



TRANSPORTATION

Presented by Trailcon Leasing Inc.

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Carloadings down,
intermodal up in 2006
and much more!

Canadian Trucking Alliance: *Voice of the industry*

Whether the issue is safety, taxation, the environment, or any of a host of other concerns, the industry can count on the Canadian Trucking Alliance (CTA) to make its views known, in Ottawa and Washington.



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Canadian Trucking Alliance

(continued from cover)

A federation of provincial trucking associations, the CTA represents a broad cross-section of the trucking industry – some 4,500 carriers, owner-operators, and industry suppliers – in lobbying on national and international policy, as well as regulatory and legislative issues that affect trucking.

The origins of the CTA date back to 1937, when George Parke, a founder of the Ontario Trucking Association who had started a truck line between Toronto and St. Catharines, Ont., became the founding president of the CTA's forerunner, the Canadian Automotive Transportation Association. Parke formed the Association so it could speak with a

national voice for truckers on issues such as regulation, and stand united against a strong anti-truck rail lobby.

Fast-forward 60 years to 1997 – the year current CEO David Bradley assumed his position. Bradley, who is also president of the Ontario Trucking Association (OTA), divides his time between the CTA headquarters in Ottawa and the OTA office in Toronto.

The CTA is funded in large part by the seven provincial trucking associations, as well as members of OTA's Allied Trades division. Those key suppliers to the Canadian trucking industry form CTA's Team Canada Elite (see "Editorial," page 3). Inspired by the successful

Canadian trade missions of the '90s, Team Canada Elite is based on the same principles of cooperation and teamwork in support of a clearly defined goal – in this case, to build a stronger trucking industry in Canada. The 28 members of Team Canada Elite, which includes Trailcon Leasing, participate alongside carriers in the activities of the Association and, most importantly, lend their voice and support to CTA's relations with government.

At its upcoming spring meeting in Scottsdale, Arizona, the CTA board of directors will discuss a variety of regulatory and policy issues, including truck safety and the potential use of emerging technologies, Canada-US trade and security, approaches to vehicle emission reductions, and income-tax questions related to driver income and expenses, says CTA communications director Rebecca Torn. Also on the agenda are guest speakers on U.S. border politics and research initiatives in trucking.

Continuing the trend of recent years, the spring meeting is expected to be well-attended by a number of trucking company owners and executives from across Canada, as well as members of CTA's Team Canada Elite – over 100 industry leaders in all.

While the Canadian trucking industry faces formidable challenges, it has a powerful ally in the CTA.



Editorial

CTA... For ease of congestion ?

In 1997, the provincial trucking associations wanted to have the best possible candidate to fill the position of chief executive officer of the new, revamped Canadian Trucking Alliance (CTA), and needed to look no further than the current president of the Ontario Trucking Association (OTA), David Bradley. This would not mean that the OTA would lose David, but rather, that he would assume both positions, working out of the OTA offices in Toronto and the new CTA offices in Ottawa.

The lion's share of CTA funding comes directly from the seven provincial trucking associations. Early on in the life of the new CTA, it was recognized that, in order to stay on top of all the issues and to compete with some of the anti-truck groups, CTA needed a broader base of funding that would include the industry's suppliers. In 1999, the OTA was wrestling with a new fee formula for Allied Trades Division members due to the financial support that was needed by the revamped CTA. The OTA Board of Directors and the Allied Trades executive—I was a member of both—kicked around many ideas and finally implemented a three-tier annual dues system, recognizing national, provincial and local companies, and setting dues that were higher for the national companies and lowest for the smaller members. However, no

other provincial associations established a similar system, so all Allied Trades funding of CTA came from the OTA members alone. Not surprisingly, this did not sit well with all of the OTA Allied Trades members.

So, the challenge for David and for those of us Allied Trades members who saw the value of both OTA and CTA was to restore OTA Allied Trades memberships with annual dues that were fair to the OTA member companies while insuring proper funding for CTA. A number of companies, including Trailcon Leasing, understood the CTA/OTA dues and funding dilemma while recognizing that little ever gets done on a national level without an adequate national lobby group. An idea was quickly floated between David and a handful of OTA and CTA directors, and the idea of a select group of suppliers to the industry, dubbed "CTA Team Canada Elite," was born.

Today, 28 Allied Trades members of this elite group pay \$7,500 annually to help the CTA and David Bradley get the messages that need to be transmitted on behalf of the Canadian trucking industry to the politicians in Ottawa and, increasingly, in Washington. Of all the work that needs to be done, there is nothing more important than what, at times, may seem an impossible task for David and his staff. The CTA needs to help Ottawa,

Queen's Park, and local municipalities understand that we are in critical need of infrastructure investment today, for a better Canada tomorrow.

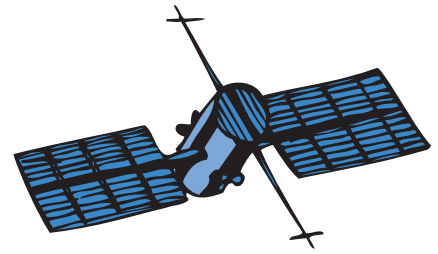
Early this year, two reports were released, one in Canada and one in the U.S. According to *Traffic World*, Under Secretary of Transportation Jeffrey N. Shane told the U.S. House Transportation and Infrastructure Committee that the cost of congestion was expected to climb alongside the anticipated growth in population and GDP, and it could reach a towering \$6 trillion by 2050. He added that, since 1982, the cost of congestion has been growing 8% per year. It was estimated at 1.5% of the U.S. GDP for 2003, but if investment in infrastructure does not keep pace with U.S. growth, the cost would represent more than 14% of the U.S. GDP by 2050.

In Canada, the long-awaited study of the Conference Board of Canada revealed that Canada has slipped to 12th from third in comparative economic performance in just two years, and that the only way to fix that is to make up for decades of neglect in Canadian cities by investing in infrastructure improvements now. And in our business, we all know that means highways. The only hope we have for the necessary investment is taking a coordinated and unified effort that transcends federal, provincial, and

municipal lines. The job that is being done by David Bradley and the CTA cannot be accomplished without member companies stepping up to support the CTA and writing the annual cheque that is required to grease the wheels of the CTA machine.

Each workday, I commute from Caledon to our Mississauga head office, a trip that has more than doubled in time in just over 10 years. Although the provincial government has owned the land for the Highway 410 extension for years, it has not done anything with it, and the highway is now a parking lot every morning and evening. This is one simple example of infrastructure improvements that have been slated for years, but are never completed in a timely manner. I hope that the cheque that I send the CTA, as well as my annual dues and sponsorships of OTA, help the trucking companies that are the mainstay of both associations, and the efforts of both CTA and OTA for our entire industry. This money cannot be put to any better use than persuading our governments to build the highways we need today to ease the congestion tomorrow. We are at a crisis now, and it can only get worse unless the CTA and OTA continue their work of educating and focusing Ottawa and provincial legislators respectively, to invest in our highways and infrastructure NOW.





