

Report Transportation

Presented By Trailcon Leasing Inc. SPRING 2012 • VOLUME NO. 50

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Touring the treasures of Tuscany

and much more!

Here we **GROW** Again

Trailcon Leasing is celebrating its 20th anniversary in style – by opening two branches, in Calgary and Cornwall. The new facilities complement the company's headquarters in Mississauga and its existing branch in Edmonton.

The decision to establish the new facilities was precipitated by Trailcon's signing of a long-term contract with one of Canada's largest retailers to manage and maintain all the retailer's multi-temperature reefers for delivering fresh and frozen product from its perishable distribution centres (PDCs) in Calgary and Mississauga.

As the adage goes, persistence pays off. After pursuing this customer for many years, "we are very pleased to see it come to fruition," says president Alan Boughton, adding that Trailcon hopes to land another major retail account in the near future.

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Trailcon's new
Calgary facility



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REPORT on TRANSPORTATION

Designed and produced by:
Newcom Business Media Inc.

Copywriting:
Praskey Communications Inc.

Published by:
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HERE WE GROW AGAIN

....continued from the cover



Expansion has always been in the works for Trailcon, explains Jim Wedgewood, vice-president and general manager. "We opened the Edmonton branch four years ago, and always had plans to expand to Calgary and Vancouver."

"Given the way that we manage, maintain, and look after the customers' needs here in Toronto, it was only a matter of time before we were able to offer the same services in other markets," adds Mike Krell, senior account manager at Trailcon. "It just makes sense."

Rob Favelle has been appointed branch coordinator for the Calgary facility, and will be hiring mechanics and growing the business, says Wedgewood. And although Trailcon does not have a branch in British Columbia yet, it has a Vancouver-based mobile service mechanic, and plans to hire another one soon.

"Being awarded this service contract also meant a strong presence in Cornwall, where the bulk of the new work is located," notes Wedgewood. So far, the company has hired three mobile mechanics for that area, with more to come. Shawn Ferguson, former parts assistant at the Mississauga headquarters, has been promoted to Cornwall branch coordinator.

Modifications that Trailcon has made to its information technology system will en-

able service work to be handled on a real-time basis. "Such changes will be very beneficial to our existing customer base and the new customers we expect to service in all four major locations," says Wedgewood.

Whether a customer is in Langley or Laval, the service will be seamless. "Whatever office the customer is dealing with, it will be the same as dealing with the Mississauga headquarters – the same policies, procedures, and computer system," says Krell. "Nothing will be specific to one location. What we do here in Ontario we can do throughout Canada."

However, he adds, having a physical presence gives customers "peace of mind" and a chance to build relationships.

"It makes it easier when we have our own people out there," notes Mick Crowe, Trailcon service and operations manager. "Our reaction times are faster; our communication with the customer is better. It expands a lot of things we can do as far as purchasing parts, working out of the customers' yards – just being there when they need us."

A bricks-and-mortar facility also opens the door – literally – to opportunities for those carriers or private fleet companies whose head offices are based in these locations, says Krell. "Now they see a physical presence, and now the door's open."

Wedgewood agrees. "Being established in these territories strengthens Trailcon's ability to pursue and manage other customers in these areas – a substantial opportunity for continued growth."

And so, to our present and prospective customers: welcome to a new decade of service and success.



The yard at Trailcon's Cornwall facility, with three mobile mechanics and more to come.

THE ONLY CONSTANT IS... CHANGE

By Alan Boughton, President, Trailcon Leasing Inc.

Editorial

It's hard to believe that **Trailcon Leasing** will celebrate its 20th anniversary on October 26. Even more mindboggling is my upcoming 40th anniversary in the trailer leasing game on January 4, 2013. I still remember that first day at T.I.P. in early 1973, and it still feels like yesterday when I recall putting the key in the door to my Netherhart Road office on the first day of business for Trailcon in 1992.

Over my 20 years at Trailcon and 40 years of leasing, renting and servicing trailers, the only constant has been change. Although the industry underwent a major transformation in the '70s and '80s, it seems the world is changing more rapidly today than ever before.

When I started in the industry, there was a quantum leap in trailer dimensions, from the standard 40-foot by 96-inch-wide trailer to the "new" standard of 45 feet by 102 inches wide. The 48-foot trailer came along in the '80s, quickly followed by the now industry standard 53-foot unit. Today, we have long-combination vehicles (LCVs) and triples in

it is hard to imagine attending any event without the brains and beauty of the fairer sex there to brighten the day and add such value to the transportation industry.

The other dramatic change is the manner in which sales are conducted today. Back in the "good old days," sales were all about drinking, dining, golfing, and getting to know your prospective client and current customers. How I made it through that era without requiring a liver transplant is hard to imagine – consuming liquid lunches three to four days (and afternoons) a week, and then piloting the car home with a blood-alcohol level that would never be accepted today.

Now our sales teams are more about RFQs, RFPs, online bidding, e-mails, and other means of electronic information exchange. Many companies, such as Canadian Tire and Walmart, not only frown on lunches, golf outings and hockey tickets, but will not permit entertainment expense of any kind. I always find it uncomfortable



much easier to sell a superior service, as no amount of lunches and golf games could ever overcome poor service or inferior trailer quality. The death of the liquid lunch may have altered our sales methods, but Trailcon's investment in customer service, software, hardware, facilities and our staff has not only helped us sustain our customer base, but has insured that we are able to grow in a less friendly and more competitive market.

This year will see huge changes at Trailcon, with the opening of branches in Calgary and Cornwall, as well as our 24-hour, 365-day call centre located in Mississauga, necessitated by customer demand that we control all aspects of their service cycle from the initial call to the completed repair.

Business cycles throughout my career have also forced us to continually adapt to new realities. In 1981, the prime lending rate was 22.75%, with inflation and unemployment sitting at 12%. Today, prime is at historic lows but trailer pricing is a huge unknown due to raw-material price fluctuations, particularly for tires, whose cost seems to spiral upward almost weekly.

But amid all this turmoil, there are some constants in my life: a stable staff at Trailcon with a dedication and loyalty to each other and to our customers that insures our success today and in the future; and, after 40 years and with my 60th birthday fast approaching, my love of this great industry.

Fortunately, some things never change.

The biggest and best change that I have witnessed is the inclusion of women in an industry that was dominated by men.

some jurisdictions, as well as changes in technology such as plate vans, composite materials, ABS, LED, radial tires, and components in every area that are lighter than those manufactured in the '60s and '70s.

