

Report on Transportation

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“Like” it or not, **social media** is here to stay. Customers and employees entering the industry have grown up in this world, and it’s up to the rest of us to adapt and seize the opportunities that it presents.

“They speak a different language,” says Mike McCarron, managing partner at MSM Group of Companies, of this cohort. “And it’s not just 17-year-old kids anymore. The Facebook generation is now in their thirties, and that’s the way they communicate. You need to be playing in that space.”

Social media goes far beyond reading on Facebook what your kid’s friend’s brother had for breakfast, or following the musings of Ashton Kutcher on Twitter.

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SOCIAL ENGAGEMENTS

....continued from the cover

While both of these platforms may become part of your strategy, social media is really about sharing content across different channels online, says Kim McWatt, director of social media and senior consultant, JAN Kelley Marketing.

Several months ago, the Ontario Trucking Association (OTA) launched several social-media initiatives to communicate with members, transportation industry stakeholders, and the public in new and interactive ways. "Social media allows us to not only enhance our communication with members, but also to reach a whole new audience," said



OTA president David Bradley in a press release announcing the launch. OTA has been active on Twitter (@ontruck) since November 2010, has started a Facebook page to promote the industry through the OTA Road Knights ambassadors, and has introduced a YouTube channel (ontruck) to explain and share industry issues. The Association is also presenting a panel discussion titled "Getting a handle on social media" during its annual convention that will feature McCarron, McWatt, and Peter Gima, SMB national manager at LinkedIn Canada.

Organizations can use social media in many ways – customer service, recruiting, marketing and promotion, networking, crisis management – the list goes on.

But it can be overwhelming for small companies who want to get their feet wet but aren't sure where to dip them first.

McWatt suggests starting small, and perhaps focusing on LinkedIn, which is known as the business and professional side of social media, as a starting point. That's where business-to-business (B2B) organizations will reach most of their customers, she says.

Gima says LinkedIn Canada has about 3,300 people working for trucking companies in its contacts, and about 32,000 individuals who classify themselves as working for a logistics company. Opportunities abound.

McWatt recommends building a strong company profile – as for individuals, company profiles are free of charge – that includes sections for customer referrals and discussions of different products and services, for starters.

Gima says many organizations actually encourage their employees to post their profiles on the company site. "If you really are a great employer and a great place to work, your employees become brand ambassadors for the company." A company presence on LinkedIn also provides business intelligence on your own organization because you can find out who's following you. Conversely, you can follow other companies in a similar industry for competitive insight.

The stronger your profile, the better chance your organization has of showing up when a potential customer or employee is conducting a search. "I think if you work something like a LinkedIn profile really well and use that to mine opportunities, you could really do a great job just using that as a starting point," says McWatt. That might eventually be followed by the creation of a YouTube video, a blog, and perhaps a Twitter feed or Facebook page.


Whatever an organization decides to do in the social-media spectrum, it should appoint a "content champion," though many may contribute information. After all, there's nothing worse than setting up a Twitter, Facebook, or LinkedIn account and letting it languish. Better not to do it at all.

No matter what the platform, content is still king. "If you've got nothing to say, it's going to follow you," warns McCarron.

TAXING TIMES

By Alan Boughton, President, Trailcon Leasing Inc.

Editorial

Let me tell you how it will be;
There's one for you, nineteen for me.
'Cause I'm the taxman,
Yeah, I'm the  man.

— The Beatles

Although George Harrison wrote this song in 1966, he could have been singing about Dalton McGuinty, whom Ontario voters have inexplicably elected to a third term as premier, albeit this time of a minority government.

The Liberals lost 17 seats, plummeting from 70 (plus two vacant seats) to 53. So we can at least take some small measure of comfort in the fact that Devious Dalton may have to compromise on his tax-and-spend agenda.

But he remains our premier nonetheless, and those who voted for him got what they deserve.

As for the rest of us, well, in the words of The Rolling Stones, “you can’t always get what you want.”

Whether we wanted it or not, here’s what we’ve gotten so far: an HST tax grab, a sneaky eco-tax, the addition of HST to our hydro bills, a healthcare “premium” – and on and on it goes. In each of the first two elections, McGuinty vowed not to raise taxes, only to promptly break that promise.

During his time in office, McGuinty has introduced the largest income-tax hike in Ontario history with the so-called “health” tax, and the largest sales-tax hike in Ontario history with the HST tax grab. The Canadian Taxpayer Federation projects an average tax increase of 4.3% for Ontarians in 2011 over 2010, the highest in Canada.

And here’s what we have to look forward to under McGuinty’s extended reign. For starters, there’s all-day kindergarten, at a cost of \$1 billion.

And then there’s yet another new tax in the works, called Smart Meter Service Fees. Starting next year, we will have to pay for the

privilege of having smart meters – made in Korea yet – forced on us. According to the Independent Electricity System Operator’s 2011-2013 Business Plan, the Ontario Liberals are plotting to collect \$33 million per year from this new tax. It will be applied to smart meter hydro bills above and beyond the higher costs of “time-of-use” pricing. Hydro rates have already skyrocketed 84%, and 150% for homes with a smart meter, not to mention the \$1 billion – \$200 per household – price tag that came with installing these not-so-smart meters.

He has also hinted that a massive new carbon tax at over \$500 per household per year might be in store next for beleaguered Ontario families.

Meanwhile, our roads languish as the government freezes or cancels road-improvement projects while overspending on energy and other projects.

Since McGuinty was elected in 2003, the Liberals have doubled the provincial debt. The total debt in 2003 was \$148 billion. By 2012, it will have hit \$283 billion, and by 2013, a whopping \$303 billion.

So get ready to pay – again and again – for our daft decision to spend (there’s that word again!) yet another four years at the mercy of mad McGuinty. To paraphrase Canadian musician and artist Mendelson Joe’s iconic ’60s song, “I think we’re losin’ our marbles; and I’ll tell ya it’s a doggone shame.”