Next-generation auto parts trailer targets greater strength, less weight

By Paul Gallagher, Sales & Marketing Manager, Trailcon Leasing Inc.

Auto parts can be hard on trailers. They are usually transported in steel racks, which fork truck operators drag and bang into the nose, roof, sidewalls, and rear door frames of the trailer. If these areas are left unprotected, severe damage will occur in very short service time, resulting in excessive repair costs and putting the trailer's structural integrity at risk from continual repairs. These trailers are frequently out of service, putting a major strain on the carrier's overall fleet utilization.

Al Boughton, President of Trailcon Leasing Inc., developed the "Bullet" trailer over a decade ago after witnessing the ongoing damage and repairs to unprotected trailers operating in the auto

parts trucking environment. Partnering with his suppliers and customers, Boughton installed additional protection in several hundred trailers leased to Trailcon Leasing customers in the auto parts transportation community. Ten years later, the "Bullet" trailer's structural integrity has been maintained. The steel roof protection, interior corner protection at the rear frame, steel protection on the rear sidewall, and rows of interior scrub rails have withstood over a decade of abrasion and abuse. The "Bullet" trailer has remained true to its name: bulletproof.

Trailcon Leasing has continued to develop partnerships with its suppliers and customers operating in auto parts distribution. The engineering development of plate trailers (see "ROT," Summer 2005, page 1) and other protection technologies have led to the

"next generation" of auto parts trailer protection.

"Bulitex", a ballistic-grade liner originally developed for bulletproof vests worn by officers of the law, is also used as a liner in trailers. Installed as a ceiling skin for the new auto parts trailer, it protects the roof bows. The "Bulitex" liner is seamless, eliminating snagging and tearing caused by the steel cages, and is bulletproof to punctures. A very light material, "Bulitex" reduces the overall weight of the trailer by over 4,000 pounds compared to the original steel "Bullet" trailers. The lighter weight of the new-generation trailer increases fuel efficiency, an important benefit given the ever-increasing cost of diesel fuel. The opportunity to increase payload due to the reduced tare weight of the trailer is another major advantage.

A steel nose scuff welded to the coupler will withstand impact and prevent the nose from being "blown out" or sheared by the forklift truck forks. Steel standoffs across the nose of the trailer distribute the impact energy to the sidewalls, since they are tied into the standoffs on

the steel wall. These standoffs also prevent the nose from being "blown out" on impact from steel cages.

Interior scrub rails, or standoffs, protect the interior sidewalls from impact and abrasion caused by the steel baskets and forklifts rubbing against the walls. The upper sidewall and top rail flange are protected by a 5- by 9-inch steel roof runner that spans the full length of the trailer.

The rear frame is protected with a basket guide on the rear roof running the full width of the frame and with a full-height transition angle (basket/pallet guide) on the sides of the rear frame. The steel transition angle guides the steel auto parts racks away from the sidewall, and protects the rear-frame corner posts. It helps reduce chips and scratches that can cause corrosion of the rear frames, and eliminates snag points when the steel cages are being unloaded from the trailers.

Properly specified and protected trailers are important, regardless of their application. In the auto parts environment, where just-in-time inventories and parts are supplied to the assembly plants in very time-sensitive fashion, carriers need optimal fleet utilization for maximum profit.



Next-generation auto parts trailer with **Bulitex** roof protection.



PITCHING IN

Celebrity chefs rustle up funds for local charity



Celebrity chef Jake Dheer, station manager at Rogers Television; and Susan Woods, director of resource development, Victim Services of Peel.

Despite a vicious snowstorm that hit the GTA the same evening, over 120 intrepid souls — including nine employees and guests of Trailcon Leasing — turned out at the swank Lionhead Golf & Country Club for the inaugural Celebrity Cook Challenge. The occasion was a fundraiser for the Victim Services of Peel (VSOP), which works in partnership with Peel Regional Police. VSOP is the only round-the-clock crisis intervention agency for victims of crime and tragedy serving the residents of Brampton and Mississauga.

Guests were able to sample a variety of tasty foods prepared by the talented chefs of several local-area restaurants, assisted by the few celebrity chefs who braved the elements.

The event raised over \$25,000 for VSOP, and it is hoped it will become one of the organization's annual signature events, says Susan Woods, director of resource development, VSOP.



How sweet it was!

Trailcon Leasing sponsored the chocolate fountain at the Challenge.

TTA supports Daily Bread Food Bank

The Toronto Trucking Association (TTA) recently donated \$5,000 to the Daily Bread Food Bank, to go towards the purchase of a new truck. In addition, the TTA board of directors has formed a subcommittee to help the Food Bank with its ongoing maintenance and transportation needs.

In April, the TTA will hold its annual general



**Toronto
Trucking
Association**

meeting at the Food Bank, where attendees will tour its distribution centre.

According to the TTA, 894,017 people used the services of the Daily Bread Food Bank in 2006, and an average of 74,000 people rely on it each month.

Challenger Motor Freight goes green

There have been many milestones along Challenger Motor Freight's road to success, a journey that began back in 1975 when Dan Einwechter, Chairman and CEO, started the company as a one-person one-truck operation. It has grown dramatically since those humble beginnings; in 1988, Challenger was the first Canadian carrier to use two-way satellite tracking, and in 1994, it became the first carrier under the NAFTA agreement to receive authority for Mexico. Today, Challenger has more than 1,500 tractors and 3,000 trailers hauling to locations all over North America, and is known in the industry as one of the most technically advanced carriers in Canada.

Challenger has been recognized repeatedly by its customers and the industry for its outstanding service, and most recently, was honoured as one of Canada's 50 Best Managed Companies, for the sixth consecutive year.

But perhaps none of these achievements has been more significant than the construction of the firm's new environmentally friendly headquarters in Cambridge, Ont., a 113,000-square-foot facility that features 50,000 square feet of maintenance space, an 8,000-square-foot parts mezzanine, and 55,000 square feet of office space. "This facility rep-

resents commitment – to our employees and their well-being, to our customers in providing improved operating efficiencies and enhanced services, and to the environment and a healthy future for our community," says Einwechter.

The building has been con-

structed according to the Leadership in Energy and Environmental Design (LEED) green building rating system. Originally developed by the U.S. Green Building Council (USGBC) to provide a recognized standard for the construction industry to assess the environmental sustainability of building designs, the system has since been adapted by the Canadian Green Building Council to the specific concerns and requirements of buildings in Canada.