Truck technology has advanced in leaps and bounds over the same period, and with the abundance of cheap natural gas, I expect that in a few years, we will find a significant percentage of tractors, buses and commercial vehicles being powered by this alternate fuel.

The biggest and best change that I have witnessed is the inclusion of women in an industry that was dominated by men. At my first Ontario Trucking Association convention luncheon at the Royal York hotel in 1973, the only women in attendance were the servers employed by the hotel. Today,

when I attend a Walmart meeting that involves a lunch or a dinner, and the customer is picking up the tab.

On the bright side, my entertainment expenditures are way down, and I am now sober every afternoon. The difference in the social environment and entertainment spending has also resulted in a pretty significant change in loyalty and customer retention. Over the past couple of years, I have watched Trailcon and other suppliers lose accounts that we thought were ours forever. Changes in personnel and business decisions driven by the lowest-cost mentality have forced a dramatic shift in the manner in which companies represent and deliver their products and services. Although I have always been the first guy at the bar and happy to pick up the tab, I have found it

PITCHING IN



JW Marriott “Rock for Kids” charity golf tournament – A growing tradition of success

By Sarah Boughton

This summer, help a charity that gives 100% of funds raised to the local children’s hospital, and treat yourself to a Muskoka golf getaway at the same time! “Rock for Kids” charity golf tournament gives golfers a chance to not only play a Nick Faldo-designed course, but also to experience one of Ontario’s most beautiful luxury resorts (for an exceptionally low price).

“Rock for Kids” is a recent Muskoka tradition that is gaining momentum and driving funds to Children’s Miracle Network and SickKids Foundation. Last year’s event was just an example of what is to come. On September 26, 2011, golfers teed off at The Rock Golf Club for the 3rd Annual “Rock for Kids” Golf Tournament. Hosted by The Rosseau, Canada’s first JW Marriott Resort & Spa, this one-day fundraising event was a tremendous success.

The day began with an outdoor barbeque lunch, time to hit a few balls on the driving range, and a 1:00 p.m. shotgun start. Participants competed for dozens of fantastic prizes, including a 2011 Waverunner donated by Walker’s Point Marina!

After a beautiful day on the course, golfers enjoyed a cocktail reception with live entertainment and dinner at The Rosseau. The MC was an enthusiastic Wendy Gray, a local celebrity from MooseFM radio station.

Participants were moved by the story of a local mother who attended the dinner with her husband and two children. With



Children’s
Miracle Network



JW MARRIOTT.
THE ROSSEAU MUSKOKA



The Rock
THE FALDO COURSE AT RED LEAVES



Mick Crowe, Alan Boughton, John Foss, and Mike Krell of Trailcon Leasing hit the greens at “Rock for Kids.”

the help of Children’s Miracle Network and SickKids Foundation, her six-year-old son, who was diagnosed with Acute Lymphoblastic Leukemia (ALL) two years earlier, was able to join in on the fun.

Thanks to generous donations by golfers, local businesses and other partners, the event far surpassed its fundraising goal of \$10,000, raising an impressive \$24,055!

The transportation industry has long been known for its generous support to

charities. This summer, help make a difference and enjoy a Muskoka getaway too. Kick off your Labour Day weekend early and join us on Thursday, August 30 for the 4th Annual “Rock for Kids” Golf Tournament hosted by The Rosseau, A JW Marriott Resort & Spa.

Please contact **Sarah Boughton** at sarah.boughton@marriott.com or 705-765-7031 for more details.

Thank you for your support!

Fast facts

Children’s Miracle Network (CMN) is a non-profit organization dedicated to raising funds and awareness for 171 children’s hospitals across North America. CMN helps 17 million children each year – 4 million in Canada alone. The proceeds from “Rock for Kids” 2012 will be used to support research at The Hospital for Sick Children, the CMN member hospital serving Ontario.

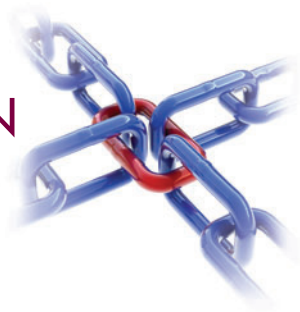
One in four kids will need the care of a children’s hospital each year.

All donations made through Children’s Miracle Network are given directly to the participating children’s hospital in your community.



The Rosseau, A JW Marriott Resort & Spa,
one of the jewels of Muskoka.

CUSTOMER CONNECTION



GIANT TIGER

Earning its stripes with friendly service

“**Giant Tiger** is a striking example of how a store should be run and of pleasant and professional employees.”

That comment, from a shopper named “Theresa,” is just one of many posted on the Giant Tiger website from customers across the country, all extolling the discount retailer’s friendly and accommodating service, as well as its selection of merchandise at everyday low prices.

According to traffic manager Roger Matchett, Giant Tiger attracts such a loyal following for three major reasons: “Always outstanding value for your family’s money; a unique and friendly place to shop and discover; and more connected to the community.”



Roger Matchett

With over 200 – and counting – mostly franchised stores, Giant Tiger is a one-stop shopping destination for many Canadian consumers, especially in smaller communities. Stores carry everything from clothing to grocery – including fresh and frozen foods – as well as health and beauty products, housewares, electronics, toys, and much more. Customers are also enticed by

the special “opportunity” buys of excess brand-name merchandise that Giant Tiger is able to snag and sell for less. “It’s like a treasure hunt,” says Matchett.

A Canadian success story, Giant Tiger was founded in 1961 when Gordon Reid opened a store in Ottawa. In 1968, the company began franchising. With store owners living in the same neighbourhood as their customers, they share their concerns and can better meet their needs. Giant Tiger is known for its close connection with the communities it serves, donating over \$2 million to more than 700 local associations in 2011.

In 1987, the company established its own transportation division, Tiger Trucking, to deliver merchandise from the company’s rapidly expanding warehouse to its then 43 stores. The retailer now has 21 tractors and some 80 trailers of all types in its fleet, licensed in Ontario and Quebec. It relies on third-party partnerships to manage the overflow. The company owns a refrigerated facility in Brockville, and deals with a third-party facility in Brantford, Ont., to handle fresh and frozen

foods. Dry goods are shipped from the retailer’s 600,000-square-foot distribution centre in Ottawa.