PITCHING IN



OTA awards Allied Trades Division 2011 scholarships

Each year, the Education Foundation of the **Ontario Trucking Association (OTA)** awards two scholarships funded by the OTA Allied Trades Division to one university and one college student. This year's recipients are **Kristin Knill** and **Fabio Marrama**.

After graduating from Niagara College's two-year program in Fitness and Health Promotion with a 92% average, Knill is entering her third year of a four-year Honours Applied Kinesiology degree program at the University of Guelph-Humber. Upon graduating, she plans to study physiotherapy for both humans and animals. She received the



Ontario Trucking Association

OTA Allied Trades Division College scholarship last year, as well as the Foundation's general scholarships in 2010 and 2011. Her father, Paul, is the general manager for J & R Hall Transport in Ayr, Ont.

Marrama is enrolled in his second year at Niagara College, where he is studying business. He is a member of Students in Free

Enterprise (SIFE), which he describes as "the most influential part" of his college education. "SIFE students like me are driven to make a change," he says. In his free time, Marrama volunteers with several organizations.

Established in 1958, the OTA Education Foundation provides assistance to Ontario students with links to the Ontario trucking industry, and who have demonstrated a commitment to academic success, personal goals, and community service. In 2010, the Foundation handed out nearly \$58,000 in the form of 47 scholarships to Ontario university and college students.



THE 2011-2012 ROAD KNIGHTS TEAM (FROM L TO R): Barry Wicklum, Meyers Transport; Jack Fielding, Bison Transport; Fran Gooderham, Thomson Terminals Ltd.; Daniel Santoro, Trimac Transportation Services Ltd.; Robin Seale, Erb Group of Companies; John Boneschansker, Laidlaw Carriers Van LP; Ravinder Athwal, Trimac Transportation Services Ltd.

Road Knights take their safety crusade to video



The **OTA Road Knights** team is now broadcasting its safety message to a wider audience, thanks to two road-safety videos produced by the Ontario Trucking Association.

Titled "Sharing the road with a car" and "Sharing the road with a truck," the videos feature tips on how drivers can safely use Ontario's roadways.

"The Road Knights have a wealth of safety information to share with Ontarians on road safety and safe driving practices," says OTA president David Bradley.

The videos star some of the members of the current Road Knights team, along with alumni Anne Finley of Sunbury Transport and Guy Broderick of APPS Transport Group. They can be viewed on the OTA's website at www.ontruck.org, as well as

the OTA Road Knights' Facebook page.

Launched in 1995 and sponsored by the OTA Allied Trades Division, the Road Knights are a group of professional truck drivers who serve as ambassadors of the Ontario trucking industry. They speak to community groups, schools, safety organizations, and other groups on road safety and careers in the trucking industry. Each team serves for two years.

CUSTOMER CONNECTION



Trans4 Logistics

A driving force in auto-parts transport

With automotive assembly plants counting on receiving parts on a “just-in-time” basis, they need a carrier that can deliver the goods.

Trans4 Logistics fits the bill. After all, the transportation of automotive parts accounts for a whopping 70% of its business.

A subsidiary of the TransForce Group of Companies since 2002, Trans4 can offer its customers the best of both worlds. While it has the backing of one of the largest transportation companies serving the North American market – the parent company boasts more than 4,300 pieces of equipment, 1,600 tractors, and 3,500 employees – Trans4 is small enough to provide a high level of customer service.

“It is our people and our service that distinguish us from our competitors,” says James Blake, Trans4’s director of business development. “The people who run our operations are the heart and soul of our company.”

Trans4 retains about 175 drivers and 150 owner-operators to deliver throughout Ontario and the upper states. Its fleet consists of some 230 pieces of equipment, ranging from 20- to 53-foot trailers and containers, both owned and leased. Because the auto-

“It is our people and our service that distinguish us from our competitors.”

— **James Blake**
Director of business development



motive industry typically goes through economic peaks and valleys, renting and leasing equipment from Trailcon Leasing gives Trans4 the flexibility to adjust the size of its fleet as needed.

With bulky pieces such as hoods and bumpers, automotive parts are notoriously hard on the interior of trailers, costing

carriers a great deal of money in repairs. To reduce this damage, Trans4, with the help of Trailcon, designed an auto spec trailer whose interior is reinforced with metal. “This protects the inside of the trailer from damage, which allows our pricing to be more competitive because we’re not spending as much on repairs,” says Blake. “We’re trying to make the inside of the trailer bullet-proof.”

Earlier this year, Trailcon supplied Trans4 with 16 new trailers complete with the interior automotive protection package, and retrofitted 25 of the carrier’s existing units.

“Trailcon has always helped us design and implement to meet our goals, both from a price and time standpoint,” says Blake. He adds that Trans4 will continue to work with its vendors to find ways to reduce costs.

The greater the efficiencies in the supply chain, the less we will all pay when we go shopping for that new set of wheels.

◀ The interior of the auto spec trailer is reinforced with metal, which protects it from damage and allows the company’s pricing to be more competitive.





New lift-roof system helps haul live poultry more safely

By Greg Koppelaar, General Manager, and Jim Kranendonk, Curtainsider Product Manager, Bay-Lynx Manufacturing Inc., Ancaster, Ont.



The roof structure on this trailer for transporting live poultry is made of lightweight aluminum for safety, comfort, and durability.

The **Poultry Service Association of Ontario** asked us to develop a lift-roof system for hauling live poultry from the farmers' barns to the processing plants that would comply with Ministry of Labour safety regulations.

That meant the roof had to be a structure made of lightweight aluminum, rather than a top tarp, to eliminate the risk of employees falling when pulling back the tarp. A hard roof would also protect the chickens when in transit, as it would allow the air to circulate in the summer to keep the interior cooler, while keeping it warmer in the winter with sufficient insulation.

