

# Report on Transportation

Presented By Trailcon Leasing Inc.

FALL 2014 • VOLUME NO. 55

## CANADA — CELEBRATING A CENTURY OF SERVICE — CARTAGE

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The hot spots of Iceland

*and much more!*



The year was 1914, Robert Borden was prime minister; 33,000 troops departed for Europe as Canada entered World War I; the Royal Ontario Museum opened – and Scottish immigrant Robert Leslie bought a horse and hired a driver to help local Toronto businesses move their goods across the city. And so was born **Canada Cartage**.

The business model of “dedicated” delivery services that Leslie chose back then continues to this day: customers get a driver and truck dedicated to their account.

Canada Cartage purchased its first motorized truck in 1917. By 1929, the company boasted 14 horses and wagons, and 20 motorized trucks, and had become one of the largest delivery fleets in Toronto. Early customers included grocery stores, bakeries, potato distributors, and beverage companies.

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## REPORT on TRANSPORTATION

**Designed and produced by:**  
Newcom Business Media Inc.

**Copywriting:**  
Praskey Communications Inc.

**Published by:**  
Trailcon Leasing Inc.  
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# CANADA CARTAGE

....continued from the cover



From l to r: Paul Hanson, Brian Finnie, Gilbert Jacques, and Atik Saigal, part of the invaluable team of Canada Cartage employees nationwide.

In 1930, Robert's son Rodger assumed the position of general manager, while Robert turned to politics and became a Toronto alderman. Upon Robert's death in 1946, Rodger was named president. Eight years later, his son Fred joined the firm, becoming co-owner in 1974. At that point, Fred forged a partnership with the company's vice-president of finance, Bill Lindsay, that lasted for almost 30 years. The company continued to grow, branching out from grocery into home appliance delivery, paper and cardboard products, building and construction materials, and compressed gas.

Fred and Bill passed the torch to the fourth generation of the Leslie family and the second of the Lindsays when Rodger Leslie, Jr., and Jeff Lindsay took the reins in 2001. The company entered its greatest period of growth, driven by a series of acquisitions and a large merger that gave the company fleet coverage and facilities stretching from British Columbia to Quebec. The two families took the company public in 2006, and it was later acquired by Nautic Partners private equity group. The original ownership and management still retain a sizeable portion of the company, and Jeff Lindsay remains as president and CEO.

Canada Cartage is now the country's largest provider of dedicated fleet outsourcing, with over \$500 million in annual revenues, 4,300 tractors and trailers, and 3,600 employees, including more than 550 who



Canada Cartage purchased its first motorized truck in 1917.



President and CEO Jeff Lindsay

have been with the company for 10 years or longer.

The next century promises more growth as "more and more private fleets convert to the fleet outsourcing model," says David Zavitz, senior vice-president, sales and marketing. "Our plans for the future are to continue our strong focus on fleet

outsourcing and dedicated transportation, but offer expanded transportation services to our customers. We also have opportunities to grow in Western Canada, and to focus our efforts in new market verticals that we currently don't serve."

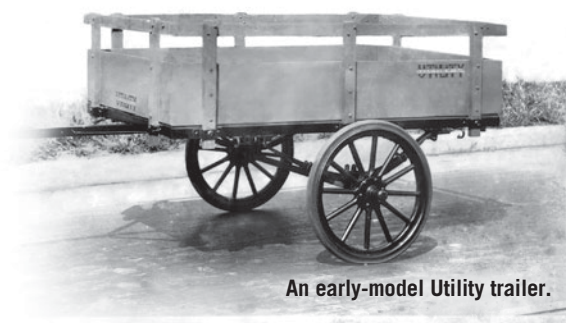
That's a lot of horsepower!

**Trailcon Leasing** congratulates longtime customer **Canada Cartage** on its 100th birthday, and looks forward to working with the company for many more years to come.

# UTILITY TRAILER MANUFACTURING COMPANY

## 100 years of building trailers

Celebrating a century of service



An early-model Utility trailer.

If the customer is king, the supplier is an integral member of the royal family.

That's the way Alan Boughton, president of **Trailcon Leasing**, sees it. "As Trailcon builds our new corporate head office and we celebrate our 22nd year in business, we recognize, not only the importance of our customers, but also the fundamental value of our suppliers and their contribution to our success," he says.

Perhaps no supplier has contributed more to that success than **Utility Trailer Manufacturing Company**, a four-generation family-owned and -operated company that is celebrating its 100th birthday this year.

California-based Utility, whose tagline is "the first name in trailers," is not only the first trailer company in America, but it's also first in refrigerated trailer sales for 20 years running. Further, it is the only trailer company with its own test track, which

trailer that would take the punishment of constant use, heavy loads, and rough roads.

Fast-forward 100 years, and Utility has become the largest manufacturer of refrigerated trailers in North America, and a leading manufacturer of dry freight vans, flatbeds, and Tautliner curtain-sided trailers. With 3,600 employees, as well as a dealer network of over 100 locations throughout North and South America, the company is now guided by members of the third and fourth generations of the Bennett family.

While the vast majority of family-run businesses seldom make it past two



Third-generation family member Craig Bennett.

"Around here, some things never get old."

— slogan adopted for Utility's  
100th-anniversary celebrations

to have had experience elsewhere. We have a consensus style of management so that each generation has to agree on major issues such as investments and purchases."

It's a strategy that has paid off handsomely. After surviving the recession – thanks in large part to a debt-free balance sheet – the company has had record unit sales the last two years, and is on track for another record year in 2014. "We're going to build over 40,000 trailers for the first time in our company's history," says Bennett.

He also credits the network of dealerships, all of whom are dedicated to the sales and service of Utility trailers, for the company's strong results. Boughton has high praise for Action Trailer Sales, the local dealer for the Greater Toronto Area that Trailcon uses for all its Utility trailer purchases.

"The service we receive from Action Trailer Sales, under the leadership of Bob Ray, is second to none," he says. "It reflects the quality and unique design of Utility products that has been the hallmark of the company for 100 years, and will continue to be for many more to come."

To celebrate its 100th anniversary, Utility designed the Legacy Museum Trailer, which features interactive screens, historical photographs, rare memorabilia, and a 25-minute documentary film. The Trailer is touring sites in the U.S. and Canada this year.



allows it to build innovative designs that are both lightweight and strong.