One of the reasons Giant Tiger is able to offer everyday low prices is its ability to drive down costs and improve efficiency. The transportation division is no exception. “We’ve made large strides in consolidating our shipments and using the full capacity of our trucks,” says Matchett. Trucks are now running 18 to 20 hours a day, compared with 10 to 12 previously.

Although Giant Tiger has worked indirectly with Trailcon Leasing since 2007 through a contract with one of the retailer’s carrier partners, it began dealing directly with Trailcon about a year ago with the lease of 36 trailers. A major factor in its choice of supplier was Trailcon’s ability to perform preventive maintenance onsite. “That’s a huge plus for us,” says Matchett. “We save in shunting charges.” Trailcon has registered Giant Tiger’s yard with the Ontario Ministry of Transportation, he adds, so the trucks never have to leave the yard for any type of routine maintenance.

“With trucks running 24/7,” says Matchett, “we can’t take the risk of having a 10-year-old trailer break down” – and disappointing legions of loyal customers like Theresa.



Algae a promising alternative to fossil fuels

By James Johnstone, National Manager, Transportation & Fleet Management, Calyx Ground Transportation Solutions



As fuel prices continue to climb, the challenge of meeting growing global energy needs will require a multifaceted approach using various types of alternative and renewable fuel sources. When it comes to finding a fuel source that can be used in transportation, biofuel – specifically biodiesel derived from algae – is the most promising alternative to fossil fuel. Not only is it economically feasible because of the ease of production, but it is also environmentally friendly due to its relatively low particulate emissions.

Algae (from the Latin for “seaweed” and, ironically, also “rubbish”) are a diverse group of plant organisms, ranging from single cell to large multicellular forms like giant kelp. They create energy through photosynthesis, the process of metabolizing carbon dioxide and sunlight, thereby creating oxygen as a byproduct. To put the power of this process into perspective, the rate of energy capture by plant photosynthesis on Earth is approximately six times greater than the total estimated world energy consumption.

The parts of algae that are useful to us are the lipids, otherwise known as fatty acids. These constitute the actual “oil” that is the

The parts of algae that are useful to us are the **lipids**, otherwise known as fatty acids. These constitute the actual “oil” that is the raw material for making fuel.

raw material for making fuel. Algae contain between 2% and 50% of lipid oils by weight. Because some species of algae are rich in oil, the amount of raw material that can be harvested from them for fuel is hundreds of times greater than that of oil that can be collected from an equal amount of alternative plant-based material such as soybeans.

Approximately 140 billion gallons of biodiesel would be needed annually to replace all petroleum-based transportation fuel in the United States. To produce this amount with soybeans, roughly three billion acres of arable land would be required. Unfortunately, there are only 434 million acres of arable land in the entire U.S., including that which is currently used to produce all of the country’s other food and cash crops.

Algae, on the other hand, can be grown in almost any location, including swamps,

ponds or lakes, the ocean, or even on inhospitable land using tanks inside greenhouses or hothouses. Any water can be used as a medium for growth, including that which is not fit for human or animal consumption, such as waste or brackish water. Roughly 100 million acres would produce enough fuel to meet all of America’s transportation fuel needs.

The benefits of adopting algae-based biofuel are significant. Most noticeably, biodiesel burns more efficiently and with fewer harmful emissions than petroleum-derived diesel fuel. But just as importantly, production of algae and processing into biofuel can provide economic benefits to rural communities by creating thousands of jobs. Additionally, algae farming operations could also double as carbon-capture systems

at industrial facilities, as algae thrive in environments rich in carbon dioxide.

Although the expense of producing algae-based biofuel is expected to reach equilibrium with oil prices by 2018 (pending production tax incentives), cost remains the largest factor preventing full-scale commercial production. Alternative fuel technology must still be improved and made more cost-effective in the coming decade for biofuel to provide a viable alternative to traditional fossil fuels.

While the concept of algae-based fuels dates back to the late 1970s, uncertainty of their viability has been a detriment to the practical deployment of biofuel new technologies. A drop in oil prices could make consumers (and therefore investors) lose interest in renewable energy and potentially cause long delays in the development of alternative fuels, including those derived from algae. However, the benefits, as well as a reluctance to diminish our standard of living, justify a large-scale commitment in infrastructure and research to this type of energy.

INTERMODAL INSIGHTS



Port of Vancouver records stable 2011 results

The 2011 year-end statistics for Port Metro Vancouver show a 3.4% increase in cargo over 2010, to 122.5 million tonnes.

Container traffic kept pace with a record-setting 2010, with volumes flat at 2.5 million TEUs (20-foot equivalent unit containers), supported by a 6% increase in containerized exports.

Recently, the Port launched a Container Truck Efficiency pilot program, using GPS units to help track and communicate important routing, operational and congestion information with vehicle operators on a real-time basis.

“With an anticipated increase in container volumes and a looming driver shortage, we need to use every tool available to ensure Port intermodal operations are as efficient as they can be”, says Louise Yako, president and CEO, BC Trucking Association. “We’re encouraged to see Port Metro Vancouver working in consultation with the container drayage sector, which is a vital link in the Asia Pacific Gateway.”



CN introduces new intermodal services

To support Alberta’s growing transportation requirements, CN has announced new import/export container train services between the Port of Prince Rupert, B.C., and Calgary and Edmonton, starting in June. It is relocating its Calgary intermodal terminal to a larger logistics park due to open in January 2013.

The railway recently reported net income of \$775 million for the first quarter of 2012, versus \$668 million for the first quarter of 2011. Revenues increased 13% – 17% for intermodal – to \$2,346 million, and operating income jumped 23% to \$793 million. Operating ratio was 66.2%, a 2.8% improvement over the 69% of a year earlier.

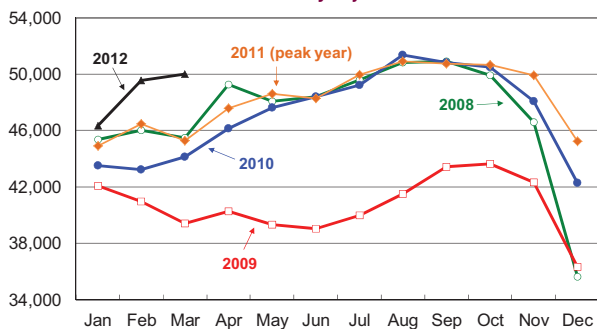
“While CN benefited from a milder winter and improving economic conditions, our very solid first-quarter results underscore that our strategy is working,” said Claude Mongeau, president and CEO.