Other criteria included the ability to withstand harsh conditions while still being competitively priced, and the ability to accommodate crates today and adapt to modular units in the future. The roof structure also required a venting system designed and engineered for both summer and winter use. Finally, it had to fit a standard 53-foot drop-deck or flat-deck trailer.

The roof structure can be raised 30 or 54 inches, depending on customer preference, to allow the driver to fill the crates while the roof is above them. It can then be lowered



on top of the crates to cover the birds during transit, and act as the load securement system by capturing the crates. The hydraulic system for lifting the roof structure uses cold-rated hydraulic oil, and features hydraulic cylinders sized with engineer-approved mechanical safety stops.

We installed a dual-battery-operated power unit with electrical charge units and a hand pump back-up. A temperature monitor placed at the top of the loads determines heat difference between the ambient and the load, with good results to date.

The interior lighting and the roof material we selected have been very well received, and an improvement to existing methods. Red

◀ The roof can be raised 30 or 54 inches, depending on customer preference, to allow the driver to fill the crates while the roof is above them.

LED lights spaced evenly on the roof interior provide ample and well-dispersed lighting that actually calms the birds. The commonly used bright white lights, by contrast, agitate the birds, while using no lights at all leads to bird damage. We selected a Kemlite material for the roof, which reflects two times the solar radiation and is much less conductive than standard aluminum roof skin.

Bay-Lynx has already produced and installed over 50 of these Poultry Lift Roof Trailers, and current production slots are booked into next year. We feel that this project is in its infancy and that this concept and creative design has already spurred – and will continue to do so – exciting new developments within the poultry industry.

The positive customer feedback has been very encouraging. It's great to hear comments such as "good structural design," "safe and efficient to operate," and "great protection for the birds in our cold and hot days in Ontario."

INTERMODAL INSIGHTS



Port of Vancouver posts solid mid-year numbers

Port Metro Vancouver handled 58.7 million tonnes of cargo in the first six months of 2011, a 1% increase over the same period in 2010.



Container traffic continued its upward trend, increasing 5% to 1.2 million TEUs (20-foot-equivalent units). A 12% increase in containerized exports offset a weaker demand for consumer goods, reflected in a 1% rise in imports.

The Port also launched its first sustainability report, titled "The Way Forward." The report highlights key social, financial, and environmental achievements and milestones. The Port's air emissions reduction program earned the ecoFREIGHT Sustainable Transportation Award at the 2010 GLOBE Conference, and its head office became carbon neutral for the first time last year.

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CN initiates measures to improve efficiencies

CN has implemented a series of capacity improvements to accommodate growing container volumes at its Brampton Intermodal Terminal (BIT), Canada's largest rail intermodal terminal. They include the installation of new track, the creation of about 25% more ground space for international containers by staging CN containers offsite, the purchase of five new cranes, and



Photo Credit: CN

an increase of approximately 10% in the labour force. These initiatives follow the construction of new entry and exit lanes for truckers last December that increased BIT's gate throughput by 33%.

The railroad also began construction of its previously announced \$200-million

Calgary Logistics Park. With completion targeted by year-end 2012, the 660-acre Park will include a state-of-the-art intermodal terminal for containerized goods moving between rail and truck, more than two million square feet of warehousing capacity, and heavy-container-handling capacity.

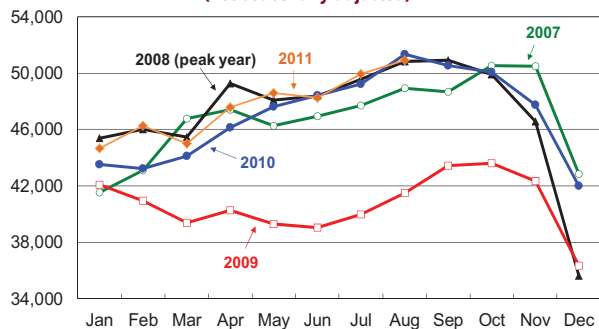
For the second quarter of 2011, CN's net income increased from the year-earlier quarter to \$538 million, while revenues rose 8% to \$2,260 million. Intermodal, the railway's largest revenue segment, was a particularly bright spot, said president and CEO Claude Mongeau, as it benefitted principally from higher import volumes over the ports of Vancouver and Prince Rupert, and increased domestic retail shipments. Total intermodal volumes rose 10%, and intermodal revenues increased 14% for the quarter. For the full year 2010, intermodal volumes increased by a healthy 17% over 2009, and intermodal revenues rose by 18% to \$1,576 million.

Canadian railways record second-highest intermodal month

It's full steam ahead for Canadian railroads this year. They originated 254,500 intermodal trailers and containers in August 2011, for an average of 50,900 units per week. Although that is down 0.7% from the railways' record-setting month of August 2010, it is still their second-highest intermodal month in history.

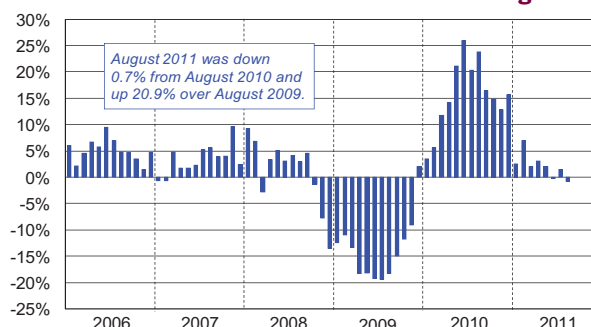
Intermodal truck trailers continue to lose ground to containers: in August 2011, railways loaded 8,254 trailers, down 1.5% from the 8,376 recorded in August 2009. By contrast, they loaded 21.8% more containers, from 202,193 in August 2009 to 246,246 for the same month in 2011.

