

Report on Transportation

Presented By Trailcon Leasing Inc.

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BRIDGING THE GENERATION GAP

With many baby boomers still in the workforce, and waves of Millennials (those in their 20s and early 30s) just starting out, the trucking industry must find ways to bridge the generation gap in order to maximize the productivity of both cohorts. The Millennials – also known as Generation Y – are looking to their older managers for mentoring, while baby boomers can benefit from the new ideas and technological savvy that the younger generation brings.

The “**Next Generation**” is one of the topics on the agenda at this year’s Convention of the Ontario Trucking Association. Dan Schwabel, managing partner of Millennial Branding, a Gen Y research and consulting firm, will discuss what it takes to be successful in the workplace in 2013 and beyond, while Doug Robbins, president and founder of Hamilton-based Robbinex Business Intermediaries, will examine issues around succession.

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BRIDGING THE GENERATION GAP

....continued from the cover

Managing Millennials

To help both Millennials and managers achieve their potential, Schwabel advocates “reverse mentoring” – pairing Millennials with executives so they can learn from each other. Noting that managers are looking for employees with “soft skills” – especially the ability to prioritize, a positive attitude, and a focus on teamwork – Schwabel says younger employees need to keep the lines of communication open with their manager, setting up regular meetings and requesting frequent feedback.

Likewise, managers should “create a collaborative culture where Millennials can share their ideas with executives,” he suggests. These employees also want flexibility in how and where they do their work, an environment where they can work side by side with their peers – no cubicles! – and absolutely no suits! “Millennials view their co-workers as their second family, so they want their work and social life to be integrated, and they want work to be fun instead of a chore,” says Schwabel.

The most common barrier to generational cohesion is the way in which the two cohorts communicate. While Millennials use text messaging and social networks, their older colleagues prefer face time. But more challenging is the divergent perception that the two generations have of one another. While Millennials view their managers positively – “they see them as wise, and don’t want to disappoint them,” says Schwabel – many managers, by contrast, have a negative impression of Millennials. “They see them as entitled and narcissistic and lazy,” he says. To overcome this hurdle, managers should “respect Millennials and allow them to share their ideas on how they can do their jobs better. Millennials want to be involved, and they want constant feedback. And what’s good for Millennials is good for everyone.”

After all, by 2025, Generation Y will comprise 75% of the global workforce.



Dan Schwabel

Succeeding at succession

While Millennials are entering the workforce, many baby-boomer business owners are grappling with the issue of succession. Should they sell their business, or pass it to a son or daughter? It all depends on how motivated the child is, says Robbins. Psychological tests can determine if the child is suited to run the business. While these tests can’t predict success, they *can* predict failure, he says. “If the person is not the right temperament to take on the business, we would suggest that that not be done. It would set up the son or daughter for failure.” While you can teach a child about the business, “you can’t teach motivation.”

Once a decision on succession has been made, the most difficult step is mentoring, says Robbins. Because the parent has been in the business for so many years, he instinctively knows how to run it, a state that Robbins calls “unconsciously competent.” His child, however, has not yet reached that level, and the owner is often frustrated with what he perceives as his offspring’s lack of knowledge. “This is where the biggest conflict comes in,” says Robbins. “The job at hand is to make the father aware of his knowledge – in other words, conscious of his competence,” so the child can achieve the same level eventually.

Robbins’ company provides a workbook and other tools to help the parent mentor the child. “It’s like an apprenticeship,” he says. Once the program is in place, Robbins meets with the parent-child team about once a month to address any issues. Depending on the situation, the mentorship period can take anywhere from six months to five years.

Whether the owner sells the business or passes it to a child, the planning process should be started years in advance, advises Robbins, in order to carry out any advantageous corporate restructuring, to deal with tax planning and balancing the estate with other children who are not going to operate the business. “Planning early – three to five years in advance – is a really important part of succession.”



Doug Robbins

NOT NOW, NOT EVER

Editorial

By Alan Boughton, President, Trailcon Leasing Inc.

Not long ago, one of our retailer customers asked Mick Crowe, Trailcon Leasing's service & operations manager, and me to check out what it suspected were safety violations at another trailer leasing/rental company with which it was doing business.

When we visited the yard, we were shocked to see what was obviously an unlicensed mechanic with a small white van going up and down the rows of trailers applying safety stickers – in other words, the old “lick ‘em and stick ‘em” inspection scam.

When Jim Wilson and I founded Trailcon Leasing 21 years ago, we determined that our business would be built on the principles of honesty and integrity. We defined “integrity” – then and now – as “how you behave when nobody is watching.”

That's why we are appalled when companies take shortcuts when it comes to safety. After all, it's our own families and friends who could fall victim to this negligence, as we unfortunately found out first-hand a few months ago.

Nancy Krell, the wife of Trailcon senior account manager Mike Krell, was driving behind a truck on Highway 403 near Hamilton when a piece of the brake drum flew off and shattered her windshield. As you can see in the photos, it was a miracle that she survived. The same thing happened to me back in 1991; a brake drum took out my windshield, putting me in the hospital for the day.

Safety violations are, alas, all too common. During Road Check 2013, the annual safety outreach campaign conducted by the members of the Commercial Vehicle Safety Alliance, inspectors performed 47,771 North American Standard Level 1 inspections – the most comprehensive roadside inspection, in which vehicles and drivers are assessed for violations of federal, state, or Canadian provincial safety regulations. As a result, 24.1% of vehicles were placed out of service (OOS) due to violations. This year, 49.6% of vehicle OOS violations were related



Nancy Krell's windshield after being hit by a piece of a truck's brake drum.



INTEGRITY: How you behave when no one is watching.

to brake adjustment and other brake system violations – an alarming statistic.

And yet, while the driver and vehicle owner are – rightfully – cited for these transgressions, as far as we know, no garage has ever had its license revoked, even in the face of flagrant safety violations.