Canadian railways post highest intermodal month ever

March 2012 was a record month for Canadian railroads (including their U.S. operations); intermodal volume was 199,935 containers and trailers – an average of 49,984 per week, up 9.4% over March 2011 and the highest ever for a March in history. For the first quarter of the year, intermodal volume was up 6.9% (41,126 units).

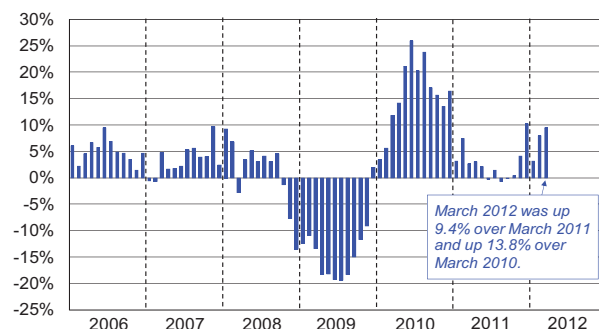
Intermodal truck trailers continued to lose ground to intermodal containers, falling 15.8% in March 2012 versus a year earlier, while intermodal containers grew 10.4%.

Average Weekly Canadian Rail Intermodal Traffic
(not seasonally adjusted)



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

% Change in Total Canadian Intermodal Traffic From Same Month Previous Year: Jan. 2006 – Mar. 2012



Data are based on originations, are not seasonally adjusted, include CN and CP (including their U.S. operations), and reflect revisions to original reporting. Source: AAR Weekly Railroad Traffic

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



TRAVEL TIPS

Touring the Treasures of Tuscany

By Kim Cyopeck

My mom called me in April 2010 to suggest we take a trip to Tuscany to pick olives. I wasn't so crazy about the idea of picking olives, but travelling to Tuscany certainly held great appeal. After doing some research, we booked a small group tour through Arts and Leisure Tours, which organizes a "Treasures of Tuscany" trip a few times a year. Our group consisted of eight women (men are welcome, but there didn't happen to be any on our trip).

That October, we flew Al Italia via Rome to Florence, where we were met by Paola, our guide/driver for the next six days. We stayed at a charming hotel called Borgo di Cortefreda in Tavernelle Val di Pesa, a small town south of Florence that was within an hour's drive of most of the nine towns we visited.

In the fall, the temperature in Tuscany ranges from 10 to 25 degrees, so when it comes to clothing, layers are the way to go and a scarf is a must.

During our stay, we toured three wineries – Castello di Verrazzano, San Garibaldi Winery, and Altesino. The highlight was definitely Altesino, famous for its Brunello di Montalcino, which was outstanding. I'm fairly certain the wines I purchased there were the cause of the \$100 Euro overweight fee I had to pay on my luggage upon departure.

I was told there are over 600 wineries in the Tuscan region, so that means we visited less than 1% of them. I think it would be quite easy to spend a week just touring wineries. One caveat: the roads are all very hilly and winding, so you may want to take the necessary precautions if you are prone to motion sickness.

One of the towns on our itinerary, San Gimignano, is also known as the "town of the beautiful towers" due to its prominent medieval towers, whose construction dates back to the 11th and 13th centuries. San Gimignano is visible for miles, since it sits atop a 1,000-foot hill. The town, whose walls were built in 998, was considered important during the Middle Ages, as it was on the main route from Florence to Siena, known as the Francigena Way. The original 76 towers were constructed by wealthy residents, although only 14



Perusing the fresh produce in Castellina while preparing for our cooking class.



The Siena Cathedral, built in the 13th century.

Entering the historic walled town of San Gimignano, known as the "town of the beautiful towers."



The Piazza de Campo in Siena, site of the Palio di Siena horse races.



remain today. They were considered a symbol of status: the higher the tower, the richer the family that built it, although no one was permitted to exceed the height of the Commune tower. At the centre of the village, you can visit the Duomo (or Collegiate Church), which was consecrated in 1148 and is adorned with valuable Siennese school frescoes, making it a very prestigious museum. The "streets" of the town centre (no cars are permitted) are typically Tuscan, cobblestoned and forever sloping. San Gimignano is full of linen shops, as this seemed to be the best place in the region to buy beautiful Italian linens.

Just outside of San Gimignano, we visited Il Castagnolino, a small organic farm. Il Castagnolino cultivates the purple crocus flower from which saffron is derived, as well as olives for extra virgin olive oil, vegetables, and an abundance of Tuscan herbs, including rosemary, thyme, lavender, mint, and sage. The owners, Carmella and Evan, gave us a brief tour and then treated us to an outstanding lunch prepared by Carmella. The entire meal, which included homemade pasta, utilized fresh vegetables and herbs from the farm's garden. We enjoyed glasses of Vernaccia, a white wine specific to this area. After lunch, we wandered the grounds, marveling at the spectacular views of San Gimignano and the Val d'Elsa valley.

Siena, a university city, has been declared a UNESCO world heritage site. A must-see there is the Siena Cathedral, which was built in the 13th century and is constructed of white and black marble in alternating stripes. Those are the symbolic colors of Siena, linked to black and white horses of the city's founders, Senius and Aschius. According to legend, Siena was founded by Senius, son of Remus (the brother of Romulus, after whom Rome was named). Statues and other artwork depicting the town's emblem, a she-wolf suckling the young twins Romulus and Remus, are common sights.

At the centre of Siena is the Piazza de Campo. On most days, the Piazza is simply a large space for people to gather, surrounded by many cafes, shops and beautiful architecture. However, twice a year (July 2 and August 16), the square is filled with visitors from around the world who come to see the Palio di Siena horse races. In these unique events, 10 horses and riders race bareback three times around the Piazza. The race usually lasts no more than 90 seconds, and it isn't uncommon for a jockey to be thrown from his horse. However, that doesn't matter because it is the first horse to cross the finish line that wins – no rider required! While each race takes place on a single day, the festivities surrounding the event go on for days.

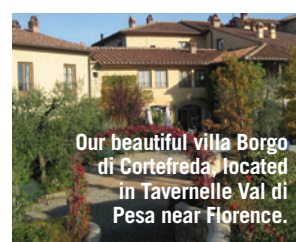
The town centres of Castellina, Greve in Chianti, Cortona, Panzano, Montalcino and Cortona were all very similar, at least the parts that we saw. Cobblestoned and sloping streets (they always seemed to be UPHILL) were lined with quaint shops, gelaterias, and restaurants. Arezzo was a busier city. Along its main shopping street of Corso Italia, you will find many big-name boutique stores. Ladies (and gentlemen): THIS is the town to buy your Italian shoes and boots!