Utility goes back to 1914 when brothers H.C. Bennett and E.W. Bennett purchased a small wagon company that had just broken into the trailer business. From the start, the brothers' emphasis was on building a

generations, Utility has been able to survive and thrive through four – the fifth is in the wings – for a number of reasons, says Craig Bennett, senior vice-president, sales and marketing. Every family member has to pull his or her own weight, he emphasizes. "Before coming on board, they have

# PITCHING IN



## Trailcon sponsors David Foster Foundation Gala



With the Gala host (from l to r): Yolanda Foster, wife of David Foster; Nancy Krell; Trailcon's Mike Krell; David Foster; Trailcon's Jim Wilson and partner Vivian Roy; Trailcon Calgary branch manager Nick Reid; Heather Mathiesen, vice-president of Canada Transport.

**Trailcon Leasing** was one of the sponsors of the **David Foster Miracle Gala & Concert**, held recently in Calgary. Hosted by Foster, a 16-time Grammy winner, the proceeds of the star-studded evening provide financial assistance to Canadian families who have a child going through a life-saving organ transplant. This year's event raised more than \$8.2 million, 100 percent of which goes directly to the families.

The average annual cost to support a

family is approximately \$10,000, with some families' assistance exceeding \$100,000 over many years of their child's illness. In the past 26 years, the Foundation has assisted more than 850 families, working with pediatric hospitals across the country.

Guests at the Trailcon table – which included staff and customers – enjoyed performances by such luminaries as Jennifer Hudson, Sinbad, Baby Face Edmonds, and surprise guest Steven Tyler of Aerosmith.



▲ At the Gala (from l to r): Nancy Krell, wife of Trailcon's Mike Krell; Robynn Rosenau; Ken Rosenau, of Rosenau Transport.

## Teeing it up for charity

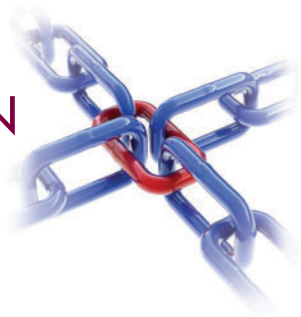


With the arrival of warmer weather earlier this year, several **Trailcon** staff members dusted off their golf clubs and donned their plaids to take part in a number of industry tournaments for charity. Here is a rundown of the events we attended this year, and the charities they supported.

■ **The Beer Store** – Autism Ontario in 2014 (a different charity every year; past events have raised funds for multiple sclerosis, Special Olympics, breast cancer); about \$15,000-18,000 raised.

- **Manitoulin Traction Charity Golf Classic** – Reach for the Rainbow, to integrate children and youth with disabilities into the mainstream of society through summer camp programs throughout Ontario; raised over \$100,000.
- **Maple Lodge Farms** – Cardiac Kids, in support of Sick Kids Foundation; also Boys and Girls Clubs of Canada; about \$140,000 raised.
- **Ontario Trucking Association Allied Trades** spring and fall golf tournaments – OTA Education Foundation; proceeds from raffle draw donated to the charity of choice by the directors.
- **St. Michael's College School Young Alumni Tournament** – St. Michael's bursary program.
- **Toronto Transportation Club (TTC)** Power of Education Golf Classic, and TTC Spring Golf Tournament – TTC Scholarship trust.

# CUSTOMER CONNECTION



## The Beer Store Many happy returns

It's not surprising that a company that recycles all the packaging it sells – and then some – would extend its environmental and cost-saving initiatives to its transportation program.

That's why **The Beer Store** (TBS) recently invested in a series of long-combination vehicles (LCVs) – a tractor pulling two full-length semi-trailers. After applying for the permit in 2013 and conducting driver training, the company put its first LCV on the road this fall.

TBS, which covers all of Ontario from six distribution centres and several cross-dock facilities, is using the LCVs on the route from Comber (near Windsor) to Brampton, says Mike Nichol, director of operations. "We take one tractor off the road while we're pulling the two trailers," he says. "There are some big savings, environmentally as well as financially." According to the Ontario Ministry of Transportation, each LCV uses about one-third less fuel than two tractor-trailers that would carry the same amount of freight. That means one-third fewer greenhouse-gas emissions for each LCV on the road.

In other green initiatives, TBS is converting its fleet of 280 power units to Diesel Exhaust Fluid (DEF), a technology that reduces diesel exhaust emissions. So far, it has moved 126 units to DEF, and



expects to convert all units by 2018, says Tim Bridgen, fleet manager.

Owned by Labatt Brewing Company, Molson Coors Canada, and Sleeman Breweries, TBS has been in business since 1927. As it operates 448 retail stores, and serves 17,000 licensed customers, 600 government-owned LCBO retail locations, 140 retail partners, and 76 Northern Agents, the company has many unique transportation requirements. To meet the needs of its diverse range of customers, TBS's fleet includes 35- and 48-foot trailers with tailgates for delivery via pallet, right up to 53-foot tandem axles and 53-foot quads, as well as conventional trucks that

deliver strictly to loading docks.

TBS is one of the few retailers in North America that takes back all the packaging it sells. In fact, it takes back even more than it sells; with the introduction of the Ontario Deposit Return Program in 2007, TBS accepts back for deposit refund all liquor containers over 1,000 ml. A whopping 99% of all refillable glass beer bottles were returned over the past year. Since its inception, TBS has kept approximately 70 billion beer bottles from ending up in Ontario landfill sites. Stretched end to end, the bottles would reach to the moon and back about 25 times.

The company has a longstanding relationship with Trailcon Leasing dating back to 2000, says Nichol. Trailcon not only leases a variety of sizes and types of trailers – including the new LCVs – to TBS, but also performs the maintenance on all of them.

"Whenever we have an issue or are in need of emergency trailers, Trailcon goes above and beyond to satisfy our needs," says Bridgen. A case in point: when TBS's recycler went bankrupt and the company suddenly needed 1,000 trailers and places to store them, Trailcon stepped in to save the day. Adds Bridgen: "They are a first-class vendor."



Tim Bridgen, fleet manager (l); and Mike Nichol, director of operations, The Beer Store.

## Making a clean sweep of soot

*Submitted by Petro-Canada Lubricants Inc.*

You may not be able to control the weather, but when it comes to trekking through blizzards, or enduring blistering heat spells, it's clear that the weather can control *you*, and the success of your fleets.