Average Weekly Canadian Rail Intermodal Traffic
(not seasonally adjusted)



Data are based on originations, include CN and CP (including their U.S. operations), and reflect revisions to original reporting. Source: AAR Weekly Railroad Traffic

% Change in Total Canadian Intermodal Traffic From Same Month Previous Year: Jan. 2006 – Aug. 2011



Data are weekly average originations for each month, include CN and CP (including their U.S. operations), and reflect revisions to original reporting. Source: AAR Weekly Railroad Traffic

SOURCE: Rail Time Indicators, published by the Policy and Economics Department of the Association of American Railroads. Reproduced with permission.



TRAVEL TIPS

Discovering the charms of China Part 2 of 2



By Alan Boughton, President, Trailcon Leasing Inc.

My continuing adventures as I toured China with my wife Wendy, Doug Tozer of Wheels International and his wife Kathy, and Domenic Gesualdi of The Valecon Group and his wife Debbie. Here, we pick up where we left off in Shanghai.

For part 1, see "Report on Transportation," Spring 2011, page 8.

We spent the next two days in Shanghai walking and touring the city, visiting such sites as the world-famous Xinyang Fashion and Gift Market, also known as the "Fake Market" for its ubiquitous knock-off products. In all the shopping and tourist areas, we were greeted with the familiar refrain: "Hey mister, wanna buy a watch?" A fake Rolex cost approximately \$16Cdn. I bought two just to see how long they would last before they stopped working or the hands fell off. However, the initial novelty of the knock-off vendors soon wore off, as they are extremely persistent.

Just about any kind of food is readily available in Shanghai, including all the U.S.-based fast-food chains, and also such "delicacies" as grilled beetle, scorpion, silkworm, centipede, and bee cocoon. We bulked up at the morning buffet at our hotel, the J.W. Marriott, and then enjoyed Chinese meals at local restaurants arranged by Phil Tozer, who resides in Shanghai. Traditional Chinese fare, along with the "Hot Pot" style of cooking, was always tasty and entertaining, especially my attempts to use chopsticks.

For relaxation, the spa at the J.W. Marriott is outstanding, and there are spas and foot-massage locations throughout Shanghai. Impressed as we were with the city's hotel, airport, skyline and the many sites and activities, what surprised me the most was its cleanliness. Street cleaners with old-style straw brooms and bins are everywhere, at all hours. Leaves that fell off the many sycamore trees were barely on the ground before they were swept up and disposed of along with any garbage on the streets.

For pure entertainment, one need only stand on the sidewalk and witness an unplanned orchestration of cars, pedestrians, bicycles and carts moving at fast speeds and in different directions, but without anger or hostility while vying for the same piece of the road. We witnessed only two minor accidents, although your heart is in your throat on almost every excursion, wondering why there isn't more carnage on the streets.

The next stop on our trip was Hong Kong, via Cathay Pacific Airlines. A single

flight is all it takes to understand why this airline is consistently rated as one of the top providers in its field.

With a population of over seven million, Hong Kong is a very international city. English is well received just about everywhere, particularly in the shops, restaurants and hotels. It is a shopper's paradise – not a place where you would want to see your wife with a high-limit credit card! While we were in Hong Kong, a new shopping mall opened called Tsim Sha Tsui that has 400,000 square feet of shopping space spread over 29 stories.

As with most great tourist destinations, there is the "Big Red Bus," which one can hop on and off of to visit points of interest. There were three routes available

The international city of Hong Kong is a shopper's paradise.



Food markets featured such “delicacies” as grilled silkworm, centipede, scorpion, beetle, and bee cocoon.



The business part of our trip included a visit to the CIMC container plant in Shanghai.

then again to enter the mainland. The two-hour drive to Shenzhen took us to a totally different part of China. This industrial area is very rough and dirty, with thousands of small businesses and large manufacturing plants producing many of the goods that end up in North America on the shelves of Wal-Mart, Canadian Tire, HBC, and other retailers. These plants also produce furniture and many building products, including state-of-the-art geothermal, wind and solar systems that will soon be a huge part of our North American green energy system.

The Shenzhen area is not as international as Beijing, Shanghai or Hong Kong, and language can

be a barrier when meeting with potential suppliers or customers. Having a Chinese guide/interpreter is pretty much a must in this part of the country.

There is an old Chinese proverb that goes: “Reading ten thousands of books is not as useful as travelling ten thousand miles.” Throughout this trip, it became clearer each day that, although you can read every book, watch every movie, and talk to those who have travelled to China, there is no substitute for the actual experience.

The areas visited, the contacts made, and the knowledge garnered would not have been possible without the experience of the Wheels Group – CEO Doug Tozer, his son Phil, Doug’s assistant Sherene D’cruz, who coordinated all the travel arrangements, and James Kao of Synaps, who arranged travel while we were in China and acted as our interpreter and travel guide.

that allowed you to see most of the notable sites. The first night, we took a quick ferry trip across the harbor, and then boarded a train to an area called “The Peak,” a hill/mountain with spectacular day- and nighttime views. For our daytime visit, we hired a car with a driver who spoke English. He knew a route that went right to the top, even further than where the tourists visit. The single-lane road took traffic both ways, making the trip more than a little interesting, with backing up and finding places to pass.

The business side of our trip saw us take a tour of the Hong Kong container port. It ranks as the third-busiest port in the world, with over 20 million TEUs (20-foot-equivalent units) handled in 2010.

From Hong Kong, the wives flew back to Toronto while our working group drove back to mainland China. We were required to clear customs first to exit Hong Kong and



INDUSTRY

Notes

On the Acquisition Trail

Consolidation in the transportation industry continues as three companies recently announced acquisitions.

Okotoks, Alta.-based **Mullen Group** closed the acquisition of Hi-Way 9 Express Ltd., Load-Way Ltd., Streamline Logistics Inc., and 1006213 Albert Ltd., known collectively as Hi-Way 9. Hi-Way 9 is a less-than-truckload transportation firm that has been in business since 1969. The companies will operate as wholly-owned subsidiaries of Mullen Group.

