Report on Tansportation Presented By Trailcon Leasing Inc.

PPELINES POISED TO FUEL ECONOMIC GROWTH

EDITION

PITCHING IN Trailcon trailer goes to college

CUSTOMER CONNECTION Duckering's Transport Ltd.: The biggest little carrier

INTERMODAL INSIGHTS Canadian railroads lauded for climate-change action

TRAVEL TIPS The Galapagos Islands: Animal Attraction

BOYS & THEIR TOYS Home sweet motorhome and much more! The long-awaited and much-debated **Keystone XL** oil pipeline took a giant step closer to becoming a reality when the U.S. Senate, under the control of the Republicans since last November's mid-term elections, approved a bipartisan bill for its construction. This marks the first time the Senate has passed a bill authorizing the pipeline. The Republican-controlled U.S. House of Representatives had already passed a similar bill.

"The passage of these bills is a very positive step forward," says Dave Ambrock, regional manager, Western Canada, for Trailcon Leasing. Although U.S. president Barack Obama has vetoed the bill, this is as likely to delay as kill the pipeline deal. ... continued on page 2

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PIPELINES POISED TO FUEL ECONOMIC GROWTH

....continued from the cover

The TransCanada-owned pipeline would create long- and short-term jobs in both Canada and the U.S. It would expand Western Canada's total pipeline capacity by 700,000 barrels per day, according to Eric Newell, chair, Climate Change and Emissions Management Corp. In that case, total Canadian GDP impact would be about another \$633 billion over 25 years.

The pipeline would also "facilitate access to the global markets and the emerging economies in places like China and India, thus allowing more diversity and less dependence on the North American market," says Ambrock. From a strategic standpoint, he adds, the proposed pipeline provides Canada with long-term sustainability in this resource area.

While the Keystone XL project receives by far the most media coverage, there are others in the "pipeline."

The proposed Energy East pipeline project would carry 1.1 million barrels of crude oil per day 4,600 kilometres from Alberta and Saskatchewan to refineries in New Brunswick. According to a Conference Board of Canada analysis, the pipeline would create thousands of jobs and billions of dollars in government tax revenue over the short and long term, adding \$36 billion to the Canadian economy over 20 years.

Meanwhile, Enbridge's Northern Gateway project involves a twin pipeline system running from near Edmonton to a new marine terminal in Kitimat, B.C., to export petroleum. That project represents more than \$300 billion in additional GDP over 30 years, to the benefit of Canadians from every province. At the same time, it will provide access to new markets in the Pacific Rim.

Currently, Alberta oil is transported primarily by rail, which is more expensive than a pipeline. With falling oil prices, that becomes an even more important consideration. "Because transportation by pipeline is much cheaper than rail, our cost is much lower to export, allowing us to sell our product for less, and thus be more competitive on the world market," notes Ambrock.

Safer system

There has been a great deal of discussion – and disagreement – about the environmental safety of the proposed pipelines. And while there is certainly risk with any engineering project, the U.S. Department of Transportation has stated that pipelines are the safest method of moving oil.

The pipeline system is monitored 24/7. If a drop in pressure is detected, TransCanada can isolate any section of the pipeline within minutes by remotely closing valves on the system. As Ambrock notes, "if there is a spill – and this is always a possibility – the containment capabilities and the ability to shut down upstream very quickly are far safer than a derailment spill or having a leak five miles down on the ocean floor."

Pipeline pointers

What is the Keystone XL Pipeline?

It's a proposed 1,897-kilometre 36-inch-diameter crude oil pipeline beginning in Hardisty, Alta., and extending south to Steele City, Neb.

How much oil does it transport?

It has the capacity to transport 830,000 barrels per day of crude oil from Canada and the continental United States to refineries in the American Midwest and along the Gulf Coast.

How would it be built?

The bottom of the pipe would be 1.2 metres below ground, and up to 7.6 metres below any river bottoms.

Isn't there already a Keystone pipeline?