LEED focuses on all aspects

of a building: site development, water efficiency, energy efficiency, material selection, indoor environmental quality, and innovation in design. Challenger took all of these elements into consideration in the construction of its new headquarters. For example, the

ings as well. Low-flow plumbing fixtures generate a water savings of over 34%, while ground-source heat pumps provide heating and cooling. Other energy-saving features include a heat-recovery ventilator for all ventilation air supplied to the facility; increased insulation

levels in roof and wall assemblies; high-performance windows; and reduced lighting power density.

Air quality is also a top priority, for employee comfort and well-being. Besides a ventilation system that complies with strict standards, the company has incorporated low-emitting adhesives, sealants, paints, coatings, and carpet throughout the building. All furniture is "GreenGuard Certified," meaning it meets stringent requirements for the prevention of indoor air

contaminates.

Of the over 300 employees who work at the new headquarters, 90% of them enjoy a work space with a view, making the environment more pleasant and helping to reduce eye strain.

The company has even installed bicycle racks and showers to encourage employees to use alternative transportation, making for a green workplace coming and going!



Challenger's new headquarters in Cambridge, Ont., have been built according to a recognized standard in the construction industry for assessing the environmental sustainability of building designs.

majority of the materials that were used contained recycled content, and as many as possible were locally sourced and manufactured to minimize the environmental impact of transportation. Over 75% of construction waste was diverted from landfill through separate bins for steel, concrete, wood, plastic, gypsum, cardboard building materials, and packaging.

The building has been designed to attain energy savings of 47% over conventional buildings, leading to substantial cost sav-





INTERMODAL

INSIGHTS

Carloadings down, intermodal up in 2006

Business edged down for Canadian railways in 2006, according to Statistics Canada. Railway carriers loaded 287 million metric tonnes of goods in 2006, down 0.5% from the record high of 288.5 million tonnes in 2005. The decline, which StatsCan attributed primarily to weaknesses in the wood, paper, and automobile sectors, occurred despite a strong two-way flow of goods to and from Asian nations.

Intermodal loadings—containers and trailers hauled on flat cars—remained strong, however, at 28.3 million tonnes in 2006, up 3% from 2005. Canadian railway carriers loaded about 3.1 million TEUs (20-foot equivalent units) in 2006 in multimodal containers, an increase of 162,000 from 2005. This growth is expected to continue as more and more goods—even those traditionally moved in bulk—are shipped in containers.

While overall carloadings were down in 2006, they still set a record in the third quarter of the year; the 73 million metric tonnes loaded during that period were the highest ever for a third quarter. Intermodal loadings hit nearly 7.1 million tonnes in the quarter, up 2.4% from the same three months in 2005.

Tonnage up at Vancouver Port

Trade through the Port of Vancouver grew 4% to 79.3 million tonnes in 2006. Container traffic reached 2.2 million TEUs (20-foot equivalent units), a 24.9% increase

over the previous year.

The Port was the only Pacific Northwest port to post overall tonnage growth in 2006, thanks in large part to continued high Asian demand for Canadian exports.

Late last year, in the aftermath of the 2005 container trucking dispute, the Port announced a new trucking policy, including a new license agreement, that applies to container trucks and container truck operations. "The new trucking policy will increase stability in the container trucking sector by ensuring that companies do not continue to undercut each other to the point of another market failure," says Captain Gordon Houston, president and CEO of the Vancouver Port Authority.

Prince Rupert stakes claim as newest gateway

The Port of Prince Rupert, situated on British Columbia's North Coast, is being touted as North America's newest gateway. Coming off a very successful year in 2006, the Port will be further strengthened with the completion of a new container-handling facility in October. The Fairview Container Terminal will be the first pure intermodal port in North America, and the West Coast link in a new Asia-North America Midwest "Express Gateway." The Gateway will allow containers shipped from Asia to arrive at their North American Midwest destinations faster than through other North American ports.

Prince Rupert, which boasts the deepest natural harbour in North America, is more than a day's sailing time closer to Asia

than Vancouver and Seattle, and nearly three days closer than Los Angeles/Long Beach.

The Port has a long-term strategic plan to increase container-handling capacity to four million TEUs (20-foot equivalent units) through two terminals by 2020. It is expected to benefit significantly from the federal government's financial contribution to the Asia-Pacific Gateway and Corridor Initiative, announced last year. In addition, CN is spending close to \$200 million in network and growth-related projects, including extended sidings and double-stack clearances on its B.C. North Line to accommodate container traffic from the Prince Rupert intermodal terminal.

CN posts record gains in 2006

Despite harsh weather conditions, Canadian National Railway managed to increase its fourth-quarter net income by 16% to \$499 million. Net income for the year soared 34% to \$2,087 million, while operating ratio improved by 3.1 points to 60.7%.

"The year 2006 was a strong one for CN, with the company generating record revenues and free cash flow and its best-ever annual operating ratio," says E. Hunter Harrison, president and CEO. "These accomplishments were achieved in the face of some severe weather conditions during the fourth quarter of the year that disrupted our main lines and the operations of key customers in western Canada."

In other CN news, Harrison agreed to a one-year extension of his contract through December 31, 2009, while Ed

Harris, executive vice-president, operations, retired at the end of January after a 38-year career.

Late last year, CN announced plans to spend \$1.6 billion on capital programs in 2007, a 4% increase over 2006. Of that amount, almost \$150 million will be spent on freight cars and intermodal equipment. Intermodal accounted for 19% of the Railway's business, based on 2006 freight revenue.

Intermodal helps keep railway industry rolling

The Canadian railway industry is on a roll, following increased profits and traffic levels in 2006, according to the Railway Association of Canada. Intermodal led the way, as volume ran 5% higher in 2006 than in 2005. The year 2006 was not only rewarding financially, says Cliff Mackay, president and CEO of the 56-member Association, but also because governments began dealing with transportation infrastructure issues and started to support the development of trade gateways and corridors.

The railways pledge to continue their efforts to reduce emissions, says Mackay, responding to Minister of Transport Hon. Lawrence Cannon's recent announcement that \$30 million in funds would be available over four years to all modes to improve freight efficiency. Rail carries 65% of surface freight and generates only 3% of transport emissions, notes Mackay. "Rail can move a ton of freight 168 kilometres on a litre of fuel."



TRAVEL

FUN IN GREATER PHOENIX

By Alan Boughton, President, Trailcon Leasing Inc.

If you're looking for a winter escape that offers something for everyone, you can find it in Greater Phoenix, Arizona, where the sun shines almost every day. Phoenix is the fifth-largest city in the U.S., with a population of more than 1.42 million, while the surrounding area of Greater Phoenix, in the heart of the Sonoran Desert, is home to 3.4 million people.