Mullen Group is a provider of specialized transportation and related services to the oil and natural-gas industry in western Canada, and a supplier of trucking and logistics services in Canada.

Contrans Group Inc., Woodstock, Ont., has acquired the pneumatic trucking business of TBM Transportation Ltd. in Edmonton. The business has 10 tractors and 21 trailers that will be combined with Tri-Line Carriers LP, a Contrans subsidiary based in Calgary that operates both flatbed and pneumatic tank equipment.

Meanwhile the **TransForce Inc.** juggernaut gains momentum with the purchase of the assets of DHL Express Canada's domestic business. The latest acquisition will be operated through a newly established subsidiary, Loomis Express, to provide a completely integrated domestic and international suite of logistics and shipping services.

TransForce also acquired the shares of Toronto-based Concord Transportation Inc., an expedited carrier specializing in cross-border transportation solutions. Concord has a network of offices in Ontario and British Columbia, as well as in the U.S.

Industry operating costs continue to rise: Bradley

Every key component of operating cost in the trucking industry – from labour to fuel, to equipment, parts, and maintenance – has been increasing, says **David Bradley**, president and CEO, **Ontario Trucking Association (OTA)**.

The number one operating cost for trucking companies – accounting for 40-75% of total costs – is labour, which Bradley predicts will continue to increase.

The second-largest component of cost for motor carriers is fuel. With the federal biodiesel mandate that kicked in on July 1, increases in fuel costs, based on U.S. experience, are expected to be exacerbated. The price of canola, the primary feedstock for biodiesel in Canada, is at record levels. Furthermore, there is insufficient biodiesel production capacity in Canada, so about 85% of the country's biodiesel demand will be met through imports. Biodiesel cannot be shipped by pipeline, notes Bradley, which should add to the cost pressure.

The costs of equipment and parts are also on the rise. The purchase price of the new smog-free generation of heavy truck engines has contributed to a 10-15% increase in the purchase price of a new tractor. The price of trailers is being pushed up by the increased cost of steel, aluminum and lumber, while installation of environmental packages in

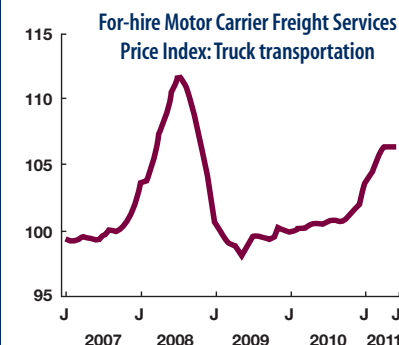
order to improve fuel efficiency or in preparation for the new North American fuel economy/greenhouse gas regulations is also adding to equipment costs.

Regardless of what happens with volume and capacity, warns Bradley, the market is going to have to deal with the fundamental reality that these costs have to be paid for.

Prices up for services of for-hire carriers

The **For-Hire Motor Carrier Freight Services Price Index** increased 1.8% in the second quarter of 2011 over the first quarter, according to Statistics Canada.

The general freight trucking component was up 1.8%, while the specialized freight trucking component rose 1.9%. On a year-over-year basis, the Index increased 5.8% in the second quarter compared with the same quarter of 2010.



3Q11 survey reveals both optimism and uncertainty

The latest **Ontario Trucking Association (OTA)** quarterly survey of the pulse of the trucking industry in Ontario shows that a majority (64%) of responding carriers were optimistic about the industry's overall prospects for the next three months. However, that was down eight percentage points from the second-quarter survey, possibly reflecting growing economic uncertainty. The number of carriers who reported they were unsure about the industry's prospects increased to 26% — up five percentage points from last quarter. Still, only 9% of carriers reported pessimism.

Overall, 67% of respondents said freight volumes had increased compared to a year ago. However, fewer respondents indicated an improvement in freight volumes compared to three months ago.

Carriers are facing across-the-board increases in all major operating costs compared to last year. Thirty-eight per cent reported fuel cost increases of between 15 and 20% over the past year, while 23% of respondents reported increases of greater than 20%. The costs of maintenance and tires are both on the rise, with 98% and 89% of respondents reporting increases, respectively. Sixty-four per cent of respondents



Q1 2011 REVENUE UP, PROFIT DOWN FOR TRUCKING FIRMS

Trucking companies earned operating revenue of \$10.1 billion in the first quarter of 2011, up 5.2% from the same quarter a year earlier, according to Statistics Canada.

Unfortunately, operating expenses were also up during the same period, to \$9.2 billion compared with \$8.6 billion in the first quarter of 2010. Fuel expenses increased a whopping 15.5%, mostly as a result of higher prices, as consumption rose only 2.5%.

Because the increase in operating expenses (+6.3%) outpaced that of operating revenue, operating profit fell 4.7% to \$936 million. Companies whose main activity was long-distance trucking accounted for much of the decline, as their operating profits were \$392 million for the quarter, down from the \$527 million in profits they earned during the same quarter a year earlier.

During 2010, on the other hand, trucking companies experienced year-over-year increases in quarterly profits averaging 26%, reflecting the general economic upturn. Quarterly revenue increased 12%, on average, and outgrew expenses in each of the four quarters.

reported maintenance cost increases of 5%-10%, while 61% reported tire cost increases of similar magnitude. Labour costs — the largest component of operating cost — are also on the upswing, with 91% of carriers reporting increases in driver wages.

Carriers remain split as to whether they should begin hiring or not. Fifty-one per cent of respondents said they plan to add more

company drivers, while 47% indicated no changes to the net number of drivers. Forty-nine per cent said they plan to add more owner-operators, while 51 per cent said they plan no net change. However, no respondents said they intended to reduce the number of owner-operators over the next three months.

More than 50 carriers participated in the survey.

OTA supports industry charitable initiative

The Ontario Trucking Association (OTA) is the first trade association to become a charter member of **Trucks for Change Network**, a newly formed not-for-profit organization dedicated to helping the trucking industry develop and promote positive social change in communities.