We also toured Podere Il Casale, an organic cheese farm just outside of Pienza. I can understand why pecorino cheese can be quite pricey when you see the process and the length of time it takes to make it. The smell in the "maturing" areas is definitely not for the faint of heart. We were treated to a cheese tasting with wine on the patio overlooking the beautiful Val d'Orica valley, complete with visits from the resident cats and dogs.

A trip to Tuscany wouldn't be complete without a day spent at a local cooking class. We met Chef Laura in the town centre of

Castellina, where she took us to the butcher to buy a pork roast and then to some other small stores for fresh herbs, bread and vegetables. Once we were well stocked, we went back to her "house" to prepare our meal. It turns out her house is much more than that – her family owns a winery as well as villas that they rent to travelers. The property and the view were breathtaking. We spent the day in her kitchen preparing olive tapenade, bruschetta, pecorino cheese bread, saffron zucchini pasta with fresh tomato sauce, and roast pork with red wine reduction, finished off with homemade ricotta ice cream with fresh chocolate. It was a long day and we were all starved by the time we finally ate around 3:00 p.m., but the wait was well worth it.

When we were done our six-day whirlwind tour of Tuscany, we headed to Florence for two days before flying home. That, however, I will save for another issue...



Kim Cyopeck is executive assistant to **Alan Boughton** and sales and marketing coordinator.

INDUSTRY



Labour shortages

continue to dog trucking industry



About 60% of Canadian fleets are having trouble filling seats in company trucks, while more than half are finding it difficult to find owner/operators, according to the **Canadian Trucking Human Resources Council** (CTHRC).

The Council's "Beyond the Wheel 2" research initiative, which surveyed 1,112 industry representatives, also found that demand for employees is on the rise. About 45% of surveyed fleets expect their labour needs to increase over the next five years, while 26% expect demand to stay the same.

Thirty percent of industry employees are 45 to 54 years old, and 17% are 55 or older – accounting for 58% of Class I/A company drivers, 49% of owner/operators, and 44% of truck/transport mechanics.

The survey comes on the heels of a major report by the Canadian Trucking Alliance's Blue Ribbon Task Force on the Driver Shortage in Trucking, which provides direction on shrinking the truck driver shortage in Canada.

Meanwhile, a Canadian Chamber of Commerce report predicts a shortfall of hundreds of thousands of workers over the next decade, including 37,000 truck drivers. "Canada is developing a desperate labour shortage, and resolving it is key to the continued success of Canadian businesses and the economy," says the report, titled "Top 10 Barriers to Competitiveness."

In related news, CTHRC has received funding from Human Resources and Skills Development Canada to define skills needed for non-driving occupations in the trucking industry. The new standards will cover shunt drivers; cargo workers; dispatchers; freight claims, safety, and loss-prevention specialists; and foremen, supervisors, and managers. A related research program will determine whether any existing high-school-to-work programs can help guide more students into trucking-related career paths.

Ontario extends LCV permits

Based on a record of safe and successful operations, the **Ontario Ministry of Transportation** (MTO) is allowing 20 more carriers to receive long combination vehicle (LCV) permits, bringing the total to a maximum of 200 carriers and 400 permits.

As of March of this year, all carriers in the program are eligible for two permits each in their first year, while participants that have successfully completed at least one year of LCV operations are eligible for up to four permits.

Since the program's launch in August 2009, the MTO says participating carriers have completed over 42,000 one-way LCV trips totaling over 13 million kilometers of travel, saving on both fuel and driver costs.

Savings outweigh costs of natural gas as truck fuel

Despite higher upfront costs, natural gas could be a viable fuel for the trucking industry, according to The Conference Board of Canada.

In a new report titled "Cheap Enough? Making the Switch from Diesel Fuel to Natural Gas," the Board estimates that converting fleets to natural gas could generate savings of approximately \$150,000 per truck over a 10-year period – nearly twice what it costs to install a natural-gas engine, estimated at \$80,000.

"Our models indicate that while the capital costs are high, the savings from lower fuel costs make natural gas an economically viable fuel for the trucking sector," says Vijay Gill, co-author of the report. "Trucking



firms could reap significant net benefits in operating costs while also reducing their environmental impact."

While natural gas is a non-renewable fossil fuel that contributes to overall greenhouse gas emissions, it is "cleaner" than oil and more readily available in the short term than zero-carbon alternatives.

CTA supports regulations to reduce GHG emissions



The recent announcement by Environment Minister Peter Kent aimed at reducing **Canada's greenhouse gas** (GHG) emissions from heavy trucks is consistent with the direction in which the industry is already headed, says David Bradley, president of the Canadian Trucking Alliance (CTA).

Under the proposed regulations, heavy truck tractor and engine OEMs will be encouraged to meet average GHG emission targets as a percentage of their total fleet sales over the 2014-18 period. It is expected that manufacturers will meet the targets mainly through cab design (aerodynamics), engine modifications, and low-rolling-resistance tires.

The proposed regulations align with standards in the U.S. "It would be advisable that the regulations allow for some flexibility to take into account differences in the Canadian truck market versus the situation in the U.S., but the industry supports this initiative," says Bradley.

CTA has been encouraging the Canadian government to accompany the regulations with a labeling system identifying "GHG compliant tractors" and accelerated capital cost allowance to speed up the penetration of those trucks into the marketplace.

It is hoped that by model year 2018, GHG emissions from new heavy trucks will be 20% lower than 2010 models.

MTO proposes to extend maximum tractor wheelbase

The **Ontario Ministry of Transportation** (MTO) is proposing to allow longer tractor wheelbases for a specified group of heavy truck configurations in order to accommodate environmental devices and add-ons that are essential in reducing greenhouse gases.

The proposed change would increase the maximum allowable tractor wheelbase from 6.2 meters (244 inches) to 7.2 m (282 inches) for vehicles classed as SPIF1 (Safe, Productive and Infrastructure Friendly) Designated Tractor-Trailer combinations – single, tan-

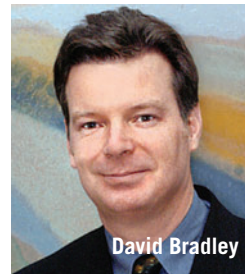
dem, and tridem tractor/fixed axle semi-trailer configurations. Currently, all other Canadian provinces allow a longer wheelbase tractor, although all but Nova Scotia do so only by special permit. There is no maximum tractor wheelbase requirement in the United States.