That's why a lubricant that can effectively control soot in all weather conditions will deliver better protection against wear, and will prolong engine life.

"Today's tough operating conditions can produce and retain more soot than ever before, and soot can affect costs across the board," says Barnaby Ngai, Transportation Oils Category Portfolio Manager at Petro-Canada Lubricants Inc. "In fact, as engine loads get heavier and drain intervals are extended further and further, the importance of controlling soot has never been greater."

As soot agglomerates in engine oil, it can increase the viscosity level of the lubricant. Even in the most advanced engines running on ultra-low-sulphur fuel, soot can have a significant impact on performance.

### Stopping you cold

Higher-viscosity oil has diminished pumpability, and can leave an engine under-lubricated. Nowhere is this more dangerous than during cold-weather start-ups, when oil flow is reduced by low ambient temperature and the engine is the most vulnerable to oil-pumping failure.

"Fuel efficiency suffers in the winter, which can result in increased soot formation," says Ngai. "Engine soot has a thickening effect on lubricants, especially in cold weather when fleets can least afford it.

An engine oil in these conditions needs to maintain its pumpability to be able to protect vital engine components."

But while you can't control the weather, Petro-Canada experts have proven you can control soot and its impact on your engine oil across seasons. Petro-Canada was able to demonstrate how its oil can handle soot in tests involving Mack T-11 engines. During the testing, it frequently sampled lubricants and checked them for viscosity to see if soot was thickening up the oil. The test showed that, even though the engine was producing soot, DURON™-E Synthetic 10W-40 was dispersing it before it had a chance to agglomerate into the rock-hard clumps that can damage components. In fact, DURON-E was shown to disperse soot up to 2.2 times the industry standard.

### An ounce of prevention . . .

"When it comes to managing soot, it's very much about prevention," says Ngai. "There will always be soot in your engine, but if you

can get to it before it clumps and becomes harmful, that can prevent many potential problems down the road." After all, stopping for change-outs and avoidable maintenance repairs is additional downtime that today's fleets can't afford, and shouldn't have to. Having a lubricant that lasts longer is especially important when your trucks are on the road an average of 15,000 miles per month.

"You can never really produce less soot; it's all about how you handle it," says John Pettingill, DURON Product Specialist, Petro-Canada Lubricants. "It all comes down to the additives and how they synergize with the base oils."

A lubricant that is formulated from the purest base oils and high-quality additives is less likely to thin out in hot weather or thicken in cold temperatures. Instead of changing grades with the seasons, fleets are better off staying with a lubricant that maintains its viscosity – and fights soot – year round.



## About Petro-Canada Lubricants Inc.

**P**etro-Canada Lubricants, a Suncor Energy business, blends and packages more than 350 different lubricants, specialty fluids, and greases that are exported to more than 70 countries on six continents. From heavy-duty engine oils, to hydraulic fluids, automatic transmission fluids, and gear oils and greases, Petro-Canada Lubricants offers products and services proven to maximize equipment performance, productivity and overall savings.



Beyond today's standards.™

# INTERMODAL INSIGHTS DAL



## CN earns accolades for sustainability initiatives

For the third year in a row, CN has been named to the Dow Jones Sustainability World Index (DJSI). The annual review is based on an analysis of environmental, economic, and social performance, assessing such issues as corporate governance, risk management, climate change mitigation, supply chain standards, corporate citizenship, stakeholder engagement, and



© Canadian National Railway Company

labour practices. The DJSI selects for inclusion the top 10 percent of the 2,500 largest companies in the Dow Jones Global Total Stock Market Index from each sector based on their sustainability score.

Within the North American rail industry, CN consumes overall about 15 percent less fuel per gross-ton-mile than the average. Through its EcoConnexions From the Ground Up program, it sponsored tree-planting projects in 35 locations across the country, as well as the planting of 400,000 trees as part of a mass reforestation program.

## Intermodal loadings continue to climb

Intermodal freight loadings continue to track higher than the previous year. According to the most recent figures available from Statistics Canada, loadings rose 11 percent to 189,000 units in July versus the previous year. The gain stemmed from increases in both containerized cargo shipments and trailers loaded on flat cars.

Those figures followed an increase of 8.2 percent to 175,000 intermodal freight loadings in June of this year compared with 2013.

## Port Metro Vancouver records strong mid-year

Port Metro Vancouver continued to show strong gains for the first six months of this year, posting a 3.6-percent growth in overall tonnage compared to the same period last year.

Container volumes were up 4.6% over last year, representing a quick rebound in traffic volumes that were impacted by the 28-day trucking disruption earlier in the year.

As a result of the strikes, the federal government brought in regulations to increase container trucking rates at the Port by 12 percent, and double the fuel surcharge paid to truck owner-operators. It has also provided funding to reduce trucker wait times, including the introduction of night gate operations five nights a week and the development of an enhanced common reservation system.

Approximately 2,000 licensed trucks service the Port.

## Global container port traffic on the upswing

Global container port throughput will increase at an average annual growth rate of 5.6 percent over the next five years, an improvement on the 3.4 percent recorded last year, according to U.K.-based shipping consultancy Drewry's 12th "Global Container Terminal Operators Annual Review and Forecast Report."

That translates into more than 840 million TEUs (20-foot equivalent units) by 2018, with the fastest-growing regions projected to be Africa and Greater China. The overall growth in trade will boost average terminal utilization from 67 percent today to 75 percent in 2018, encouraging new market entrants and renewed M&A activity in the container ports sector.

**100  
YEARS  
AGO...**

The **Panama Canal** opened to world trade on August 18, 1914. Since then, the 80-kilometer waterway has registered over 1,055,000 transits.

A study by shipping consultancy Seabury reveals a pronounced shift from air cargo to ocean transport, thanks to new con-

tainer technologies. "A decade ago, tomatoes were just as likely to be transported by air as in a reefer container," says the company's maritime advisor Derek Brand, author of the report. "Today, tomatoes are transported almost entirely in containers. The same holds true for numerous other perishable commodities."

About 100,000 TEUs per year are transported by ocean carriers instead of airplanes. The shift is particularly pronounced in certain perishable commodities like

tomatoes, fresh fish, lettuce,

and pineapples, but not only perishables. Reefer container volumes are forecast to rise by 20.5 million tonnes from 2013 to 2018 – 16.5 million tonnes by organic growth and 4 million tonnes at the expense of shrinking specialized reefer fleets, says Drewry's latest "Reefer Shipping Market Annual Review & Forecast."