The yellow sticker that appears on the front left side of each of our trailers is our commitment to safety; it certifies that the vehicle has met the new requirements in the National Safety Code Standard 11, Part B, “Periodic Commercial Motor Vehicle Inspections.” Trailcon spent many months training its mechanics on the new safety

inspection requirements (see “Report on Transportation,” Spring 2013, page 1, “Meeting the Standard”). “Anybody who would be leasing a trailer from Trailcon would be able to feel comfortable with the fact that the company is staying abreast of the requirements,” said Vic Wintjes, owner of VW Transcon Services, who trained Trailcon's licensed mechanics.

As Anne Ferro, administrator for Federal Motor Carrier Safety Administration, put it, “every traveler on every trip is entitled to reach their destination safely.”

And that means not having to dodge flying objects from poorly maintained trucks that have been “inspected” by unlicensed mechanics. There can be no compromises when it comes to safety. That's why Trailcon will never engage in “lick ‘em and stick ‘em” inspections – NOT NOW, NOT EVER.

PITCHING IN



Trailcon aids in Alberta flood relief

By Brent Hameluck, Branch Manager, Trailcon Leasing Inc., Calgary



Trailcon Leasing purchased and delivered much needed water, food, and other supplies to volunteers and victims.

As floods engulfed communities and displaced people in Calgary and surrounding areas, residents and local businesses mobilized to offer support and assistance to evacuees and emergency response personnel.

Some volunteers and several police officers

worked up to 20 hours to help evacuation efforts, despite knowing their own homes had been damaged or completely washed away. While coverage of the flooding spread throughout social media sites, many people and businesses took to Facebook and Twitter

to open their homes to flood victims or offer whatever support they could.

Trailcon Leasing Inc. was among the companies that lent a helping hand during these hard times. Alan Boughton, president, heard of the devastation, and called me in Calgary. "We know what's happening there, and we need to do the right thing by helping our neighbors out west," he said. Having done some volunteer work with my wife in High River just south of Calgary the week before, I knew where the help was needed most. Al requested that I purchase some supplies and deliver them to the volunteers and victims to show our support.

I was very thankful that Al was so concerned for our community. His generous donations allowed us to provide our neighbours with much needed water, food, and other supplies. I feel a sense of pride knowing that, when it comes to community, I work for a company that is willing to give back and help others in times of need.

Trucking team cycles to conquer cancer

By Dave Ambrock, Regional Manager, Western Canada, Trailcon Leasing Inc.

Earlier this year, western trucking firm **Rosenau Transport** put together a team to participate in the Enbridge Ride to Conquer Cancer, a two-day event benefiting the B.C. Cancer Foundation.

Brad Hales, Ashley Young, Pat Young, and Ken Rosenau cycled a distance of 200 miles from Vancouver, B.C., to Seattle, Wash., raising \$30,520 for the cause. They were among 2,642 riders who in total raised \$10.4 million for the Foundation.

I asked Ken to describe the ride in one word. "Exhilarating," he said. "We all felt the same way when it was done, and it was great to be able to give something back. The first day was challenging, as it was 27°C, but nothing a few cold 'pops' at the end of the day wouldn't cure!" He said they trained for

a few months before the event, riding distances of 80 to 100 kilometers at a stretch. "It actually turned me into a bit of a cycling

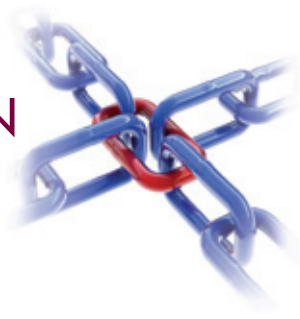
enthusiast, and it's certainly a great way to get in shape," says Ken. "I should have been doing this years ago. I was really proud of our team, and we're already registered to do it again next year." They plan to recruit some more riders over the winter.

Way to go, Team Rosenau! Great job!

Team Rosenau (from l to r): Brad Hales, Ashley Young, Pat Young, Ken Rosenau.



CUSTOMER CONNECTION



Pet Valu

A purrfect solution to pet-care needs

Have a dog with allergies? Or perhaps a finicky feline? **Pet Valu's Pet Experts** can help pet owners find the right food, not only for Fido and Fluffy, but for just about any other kind of house pet as well.

And the offerings go well beyond food, to shampoos, skin treatments, supplements, dental products, toys, treats, and accessories – over 7,000 products in all.

The specialty retailer opened its first store in 1976, and has since grown to 415 Pet Valu and Bosley's stores – 60% of which are franchised – in seven Canadian provinces, and 111 in the U.S.

"After nearly 40 years of being in the business, we now boast more than 500 locations across North America," says Kellie McCutcheon, marketing manager, communications. "We are the largest specialty pet supply franchise in North America. Our brand is well known for providing outstanding customer service and quality products, including industry-leading premium, super premium, holistic, and private-label brands developed by in-house nutritionists."

Besides providing pet-related products and information, stores team up with animal rescue organizations to fundraise for local animal shelters, and often host on-site adoption events. Many store owners are breeders, trainers, and animal advocates; one even owns a sled-dog team! While some stores carry a selection of small animals, domestic birds and fish, none of them sell dogs and cats. "Rather, we encourage prospective cat and dog parents to provide loving homes to the thousands of cats and dogs currently living in temporary rescue homes or animal shelters," says the Pet Valu website.

Franchisees enjoy strong support from the company, including turnkey store build-out, best-in-class inventory control, and more than 200 vendor relationships, as well



Pet Valu's fleet of 105 units delivers to 415 stores in Canada and 111 in the U.S.



as a specialized training program for store staff in pet nutrition and care developed by the University of California Davis Extension in association with the UC Davis School of Veterinary Medicine. "We offer comprehensive in-person and computer-based training," notes McCutcheon. "We also provide all franchisees with ongoing support from experienced franchise business consultants, as well as marketing tools and advertising support."