The Network's mission is to help its membership of for-hire and private truck carriers to assist community charities in an efficient way. Using real-time freight-matching and donation-management technology, Network members can quickly identify charity needs that they can accommodate by offering their transportation and logistics services on a donated or preferred-cost basis.

"It's a matter of being in the right place at the right time with the right capacity," says Pete Dalmazzi, former trucking industry executive and founder and president of the organization. "Every time our system matches available capacity from a member trucking firm with the needs of a charity client, we improve the charity's bottom line, and contribute to the great work they do in our communities. Filling extra truck space with charitable freight reduces the trucking industry's carbon footprint associated with empty miles."

OTA's participation comes after several of its carrier members piloted the program in 2010. "The goals of Trucks for Change Network align with those of the OTA," says the association's president and CEO David Bradley. "It's a classic win-win situation, and the OTA is pleased to help bring it to life." Scott Smith, CEO of J.D. Smith and Sons, and Evan Mackinnon, CEO of Mackinnon Transport, both OTA executive board members, serve as directors of the Network.

Membership to Trucks for Change Network is available to all OTA carrier members.

For more information, visit www.trucksforchange.org



FOR YOUR INFO

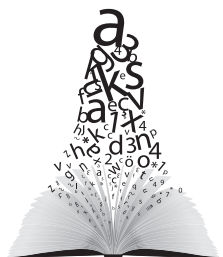
Fido and Fluffy order room service



"Woof! This is Fido in room 1224. Send up one can of gourmet dog food, one order of fresh cooked salmon, and three bone cookie treats. And throw in a couple of toys too."

Fido is vacationing at the exclusive W Hotel in Montreal, where he – or his servant/owner – can order room service from the Pets Menu, among other pet perks.

Ironically, the Pets Menu is available 24 hours a day, while room service for "humans" closes at 11:00 p.m. Maybe Fido will throw his faithful servant/owner a bone cookie at midnight.



A winning way with words

The *Washington Post*'s Mensa Invitational invited readers to take any word from the dictionary, alter it by adding, subtracting, or changing one letter, and supply a new definition. Herewith, a sampling of this year's worthy winners:

- **Reintarnation:** Coming back to life as a hillbilly.
- **Bozone:** The substance surrounding stupid people that stops bright ideas from penetrating. The bozone layer, unfortunately, shows little sign of breaking down in the near future.
- **Sarchasm:** The gulf between the author of sarcastic wit and the person who doesn't get it.
- **Osteopornosis:** A degenerate disease.
- **Ignoramus:** A person who is both stupid and an asshole.

Site-seeing Canadian Virtual War Memorial

This site, part of **Veterans Affairs Canada**, contains a registry of information about the graves and memorials of more than 116,000 Canadians and Newfoundlanders who gave their lives for our country. Included as well are the memorials of more than 1500 soldiers who died in service to Canada since the Korean War, including peace-keeping and other operations. The site also contains digital images of photographs and personal memorabilia about individual Canadians.

An Honour Roll for each day of the year shows the names of all the Canadians who died in service on that day.



>> <http://tinyurl.com/3tp84ld>

Lobster-Cam

Ever wonder what it would be like to be a lobster?

Well, Ralf Pickart, who manages 43 webcams across the province of Nova Scotia, did, so he set up the world's only lobster trap webcam, streaming live from the bottom of Halifax Harbour.

Thousands of Internet users worldwide are now hooked.

At any given time, you may see not only lobsters, but also starfish, sea urchins, crabs, and a variety of fish, in the trap. Watch it live or view the 24-hour history.

The lobsters won't end up on anybody's plate; they are for entertainment and educational purposes only, and are released regularly.



>> <http://tinyurl.com/66nv5n9>

Word Watch

"Red Herring"



Why do we call a deliberate attempt to mislead or divert attention from the real issue – such as a false clue in a murder mystery – a "red herring?"

Herrings, after all, are not red. But they do turn a deep crimson when they are cured with a combination of salting and smoking, as people did as early as the 1400s, to preserve them.

They also emit a pungent smell. Apparently, in training hounds to hunt foxes, red herrings were used first to lay down a scent for the dogs to follow. Eventually, they would be dragged across the scent trail of a real fox to train the hounds to ignore a false clue.

Another theory attributes the origin to an 1807 article by radical journalist William Cobbett, claiming he had once used a red herring to deflect hounds in pursuit of a hare, and referred to a "political red herring." Yet another theory purports that wealthy English clergyman Jasper Mayne, who died in 1672, willed something left in a large trunk to a servant. It turned out to be nothing but a salted herring.

Whatever its origin, the term migrated from the U.K. to North America by the mid-1800s, when it was used in an 1864 article in *The New York Times*.

Sources: www.word-detective.com, www.en.wikipedia.org, www.phrases.org.uk



Yonge-Dundas smackdown

Punched in the face, but fat chance charges will be laid **By David Menzies**

What constitutes a physical assault in Toronto these days?

This would appear to be straightforward. If, for example, one individual punches another, surely that's assault. Especially if the punch in question was witnessed. And photographed.

But as I learned firsthand on Sunday, a fist in the face doesn't necessarily constitute assault in our increasingly culturally sensitive Toronto.

The details: I was at Yonge-Dundas Square with my nine-year-old son. We ate pizza. We drank bubble tea. And I used my new Canon camera to take photos of this neon shrine.

Suddenly, a woman wearing a hijab ran toward me. She was part of a group that included two women wearing full face-covering burkas. She was screaming: "We are Muslim! You do not take pictures of us!" (Odd. I can't find the "no photos" rule in the Qur'an.)

I informed the lady I was in a public square in a democracy. I can actually take pictures of whomever I please.

And then: KAPOW! Her fist collided with my face. Worse, she almost knocked my new camera from my hands.

My son and I were then surrounded by a mob of about 20 people, many of whom were speaking Arabic. One kept demanding I surrender my camera to him.