For sports fans who still want their hockey fix, it's a simple matter to get tickets to see Wayne Gretzky's Phoenix Coyotes; I bought four tickets for a playoff game from the hotel concierge for only \$100—

and they were the best in the house! Tickets for regular-season games can be had right at the box office, or purchased through the hotel at close to face value.

If football is your passion, circle February 3, 2008, on your calendar. That's when Scottsdale, a suburb of Phoenix, will host Super Bowl XLIII. Of course, you won't be able to buy *those* tickets at the last minute from the concierge, so plan ahead! For more information, see the Scottsdale Convention and Visitors Bureau at www.ScottsdaleCVB.com.

Greater Phoenix is also home to more than 200 golf courses, including the famous TPC Stadium Course at Scottsdale. The FBR Phoenix Open—called "The Greatest Show on Grass"—is the largest-attended golf event in the world. Many of the raucous fans congregate at the famous par 3 16th hole to cheer—or jeer, depending on the shot—the players. Next year's event will be held January 28-February 3.

There are also nine major league baseball

teams that hold spring training in the metro area as part of the Cactus League. And of course, collector-car enthusiasts won't want to miss the Barrett-Jackson, the world's largest classic car auction (see "Boys & Their Toys").

Greater Phoenix is also a haven for sightseers. Only 230 kilometres from Phoenix is the city of Flagstaff, gateway to many natural wonders, including: Grand Canyon National Park; the unique city of Sedona with its massive red-rock formations; the Petrified Forest National Park, which boasts one of the world's largest and most colourful concentrations of petrified wood; the multi-hued badlands of the Painted Desert; and much more.

For a more adventurous drive, follow the 40-mile Apache Trail, or AZ 88, as it is officially known. The steep, mostly unpaved road, which links Apache Junction at the edge of the Greater Phoenix area with the former copper-mining town of Globe, winds its way past breathtaking views of mountains, forests, and lakes.

Whether you're taking in the natural scenery or a world-class sporting event, Greater Phoenix won't disappoint.

Did you know?

The distinctive saguaro cactus that dominates the desert landscape is extremely slow-growing. After 15 years, it may be barely a foot tall. At about 30 years, it can begin to flower and produce fruits. By 50 years, it may be as tall as seven feet. After about 75 years, it may sprout its first branches or "arms." The branches begin as prickly balls, and then extend out and upward. Saguaro can live over 150 years, towering as high as 50 feet and weighing eight tons. While some die of old age, many are killed by animals (including humans!), lightning, wind, severe drought, and freezing.



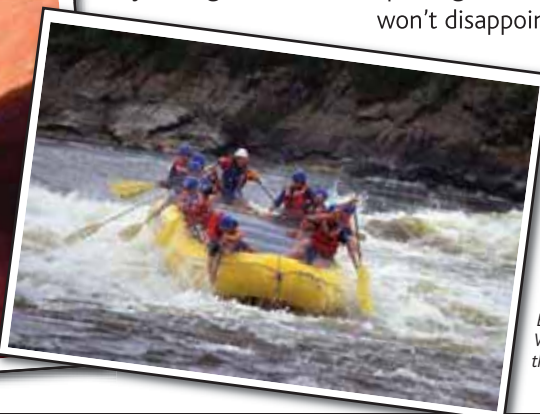
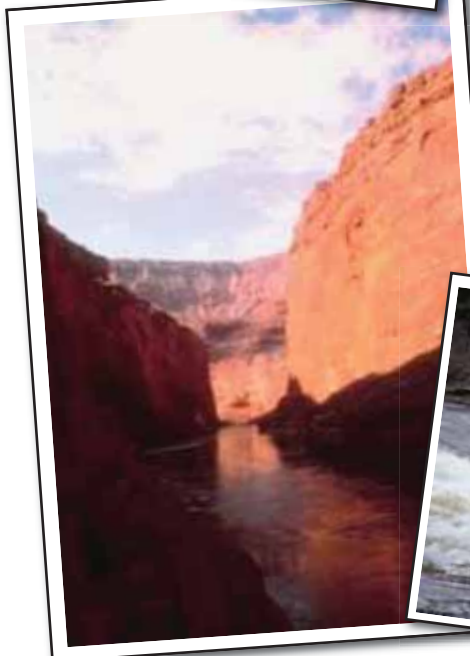
Be weather wise

Although Greater Phoenix is called the Valley of the Sun—it enjoys more than 325 days of sunshine per year—it can get pretty darn cold, especially when the sun sets. Snow is relatively common at the higher-altitude spots in the fall and winter months, so pack accordingly.

Average Phoenix Temperature

	High	Low
Jan.	65.2°F / 18.4°C	39.4°F / 4.1°C
Feb.	69.7°F / 20.9°C	42.5°F / 5.8°C
Mar.	74.5°F / 23.6°C	46.7°F / 8.2°C

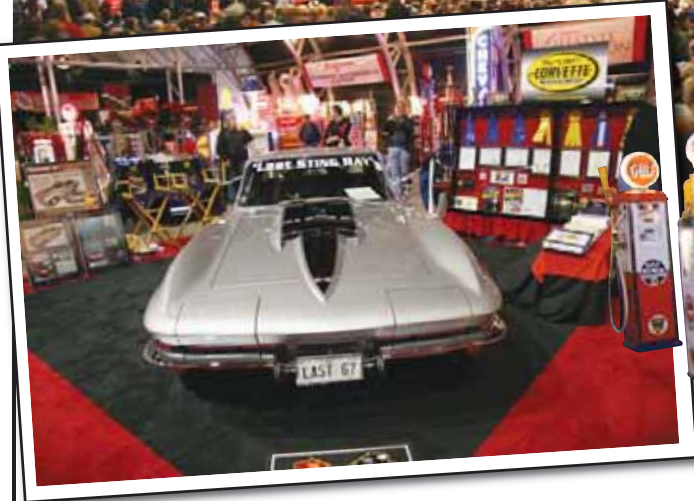
Source: Greater Phoenix Convention & Visitors Bureau



Top Left: Scottsdale resident Phil Mickelson tees off at the famous TPC Stadium course.

Bottom Left: The massive red-rock formations of Sedona.

Bottom Right: White-water rafting in the Grand Canyon.



BOYS & THEIR TOYS...

Anyone in the market for a collector car – say, a 1966 Shelby Cobra 427 for a cool \$5.5 million? (US!) – will want to take in the Barrett-Jackson auction, held every January in Scottsdale, Arizona. The 2007 event attracted more than 250,000 attendees from 15 countries who bought 1,271 vehicles for nearly \$112 million.