Transporting thousands of products in a timely manner to hundreds of stores span-

ning the country is no small challenge. To deliver on its commitments, the company operates seven distribution centres – four in Ontario, and one in each of Winnipeg, Richmond, B.C., and Philadelphia – as well as a large fleet of tractor trailers. "The fleet consists of 105 units, including sleeper tractors, day cab tractors, 26-foot tandem dry van straight trucks with tailgates, 53-foot dry van trailers, 38- and 48-foot dry van trailers with railgates, 15-foot cube vans, and cargo vans," says Phillip Langill, senior manager of logistics.

Pet Valu began working with **Trailcon Leasing** about a year ago with the lease of four trailers. Langill says the company chose Trailcon based on its experience and its service, which he says is "unmatched by any other provider. Trailcon's service is 24/7/365 anywhere in North America."

In the end, Pet Valu's sophisticated logistics solutions all come down to helping pet owners keep their animal companions happy, healthy, and well-nourished.

Mobile computing: Trailcon on the move

By Peter Ostercil, Mobile Operations Liaison, Trailcon Leasing Inc.

"Back in my day, I used to walk 20 miles to school, uphill – both ways!" grumbled the Dinosaur. His children never understood his pain, though, as they rode a bus to school. Between each generation and the previous ones, a different gap exists, especially when it comes to workplace technology. **Trailcon Leasing** refuses to go the way of the Dinosaur; through innovative technology, it leads the way in changing industry standards.

Gone are the tools of the Dinosaur – personal computers and filing cabinets, clipboards with paper and pencils, and photocopiers – replaced by tablets (through Motion Computing) equipped with customized software (through G&C Software Solutions). Now we carry the office in the palm of our hand.

The tablet computers Trailcon uses include two cameras, a barcode scanner, mobile Internet connection, hot-swappable battery port, customizable docking stations,

fingerprint security scanners, and much more. Now we input the data we accumulate in *real time* to our system, saving both operations and admin staff time and headaches. Thanks to this technology, workers can focus on what's really important – serving our customers.

The tablet computers allow our service department to easily track our mobile mechanic fleet and assign them jobs at the click of a button. A service call coordinator can find the closest tech within seconds, and also check if he is busy or not (without picking up the phone). Our customers can track their units via GPS, and communicate with our staff by simply clicking a web-link. The game of phone/e-mail tag is coming to an end. This means less time spent updating people and more time for other, meaningful work.

Tablet computing and mobile operation



Trailcon mobile mechanic Jason Duck in Mississauga uses mobile technology to input data in real time.

is the meteor that will kill the Dinosaur, and Trailcon is leading the transportation industry by embracing this technology. The days of operational staff having to operate from a solitary workstation – and walking 20 miles to school – are over.

No more winding straps onto winches

By Kevin Falconer, Mobile Mechanic, Trailcon Leasing Inc.



Retract-A-Strap saves an estimated \$7,200 annually per driver in labour costs.

The transport industry has tried unsuccessfully to find better ways for drivers to wind straps back onto winches after delivering

flatbed loads. Most solutions, while somewhat helpful, still leave drivers at risk for injury, and consume valuable time and labour.

Enter **Retract-A-Strap**, an affordable solution available in Canada and the U.S. Estimated to save \$7,200 annually per driver, Retractable-A-Strap also prevents driver injury, resulting in further cost savings for transport companies.

A driver who spends only 10 minutes, rather than an hour, winding straps has an extra 50 minutes to deliver loads safely and on time.

For carriers who are concerned about having straps stolen, Retractable-A-Strap eliminates the need (and time/cost) to remove and re-install straps for security reasons.

Retractable-A-Strap will also keep straps from dragging on the road should they ever come loose due to lack of tightening on an empty trailer.

So stop paying drivers to wind straps, and let Retractable-A-Strap do the job.

For more information, visit www.retract-a-strap.com.

INTERMODAL INSIGHTS



Full steam ahead for Canadian railroads

A sign of the improving economy, Canadian railroads recorded cumulative volume of 1,971,695 intermodal units for the first 37 weeks of 2013 (to the week ending September 14), up 4.2% from the same period last year, according to The Association of American Railroads.

For its part, CN reported second-quarter income of \$717 million, compared with \$631 million in Q2 2012. Operating ratio improved slightly, by 0.4 of a point to 60.9%. Revenues increased 5% to \$2,666 million, while intermodal revenues climbed 3%.

As a result of the railway's sustainability practices, it leads the Transportation and Transportation Infrastructure Industry sector of the Dow Jones Sustainability World Index, which measures economic, environmental, and social performance.

Meanwhile, Canadian Pacific Railway Limited (CP) achieved total revenues of \$1.5 billion for the second quarter, an increase of 10% and a quarterly record, despite historic flooding in Calgary and southern Alberta. Net income was \$252 million, versus \$103 million in 2012. Operating ratio improved to 71%, an all-time quarterly record.

CP has launched a faster intermodal rail service between Toronto and Calgary, cutting 20 hours from previous schedules.

PMV delivers robust mid-year cargo volumes

Mid-year cargo volumes at Port Metro Vancouver (PMV) showed strong growth of 6% over the same period last year, reflecting continuing demand for Canadian commodities in Asia, as well as strength in the Canadian economy.

Containerized cargo recorded a tonnage increase of 3.9%. Outbound TEU, up 5.4%, accounted for most of the growth, while inbound TEU increased only 1.1%.

PMV and the federal government recently announced a combined investment of nearly \$106 million in two new marine container examination facilities to meet the anticipated growth in container volume through

the Deltaport container terminal.

The Port has now completed the installation of 700 GPS transponder units on container trucks, part of the previously announced Smart Fleet three-year action plan to improve the efficiency and reliability of that sector. The transponder units provide the most current status of road and in-gate wait times, as well as container terminal turn time.

Port of Prince Rupert continues growth spurt

The Port of Prince Rupert continues to be the fastest-growing container port in North America, according to *The Journal of Commerce*. It led the pack in North American total trade and imports, at 32.7% and 36.4%,



respectively, for calendar year 2012 year-over-year percentage rate of growth in TEU (20-foot equivalent units) volume. It was second to Lazaro Cardenas, Mexico, in North American exports, at 24.1% growth rate.