# TRAVEL TIPS

## The hot spots of Iceland

By Nancy Krell \*

On a Saturday afternoon at the hockey arena, I was standing in line at the snack bar for my son's post-game bag of popcorn. While chatting with a friend about my hockey league, another hockey mom asked, "Are you playing in the Iceland tournament?" A few phone calls later and reassurance that my less-than-Team-Canada calibre of play was acceptable, my answer was "YES!"

I have now traveled to Iceland twice with my hockey team, both trips being in October. Departing Toronto on Icelandair, the nonstop flight is just over five hours. Upon arrival at Keflavik International Airport, you're only 50 km from the capital city of Reykjavik, where one-third of Iceland's population of just over 300,000 live.

Traveling around Iceland is simple. There is one main artery – Highway 1, or Ring Road – that encircles, or "rings," the island. It is 1,330 km in distance, easily allowing visitors to explore the entire country in one trip.

In Reykjavik, we stayed downtown at Hotel Frón. From there, you could walk to shops, cafes, restaurants, museums, galleries, pubs, and nightclubs. You could also walk to a number of local hot pools, including Laugardalslaug, the largest swimming complex in Iceland. It features indoor and outdoor pools, hot tubs, saunas, and even water slides.

Another highlight of the city is the Hallgrímskirkja, Iceland's largest church, which was built to resemble a volcano. You can take an elevator to the observation tower for stunning views of Reykjavik.

As for the local cuisine, while your palate is being challenged with tastes of puffin, whale, and fermented shark, take comfort in knowing there is a national food that is sure to please even the pickiest of eaters – hotdogs! At Bæjarins Beztu Pylsur, the famous downtown hotdog stand, you can enjoy an Icelandic hotdog. Since 1937, Icelanders and tourists have been ordering these tasty dogs with the works: ketchup, sweet mustard, fried and raw onions, and a mayonnaise-type dressing.

A must excursion when visiting Iceland is the Golden Circle tour.

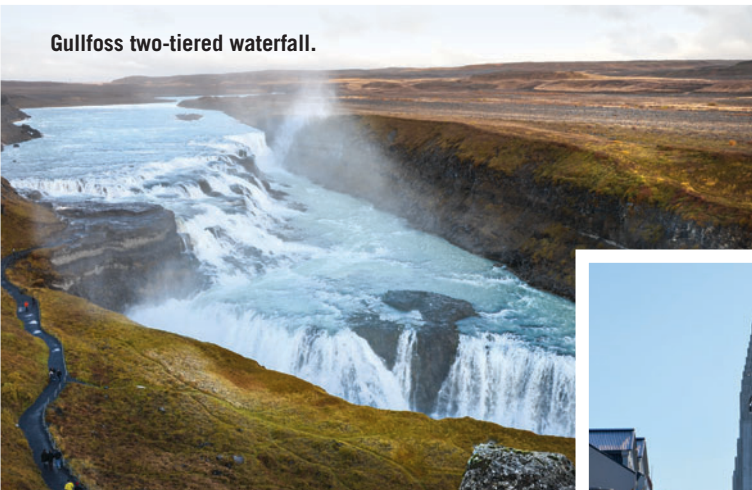
Jökulsárlón iceberg lagoon is filled with icebergs that have broken off a glacier that began to recede in the 1940s.



The Blue Lagoon, Iceland's most popular geothermal spa.

We had booked with GTI, and were very fortunate to have Gummi, the owner, as our tour guide. Highlights include Gullfoss, Geysir, and Þingvellir National Park. Gullfoss is a spectacular two-tiered waterfall, while Geysir is an area of hot-water blow holes, including, of course, one named "Geysir." This particular spout gave its name to geysers worldwide. However, Geysir is not as welcoming as Strokkur, a very active geyser that gives onlookers a good show. In Geysir Centre, there is a great gift shop and cafe. Our tour day

Gullfoss two-tiered waterfall.



was damp and cold, so we were happy to warm up with unlimited bowls of delicious “meat soup” (lamb stew). Þingvellir is on the mid-Atlantic ridge, and served as the location of Iceland’s annual parliament meeting beginning in 930 A.D., with the last assembly being held in 1798. This area is rich in history, and offers scenic trails. This tour could also be done on your own, as long as you are armed with a map and a reference guide so you don’t miss out on the information that a tour guide can offer.

Hiking trails in Iceland are plentiful. We drove to Hveragerði, and hiked a great half-day trail that led us up and down hills and valleys, across rivers, and past steam vents and boiling mud pots. You quickly realize the importance of staying on the trail! There is a hot river there that beckons you for a dip. Bathing suits optional!

Iceland’s most popular geothermal spa is The Blue Lagoon, situated in the middle of nowhere, surrounded by lava rock. The water is a milky-blue colour and a consistent 37°C. There are beauty

treatments available, as well as a sauna, steam rooms, a restaurant, gift shop – and a swim-up bar! While this is the premiere spa to visit, you can find hot pools and community centres in even the smallest of towns. It is a common ritual for locals to begin or unwind from their day in one of the local pools. We found many hot pools in which to relax and soak our muscles after our hockey games.

On our second trip to Iceland, we began with a side trip to the south of the island. Driving southeast on Highway 1, we passed through desolate, ever-changing landscapes where we saw mountains, glaciers, moon-like surfaces, and volcanic ash dunes, with the Atlantic Ocean just to the south. Rarely did we see another car. You might pass a tractor carrying a freshly skinned and beheaded cow; after all, what else would you see traveling on the main highway?

Hotel Country Anna is the smallest three-star hotel in Iceland, with only seven charming rooms. The restaurant there accommodates all travelers, even those by the bus load. The owner and hostess, Ayja, was warm and gracious. As per my request, the entire restaurant’s menu changed to only “meat soup” for one of the evenings we were there. The regular menu, which included horse, minke whale, and arctic char, would be on hold until the following evening. We were treated to a dazzling show of the Northern Lights while staying at this quaint country hotel that was our home base for three nights as we explored Iceland’s southern treasures.

One such treasure is Jökulsárlón, a spectacular iceberg lagoon formed after the Breiðamerkurjökull glacier began to recede in the 1940s. The lagoon is filled with icebergs that have broken off of the glacier. As you stand on the black beach and take in this striking setting, you can hear the ice break and splash into the lagoon. We were overcome by the majestic natural beauty of this lagoon, so much so that when we spoke to one another, we did so in a whisper.