It was surreal. Was I in Toronto — or Riyadh?

I spotted a group of bicycle-mounted police officers. I burst through the mob with my son and made a beeline towards them. I told a Toronto Police officer what had happened and I wanted to press assault charges.

Better yet, a man and a woman came forward as eyewitnesses.

The 50-something couple, originally from Syria, told the police they had observed the entire affair and my allegations were true. The couple said they understood Arabic and knew what the mob was saying.

Alas, my Spidey Senses started to tingle when I overheard the questions being asked of the witnesses. "Was it a closed-fist punch or an open hand? Was it the front or the back of the hand?"

Huh? Physical contact had been made. Why did severity matter?

After the officer took my statement, he went over to the offending woman. Another constable was inexplicably miffed I was (legally) taking photos in the first place. The irony: Just above our heads a Toronto Police Service sphere was videotaping the activities.

The officer interrogated the woman. She was still hysterical. Good. The constable would encounter firsthand what I had been forced to deal with earlier.

The cop walked back to me. No charges would be laid, he said, because he believed the woman's story — namely, she was merely trying to knock the camera out of my hands.

Got that? Apparently, attempted property damage is OK. If a face gets in the way of a would-be vandalizing fist... hey, accidents happen.

The Syrian eyewitnesses were speechless. I continued to plead my case.

Toronto Police cruisers are emblazoned with the slogan, "To serve and protect."

But increasingly, the unofficial slogan seems closer to, "F.I.D.O." ("Forget It; Drive On.")

The fact we have Islamists living amongst us who despise western values isn't news. But surely you can't just sock someone in the mouth.

Well, apparently you can — as long as the intent of the aggressor was merely to inflict property damage.

World's upside-down. Just thought you should know.



Menzies is a freelance writer in Toronto

SOURCE: David Menzies, QMI Agency. August 2011. Reprinted with permission.

FRANK SAYS...

Franks and I met at our local watering hole, and it wasn't long before his rant began. The object of Frank's wrath that day was our Canadian banks. I tried to defend them just to make him a little wilder than usual, and I succeeded.

Frank was seething about their profits, their fees, and just about anything else he could think of to throw them under the bus, but the fun really began when Trailcon's own John Foss joined us and related the best (or, in this case, worst) story of banking service.

John and his wife were at their CIBC "super" branch on Avenue Road exploring mortgage options in late August. The 4:45 p.m. appointment on a Friday afternoon meant a long drive for John, but he arrived on time and asked to use the bathroom. The financial advisor told him that was

not possible, as the bathrooms were for staff only, not customers. John then left the office and went next door to the RBC branch, where he does not do his banking and, in fact, had never been before. He was met by a greeter, and asked her if he could use the bathroom. "Certainly you can," she replied, and directed him to its location.

When John was leaving the bank, he told the RBC greeter what had happened at his CIBC branch. She laughed and said: "Amazing, isn't it?"

"Amazing" wasn't how Frank or I would describe John's experience.

A minute later, Frank had the bar patrons in stitches as he reeled off one punch line after another.

After the roar had subsided, he came out with the line that best summed up our thoughts.



As Frank Says:

"If your bank won't let you relieve yourself, relieve your bank of your business."



BOYS AND THEIR TOYS

Grand opening of Hot Night's Hot Rods a sizzling success



Some 400 car buffs cruised on over to Caledon in September for the grand opening of **Hot Night's Hot Rods**.

The new venture is the brainchild of owner Doug O'Brien, a retired trucking industry sales executive who has turned his hobby of building and restoring cars into a thriving business.

"I've been a car hobbyist since I was in my teens, and built cars for myself over time," he explains. "When I retired from the trucking business, I started building cars for other people. I was spending a lot of money on the construction of these cars at a retail level, and thought I could save people money if I could buy components wholesale. And the way to do that was to have a storefront and become a dealer."

He jokes that he went from being retired to working 12 hours a day, but it's clear that he is as passionate about cars as his customers and his six staff are.

While munching on burgers and pizza, enthusiasts had a chance to wander through the 11,000-square-foot building, which houses a 2,200-square-foot showroom, 3,000 square feet of space for winter storage, and a shop that does everything from upholstery to custom installations to complete rebuilds of everything from hot rods to classic cars to muscle cars. "In some cases, we've taken very little of an original car and made a whole car out of it," says O'Brien. "We've built a number of hot rods from scratch." In one instance, he says, they restored a '66 Pontiac GTO that was the actual car that the customer's family had owned when he was a child.

There was also a philanthropic aspect to the opening; O'Brien used the occasion to raise funds for local charities Bethel Hospice in Caledon and Family Transition Place, a women's shelter in Orangeville.

O'Brien gives much of the credit for the new venture to his close friend Mario Isgro, noting that it wouldn't have been possible without his encouragement, help, and support every step of the way.



◀ The grand opening of Hot Night's Hot Rods attracted some 400 classic-car enthusiasts.

The 11,000-square-foot building houses a pristine showroom, shop, and space for winter storage of cars. ▶



CALENDAR OF EVENTS

November 7-8

Strategic Supply Chain Management

Renaissance Concourse Atlanta Airport Hotel, Atlanta, Ga.

Contact: Council of Supply Chain Management Professionals

Telephone: 630-574-0985

E-mail: cscmpadmin@cscmp.org

Web: www.cscmp.org

November 8

TTA Annual Economic Overview Presentation

Weston Golf & Country Club

Contact: Toronto Trucking Association

Telephone: 416-248-6211

E-mail: info@tta.on.ca

Web: www.torontotrucking.org

November 13-15

IANA's Intermodal Expo & Annual Membership Meeting

Georgia World Congress Center, Atlanta, Ga.

Contact: Intermodal Association of North America

Telephone: 301-982-3400, ext. 332;

1-866-438-EXPO (3976)

E-mail: info@intermodal.org

Web: www.intermodal.org

November 15

Transportation's Role in Supply Chain

Lombard, Ill.