In terms of volume, Port Metro Vancouver ranked fourth with a 6.3% total market share for 2012, behind Los Angeles, Long Beach, and New York-New Jersey. The Port of Montreal ranked 12th, the Port of Prince Rupert 21st, and Port of Halifax 23rd.

Overall North American trade totaled 38 million laden TEUs last year, led by U.S. ports with 30.1 million TEUs. Canadian ports handled 4.4 million TEUs, representing 11.6% of the market and growth of 6.2%, says JOC.

ILA members ratify contract, avert strike

It's been a long time coming, but a new six-year Master Contract, covering some 14,500 waterfront workers belonging to the International Longshoremen's Union (ILA) was overwhelmingly approved by members in a ratification vote conducted at ports on the Atlantic and Gulf Coast. The ILA negotiated the contract with United States Maritime Alliance (USMX), an alliance of container carriers, direct employers, and port associations.

The settlement ends more than a year of heated negotiations between employers and the ILA. The Union won handsome gains in the agreement, including wage increases totaling \$3 an hour spread out over the life of the agreement that will, by the final year of the contract, bring hourly pay to \$35.

The contract settlement comes a year before the expected opening of the expanded Panama Canal, when a surge in commerce at Atlantic and Gulf Coast ports is expected.

The deal was contingent on the completion of local contracts, most of which have been ratified, including the contentious Port of New York-New Jersey.

From truck to track

Although over-the-road trucking is the primary mode of transportation in freight transportation through corporate supply chains, 37.7% of shippers shifted freight to rail/intermodal in 2012. Almost 42% of shippers cited cost savings as the key reason for this modal shift.

Source: "Freight Transportation 2013," National Shippers Strategic Transportation Council (NASSTRAC).





TRAVEL TIPS

Hitting the high points of Switzerland

By Stacey Carroll, Leasing & Rental Administrative Coordinator, Trailcon Leasing Inc.

Well known for its chocolate, watches, and the majestic Alps, Switzerland is a destination that everyone should have on their radar.

My husband, Derek, and I decided to splurge and spend three weeks there, visiting Geneva, Montreux, Zermatt, St. Moritz, Lugano, Interlaken, Bern, and Lucerne.

We spent our first few nights in Geneva, the second-most-populated city in the country. As we adjusted to jet lag, we visited the downtown core, the famous “Jet d’Eau” (one of the largest fountains in the world), and St. Pierre Cathedral. It’s worth the small charge to do the Cathedral’s tower walk, which offers a spectacular view of the city.

Our time in Geneva was short, and we were excited to move on to what became one of our favorite destinations – Montreux. A one-hour train ride from Geneva takes you through the beautiful Lavaux wine region, a great place to stop for wine tours and sampling. Situated on the shores of Lake Geneva (Lac Léman), where both pines and – yes – palm trees flourish, Montreux oozes charm. If your budget allows, we highly recommend the Fairmont Montreux Palace (www.fairmont.com/montreux/) – this hotel and location can’t be beat. Take a walk along the waterfront path until it ends at the famous “Château de Chillon,” a picturesque castle with over 1,000 years of history. Prior to leaving Toronto, we had purchased a Swiss Pass, which allowed unlimited travel on Swiss trains, buses, subways, streetcars and most ferries for approximately \$200 per person for our three-week stay. This pass also gives discounted or even free – in the case of Château de Chillon – admission to many tourist destinations. “Queen” fans should be sure to visit the Freddie Mercury memorial on the water.

Zermatt is another must-see place. The Matterhorn is striking – don’t pass up the chance to take a picture when it’s not covered by cloud; many visitors don’t get a chance to see it clearly from top to bottom! You can walk almost anywhere in town. Each bed and breakfast is adorned with stunning flower boxes, and offers incredible hospitality. Book yourself in at one of them and be treated to a delicious breakfast, spacious room, and easy access to restaurants, shopping, the train station, and many gondolas.



Stacey and Derek in front of the famed Matterhorn in Zermatt.

Be sure to visit the Matterhorn Glacier Paradise, situated on the Klein Matterhorn Mountain at an elevation of 12,740 feet. Once you reach the top, a quick elevator ride takes you deep into the glacier, where the air is thin and cold – pack a warm sweater or extra jacket for this trek.

While our trip was planned with sightseeing and relaxation in mind, we also wanted to take advantage of the magnificent outdoor landscape. Equipped with good shoes, a backpack full of snacks and our camera, we hopped on a train and made our way up the Gornergrat Mountain in Zermatt. Once we reached the top, at a

dizzying height of 10,132 feet, we disembarked and began an eight-hour hike back down to Zermatt - you can safely reach any destination by following the Wanderweg signs, which are found all across Switzerland. We stopped for much-needed breaks along the way, including lunch and refreshments at the world-renowned Riffelalp Resort (www.riffelalp.com/the_resort.html). There are plenty of options to walk only partway up or down the mountain if attempting the whole leg is not for you. Enjoy dinner one night at "Snowboat," aka The Zermatt Yacht Club; this fun little restaurant has amazing quality food served in big portions, and the Dutch owners make you feel right at home.

The Fairmont Montreux Palace on the shores of Lake Geneva.



Château de Chillon in Montreux boasts over 1,000 years of history.



View of Geneva from the St. Pierre Cathedral's tower walk.

If you decide to leave Zermatt aboard the popular Glacier Express Train into St. Moritz, we recommend spending the extra money and booking first-class seats to enjoy the added comfort and views. Instead of ordering off the very expensive on-board menu, grab a sandwich and snacks at one of the delis near the train station first.

St. Moritz *is* the place to go during the winter. However, since we were visiting during the slower summer months, we decided to stay just outside the city in quiet Sils Maria. One of our favorite experiences there was biking the trails to the Lej da Staz, where we enjoyed a delicious lunch and quick dip in the lake. If heading to St.