The proposal is a good start, says David Bradley, president of the Ontario Trucking Association (OTA). However, the OTA will

seek to expand the proposed regulation to allow longer wheelbases on other SPIF configurations that can meet or exceed the same turning performance criteria as those already listed, including the SPIF tri-axle, quad-axle,

and five- and six-axle configurations. "We are hopeful MTO will take a look at this so that more vehicles can accommodate the environmental innovations," says Bradley.

The amendments could come into effect as early as this summer.



David Bradley

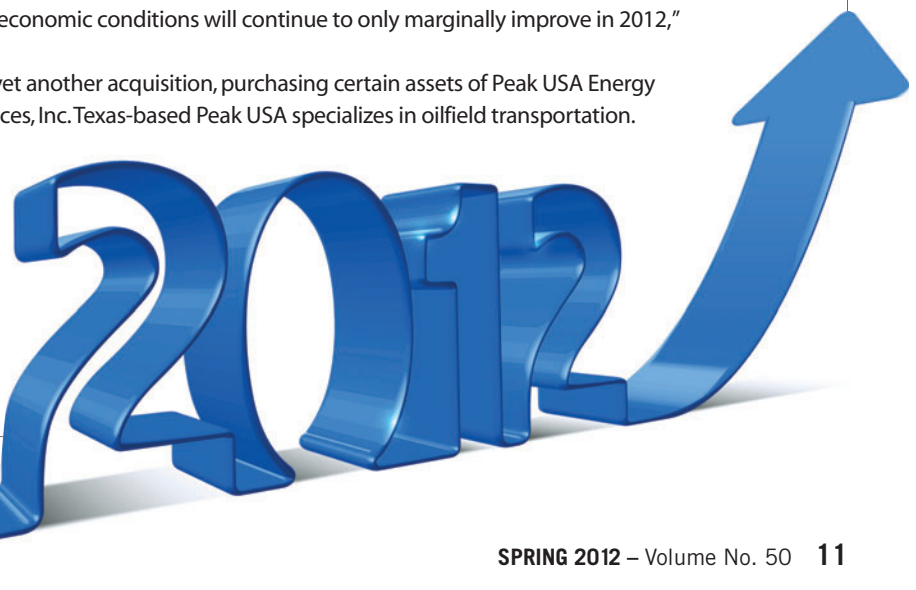
TransForce Inc. posted strong results for the first quarter of 2012. Total revenue increased 40% to \$788.2 million, boosted by the acquisition of Quik X Transportation Inc. on January 1, 2012, and I.E. Miller Services, Inc., Loomis Express, and Dynamex in 2011. Adjusted net income soared to \$24.7 million, from \$9.3 million a year ago.

Total revenue for 2011 was \$2.7 billion, up 34% from \$2 billion in 2010. Excluding acquisitions, the increase fell to 4%.

"Looking ahead, we remain of the opinion that economic conditions will continue to only marginally improve in 2012," said Alain Bédard, chairman, president and CEO.

Meanwhile, the company recently announced yet another acquisition, purchasing certain assets of Peak USA Energy Services, Ltd., through its subsidiary I.E. Miller Services, Inc. Texas-based Peak USA specializes in oilfield transportation.

TransForce reports solid year-end and Q1 results



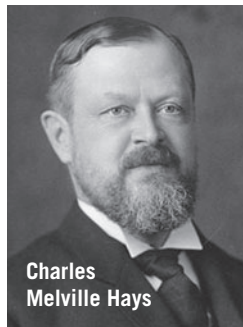
FOR YOUR INFO

Titanic victim had big plans for Prince Rupert



If Charles Melville Hays hadn't perished on the *Titanic* a century ago, the city of Prince Rupert might have rivaled Vancouver as the major shipping centre of the era.

At the time of his death, Hays, president of the Grand Trunk and Grand Trunk Pacific Railways Companies (later Canadian National Railway) was raising funds for a second transcontinental railway line that would run from Moncton, N.B., to Prince Rupert, to compete with Canadian Pacific. He also had plans drawn up for a hotel in Prince Rupert on the scale of Ottawa's Chateau Laurier.



Charles Melville Hays

In a tragic irony, Hays and his family were booked on another ship, but switched to the *Titanic* to return home sooner from a vacation in England.

Now the fastest-growing container port on the continent, Prince Rupert was somnolent for most of the 20th century following Hays' untimely death. "At one point, the staff at Prince Rupert's Port Authority was down to eight people," writes Dr. W.B.M. Hick in his recently published book *Canada's Pacific Gateways: Realizing the Vision*. "Then, through their herculean efforts and a combination of government co-operation, renewed support from CN Rail, selection of Maher as terminal operator, and recognition by COSCO, Fairview Terminal was born," he notes, adding: "The Northern Gateway's story in particular is an incredible tale of risk and redemption."

The city of Prince Rupert pays tribute to Hays with a mountain, a high school, and streets named after him, as well as a statue of the railway magnate in front of City Hall.

Site-seeing Top Documentary Films

If you're growing weary of traditional television fare, check out this site. The brainchild of someone named Vlatko, it features hundreds of free documentary films in a wide variety of categories, including biographies, comedies, sports, and many more. Just click and enjoy. Viewers can also add comments.

Our personal pick: the biography "Steve Jobs: Billion Dollar Hippy."



www.topdocumentaryfilms.com

Practical Money Skills

Adults and kids alike can benefit from this free financial literacy site developed by Visa Canada. It features cost calculators, budget templates, games, and quizzes to help Canadians understand and better manage their personal finances.

It's organized into three main categories: Saving & Spending, Credit & Debt, and Life Events. There are also articles by experts, and free materials for consumers and teachers.



www.practicalmoneyskills.ca

Word Watch

"Sea-change"

We often hear political pundits, in particular, use the term "**sea-change**" to describe a radical transformation.

Like many of the more colourful expressions in our language, this one was coined by **William Shakespeare**. In his 1610 play "The Tempest," the sprite Ariel sings to a young man whose father has drowned: "Full fathom five thy father lies / Of his bones are coral made / Those are pearls that were his eyes / Nothing of him that doth fade / But doth suffer a sea-change / Into something rich and strange."

