http://www.dubaicityguide.com/geninfo/news_dtls.asp?newsid=2394)

**AIR – EMIRATES REMAINS COMMITTED TO A380:**

MORE: <http://www.atwonline.com/news/story.html?storyID=6749>

**AIR – MORE PASSENGERS BETWEEN AUS AND ASIA DRIVES DOWN CARGO:**

Passenger numbers are booming, but airlines are struggling to fill cargo space at profitable levels between Australia and Asia.

MORE: <http://www.supplychainreview.com.au/index.cfm?li=displaystory&StoryID=28732>

**OCEAN – TACA LOWERS BAF:** Trans-Atlantic Conference Agreement carriers will next month lower their bunker adjustment factor by roughly 14% through at least mid-December.

MORE: [http://www.americanshipper.com/SNW\\_story.asp?news=40387](http://www.americanshipper.com/SNW_story.asp?news=40387)

**OCEAN – CMA-CGM SEES RATE REBOUND:** The world's third-biggest container liner, CMA CGM, says it is beginning to see a rebound in freight rates for shipments moving from Asia to Europe.

MORE: <http://www.joc.com/20061009/sections/ocean/w8586.asp>

**OCEAN – MSC BEGINS NORTH EUROPE – AFRICA SERVICE:** Switzerland-based Mediterranean Shipping Company will start a weekly service connecting North Europe and West Africa on 27 October.

MORE: [http://www.americanshipper.com/SNW\\_story.asp?news=40506](http://www.americanshipper.com/SNW_story.asp?news=40506)

**OCEAN – MAERSK FOCUS ON CARS IN BOXES:** In a development that could have important implications if it catches on, Maersk Logistics is now shipping Lotus automobiles from England to the United States in containers using a racking system called Trans-Rak. Using two Trans-Rak frames fixed inside the container, five Lotus vehicles fit into a single 40-foot high-cube box. Trans-Rak notes that after being loaded and lashed in the container at the Lotus factory in Norwich, the cars are not handled again until they are discharged from the container at the processing center. "This door-to-door system eliminates the possibility of damage caused by unfamiliar ro/ro stevedores driving them on and off vessels, or by weather and bird-lime." The five cars can be discharged from the container in as little as 25 minutes, according to Trans-Rak.

MORE: [http://www.americanshipper.com/SNW\\_story.asp?news=40385](http://www.americanshipper.com/SNW_story.asp?news=40385)

**OCEAN – SWIRE CONSOLIDATING LINER NAMES:** China Navigation, announced a re-branding plan that will retire the names of several shipping lines to the history books. Swire Shipping Ltd., will become the new brand, and current brands APIL, Chief Container Service, Crocodile Line, Indotrans, Indotrans Pacific and New Guinea Pacific Line will be retired.

MORE: [http://www.americanshipper.com/SNW\\_story.asp?news=40386](http://www.americanshipper.com/SNW_story.asp?news=40386)

MORE: <http://www.scoop.co.nz/stories/WO0610/S00238.htm>

**OCEAN – SUPER-PORT PLANS FOR VANCOUVER:** Three port authorities in Vancouver, British Columbia, have agreed to merge into a single integrated 'superport' that would manage marine and intermodal trade transportation throughout the region. The plan would enable the space-starved Port of Vancouver, for example, to access the hundreds of miles of shoreline and thousands of acres of available land at the Fraser River Port, about 20 miles away. Vancouver's container traffic through August was 26% higher than the same period a year ago. Its three terminals are operating at full capacity under a government-mandated truck reservations systems showing signs of strain.

MORE: <http://www.joc.com/lede/20061009/sections/ocean/w67571.asp>

**OCEAN – ROTTERDAM PORT GO-AHEAD:** The Dutch Parliament overwhelmingly approved the construction of a giant container terminal in Rotterdam, freeing Europe's leading box hub to fight off a fierce challenge from its rivals in the Le Havre-Hamburg port range. The port project will have a capacity of 8.5-million TEUs (20-foot Equivalent Units) and cost \$3.7-Billion with 2013 as the target date.