IF YOU GO...

- Purchase a Swiss Pass. There are many different options, so pick one that suits your itinerary. Be sure to show it when you visit popular tourist attractions to get your discounted or possibly free admission.
- Bring an empty water bottle with you – Switzerland has free, clean, cold water fountains that can be found all over every city. Bottles of water cost anywhere from \$2-\$5 CHF!
- If you have a tablet or mobile device that allows you to download apps, we recommend downloading the "My Switzerland" app. It was a great tool for planning daily activities, and viewing maps and local restaurants.
- Stay at Bed & Breakfasts when you can. Not only were they often more affordable, but the amenities and meals were fantastic. Pack a few extra goodies into a backpack at breakfast for your day trips.
- Take advantage of the many modes of transportation. When taking the train, be sure to get to your stop a few minutes early – Swiss trains are extremely punctual and won't wait if you're late! Some trains require a seat reservation; be sure to do your homework, especially for the longer journeys.



Moritz, it would be advantageous to brush up on some basic German; this was the only place where we struggled with a language barrier. Be sure to walk through the downtown and do some window shopping (or, if you can afford the designer stores, actual shopping!), and stop to see the kiteboarders on Lake Silvaplana – they are an incredible sight.

Lugano was much different from the other places we visited. Situated in the south of Switzerland in the Italian-speaking canton of Ticino, which borders Italy, it has lush tropical climates and some of the best shopping in the country. If you have a watch purchase in mind, this is the place for it. Take the time to ride the funicular railway to the top of Monte Bre and enjoy a meal at the Vetta Restaurant – the views won't disappoint.

The last half of our trip included overnight stays in Interlaken, Lucerne, and Bern – make the trip to Lauterbrunnen if you visit Interlaken, and look up to watch the BASE jumpers off the top mountain ledges – Switzerland is one of few places in the world where BASE jumping is legal.

Flights from Toronto to Geneva can be pricey, but keep your eye out for discounted rates, or cash in any points that you have accumulated on customer reward cards – we saved over \$500 by using our points, making our round-trip flights approximately \$500 each. The exchange rate from the Canadian dollar to CHF (Swiss Franc) was almost one for one, which gave us a much better exchange rate than the Euro. Thanks to these savings and others that we discovered (see sidebar), we were able to enjoy the trip of a lifetime.

INDUSTRY

Notes

Trailcon Leasing awards 2013 scholarship

The Education Foundation of the Ontario Trucking Association has announced that **Wade Munro** of Hagersville, Ont., is the recipient of the **2013 Trailcon Leasing Trailer Service Technician Scholarship**.

Munro is a student in Conestoga College's Motive Power Fundamentals program who excelled in the Truck Trailer Service component.

"Once again, we at Trailcon feel privileged to be able to offer this opportunity to a student who has clearly demonstrated a strong commitment to his education and training," says Al Boughton, president of Trailcon Leasing. "The trailer service trade is an important one, and we hope that through this award, we will encourage skilled individuals to pursue jobs in this segment of the industry."

The scholarship was presented at the 4th Annual Trades and Apprenticeship Awards Ceremony hosted by Conestoga College in Waterloo, Ont.



Wade Munro

Truckers, cops join forces to fight cargo crime

The trucking industry, law enforcement, and industry stakeholders are uniting to fight the \$5-billion-dollar-a-year problem in Canada of truck cargo crime.

Recently, the **Canadian Trucking Alliance** (CTA) – in partnership with the **Ontario Trucking Association** and **Verisk Crime Analytics Canada** – kicked off Project Momentum as an initiative to raise awareness of this growing threat and share mitigation strategies to combat it.

Various police forces, the Insurance Bureau of Canada, private insurance companies, and dozens of trucking companies from southwestern Ontario took part in the launch, held in Buford, Ont.

"Because of the lack of national attention this issue receives, cargo crime is unfortunately seen by criminals as low risk with huge profits," says Jennifer Fox, vice-president trade and security, CTA. "The impact to Canadians, however, is quite significant and the ripple effects are far reaching."

The Greater Toronto Area (GTA) has been identified as a "hot spot" for criminals

engaged in cargo crime, with a vast pipeline that stretches across the Windsor–Montreal Highway 401 trade corridor. Rather than committing "straight theft," where loads are physically stolen from parking lots or terminals, cargo thieves are becoming more strategic so they can better pinpoint and



steal specific types of cargo, notes Scott Cornell, national program manager for the Specialty Investigations Group with Travelers Investigative Services.

"Increased enforcement, crime suppression initiatives, and community engagement are among the measures we are sharing to help prevent theft and facilitate stolen cargo and equipment recovery," says David Shillingford, president of Verisk Crime Analytics.

PMAC, SCLA unite to form Supply Chain Management Association

September marked the official launch of the **Supply Chain Management Association** (SCMA), Canada's largest association for supply-chain professionals.

Representing nearly 8,000 members working in all facets of the supply chain, SCMA was formed through the amalgamation of the Purchasing Management Association of Canada (PMAC) and the Supply Chain & Logistics Association of Canada (SCLA). SCMA retains PMAC's operational infrastructure, with a national office and 10 institutes across Canada that deliver professional development events, local networking opportunities, and education and training programs, including the Supply Chain Management Professional (SCMP) designation.

"In retaining the best of the best from both associations, SCMA is committed to being the go-to source for supply-chain education, professional development, research, and resources in Canada," says SCMA president and CEO Cheryl Paradowski.

Q3 OTA Freight Forecast predicts sunnier climes

Freight volumes and pricing continue to stabilize and appear primed for growth, according to the Ontario Trucking Association's third-quarter survey of business conditions.

The survey reveals that 67% of carriers are optimistic about their prospects for the upcoming quarter – 22% higher than at the start of 2013 and the highest level recorded since the 3Q2012 survey. Only 23% of carriers expressed uncertainty about their prospects, exactly half who answered in the first-quarter survey that they were unsure about the next three months.