In this case, the profound change was the transformation of his bones into coral, resulting from long submersion in the sea. Nowadays, "sea-change" is more often used as a corporate buzzword to describe almost any change, however trivial by comparison.





The official word

“**Tweet**,” as it pertains to Twitter and not a bird, is now officially a word – both a noun and a verb – in the *Merriam-Webster Collegiate Dictionary*.

It is one of more than 100 new terms the dictionary has added to its latest update.

Other new entrants include: **helicopter parents** (always hovering); **boomerang child** (they move back home again); **cougar** (the middle-aged woman, not the animal); **robocall** (à la the infamous “Pierre Poutine”); and the ever-popular **fist bump**.

Heard any good paraprosookians lately?

Maybe you don’t know the word “**paraprosookian**,” but you have no doubt heard many examples, and perhaps found them amusing. Often used by comedians and satirists, paraprosookians are figures of speech in which the latter part of a sentence or phrase is surprising or unexpected. Apparently, Winston Churchill, who had a way with words, was very fond of them, reportedly saying of U.K. Prime Minister Clement Atlee: “A modest man, who has much to be modest about.”

A few of our favourites:

- Where there’s a will, there are relatives.
- To steal ideas from one person is plagiarism; to steal from many is research.
- They begin the evening news with “good evening,” then proceed to tell you why it isn’t.
- Change is inevitable, except from a vending machine.
- I used to be indecisive; now I’m not so sure.
- Hospitality: making your guests feel like they’re at home, even if you wish they were.
- Some cause happiness wherever they go; others, whenever they go.

No pay if you pray

Hertz Rent A Car received widespread – and unwanted – publicity when it suspended 34 Muslim shuttle-bus drivers at the Seattle-Tacoma International airport for praying on the job. According to *The Seattle Times*, the employees did not clock out to pray as the company’s new policy stipulated. Drivers were allowed two 10-minute breaks during their work shift when they could pray.

The local teamsters union filed an unfair-labor-practices complaint with the National Labor Relations Board against Hertz, claiming the workers were not properly notified of the change.

We pray – on our own time, of course – that the issue will be resolved to everyone’s satisfaction.



Fly me to the... movies?



While we’ve heard many tales of so-called flying cars, the concept may actually be close to reality if the Transition Street-Legal Airplane lives up to its promise. The production prototype recently completed a successful “pilot” flight in Plattsburgh, N.Y., reaching an altitude of 1400 feet for eight minutes of hang time.

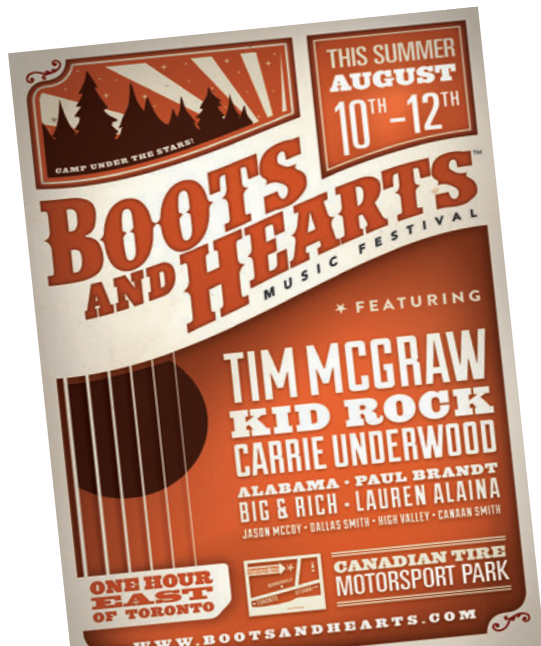
Developed by Massachusetts-based **Terrafugia** (Latin for “escape the earth”), the Transition is a two-seat personal aircraft with folding wings that is capable of driving on roads and highways, parking in a single-car garage, and flying with unleaded automotive fuel. It can reach speeds of about 115 mph in the air and 65 mph on the road.

The Transition is the first combined flying-driving vehicle to receive special exemptions from the National Highway Traffic Safety Administration to use lighter materials without sacrificing safety. The company will continue testing in preparation for its first delivery, expected to occur within the next year.

Terrafugia apparently has more than 100 reservations for the contraption, which is expected to sell for a lofty \$279,000. But those who are counting on it to escape traffic jams are out of luck – it needs a runway to take flight.

Photo credit: Terrafugia

BOYS AND THEIR TOY



When does a racetrack trade tires for tunes?

When it's playing host to **Boots and Hearts**, the largest country music festival ever to be held on Canadian soil.

From **August 10-12**, the iconic Mosport International Raceway in Bowmanville, Ont., recently renamed Canadian Tire Motorsport Park, will be transformed into a world-class concert venue. With more than 20 bands, including Tim McGraw, Carrie Underwood, Alabama, Kid Rock, and Paul Brandt, the festival will feature three full days of music on two stages, as well as tailgate parties, barbecues, and all kinds of activities to entertain fans.

The newly refurbished Park offers 750 acres of manicured grass land and rolling hills for visitors to explore. During the day, they can sample authentic country fare, browse homemade local crafts and much more. For children – those 10 and under are admitted free – there's a kids zone and petting zoo.

Camp out under the stars or stay at one of the local hotels offering discounted rooms and daily shuttle services to and from the site.

For more information and to order tickets, visit www.bootsandhearts.com.

FRANK SAYS...

When Frank came storming into my office the other day, I knew another rant was forthcoming.

This time, the object of his wrath was a familiar one – Ontario Premier Dalton McGuinty and his runaway deficit and provincial debt.

"Yup, the deficit will top \$16 billion this year," sputtered Frank. "Ontario continues to record massive deficits, with no relief in sight until 2018. Meanwhile, our provincial debt is heading to a humungous \$411 billion. And Devious Dalton has accomplished all this in just over eight years!" he said in mock praise.

"And as if that wasn't bad enough, he lied about it too," Frank sneered. "First, the Devious One promised back in 2003 that he wouldn't run deficits and he wouldn't raise taxes without the explicit approval of Ontario voters. Well, how did *that* work out?" he asked sarcastically.

Frank's face was turning alternate shades of red and purple as his harangue intensified. "Then he lied

about the extent of the deficit, pretending he could balance the budget by 2017-18 with a few quick fixes. Well, Don Drummond exposed *that* lie in short order with his report.