We ended our Iceland trip last year by going back to Þingvellir National Park to snorkel the Silfra fissure, a crack between the North American and Eurasian continents. Silfra is the only place in the world where you can dive or snorkel between two continental plates. These plates continue to separate by about two cm each year. We suited up in our dry suits, and, as we took the steps into the 2°C water, we were advised that our lips would burn for a moment and then go numb. As I stepped into the water, my heart was pounding realizing the enormity of the moment. We snorkeled surrounded by large boulders and broken rock on either side – touch one side and you are touching the Americas; touch the other and you are touching Eurasia. The pristine glacier water is naturally filtered, and our guide suggested we remove our snorkel and drink the crystal-clear water. This experience was truly exhilarating!

Iceland is a place where you can feel connected to, or maybe gain a new appreciation for, Mother Earth.

Oh, and by the way, we did play in a hockey tournament while we were there! I think that was the reason I went to Iceland.



▲ Hallgrímskirkja in Reykjavik, Iceland’s largest church, offers stunning views from its observation tower.

*\*Nancy Krell is the wife of Mike Krell, Trailcon Leasing’s sales & marketing manager.*

# INDUSTRY

Notes

## OTA Q2 survey shows continuing optimism

The trucking industry in Ontario is returning to health as carriers reported stronger freight and rate counts while projecting more optimism than they have in over half a decade, according to the **Ontario Trucking Association's** (OTA) second-quarter survey of business conditions.

Following a very positive first-quarter survey, all four sectors monitored by OTA (Intra-Ontario, inter-provincial, southbound U.S., northbound U.S.) expressed unprecedented levels of business improvement. For the second straight quarter, carriers indicated that rates were keeping pace with volume increases – something of a rarity since the 2008 recession.

With volume increases comes ever-tighter capacity. While 58 percent of companies want to add drivers and owner-operators, it is uncertain where those drivers will come from; the driver shortage will only get more acute as economic activity and freight continue to pick up. Looking ahead, 46 percent of respondents expect further tightening.

Only 14 percent of carriers in this survey indicated that the economy was their top concern going forward, versus 46 percent in last year's Q2 survey. Instead, driver shortage has replaced the economy as the overwhelming number one concern (63 percent of carriers), followed by capacity/rates (22 percent).

## TransForce strikes a mega-deal – and more

After several relatively quiet years, mergers and acquisitions are heating up again in the Canadian trucking industry, according to PwC's Capital Markets Flash. And none bigger perhaps than **TransForce Inc.'s** agreement to purchase **Contrans Group Inc.**, a Woodstock, Ont.-based provider of specialized transportation services, for approximately \$495 million. With

## Merryweather joins Trailcon in v.p. role

Transportation industry specialist **Paul Merryweather** hit the ground running when he was hired in the spring as **Trailcon Leasing's** vice-president, service and operations. He immediately rolled out an upgraded mobile repair order (MRO) system to improve communication and customer service.

"Paul arrived at just the right time," says president **Alan Boughton**. "We are full steam ahead with expansion in the western provinces while keeping an eye on all the ways we can continue to improve our systems and therefore our service to customers. Paul is a respected leader, and has already become part of the team."

Merryweather holds the CCLP (CITT-Certified Logistics Professional) designation, and is an Ontario Trucking Association Certified Trucking Manager (CTM). Most recently, he was in operations and business development for a courier company. He says his desire to get back into a role involving maintenance was a factor in his move to Trailcon.



Paul Merryweather

about 1,400 power units and 2,600 trailers under management, Contrans is one of the largest freight transportation companies in Canada.

Recently, Contrans sold its waste-collection segment – wholly owned subsidiaries Tri-Line Disposal Inc. and Deuce Disposal Ltd. in Edmonton and Slave Lake, Alta., respectively – to GFL Environmental Inc.

Meanwhile, TransForce also completed the acquisition of Transport America, Inc., a provider of truckload carriage and logistics services headquartered in Eagan, Minn., that operates some 1,500 tractors and 4,400 trailers through its network of 12 terminals in the U.S.

Around the same time, TransForce's wholly owned subsidiary Matrec acquired Veolia E.S. Matières Résiduelles Inc., operating under the name of Veolia Solid Waste Canada, in Quebec.

TransForce's revenue for the first six months of this year was \$1.66 billion, up 7.6 percent from \$1.54 billion for the same period last year, mainly driven by acquisitions.

## CTA offers feds options for diesel fuel excise tax

Now that the Canadian economy is returning to health and the federal government's finances are expected to shift from deficit to surplus, the **Canadian Trucking Alliance** (CTA) suggests it's time for federal finance minister Joe Oliver to decide what to do with the federal excise tax on diesel fuel when he tables his first budget in 2015.

In a recent submission to the House of Commons Standing Committee on Finance, CTA pointed out that it has been six years since Prime Minister Stephen Harper pledged during the 2008 election campaign to reduce the excise tax on diesel fuel by 50 percent, from four cents to two cents per litre. However, the tax, originally meant as a temporary measure to help pay down the deficit when it was introduced in 1985, remains today without serving any policy purpose. It generates about \$1 billion a year in revenue, with the trucking industry paying the lion's share, but is not in any way dedicated to infrastructure investment

or environmental purposes or anything else, notes CTA. As long as it continues to exist, it should be earmarked for areas like highway infrastructure, fuel efficiency, and greenhouse-gas (GHG) reduction.

“Canada is perhaps the only major industrialized country on the planet not to have a national highway policy,” says CTA president David Bradley. Revenue from the excise tax could be dedicated to a National Highway Trust Fund, which in turn could be used to leverage provincial cooperation and compliance with national safety, weights and dimensions, environmental, and other trucking standards, he suggests.

Retrofitting existing trucks or installing on new vehicles proven add-on technologies and devices – such as aerodynamic fairings, auxiliary power units, boat-tails, and rolling-resistant tires – would help improve fuel economy while setting up the industry to comply with a new round of GHG reduction rules in 2018.

With Canada facing a long-term, chronic

shortage of qualified drivers, there will be a greater need for driver training, says Bradley. “This is yet another area where perhaps revenue from the federal excise tax on diesel fuel could be allocated to help create new jobs while increasing safety standards across Canada.”