You don't have to be Bill Gates to participate; there are many vehicles in the four-figure range on the block as well. Or just come to admire the exhibits and marvel at the lightning speed of the auctioneers. The Barrett-Jackson has something for every car enthusiast – over 300 commercial vendors and

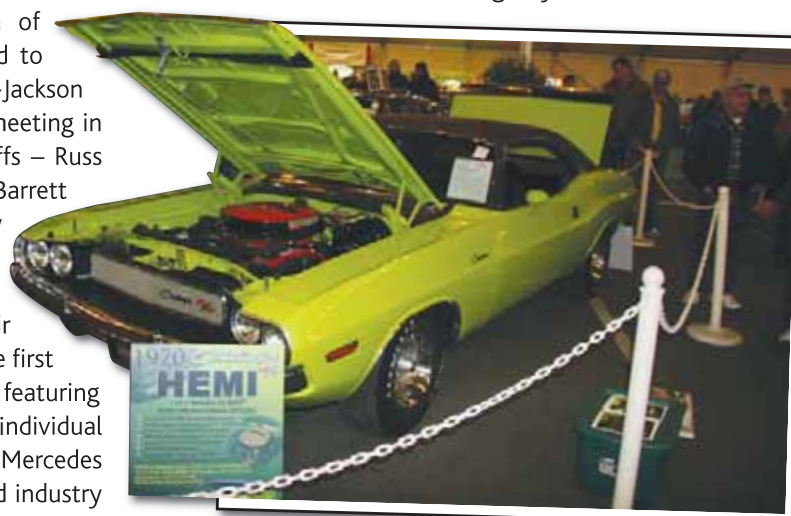
exhibitors displaying classic, modern, and futuristic cars, as well as designer fashion shows, automotive memorabilia auctions, club exhibits, seminars, and an opening-night gala benefiting several charities.

Looking at the sea of participants, it's hard to believe the Barrett-Jackson began as a chance meeting in 1960 of two car buffs – Russ Jackson and Tom Barrett – drawn together by a car advertised for sale. In 1971, the two combined their talents to present the first classic car auction, featuring vehicles from their individual collections. Barrett's Mercedes 770 Phaeton grabbed industry

headlines, selling for \$153,000 and thrusting the Barrett-Jackson name into worldwide prominence. While the founders have passed away, Jackson's son Craig now runs the show, making it bigger and

better every year.

And if you can't get there to see it in person, tune into the SPEED channel for live coverage. It's not the same as being there, of course, but it does give you a taste of the action.



INDUSTRY NOTES

Make mine a double

Andlauer Transportation Services (ATS) is doubling its efforts to transport temperature-sensitive pharmaceuticals, safely and efficiently. In December of last year, ATS Healthcare Solutions took delivery of four 48-foot trailers – two tridem B leads and two tandem pups – from Trailcon Leasing.

ATS decided to use the B-Train configuration for several reasons, says Lee Hart, Director, Fleet Services for ATS and Concord. "First, since we require two different temperature ranges, 2-8°C and 15-25°C, and due to the sensitivity of the product we carry, the technology of the multi-temp reefers is not

accurate enough to meet the needs of our customers and Health Canada's requirements. So with two trailers, we can assure that each trailer maintains the temperatures that we may require in each unit."

He also notes that the B-Train set-up is known to have the highest safety rating of any other tractor-trailer combi-

nation on the road. In addition, he says, "with the driver shortages in Alberta, we now need only one driver to pull two loads per night. This is, of course, on top of the environmental impact of running one tractor versus two and the reduction in truck traffic, maintenance costs, etc."



Mike Krell (l), Trailcon Leasing, and Lee Hart (r), ATS, stand in front of ATS Healthcare Solutions' new B-Train trailers.

TNT now CEVA Logistics

TNT Logistics has changed its name to CEVA Logistics. In connection with the name change, the company has also unveiled its new corporate identity; it began doing business under the new brand across 26 countries worldwide as of December 2006.

"Our new company brand represents a significant milestone in the company's long history, and completes our transition from a company division to a stand-alone logistics company," says Dave Kulik, CEO. John Pattullo, currently CEO

at DHL Exel Supply Chain, will replace Kulik as CEO of CEVA once his transition from DHL is complete, likely in the second half of 2007. Kulik will subsequently assume the role of vice chairman of the board of directors of CEVA.

The second-largest logistics company worldwide, CEVA has a turnover of €3.5 billion, and employs 38,000 people.



Top carriers' expenses outpace revenue

Canada's largest motor carriers saw their expenses rise more than their revenues in the fourth quarter of 2006.

The top 91 for-hire motor carriers of freight (Canadian-based trucking companies earning \$25 million or more annually) generated operating revenue of \$2.4 billion and operating expenses of \$2.3 billion in the quarter, both up less than 1% from the previous quarter, accord-

ing to Statistics Canada.

However, average per-carrier revenue increased 2.3% from the fourth quarter of 2005 to \$26.5 million, while expenses rose 2.9% to \$24.9 million.

Operating ratio (operating expenses divided by operating revenue) stood at 0.94 in the fourth quarter, a slight deterioration from the 0.93 recorded in the same quarter of 2005.

J.B. Hunt recognized as an industry pioneer

When Johnnie Bryan Hunt, founder of J.B. Hunt Transport, passed away last December at the age of 79, the trucking industry lost a legend.

The son of Depression-era sharecroppers in rural Arkansas, Hunt played a major role in establishing not only the modern trucking industry, but also the intermodal industry.

He left school at the age of 12 to work in his uncle's sawmill. After working at a number of jobs and dabbling at several businesses, he started J.B. Hunt Transport in 1969 with five trucks and seven trailers – an offshoot of a business he was then running manufacturing rice hulls for poultry litter. In 1983, he and his wife Johnelle sold their rice-hull business when J.B. Hunt Transport Services Inc. went public. The company is now the largest publicly held truckload transportation company in North America, with annual revenues

of more than \$2 billion. It employs over 16,000 employees, and operates almost 11,000 trucks and approximately 47,000 trailers and containers.

In 1990, Hunt signed a deal with BNSF Railway (now Atchison, Topeka & Santa Fe Railway) to put truck trailers on railcars, sparking the intermodal explosion.

Hunt retired from active service to the company in 1995, but remained on the board of directors until 2004. After retiring, he pursued other ventures, including real-estate investment, construction, and development.

"J.B. leaves us with a legacy of hard work, family values, the importance of faith, the example of what determination can accomplish, an appreciation for philanthropy, and a ton of memories," said a company statement.