While rates remain relatively flat, the good news is that only 15% of respondents expect them to decrease in the next three months – the second-lowest level in nearly two years. Additionally, 77% said rates have firmed. That figure is 18 points higher than last quarter and the highest level of reported stability ever recorded in the OTA survey.

Looking ahead, 35% of carriers expect improvements in Ontario over the next six months (up from 30%), while the number of pessimistic respondents plummeted to 4% from 19%. Over two-thirds of carriers forecast no change.

Acquisitions aplenty in trucking industry

As the economy continues to improve and many aging business owners look to sell, a flurry of industry acquisitions have taken place this year.

- Wheels Group Inc., Toronto, has acquired BBL Worldwide, a non-asset 3PL company providing specialized cross-border truck brokerage services. Founded in 1999, BBL is headquartered in Etobicoke, Ont., and has annual revenues of approximately \$4 million.
- TransForce Inc., Montreal, has agreed to acquire Texas-based E.L. Farmer, an asset-light dedicated provider of pipe storage and hauling services for the oilfield industry. The transaction is expected to generate annual revenues of approximately \$70 million. TransForce has also acquired the assets of DriveForce Transportation Services of Tulsa, Okla., a regional provider of commercial truck drivers and skilled industrial personnel; and, through its Dynamex Canada Ltd. subsidiary, all the shares of Total Delivery

Systems, Victoria, B.C., which has annual revenues of about \$20 million.

- Mullen Group Ltd., Okotoks, Alta., has acquired Jay's Moving & Storage Ltd. Jay's has been in business since 1964, and is a recognized leader in the Saskatchewan less-than-truckload transportation business.
- Contrans Group Inc., Woodstock, Ont., has purchased Deuce Disposal Ltd., a waste collection business in Slave Lake, Alta. It is expected that the acquisition will produce annual revenue of approximately \$9 million.
- Celadon Trucking Services, Indianapolis, has agreed to acquire Hyndman Transport Limited, which will add \$48 million in annual revenue to its Kitchener-based Canadian operation. Headquartered in Wroxeter, Ont., Hyndman offers domestic and cross-border trucking services.

Average age of drivers older than reported

An analysis of the 2011 National Household Survey (NHS) by the **Conference Board of Canada** reveals that the average age of a truck driver has continued to increase at a faster rate than the rest of the labour force, and is even older than previously thought.

In its report on the driver shortage and economic implications released earlier this year, the Conference Board relied on the 2006 Census and Labour Force Survey to find the average age to be 44 years – four years higher than it was for the average worker and increasing more rapidly as well. The Conference Board characterized the situation as “a demographic tsunami,” estimating that the national shortage of truck drivers could reach 33,000 by 2020.

Now, based on more recent numbers from the NHS, the Conference Board pegs the average age at 46 years, compared to 41.5 for all workers in Canada. The increase, it says, is due to a drop in the share of drivers between 20 and 29 years old, and concludes that “it will ultimately be up to the industry to address this ongoing challenge and to make the occupation more attractive to younger drivers.”

Consequently, Trucking HR Canada has conducted research to identify the features of successful programs that could attract the industry's next generation of employees.

The report, titled “Today's Youth, Tomorrow's Drivers: Attracting Canada's Youth to Opportunities in Trucking,” made a number of recommendations, including new industry-education partnerships, creating entry-level career paths into driving occupations, and reviewing the opportunity for high schools and colleges to develop a national driving-related curriculum. Based on those findings, Trucking HR Canada is pursuing potential national initiatives that will effectively attract youth to careers in trucking.

Organization offers tools to address HR challenges

Trucking HR Canada, a new organization that has formed in the wake of the now-defunct Canadian Trucking Human Resources Council, is offering a free online tool to help fleet managers analyze and improve human-resources practices.

The HR Circle Check, available at www.truckingHR.com, asks key questions about existing business strategies, and recommends specific tools to address related challenges.

These business practices can have a significant financial impact, says Tamara Miller, Trucking HR Canada's director. “It costs between \$6,000 and \$10,000 to recruit and train



a new truck driver – and this is in addition to the business opportunities that are lost when qualified people cannot be found.”

Carriers are coping not only with a shortage of drivers, but other staff as well. In the second quarter TCP Business Expectations Survey, 65% of carriers noted having difficulty finding qualified maintenance technicians, while 30% indicated they were having problems filling operations staff and fleet-manager positions. These shortages are reinforcing carriers' concerns about adding capacity at this time.

“Now, as we see growth in demand on the horizon, excellent human-resource management is critical,” says TCP partner Richard Mikes.

FOR YOUR INFO



Fairy kingdom got you down?

If the fairy kingdom is giving you grief, pick up a copy of the award-winning tome “Goblinproofing One’s Chicken Coop.”

OK, so maybe the award was only the Diagram Prize for the year’s oddest book title. But to claim victory, it had to beat out other worthy contenders like “How Tea Cosies Changed the World,” “Was Hitler Ill?,” and “God’s Doodle: The Life and Times of the Penis.”

“Goblinproofing One’s Chicken Coop” is subtitled “and other practical advice in our campaign against the fairy kingdom.” The book’s Massachusetts-based publisher Conari Press describes it as “the essential primer for banishing the dark fairy creatures that are lurking in the dark corners and crevices of your life.”

Trade magazine *The Bookseller* founded the Diagram Prize in 1978. Rules say the books must be serious, and their titles not merely a gimmick. So if you’re bothered by fairy creatures, you know where to turn.

No more snowplows?

As we gear up for another season of winter driving, we can’t help but cheer on the efforts of U.S. inventor Scott Brusaw. An electrical engineer, Brusaw’s long-range vision is to cover all concrete and asphalt surfaces that are exposed to the sun with Solar Road Panels.

After starting off small, with bike paths, driveways, patios, sidewalks, parking lots, etc., he plans to move onto residential roads, and eventually, the nation’s highways.