## More GHG emissions standards on the way

Federal environment minister Leona Aglukkaq intends to develop more stringent standards to further reduce greenhouse-gas (GHG) emissions from on-road heavy-duty vehicles and engines for post-2018-model years. The regulatory initiatives are aligned with those of the U.S.

The Notice of Intent would build on existing regulations for 2014- to 2018-model years. As a result of those regulations, GHG emissions from 2018-model-year heavy-duty vehicles will be reduced by up to 23 percent.

“CTA [Canadian Trucking Alliance] is hopeful this round of regulatory consultation will not only explore the viability and market readiness of new technologies, but force provincial governments to review and remove regulatory barriers preventing the use of GHG-emission-reducing technologies,” says Stephen Laskowski, CTA senior vice-president.

Over the coming months, CTA will attempt to work with governments, manufacturers, and industry to identify the soundest technological and regulatory path to achieving fuel-efficiency improvements for all sectors of the trucking industry.

## Mullen Group, Kriska to create new company

**Mullen Group Ltd.**, Okotoks, Alta., and **Kriska Holdings Limited**, Prescott, Ont., have announced an agreement to join forces to create **Kriska Transportation Group Limited**, a growth-oriented transportation and logistics company based in Prescott.

Mullen Group will contribute its interest in Mill Creek Motor Freight L.P. in exchange for a 30-percent equity interest in Kriska Transportation. Mark Seymour, current chairman of the Canadian Trucking Alliance, will contribute his interest in Kriska Holdings in exchange for a 70-percent equity interest in Kriska Transportation, and will serve as the organization’s president and CEO.

The new company will have 663 employees (including owner-operators), and manage 457 power units and 1,491 trailers.

Family-owned Kriska Holdings is an asset-based provider of both dry and temperature-controlled transportation, serving Canada and the U.S. Publicly traded Mullen Group provides a wide range of specialized transportation and related services to the oil and natural-gas industry in western Canada, and is a leading supplier of trucking and logistics services in Canada.

The impetus for the deal is ongoing industry consolidation and driver shortage. “The impact of the driver shortage has become a major issue to shippers and carriers alike,” says Seymour. “This transaction allows us to go to market with the asset-based capacity our customers value, and will provide a strong, stable platform for future acquisitions.”

## Trailcon awards 2014 education scholarship

The recipient of the **2014 Trailcon Leasing Trailer Service Technician Scholarship** is **Vania Agostinho**. The scholarship was presented to her by Trailcon’s vice-president of service and operations, **Paul Merryweather**, at the Annual Trades and Apprenticeship Awards ceremony hosted by Waterloo’s Conestoga College.

As a prior-year graduate of the College’s Radio Broadcasting diploma program, Agostinho says her heart has always been more closely aligned with the automotive sector, although she resisted enrolling in technician-type programs because so many people thought it would be “too difficult to learn and work in a male-dominated industry.” But after being introduced to truck-coach technician basics, she decided that “big trucks” were more her style.

“We see this as a great opportunity to give back, and to help a deserving individual get the necessary training that will open doors to a career in a skilled trade,” says Trailcon president Alan Boughton.

The scholarship is funded by an endowment established by Trailcon and administered by the Ontario Trucking Association Education Foundation.

**Scholarship recipient Vania Agostinho with Trailcon vice-president of service and operations Paul Merryweather.**



# FOR YOUR INFO



## I'll shovel snow, but don't ask me about insurance

Sixty-two percent of Canadian respondents to a survey commissioned by TD Insurance said they would rather shovel snow, spend a Saturday doing laundry, go to the dentist, or even wait in an airport security line than think or talk about insurance coverage.

The findings indicated that, as a group, Canadians generally underestimate risks. For example, the survey found that 81 percent of participants underestimated the likelihood of a home break-in, which is about one in 200, according to Statistics Canada.

However, asked to predict the chances of being injured, even slightly, in an automobile accident in a typical year, 36 percent underestimated the likelihood, while 30 percent overestimated. According to Transport Canada statistics, the odds are approximately one in 130.

## V2V communications can prevent vehicle crashes

**Vehicle-to-Vehicle** (V2V) communications technology shows great promise in preventing motor-vehicle accidents.

In a nutshell, V2V is the wireless exchange of data between nearby vehicles. By exchanging anonymous data regarding position, speed, and location, vehicles can sense threats and hazards, issue driver advisories or warnings, or take pre-emptive actions to avoid and mitigate crashes.

## A growing use for shipping containers

We've seen shipping containers adapted for many purposes, from housing to art galleries. Earlier this year, **Giant Container Services**, Toronto, planted the seed for yet another use when it donated Canada's first shipping container greenhouse to the Scadding Court Community Centre in downtown west Toronto.



The U.S. Department of Transportation's National Highway Traffic Safety Administration (NHTSA) is studying the technology with the view that, eventually, each vehicle on the roadway – including automobiles, trucks, buses, motor coaches, and motorcycles – will be able to communicate with others to enable active safety systems that can assist drivers in preventing 76 percent of crashes.

The NHTSA has released an advance notice of proposed rulemaking (ANPR) and a supporting research report on V2V communications technology. The report will analyze findings in several key areas, including technical feasibility, privacy and security, and preliminary estimates on costs and safety benefits, while the ANPR seeks public input to support regulatory work to eventually require V2V devices in new light vehicles.

## Word Watch

### Yahoo

[without the exclamation point!]

Nowadays, most people associate the word **"Yahoo"** with the famous Web portal. But we also know a "yahoo" is a person who is boorish, rude, and loud [think Don Cherry]. In fact, the site's two founders, David Filo and Jerry Yang, say they chose the name because they considered themselves yahoos.

The origin of the word, however, dates back to 1726, when Jonathan Swift invented it in his classic tale of satire and adventure, *Gulliver's Travels*. In the book, Gulliver travels to Houyhnhnmland, where he encounters the Yahoos, a race of savages that have the form and all the vices of humans.

Swift's depiction of the Yahoos was so vivid that the word entered the English language almost immediately as a synonym for an ignorant brute.



Sources: [www.word-detective.com](http://www.word-detective.com), [www.merriam-webster.com](http://www.merriam-webster.com)

"This technology could move us from helping people survive crashes to helping them avoid crashes altogether," says U.S. Transportation Secretary Anthony Foxx.