CTA welcomes federal environment initiatives

The Canadian Trucking Alliance (CTA) is giving a cautious "thumbs up" to federal transport minister Lawrence Cannon's recent announcement of a \$61-million four-year program to help reduce the environmental and health effects of freight transportation. The program, dubbed EcoFreight, is part of the Government of Canada's overall environmental strategy, and consists of six initiatives, two of which are specifically designed for the trucking industry.

CTA's CEO David Bradley says, "from what we can glean, today's announcement may be a good first start in the adoption of CTA's 14-point action plan for a Made-in-Canada Clean Air Act for trucking.

"The dollar numbers are very modest," he continues, "especially when most of the programs are spread over all the freight modes – truck, rail, air, and marine – but to the extent that the program recognizes the legitimacy and potential of

the CTA plan and the principals behind it, then that is half the battle and perhaps we can build from there."

The first of the two announcements specific to trucking is a \$6-million effort to reduce provincial barriers to harmonization on the adoption of emission-reducing technologies in trucking. While details are still scarce, CTA anticipates that this will include most of the measures identified in its 14-point environmental action plan, such as mandatory activation of speed limiters, alternative power units to eliminate truck idling, and dynamic fairings, such as boat tails.

The other truck-specific program is an allocation of up to \$22 million by Natural Resources Canada for training and education, sharing of best practices, anti-idling campaigns, technical analysis, and evaluations to identify opportunities for improvements in fuel efficiency and greenhouse gas reduction.

Industry reps gather to address skills training

Trucking industry representatives joined forces recently to endorse a national standard for the truck-driving profession.

After analyzing the way in which Canada is preparing its next generation of truck drivers, participants are calling for enhanced training programs, improved licensing standards, and new policies for distributing training funds, says the Canadian Trucking Human Resources Council (CTHRC).

The recommendations follow

a CTHRC initiative known as "Closing the Gap," which involved eight provincial and territorial roundtable meetings, and culminated with a national meeting of industry stakeholders.

Participants concluded that government training funds should be limited to training programs that meet National Occupational Standards (benchmarks for skills employees need to master on the job), rather than simply preparing

students for road tests. While road tests help measure basic aptitude behind the wheel, they do little to identify the vocational skills that modern truckers need for successful careers.

The group also called for such funds to be offered to "under-employed" workers who want to upgrade their skills to pursue careers in the trucking industry. Most government programs that finance tuition fees are currently limited to

candidates on employment insurance.

A need for tougher licensing standards was also identified, and for a share of the industry's payroll taxes to be invested directly into training efforts, similar to a funding model that has already been adopted in Quebec.

Research by the CTHRC has concluded that the industry needs to replace as many as 3,000 drivers per month, largely due to an aging workforce.

FYI FOR YOUR INFO

Canada-Korea FTA agreement would lead to job losses in auto sector: CAW

Canada would lose more than 33,000 manufacturing jobs, including 4,000 in the automotive sector, under a free trade deal with Korea, says a report by the Canadian Auto Workers union.

The Canadian government has been negotiating a free-trade agreement (FTA) with Korea since July 2005. The ninth round of negotiations took place January 29-February 1 of this year, while the 10th round will be held in April. According to Foreign Affairs and International Trade Canada, the benefits to our country would be significant: "Through the elimination of Korean tariffs,

non-tariff barriers, and restrictions to services exports and investment, we expect that an FTA with Korea would create substantial new opportunities for Canadian business—from agriculture and electronics to high-tech and financial services. An FTA with Korea would not only generate increased export opportunities in the Korean market, but it would also help open doors for Canadian companies to other fast-growing economies in the dynamic Northeast Asian region"—namely, China and Japan.

The CAW begs to differ, and this time, it may have a valid point. According to the CAW,

Canada currently imports \$2 worth of Korean goods for every dollar of exports; in the auto industry, it imports a whopping \$150 for every dollar of exports. Under an FTA, CAW argues, imports of finished vehicles would grow dramatically, while growth in Canadian automotive exports to Korea would be "negligible."

For its part, the Canadian government contends that this imbalance would be offset by trade surpluses with other countries. But if it is counting on exports to China or Japan—countries with which Canada has significant trade deficits—to make up for

the shortfall with Korea, it better think again, especially when it comes to automobile manufacturing. Diane Francis pointed out in a September 2006 article in *Financial Post* that China has mandated that all cars sold there by 2020 must be made in China and must be hybrids. If that is the case, China, in addition to Japan and Korea, will export ever-increasing numbers of finished vehicles to Canada while importing only our raw materials to fuel the juggernaut.

We are all for global trade, but not at any cost.

When the only way to go is up

We're still revelling in the irony of it all. Late last year, the 407 ETR, which operates and manages Highway 407, issued a press release in which it trumpeted its accomplishment in winning the "First Call Resolution Improvement Merit Award" for improved customer service. The award was given by the Service Quality Measurement Group Inc., which apparently benchmarked over 260 call centres throughout North America between October 2005 and October 2006.

As the 407 ETR basked in its glory, we dug up a report submitted in March 2006 by MPP

Mike Colle, now Minister of Citizenship and Immigration, titled "Review of Customer Service – Highway 407 ETR." The report identifies numerous shortcomings in customer service, billing practices, administration, and more. "The following complaint is representative of most of the complaints I heard," notes Colle, quoting a frustrated 407 user: "I have asked for a supervisor to speak to but was told that it is being looked after. I don't think over five years is being looked after." Under the category "Administration," the report cites "Unsympathetic, ineffective customer service

representatives" and "Failing to process customer requests," among other complaints. One respondent stated: "It was easier for me to pay a toll of \$16.00 (including interest, etc.) for a bill that was not mine than to dispute it with them yet again."

The report also makes recommendations for improvement, among them a suggestion to charge more affordable tolls for truckers, since "part of the original intent in building the 407 ETR toll highway was to divert truck traffic and other large vehicles away from Highway 401. This has not hap-

pened due to the high cost of tolls and their negative impact on the very competitive trucking industry."

Ever sympathetic, the ETR responded on December 29, 2006 by announcing increased rates for all, in order to "help the company invest in more lanes so customers can continue to experience faster trips."

If the 407 ETR has won an award for improved customer service, we can only conclude that when you are at the bottom, the only way to go is up—or sideways.

Word watch

"Take it with a grain of salt"

If you know someone who tends to stretch the truth, you probably take what they say "with a grain of salt" – in other words, with a healthy dose of skepticism.

This phrase goes back, so the theory goes, to the discovery

by Roman General Pompey in 77 A.D. of King Mithridates' secret antidote to poison, which had to be taken with a small amount of salt to be effective.

A more pedestrian explanation dates back to 1647, when the expression first appeared in English, to describe adding a dash of salt to make foods

more palatable. Whereas salt is now an inexpensive and readily available commodity, it was once very valuable due to its high demand as a food preservative and relative scarcity.