Contact: Council of Supply Chain Management Professionals

Telephone: 630-574-0985

E-mail: cscmpadmin@cscmp.org

Web: www.cscmp.org

November 17-18

85th Annual OTA Convention

DoubleTree – by Hilton – Toronto Airport Hotel

Contact: Yvonne Macaulay, Ontario Trucking Association

Telephone: 416-249-7401, ext. 231

E-mail: yvonne.macaulay@ontruck.org

Web: www.ontruck.org

December 1

TTC Annual Dinner

Fairmont Royal York Hotel, Toronto

Contact: Denise Cardy, Secretary/Treasurer, Toronto Transportation Club

Telephone: 416-886-5450

E-mail: sec_treasurer@torontotransportationclub.com

Web: www.torontotransportationclub.com

Jan. 30-Feb. 3, 2012

2012 COHMED Conference

(Co-operative Hazardous Materials Enforcement Development)

Hyatt Regency Newport Beach, Newport Beach, Calif.

Contact: Commercial Vehicle Safety Alliance

Telephone: 301-830-6143

E-mail: cvsahq@cvsa.org

Web: www.cvsa.org

February 10, 2012

TTA Ski Day

Osler Bluff, Collingwood

Contact: Connie Burbidge,

Toronto Trucking Association

Telephone: 416-248-6211

E-mail: cburbidge@tta.on.ca

Web: www.torontotrucking.org

March 4-7, 2012

Annual Convention of Truckload Carriers Association

Gaylord Palms Resort, Orlando, Fla.

Contact: Truckload Carriers Association

Telephone: 703-838-1950

E-mail: tca@truckload.org

Web: www.truckload.org

March 5-7, 2012

The Logistics Management Course

Miles S. Nadal Management Centre, Toronto

Contact: Schulich Executive Education Centre, York University

Telephone: 416-736-5079;

1-800-667-9380

E-mail: excedinfo@schulich.yorku.ca

Web: www.seec.schulich.yorku.ca

March 18-20, 2012

2012 IWLA Convention & Expo

Fairmont Hotel, San Francisco, Calif.

Contact: International Warehouse Logistics Association

Telephone: 847-813-4699

E-mail: email@iwla.com

Web: www.iwla.com

March 26-27, 2012

Fundamentals of Supply Chain Management

Lombard, Ill.

Contact: Council of Supply Chain Management Professionals

Telephone: 630-574-0985

E-mail: cscmpadmin@cscmp.org

Web: www.cscmp.org

April 19-21, 2012

Truck World 2012

International Centre, Toronto

Contact: Joan Wilson, Show Manager,

Newcom Business Media Inc.

Telephone: 416-614-5817 or

1-877-682-7469, ext. 247

E-mail: joanw@newcom.ca

Web: www.truckworld.ca

April 24-26, 2012

SAE 2012 World Congress

Cobo Center, Detroit, Mich.

Contact: Society of Automotive Engineers

Telephone: 1-877-606-7323

E-mail: CustomerService@sae.org

Web: www.sae.org/congress

April 24-26, 2012

2012 CVSA Workshop

Hyatt Regency Bellevue on Seattle's Eastside, Bellevue, Wash.

Contact: Commercial Vehicle Safety Alliance

Telephone: 301-830-6143

E-mail: cvsahq@cvsa.org

Web: www.cvsa.org

April 29-May 2, 2012

NASSTRAC Logistics Conference & Expo

Buena Vista Palace & Spa, Orlando, Fla.

Contact: National Shippers Strategic Transportation Council

Telephone: 952-442-8850, ext. 208

E-mail: karen2008@NASSTRAC.org

(Karen Everett, administrative services)

Web: www.nasstrac.org/conference

May 2-3, 2012

18th Annual Intermodal Operations & Maintenance Seminar

Oak Brook Hills Marriott Resort, Oak Brook, Ill.

Contact: Intermodal Association of North America

Telephone: 301-982-3400, ext. 332

E-mail: info@intermodal.org

Web: www.intermodal.org

May 6-9, 2012

WERC Annual Conference

Atlanta Marriott Marquis, Atlanta, Ga.

Contact: Warehousing Education and Research Council

Telephone: 630-990-0001

E-mail: wercoffice@werc.org

Web: www.werc.org

May 6-10, 2012

CCMTA Annual Meeting

Delta Winnipeg, Winnipeg, Man.

Contact: Canadian Council of Motor Transport Administrators

Telephone: 613-736-1003

E-mail: ccmta-secretariat@ccmta.ca

Web: www.ccmta.ca

May 21-22, 2012

Fundamentals of Supply Chain Management

Lombard, Ill.

Contact: Council of Supply Chain Management Professionals

Telephone: 630-574-0985

E-mail: cscmpadmin@cscmp.org

Web: www.cscmp.org

June 16-17, 2012

The Stirling Truck Show

Stirling, Ont.

Contact: Stirling and District Lions Club

Telephone: 613-395-0055

E-mail: info@truckshowandshine.com

Web: www.truckshowandshine.com

July 20-22, 2012

27th Annual Fergus Truck Show

Centre Wellington Community

Sportsplex, Fergus, Ont.

Telephone: 519-843-3412

E-mail: info@fergustruckshow.com

Web: www.fergustruckshow.com

August 6-11, 2012

NAIC 2012

Minneapolis, Minn.

Contact: Commercial Vehicle Safety Alliance

Telephone: 301-830-6143

E-mail: cvsahq@cvsa.org

Web: www.cvsa.org

Sept. 24-27, 2012

2010 CVSA Annual Conference & Exhibition

Holiday Inn by the Bay,

Portland, Maine

Contact: Commercial Vehicle Safety Alliance

Telephone: 301-830-6143

E-mail: cvsahq@cvsa.org

Web: www.cvsa.org

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