For example, it could warn drivers not to turn left in front of another vehicle travelling in the opposite direction, or if it's not safe to enter an intersection due to a high probability of colliding with one or more vehicles.

In the trucking industry, Peleton Technology in California is using V2V communications and radar-based active braking systems, combined with sophisticated vehicle control algorithms, to link pairs of heavy trucks in close-formation platoons. The system controls braking and acceleration, while drivers retain steering control. The co-operative braking prevents frontal collisions by automatically applying the brakes on both trucks, as well as reducing aerodynamic drag to achieve dramatic fuel savings for both the trailing and leading truck.

V2V technology has the potential to be fused with existing vehicle safety features to further improve the effectiveness of many crash avoidance safety systems currently being developed and implemented in the vehicle fleet, and serve as a building block for a driverless vehicle.

## Site-seeing Oxford Dictionaries

What do the words "trench coat," "cushy," and "cooties" have in common?

They are all part of the "100 words that define the first World War," according to an OxfordWords blog on the **Oxford English Dictionary** website – a list that is both poignant and informative.

On the lighter side, how about a section that tells you what word originated in the year you were born?

These are just two examples in a vast collection of fascinating facts to delight logophiles. In fact, the site is so rich with language-related content that a functional sitemap would be a welcome addition.



[www.oxforddictionaries.com](http://www.oxforddictionaries.com)

# FRANK SAYS...

As I glanced at the clock, I realized that Frank was unexpectedly late for his monthly rant at my office. With traffic always an issue in the GTA thanks to 11 years of Liberal inaction on road expansion and improvement, I wasn't all that surprised by his tardiness. When Frank did arrive a half hour late, I could tell by his step and facial expression that he wasn't a happy camper.

I greeted Frank with a smile as he pushed past my EA, hoping to brighten his day, but he clearly wasn't in the mood. It seems that his slow trip to Trailcon was made longer, not by construction, but by some jerk on an "e-bike" that had traffic snarled worse than usual. As Frank continued his rant, I cut him off, as I have had two similar incidents recently. I told him I had already reached out to the Ontario Trucking Association (OTA) to see why these uninsured and unplatd vehicles are on our roads, as I would have bet my life that they are not operating legally in Ontario.

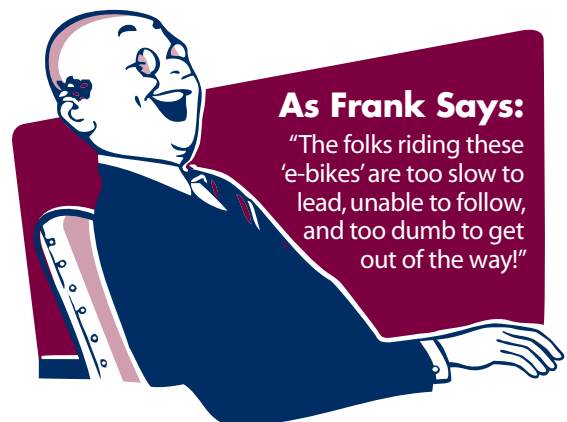
Just shows how little Frank and I know about changes the tree-hugging Liberals made in October 2009. These "e-bikes" are allowed on the road with no license and no insurance as long as they have a speed capability of 32 km/h or less. Not sure why 32 km/h would be deemed acceptable, as one of these idiots that I almost hit after dark was on an unlit Caledon road with an 80 km/h speed limit. This "e-bike" had *no* lights – which, by the way, aren't required under the Highway Traffic Act (HTA).

Frank was gathering momentum as we wondered aloud about the consequences of running over one of these dopes and killing them or, worse, crippling them for life. As a certainty, there would be a lawsuit against the operator of the motor vehicle, and one can only imagine the financial award that would be granted by some left-leaning judge. Frank wondered how the Ontario government and the folks at the MTO could allow these changes to be made to the HTA without considering the possible negative consequences to licensed and insured Ontario motorists, as well as the inevitable accidents that are sure to happen as more



and more of these 32-km/h wonders occupy road space paid for by us.

Frank and I both agreed that now is the hour to make something happen with respect to these "vehicles." Somebody needs to take action to protect these morons who ride the roads like they have already fallen and hit their heads. I told Frank that somebody needs to champion the cause for changes in these regulations, and I don't think it will be the "e-bike association." Frank snorted in agreement.



### As Frank Says:

"The folks riding these 'e-bikes' are too slow to lead, unable to follow, and too dumb to get out of the way!"

# BOYS AND THEIR TOYS

## Cobble Beach Concours d'Elegance

A cavalcade of classic cars

The 18th fairway of Cobble Beach golf course, with its sweeping vistas of Georgian Bay, Ont., recently played host to the **2nd Annual Concours d'Elegance** – a rich assortment of international automobiles.

The prestigious two-day event kicked off with a participant tour of the Grey Bruce area, followed by seminars on car collecting, and a reception at the luxurious Cobble Beach Resort Community. The show itself was held on the second day, with awards presented in a number of classifications.

Derived from a French term meaning “competition of elegance,” the concours d’elegance dates back to 17th century France, when horse-drawn carriages paraded through the streets of Paris. It has since evolved into a display of antique and classic cars for both competition and celebration.

A concours d’elegance differs from most classic car shows in that it includes only the finest, most accurately restored models, and subjects them to scrutiny by expert judges. A veritable “Olympics,” of car shows, the concours permits a vehicle to be shown only once every four years.

Trailcon president Al Boughton exhibited his 1970 Chevrolet Corvette, earning second place in his category. Best in show went to a rare 1936 Delahaye Type 135 Competition Court Teardrop Coupe.

The Cobble Beach event, the brainchild of entrepreneur Willis McLeese, was inspired by the venerable Pebble Beach Concours



▲ Prominent collector Steve Plunkett exhibited his 1930 Cadillac V16.



▲ Wally Horodnyk, vp-operations/security/truck & trailer maintenance, TFX International, poses with his 1969 Roadrunner A12 440 6-Pack.

d'Elegance, the posh California golf course's 64-year-old tradition. Although Willis passed away in 2011, his son Rob took up the torch. When an initial attempt in 2012 to stage the event foundered due to lack of entries, Steve Plunkett, a prominent Cadillac collector from London, Ont., and

host of the Fleetwood Country Cruize-In, brought his formidable connections to bear for the inaugural 2013 version. With two years under its belt, the concours is now humming like a finely tuned engine.