The **Solar Roadway** is a series of structurally engineered solar panels that make up the road surface and also collect energy to be used by homes and businesses. The goal is to store excess energy in or alongside the Solar Roadways, replacing the need for current fossil fuels used to generate electricity.

Each panel consists of three layers: a road surface layer that is rough enough to provide traction, yet still absorb sunlight; an electronics layer that senses loads and controls



a heating element, and also features a communications device every 12 feet to display messages to drivers; and a weatherproof base plate layer that distributes power collected from the electronics layer to all homes and businesses connected to the Solar Roadway. LED lights would illuminate the road for safer nighttime driving.

Brusaw is now completing a Phase II contract from the Federal Highway Administration to build a prototype parking lot in his small community of Sagle, Idaho. While he maintains that a solar-powered highway could pay for itself in six years, the upfront investment will be a roadblock for cash-strapped governments. Privatization may be the only route to the Solar Roadway.

Word Watch

“Vent one’s spleen”

When we’re expressing our anger – usually loudly – we can be said to be **“venting our spleen.”** (Our friend Frank does that a lot.) This is not the same as “spilling our guts,” which means to confess or divulge a secret.

The spleen is an organ just left of our stomach that filters old red blood cells. However, in medieval times, it was regarded as the seat for melancholy. By the late 16th century, it was thought to be the source of rage and ill temper, and so it came to symbolize anger and general crankiness. That connotation was first recorded in Shakespeare’s *Richard III* in 1597: “O, preposterous / And frantic outrage, end thy damned spleen.”

“Vent” comes from the Latin “ventus,” meaning “wind.” As a verb, it was first used in the 17th century to mean “relieve or unburden one’s heart or soul.” We still use it in that context today – “don’t mind me; I’m just venting.”



Sources: www.word-detective.com, www.wordwizard.com

Site-seeing

www.drivershortage.ca

This website was launched earlier this year by the Canadian Trucking Alliance's Blue Ribbon Task Force on the **Driver Shortage**. Chaired by Mark Seymour, president, Kriska Transportation, the Task Force comprises trucking executives across Canada.

"Drivershortage.ca is the only online, one-stop shop for everything related to the driver shortage situation affecting Canada and the U.S.," says Seymour. "It's a multifaceted media repository of daily news, studies, videos, facts and statistics that reflect both the systemic and ancillary underpinnings of the driver shortage – from supply and demand, to demographics, to pay issues and driver lifestyle."

The site posts original news, and aggregates print and video content from media sources on a variety of related topics that play into the capacity question – recruitment and retention strategies, turnover, rates and compensation trends, demographics and immigration, regulations, driver training and education, and much more.



www.facebook.com/georgetakei

Four and a half million people "like" **George Takei's Facebook** page, with good reason.

You may remember him as Mr. Sulu on Star Trek, but George Takei has since become a social media superstar. That's because his Facebook page is chock full of witty, wry humour in many forms:

■ **Real signage:** the photo from the supermarket whose shelf talker advertises gas rewards under a promotion for navy beans.

■ **Grammar fails:** "I like cooking my family and my pets." The lesson: "Use commas. Don't be a psycho."

■ **Cartoon pet peeve:** "I paid attention to the construction signs and got in the correct lane. You ignored them and now you want me to let you in. Not going to happen."

Do yourself a favour and "like" this page.



FRANK SAYS...

Frank came bursting into my office the other day. "So what's new?" I asked, figuring I'd beat him to the punch. "I've just been reading about the nominees from the Canadian Taxpayers Federation's annual Teddy Waste Awards – examples of how the government wastes our money," he huffed.

"Well, that's nothing new," I said, thinking of Bev Oda, Dalton McGuinty, the Senate ...

"Well, I bet you didn't know about this," said Frank triumphantly. "Agriculture and Agri-Food Canada forked over \$826,000 to Cardinal Meat Specialists to develop an explosion-free sausage," he snorted. "Apparently, this crisis has reached such epidemic proportions that the government feels it must step in to protect backyard barbequers from these lethal links."

"Listen to this government press release," he said, pulling out a well-worn piece of paper. "This investment of more than \$826,000 will help the company purchase new manufacturing equipment that will produce a higher quality sausage that is more resistant to splitting or bursting while cooking. The company, to its knowledge, will be the first to apply the technology in Canada."

"Wow, that would be a real coup," I quipped, thinking back on all those non-existent occasions when I had had to run for cover while barbequing sausages.

"Yeah, sure," said Frank, his voice dripping with sarcasm. "You know what I think?" he asked with a smirk. I waited, knowing he would tell me anyway.



BOYS AND THEIR TOYS

Truckers rally for OTA inaugural event

By Kim Cyopect, Executive Assistant to the President, Trailcon Leasing Inc.

More than 80 members of the **Ontario Trucking Association (OTA)** gathered on September 12 for the inaugural **OTA Big Wheels Bike & Car Rally**.

About half of the participants rode motorcycles, while the rest drove cars – one member even showed up in an ambulance (driving, not as a passenger!). The event comprised four groups: Southwestern Ontario (departed from Kitchener/Waterloo, captained by David Einwechter of Challenger Motor Freight); the GTA (departed from Brampton, captained by Al Boughton of Trailcon Leasing); Eastern Ontario (departed from Oshawa, captained by Norm Mackie of The Mackie Group); and Ottawa (captained by Steve Thibert of Tibbs Transport).

The weather generally co-operated, although a few of the bikers got a bit wet in places. All four groups converged, along with some OTA staff, at Horseshoe Resort in Barrie. By the time everyone had arrived, the sun was shining and we were able to tailgate in the parking lot (where designated, separate parking was arranged), quaffing a few beverages, visiting with old friends and colleagues, and enjoying an incredible BBQ dinner. Many members spent the night at the



Ross Mackie of The Mackie Group arrives at Horseshoe Resort.

resort before heading home (or, in some cases, to Port Dover) the next morning.