"And it's not like he doesn't have plenty of tax revenue," Frank scoffed, "mostly from that Ontario Health Premium that he 'promised' he wouldn't impose in the first place.

"And as for that latest budget," he went on, "that's like plugging the dyke with your finger to keep the red ink from overflowing. Despite the recommendations of the Drummond report, all of his pet projects live on – all-day kindergarten to the tune of \$1.5 billion, smaller class sizes, 10% rebate on electricity bills. On and on it goes. Where it stops, nobody knows."

"Do you think he'll have the guts to follow through on public-sector wage freezes?" I asked dubiously. "Well, I won't hold my breath," Frank responded, by now almost apoplectic with rage.



As Frank Says:

"You can't fix the problem with the same mind that created it."



CALENDAR OF EVENTS

June 3-6

47th Annual CTRF Conference

Roderick Mah Centre,
Mount Royal University, Calgary
Contact: Canadian Transportation
Research Forum
Telephone: 519-421-9701
E-mail: cawoudsma@ctrf.ca
(Carole Ann Woudsma)
Web: www.ctrf.ca

June 4

Toronto Transportation Club Quarter Century Dinner

St. George's Golf & Country Club
Contact: Toronto Transportation Club
Telephone: 416-886-5450
E-mail: sec_treasurer@
torontotransportationclub.com
Web:
www.torontotransportationclub.com

June 6

Central Alberta Best Ball Tournament

Sylvan Lake Golf & Country Club,
Sylvan Lake, Alta.
Contact: Alberta Motor Transport
Association
Telephone: 800-267-1003
E-mail: amtamsc@amta.ca
Web: www.amta.ca

June 7

TTA Annual Golf Tournament

Lionhead Golf Club, Brampton
Contact: Toronto Trucking Association
Telephone: 416-248-6211
E-mail: cburbridge@tta.on.ca
Web: www.torontotrucking.org

June 16

Alberta Professional Truck Driving Championships

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

June 20

Toronto Transportation Club Transportation Night

Palais Royale
Contact: Toronto Transportation Club
Telephone: 416-886-5450
E-mail: sec_treasurer@
torontotransportationclub.com
Web:
www.torontotransportationclub.com

June 20-21

PMTC Annual Conference

King City, 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 22

Hamilton Transportation Club Rock Lobster Fest

Liuna Gardens, Winona, Ont.
Contact: Hamilton Transportation Club
Telephone: 905-549-3777
E-mail:
hamtransportation@cogeco.net
Web:
www.hamiltontransportationclub.com

July 27-29

Fergus Truck Show

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

August 6-11

NAIC 2012

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

August 20

PMTC Ontario Golf Tournament

Etobicoke, 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

August 20-22

AAMVA Annual International Conference

The Westin Charlotte, Charlotte, N.C.
Contact: American Association of Motor
Vehicle Administrators
Telephone: 703-522-4200
E-mail: inquiries@aamva.org
Web: www.aamva.org

August 23

Toronto Transportation Club Power of Education Golf Classic

The Rock Golf Course, Minett, Ont.
Contact: Toronto Transportation Club
Telephone: 416-886-5450
E-mail: sec_treasurer@
torontotransportationclub.com
Web: www.torontotransportationclub.com

August 23-25

Great American Trucking Show

Dallas Convention Center, Texas
Telephone: 1-888-349-4287
E-mail: info@truckshow.com
Web: www.gatsonline.com

September 6

OTA Allied Trades Division 48th Annual Fall Golf Tournament

Blue Springs Golf Club, Acton, Ont.
Contact: Ontario Trucking Association
Telephone: 416-249-7401, ext. 231
E-mail: yvonne.macaulay@ontruck.org
Web: www.ontruck.org

September 16

Toronto Transportation Club Night at the Races

Woodbine Racetrack
Contact: Toronto Transportation Club
Telephone: 416-886-5450
E-mail: sec_treasurer@
torontotransportationclub.com
Web: www.torontotransportationclub.com

September 20-22

TRUXPO 2012

TRADEX, Abbotsford, B.C.
Contact: Master Promotions Ltd.
Telephone: 506-658-0018;
1-888-454-7469
E-mail: info@mpltd.ca
Web: www.masterpromotions.ca

September 20-27

64th IAA Commercial Vehicles

Hannover, Germany
Contact: VDA
Telephone: 49 30 897842-0
Web: www.iaa.de

September 24

Hamilton Transportation Club Golf Tournament

Glencairn Golf Club, Halton Hills, Ont.
Contact: Hamilton Transportation Club
Telephone: 905-549-3777
E-mail: hamtransportation@cogeco.net
Web: www.hamiltontransportationclub.com

September 24-27

CVSA Annual Conference & Exhibition

Holiday Inn by the Bay, Portland, Maine
Contact: Commercial Vehicle
Safety Alliance
Telephone: 301-830-6143
E-mail: cvsahq@cvsa.org
Web: www.cvsa.org/events

September 26

TTA Presentation on Benefits of Natural Gas

TTA office, 555 Dixon Road, Toronto
Contact: Toronto Trucking Association
Telephone: 416-248-6211
E-mail: cburbridge@tta.on.ca
Web: www.torontotrucking.org

Sept. 30-October 3

CSCMP Annual Global Conference

Georgia World Congress Center, Atlanta, Ga.
Contact: Council of Supply Chain
Management Professionals
Telephone: 630-574-0985
E-mail: cscmpadmin@cscmp.org
Web: www.cscmp.org

October 7-10

ATA Management Conference & Exhibition

Mandalay Bay Resort &
Convention Center, Las Vegas
Contact: American Trucking Associations
Telephone: 703-838-1700
E-mail: meetingsteam@trucking.org
Web: www.truckline.com

October 14-17

TAC Annual Conference & Exhibition

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

November 4-6

CITT's Reposition 2012: National Symposium for Supply Chain and Logistics Professionals

Westin Nova Scotian Hotel, Halifax, N.S.
Contact: Jennifer Barry-Traer,
Canadian Institute of Traffic
and Transportation
Telephone: 416-363-5696, ext. 32
E-mail: jbarry@citt.ca
Web: www.citt.ca

November 8-9

OTA Annual Convention

Doubletree – By Hilton – Toronto Airport
Contact: Ontario Trucking Association
Telephone: 416-249-7401, ext. 231
E-mail: yvonne.macaulay@ontruck.org
Web: www.ontruck.org

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