The 2015 Cobble Beach Concours d'Elegance will roll in September 12-13.

# CALENDAR <sup>OF</sup> EVENTS

## November 12-13

### OTA Annual Convention

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 28

### TTA Annual Christmas Dinner and Dance

Waterside Inn, Port Credit

**Contact:** Toronto Trucking Association

**Telephone:** 416-248-6211

**E-mail:** info@torontotrucking.org

**Web:** www.torontotrucking.org

## December 4

### Toronto Transportation Club 101st Annual Dinner

Fairmont Royal York

**Contact:** Toronto Transportation Club

**Telephone:** 416-886-5450

**E-mail:** membership@torontotransportationclub.com

**Web:** www.torontotransportationclub.com

## January 26-30, 2015

### 2015 COHMED Conference

(Co-operative Hazardous Materials Enforcement Development)

Hyatt Regency Long Beach, Long Beach, Calif.

**Contact:** Commercial Vehicle Safety Alliance

**Telephone:** 301-830-6143

**E-mail:** cvsahq@cvsa.org

**Web:** www.cvsahq.org

## January 30, 2015

### The 2015 National SEEC Supply Chain Forum on Best Practices

Executive Learning Centre,

York University, 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

## February 8-15, 2015

### TTA Convention 2015

Sandals Grande Antigua Resort and Spa

**Contact:** Toronto Trucking Association

**Telephone:** 416-248-6211

**E-mail:** info@torontotrucking.org

**Web:** www.torontotrucking.org

## March 8-10, 2015

### 2015 IWLA Convention & Expo

Savannah, Georgia

**Contact:** International Warehouse

Logistics Association

**Telephone:** 847-813-4699

**E-mail:** email@IWLA.com

**Web:** www.iwla.com

## March 8-11, 2015

### Annual Convention of Truckload Carriers Association

Gaylord Palms, Kissimmee, Fla.

**Contact:** Truckload Carriers Association

**Telephone:** 703-838-1950

**E-mail:** tca@truckload.org

**Web:** www.truckload.org

## March 23-26, 2015

### Promat 2015

McCormick Place, Chicago

**Contact:** Material Handling Industry of

America (MHIA)

**Telephone:** 704-676-1190

**E-mail:** customerservice@promatshow.com

**Web:** www.promatshow.com

## April 12-15, 2015

### NASSTRAC Annual Shippers Conference & Transportation Expo

Walt Disney World Swan and Dolphin Resort, Lake Buena Vista, Fla.

**Contact:** National Shippers Strategic Transportation Council

**Telephone:** 202-367-1174

**E-mail:** info@nasstrac.org

**Web:** www.nasstrac.org

## April 12-16, 2015

### 2015 CVSA Workshop

Hyatt Regency Jacksonville Riverfront, Jacksonville, Fla.

**Contact:** Commercial Vehicle Safety Alliance

**Telephone:** 301-830-6143

**E-mail:** cvsahq@cvsa.org

**Web:** www.cvsahq.org

## April 16-18, 2015

### ExpoCam 2015

Place Bonaventure, Montreal

**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.expocam.ca

## April 21-23, 2015

### SAE 2015 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

## May 1-2, 2015

### AMTA Annual General Meeting and Conference

Chateau Lake Louise, Banff, Alta.

**Contact:** Alberta Motor Transport Association

**Telephone:** 800-267-1003

**E-mail:** amtamsc@amta.ca

**Web:** www.amta.ca

## May 3-6, 2015

### WERC 2015 Annual Conference

Hyatt Regency, Orlando, Fla.

**Contact:** Warehousing Education and Research Council

**Telephone:** 630-990-0001

**E-mail:** wercoffice@werc.org

**Web:** www.werc.org

## May 6-7, 2015

### Intermodal Operations, Safety and Compliance Seminar

Oak Brook Hills Marriott, Oak Brook, Ill.

**Contact:** Intermodal Association of North America

**Telephone:** 301-982-3400

**E-mail:** info@intermodal.org

**Web:** www.intermodal.org

## May 24-26, 2015

### 50th Annual CTRF Conference

Marriott Chateau Champlain, Montreal, Que.

**Contact:** Canadian Transportation Research Forum

**Telephone:** 519-421-9701

**E-mail:** cawoudsma@ctrf.ca

(Carole Ann Woudsma)

**Web:** www.ctrf.ca

## June 5-6, 2015

### Atlantic Truck Show

Moncton Coliseum Complex, Moncton, N.B.

**Contact:** Mark Cusack, Show Manager

**Telephone:** 506-658-0018;

1-888-454-7469

**E-mail:** mcusack@mpltd.ca

**Web:** www.masterpromotions.ca

## June 10-12, 2015

### SCMA 2015 National Conference

Halifax, N.S.

**Contact:** Supply Chain Management Association

**Telephone:** 416-977-7111;

1-888-799-0877

**E-mail:** info@scmanational.ca

**Web:** www.scmanational.ca

## June 16-19, 2015

### CCMTA Annual Meeting

Whitehorse, Yukon

**Contact:** Canadian Council of Motor Transport Administrators

**Telephone:** 613-736-1003

**E-mail:** ccmta-secretariat@ccmta.ca

**Web:** www.ccmta.ca

## July 24-26, 2015

### 29th Annual Fergus Truck Show

Centre Wellington Community Sportsplex, Fergus, Ont.

**Telephone:** 519-843-3412

**E-mail:** info@fergustruckshow.com

**Web:** www.fergustruckshow.com

## August 10-14, 2015

### NAIC 2015

Hyatt Regency St. Louis at the Arch, St. Louis, Mo.

**Contact:** Commercial Vehicle Safety Alliance

**Telephone:** 301-830-6143

**E-mail:** cvsahq@cvsa.org

**Web:** www.cvsahq.org

## August 25-27, 2015

### AAMVA 2015 Annual International Conference

Des Moines, Iowa

**Contact:** American Association of Motor Vehicle Administrators

**Telephone:** 703-522-4200

**E-mail:** events@aamva.org

**Web:** www.aamva.org

## August 27-29

### Great American Trucking Show

Dallas, Texas

**Telephone:** 888-349-4287

**E-mail:** rdavidson@randallreilly.com (Randy Davidson)

**Web:** www.gatsonline.com



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