Sources:
www.takeourword.com,
www.dictionary.com



Ig Nobel prize winners earn dubious kudos

The eating preferences of dung beetles, comparisons of smelly feet and limburger cheese, the sounds of fingernails on blackboards—no research is too implausible for the Ig Nobel prize winners. The Ig Nobel prizes—the humorous counterpart to the Nobel prizes—are awarded annually for improbable—yet real—research that makes people laugh and then think.

The 2006 winners received their awards last year at the 16th First Annual Ig Nobel Prize Ceremony at Harvard University. Here are some of the worthy recipients:

Ornithology: Ivan R. Schwab, of the University of California Davis, and the late Philip R.A. May, of the University of California Los Angeles, for exploring and explaining why woodpeckers don't get headaches.

Nutrition: Wasmia Al-Houty, of Kuwait University, and Faten Al-Mussalam, of the Kuwait Environment Public Authority, for showing that dung beetles are finicky eaters.

Peace: Howard Stapleton,

of Merthyr Tydfil, Wales, for inventing an electromechanical teenager repellent—a device that makes annoying noise designed to be audible to teenagers but not to adults; and for later using that same technology to make telephone ringtones that are audible to teenagers but not to their teachers.

Acoustics: D. Lynn Halpern, of Brandeis University and Northwestern University; Randolph Blake, of Vanderbilt University and Northwestern University; and James Hillenbrand, of Western Michigan University and Northwestern University, for conducting experiments to learn why people dislike the sound of fingernails scraping on a blackboard.

Biology: Bart Knols and Ruurd de Jong, of Wageningen Agricultural University, Wageningen, The Netherlands, for showing that the female malaria mosquito *Anopheles gambiae* is attracted equally to the smell of limburger cheese and to that of human feet.

Is that with or without socks?

SITE-SEEING



Financial Services OmbudsNetwork
www.giocanada.org; www.clhio.ca; www.obsi.ca

You have a complaint about your home insurance. Or maybe you aren't receiving your disability insurance payments. Perhaps you think you got some unsuitable investment advice. Who ya gonna call?

The Financial Services OmbudsNetwork (FSON), that's who. FSON consists of three separate and independent organizations: the General Insurance OmbudService (GIO), for property and casualty insurance (home, auto, business); Canadian Life and Health Insurance OmbudService (CLHIO), for life, health, and disability insurance; and Ombudsman for Banking Services and Investments (OBSI), for banking and security investments.

FSON's dispute-resolution services are available free of charge to policyholders who have already tried to resolve their complaint directly with the insurance company. Its recommendations are non-binding on the insurance company, so if the dispute cannot be resolved, the policyholder may have to turn to the courts.

Sharpened Glossary
www.sharpened.net/glossary/acronyms.php

If you're having trouble deciphering your kids' instant messages (IM), this Web site is for you.

It features a glossary of acronyms for each letter of the alphabet. Alternatively, you can enter an acronym and search for its meaning. You may want to take special note of "POS"—IM lingo for "Parent Over Shoulder."

HTH. (Hope this helps.)



FRANK SAYS...

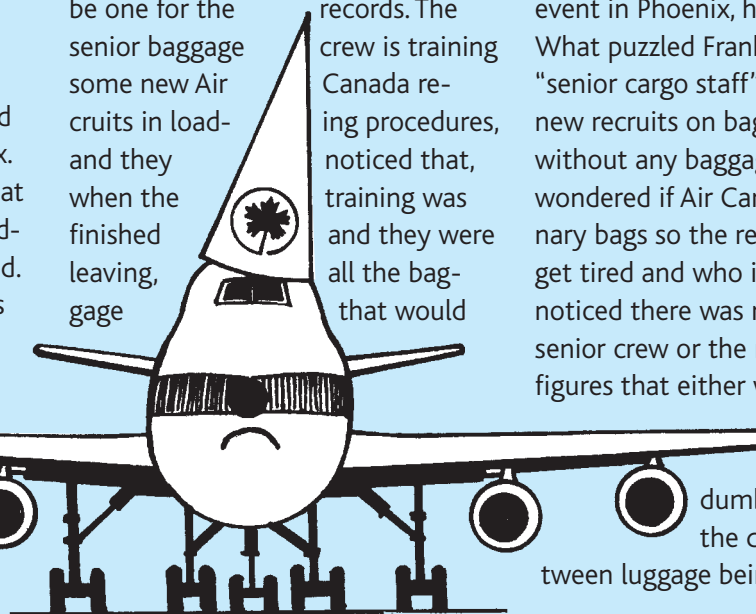
What a surprise I had on January 16th this year, as I waited to board Air Canada flight #589 to Phoenix. The flight was scheduled to leave at 10:10 a.m., but at 10:00, the boarding procedure had not even started. I looked to the gate and there was Frank, grilling the Air Canada gate staff on what was happening.

Seems he was repeatedly told the flight was "still on time," according to the Air Canada staff, even though everyone knew there was no way we could board and push away in less than 10 minutes. Frank was heating up nicely, and I just got the feeling that things could only get worse.

And they did. About 45 minutes later, we were supposedly about to "push off," according to the captain,

when I noticed an Air Canada baggage handler entering the cockpit. A minute or so passed, and then the captain came on the intercom, stating: "Ladies and gentlemen, this may be one for the senior baggage some new Air cruits in load-and they when the finished leaving, gage

records. The crew is training Canada re-ing procedures, noticed that, training was and they were all the bag-that would



normally fill the compartments was missing." The scream from behind me was obviously Frank. The captain went on to say that they were now trying to find the baggage, and when they did, there would be two crews of dim bulbs to load it, which would translate into a "short further delay." Total number of passengers who

believed that was zero. By the time this "short delay" was over, we were two full hours late in departing.

When Frank and I discussed the event in Phoenix, he was still fuming. What puzzled Frank was how the "senior cargo staff" could train the new recruits on baggage handling without any baggage. He further wondered if Air Canada used imaginary bags so the recruits wouldn't get tired and who it was who had noticed there was no luggage: the senior crew or the recruits? Frank figures that either way, at least one

group, if not both, is too dumb to figure out the difference between luggage being present or not.

I told Frank that, during the training of new employees, there are always procedures that need to be fixed and maybe this was one of them, but...

As Frank says:

"You can't fix dumb!"



Footnote: The return flight was late into Phoenix and therefore late leaving, but was a beautiful Airbus 320 with entertainment centres at each seat, with a great selection of news, TV, and first-run movies.

After we had taken off, the cabin crew told us that they had forgotten the headphones in Toronto, so both the outbound and return flights had pictures but no sound. I am really starting to agree with Frank.