MORE: <http://www.joc.com/20061011/sections/ocean/w7128.asp>

**OCEAN – NEHRU CARGO UP 21%:** India's busiest port, Jawaharlal Nehru, handled 1,547,304 TEUs during the first half of the current fiscal year. That is up 20.8% from the same period last year.

MORE: <http://www.joc.com/20061009/sections/ocean/w18301.asp>

**OCEAN – MUMBAI VOLUME UP 15%:** Traffic at the western Indian Port of Mumbai increased 15% to 25.32 million metric tons in the six months ended Sept. 30.

MORE: <http://www.joc.com/20061009/sections/ocean/w72980.asp>

**OCEAN – SHIP GROUNDING:** Two crewmembers are dead and eight others missing from a 197,060-deadweight ton capesize ore carrier, the Panamanian flagged "Giant Step," operated by Japan's Mitsui O.S.K. Lines, after it went aground off eastern Japan.

MORE: [http://www.americanshipper.com/SNW\\_story.asp?news=40508](http://www.americanshipper.com/SNW_story.asp?news=40508)

> > > > > **JUST FOR FUN** < < < < <

(These are shared by readers – Please share yours. Thanks. Mike)

### **MORE SOUTHERN-ISMS**

The US is a large area. Sociologists say it has seven distinct "societies," each with a distinct personality, speech and mores. In the South, things are... well... different:

- All southerners know exactly when by and by" is. They might not use the term, but they know the concept well.
- Only a Southerner knows instinctively that the best gesture of solace for a neighbor who's got trouble is a plate of hot fried chicken and a big bowl of cold potato salad. If the neighbor's trouble is a real crisis, they also know to add a large banana pudding or scratch made pie.
- Only Southerners grow up knowing the difference between "right near" and "a right far piece." They also know that "just down the road" can be 1 mile or 20.
- Only a Southerner, both knows and understands, the difference between a redneck, a good ol' boy, and po' white trash.
- No true Southerner would ever assume that the car with the flashing turn signal is actually going to make a turn.
- A Southerner knows that "fixing" can be used as a noun, a verb, or an adverb.
- Only Southerners make friends while standing in lines, and when we're "in line," ...we talk to everybody!
- Put 100 Southerners in a room and half of them will discover they're related, even if only by marriage.
- In the South, y'all is singular, ... all y'all is plural.
- Southerners know grits come from corn and how to eat them.
- Every Southerner knows tomatoes with eggs, bacon, grits, and coffee are perfectly wonderful; that red eye gravy is also a breakfast food; and that fried green tomatoes are not a breakfast food.
- When you hear someone say, "Well, I caught myself lookin'," you know you are in the presence of a genuine Southerner!
- Only true Southerners say "sweet tea" and "sweet milk." Sweet tea indicates the need for sugar and lots of it -- we do not like our tea unsweetened. "Sweet milk" means you don't want buttermilk.
- Only a Southerner knows the difference between a hissie fit and a conniption fit, and that you don't "HAVE" them, you "PITCH" them.
- Only a Southerner knows how many fish, collard greens, turnip greens, peas, beans, etc., make up "a mess."
- Only a Southerner can show or point out to you the general direction of "yonder."
- Only a Southerner knows exactly how long "directly" is, as in: "Going to town, be back directly."
- Even Southern babies know that "Gimme some sugar" is not a request for the white, granular sweet substance that sits in a pretty little bowl in the middle of the table.
- And a true Southerner knows you don't scream obscenities at little old ladies who drive 30 MPH on the freeway. You just say, "Bless her heart"... and go your own way.

- To those of you who are still a little embarrassed by your Southernness:  
Take two tent revivals and a dose of sausage gravy  
And call me in the morning.  
Bless your heart!
- And to those of you who are still having a hard time understanding all this Southern stuff, ...  
bless your hearts,
- I hear they are fixin' to have classes on Southernness as a second language!
- And for those that are not from the South but have lived here for a long time, all y'all need a sign to hang on y'all's front porch that reads: "I ain't from the South, but I got here as fast as I could."

If you have curious, interesting, funny or thoughtful items to share in "Just For Fun", Email them to [mike.miller@allcovered.net](mailto:mike.miller@allcovered.net) . Thanks.

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