For a first-time event, I was really impressed with the turnout. I'm sure the Rally will only continue to gain popularity as word gets out about how much fun it was. Planning is already under way for next year's event, to be held Thursday, September 11, 2014. For more information or to find out how you can get involved, contact Joanne Benac at the OTA. Telephone: (416) 249-7401 ext. 230; or e-mail joanne.benac@ontruck.org.



Enjoying the day (from l to r): Mike McCarron of The Wheels Group, Kellie and David Einwechter of Challenger Motor Freight, and Wendy Boughton of Trailcon Leasing. ►

◀ Al Boughton of Trailcon Leasing (in dark blue shirt) holds a drivers' meeting before departure.



CALENDAR OF EVENTS



November 3-5

CITT's Reposition 2013: National Conference on Supply Chain and Logistics

Sheraton Centre Toronto Hotel
Contact: Jennifer Traer, Canadian Institute of Traffic and Transportation
Telephone: 416-363-5696, ext. 32
E-mail: jtraer@citt.ca
Web: www.citt.ca

November 13-14

OTA Annual Convention & Executive Forum

Ritz Carlton Hotel, Toronto
Contact: Ontario Trucking Association
Telephone: 416-249-7401, ext. 231
E-mail: yvonne.macaulay@ontruck.org
Web: www.ontruck.org

November 17-19

IANA's Intermodal Expo

George R. Brown Convention Center, Houston, Texas
Contact: Intermodal Association of North America
Telephone: 301-982-3400
E-mail: info@intermodal.org
Web: www.intermodal.org

December 5

Toronto Transportation Club 100th Anniversary Platinum Ball

Metro Toronto Convention Centre
Contact: Toronto Transportation Club
Telephone: 416-886-5450
E-mail: sec_treasurer@torontotransportationclub.com
Web: www.torontotransportationclub.com

January 27-31, 2014

2014 COHMED Conference

(Co-operative Hazardous Materials Enforcement Development)
Hyatt Regency Sarasota, Sarasota, Fla.
Contact: Commercial Vehicle Safety Alliance
Telephone: 301-830-6143
E-mail: cvsahq@cvsa.org
Web: www.cvsa.org

February 10-17, 2014

TTA Convention 2014

Sandals La Source Resort, Grenada
Contact: Toronto Trucking Association
Telephone: 416-248-6211
E-mail: info@torontotrucking.org
Web: www.torontotrucking.org

March 23-25, 2014

2014 IWLA Convention & Expo

Phoenix, Arizona
Contact: International Warehouse Logistics Association
Telephone: 847-813-4699
E-mail: email@iwla.com
Web: www.iwla.com

March 23-26, 2014

Annual Convention of Truckload Carriers Association

Gaylord Texan, Grapevine, Texas
Contact: Truckload Carriers Association
Telephone: 703-838-1950
E-mail: tca@truckload.org
Web: www.truckload.org

March 24-26, 2014

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

April 8-10, 2014

2014 CVSA Workshop

The Westin Bonaventure Hotel & Suites, Los Angeles, Calif.
Contact: Commercial Vehicle Safety Alliance
Telephone: 301-830-6143
E-mail: cvsahq@cvsa.org
Web: www.cvsa.org

April 8-10, 2014

SAE 2014 World Congress and Exhibition

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 10-12, 2014

Truck World

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: joan@newcom.ca
Web: www.truckworld.ca

April 13-16, 2014

NASSTRAC Annual Shippers Conference & Transportation Expo

Orlando, Fla.
Contact: National Shippers Strategic Transportation Council
Telephone: 202-367-1174
E-mail: info@nasstrac.org
Web: www.nasstrac.org

April 25-27

AMTA Annual General Meeting and Conference

Banff, Alta.
Contact: Alberta Motor Transport Association
Telephone: 800-267-1003
E-mail: amtamsc@amta.ca
Web: www.amta.ca

April 27-30, 2014

WERC Annual Conference

Chicago Hyatt Regency, Chicago, Ill.
Contact: Warehousing Education and Research Council
Telephone: 630-990-0001
E-mail: wercoffice@werc.org
Web: www.werc.org

May 25-28, 2014

CCMTA Annual Meeting

Toronto
Contact: Canadian Council of Motor Transport Administrators
Telephone: 613-736-1003
E-mail: ccmta-secretariat@ccmta.ca
Web: www.ccmta.ca

June 11-13, 2014

SCMA 2014 National Conference

Edmonton, Alta.
Contact: Supply Chain Management Association
Telephone: 416-977-7111; 1-888-799-0877
E-mail: info@scmanational.ca
Web: www.scmanational.ca

July 25-27, 2014

28th Annual Fergus Truck Show

Centre Wellington Community Sportsplex, Fergus, Ont.
Telephone: 519-843-3412
E-mail: info@fergustruckshow.com
Web: www.fergustruckshow.com

August 11-15, 2014

NAIC 2014

Pittsburgh Marriott City Center, Pittsburgh, Penn.
Contact: Commercial Vehicle Safety Alliance
Telephone: 301-830-6143
E-mail: cvsahq@cvsa.org
Web: www.cvsa.org

August 25-27, 2014

AAMVA 2014 Annual International Conference

Dover Downs Hotel and Casino, Dover, Del.
Contact: American Association of Motor Vehicle Administrators
Telephone: 703-522-4200
E-mail: info@aamva.org
Web: www.aamva.org

September 15-17, 2014

2014 CVSA Annual Conference & Exhibition

Hyatt Regency Buffalo, Buffalo, N.Y.
Contact: Commercial Vehicle Safety Alliance
Telephone: 301-830-6143
E-mail: cvsahq@cvsa.org
Web: www.cvsa.org

September 28-October 1, 2014

TAC Annual Conference & Exhibition

Montreal, Que.
Contact: Transportation Association of Canada
Telephone: 613-736-1350
E-mail: conference@tac-atc.ca
Web: www.tac-atc.ca

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