CALENDAR OF EVENTS

April 12

**TTC 2007 Road
Carrier Night**

Mississauga Convention Centre

Contact: Andrée Baillargeon,
Toronto Transportation Club
Telephone: 416-886-5450
Fax: 866-247-0160
E-mail: sec_treasurer@toronto-
transportationclub.com
Web: www.torontotransporta-
tionclub.com

**April 12-14
ExpoCam 2007**

Place Bonaventure, Montreal

Contact: Elizabeth McCullough,
Show Manager
Telephone: 416-614-2200;
1-877-682-7469
E-mail: emccullough@newcom.ca
Web: www.expocam.ca

April 16-19

SAE 2007 World Congress

Cobo Center, Detroit, Mich.

Contact: Society of Automotive
Engineers
Telephone: 1-877-606-7323
Web: www.sae.org

April 22-25

2007 WERC Conference

*Gaylord Opryland Resort & Con-
vention Center, Nashville, Tenn.*

Contact: Warehousing Educa-
tion and Research Council
Telephone: 630-990-0001
Web: www.werc.org

April 30-May 1

**40th Annual Supply Chain &
Logistics Conference**

*Paramount Conference and
Event Venue, Vaughan, Ont.*

Contact: Supply Chain &
Logistics Association Canada
Telephone: 905-513-7300;
1-866-456-1231
E-mail: info@sclcanada.org
Web: www.sclcanada.org

May 1

**Deadline for submissions
to 2007 PMTC Awards
Programs**

Contact: Private Motor Truck
Council of Canada
Telephone: 905-827-0587;
1-877-501-PMTC
E-mail: info@pmtc.ca
Web: www.pmtc.ca

May 2-3

**Intermodal Operations &
Maintenance Seminar**

*Oak Brook Hills Marriott Resort,
Oak Brook, Ill.*

Contact: Intermodal Association
of North America
Telephone: 301-982-3400,
ext. 332
Web: www.intermodal.org

May 4-5

**Annual Convention of Que-
bec Trucking Association**

Hilton Hotel, Quebec City

Contact: Quebec Trucking
Association
Telephone: 514-932-0377,
ext. 211; 1-800-361-5813
Web: www.carrefour-acq.org

May 16

**OTA Allied Trades 43rd An-
nual Spring Golf Tournament**

Glen Eagle & Caledon Woods

Contact: Melanie Kowdrysh,
Ontario Trucking Association
Telephone: 416-249-7401, ext. 231
E-mail: melanie.kowdrysh@
ontruck.org

May 27-30

**44th annual Canadian Fleet
Maintenance Seminar**

(in conjunction with Truck Maintenance Council
of American Trucking Association)

*Doubletree International Plaza
Hotel, Toronto*

Contact: Canadian Fleet
Maintenance Seminar
Web: www.cfmsonline.com

May 28

**PMTC Ontario Spring Golf
Tournament**

*Markland Wood Country Club,
Toronto*

Contact: Private Motor Truck
Council of Canada
Telephone: 905-827-0587;
1-877-501-PMTC
E-mail: info@pmtc.ca
Web: www.pmtc.ca

May 30

TTC Spring Golf Tournament

*Glen Eagle Golf Club, Bolton,
Ont.*

Contact: Toronto Transportation
Club
Telephone: 416-886-5450
E-mail: sec_treasurer@toronto-
transportationclub.com
Web: www.torontotransporta-
tionclub.com

June 8-9

2007 Atlantic Truck Show

*Moncton Coliseum, Moncton,
N.B.*

Contact: Mark Cusack, Show
Manager
Telephone: 506-658-0018; 1-
888-454-7469
E-mail: mcusack@masterpro-
motions.ca
Web: www.atlantictruckshow.
com

June 12-15

Transport Logistic

*New Munich Trade Fair Centre,
Munich, Germany*

Telephone: (49 89) 949-11368
E-mail: info@transportlogistic.de
Web: www.transportlogistic.de

June 14-15

**PMTC Annual General
Meeting and Conference**

Niagara-on-the-Lake, Ont.

Contact: Private Motor Truck
Council of Canada



Telephone: 905-827-0587;
1-877-501-PMTC
E-mail: info@pmtc.ca
Web: www.pmtc.ca

June 15-17

**Eastern Ontario Big Rig
Truck Show and Shine**

*Stirling Fairgrounds, Stirling,
Ont.*

Contact: David Potts, Chair
Telephone: 613-395-3119
Web: www.truckshowandshine.com

July 27-29

**22nd Annual Fergus Truck
Show**

Fergus, Ont.

Telephone: 519-843-3412;
1-866-526-7379
E-mail: info@fergustruckshow.com
Web: www.fergustruckshow.com

August 23-25

**Great American Trucking
Show**

Dallas, Texas

Telephone: 1-888-349-4287
E-mail: crice@randallpub.com
Web: www.gatsonline.com

August 27

**PMTC Ontario Summer Golf
Tournament**

*Markland Wood Country Club,
Toronto*

Contact: Private Motor Truck
Council of Canada
Telephone: 905-827-0587;
1-877-501-PMTC
E-mail: info@pmtc.ca
Web: www.pmtc.ca



Celebrating 15 YEARS of service



6950 Kenderry Gate,
Mississauga, Ontario L5T 2S7
Telephone: 905-670-9061
Fax: 905-670-9066
Operations: 905-670-1500
Parts & Warranty: 905-670-7003

8240 Woodbine Ave,
Markham, Ontario L3R 2N8
Telephone: 905-471-1690
Fax: 905-474-3871

Website: www.trailcon.com
Email: sales@trailcon.com

Year 1

1992

- Official opening of Trailcon; October 26, 1992
- 8 trailers on the Road (after one week in business)
- Number of employees: 1 (President Al Boughton)
- Trailcon purchases Transportation Resources Group and increases fleet to 500 units by the end of the first year



Year 2

1993

- Al Meets Frank
- July 14, 1993 - Bill introduced to allow 53 ft trailers in Ontario
- Number of employees at first Christmas party: 4 (including spouses)



Year 3

1994

- CN to invest \$19.5 million at Brampton Intermodal Terminal (BIT)
- Trailcon has new 48 ft, 53 ft, FRP vans available
- Trailcon installs first computer system



Year 4

1995

- Hudson's Bay Company orders and takes delivery of first 53 ft intermodal unit in Canada produced by Mond Industries, leased through Trailcon



Year 5

1996

- Trailcon builds new facility and becomes the first company in the Ontario Transportation Centre
- Ontario Transportation Centre future home to Reefer Sales, Manac, Trailmobile
- Trailcon introduces mobile repair service