Yes. The Keystone Pipeline System consists of four phases. The first three phases, which transport oil from Alberta to Illinois, Oklahoma, and the Gulf Coast, respectively, are already in operation. Keystone XL would be the fourth and final phase.

A MOVING TARGFT

By Alan Boughton, President, Trailcon Leasing Inc.

We have a saying at **Trailcon** that we don't know where we're going if we don't know where we are or where we've been. Sounds a little hokey, but with the dramatic announcement on January 15 of the exit of Target from Canada, it forces many of us that were major suppliers to this U.S. retailer to stop and assess where the retail sector is heading and how Trailcon can best serve this moving target, no pun intended.

I believe two of our major strengths at Trailcon are a very experienced staff, and our practice of sharing company, customer, supplier, and market information every Tuesday morning with the 14 senior branch, sales, and department managers. These meetings last 90 minutes, and we have a "no-holds-barred" approach to all aspects of the business and the market. This was exactly what we did three years ago as we pursued Target upon its entry into the Canadian market.

Over the course of many meetings, phone calls, and e-mails, it became clear that Target would split its trailer requirements between

The sudden departure

of Target was the

most abrupt ending

I have witnessed in

Canadian retail.

two vendors. The GTA business would be 200-plus dry vans, while the Cornwall and Calgary distribution centres would utilize heated vans. Our team was led by Mike Krell, but he reached out

to the rest of us for guidance on what opportunity best suited Trailcon for today as well as tomorrow. My 40 years of trailer-leasing experience told me to tailor our presentation in such a way that would make us the preferred vendor for the GTA portion and all the dry-freight vans. The specification on these units was a perfect fit for our fleet, and, in the event that the lease was not renewed after 24 months, Trailcon would have the returned equipment, which was ideally suited to our current and future customer base. We

certainly never envisioned Target failing so miserably and so quickly in the Canadian market. However, having watched what has happened in the past in retail, including the demise of Eaton's, K-Mart, Simpson-Sears, Zellers and Woolco, our approach made sense to me and all the Trailcon sales team, including the junior members who had never even heard of companies such as Eaton's. Discussing the Target opportunity allowed me to tell our group about retailers that had not

> only existed, but that had once dominated the Canadian market and were now defunct.

> The sudden departure of Target was the most abrupt ending I have witnessed in Canadian retail, although the departure of Zellers

and the rapid entry into Canada of Walmart were also game-changing events for the retail sector, as well as the trailer providers to those companies.

In 2015, Trailcon will move to our new head office and GTA rental, lease, and service facility. It will have four times as much land and a 311% increase in office and parts area, as well as leading-edge improvements in our systems and service facilities. Our current location cost just over \$1 million to build in 1995-96, while our new facility, including land and building, will be over \$20 million.

Editorial

Considering that Jim Wilson and I are both over 60 years old, why are we taking the next giant step with our new home? We didn't make the decision without substantial input from the Trailcon team, as well as from our valued customers, who told us they loved what we did today but wanted to know what plans we had to better serve them tomorrow. The status quo was not an option, as the growth and demands of our existing customer base would mean a slow and painful death for Trailcon unless we stepped up for what the market will demand from us tomorrow, a lesson learned from retailers now departed.

Although Trailcon's managers pale in quantity to those of Target, we celebrate 23 years since we opened our doors in Canada, while Target lasted just 22 months. Target's team didn't understand the past failures or successes of retailers in Canada; certainly underestimated the strength of Walmart, Canadian Tire, and others as they stumbled with their entry; and had no plan to alter their marketing strategy in the event that their success was not immediate.

The failure of Target didn't teach us a lesson; it just reinforced to all of us at Trailcon that planning for tomorrow requires a very clear understanding of how we got to where we are from where we started so many years ago!

Students in two Mohawk College appren-Cosco. "So by having this trailer that has an ticeship programs - truck-trailer service up-to-date working refrigeration unit and technician, and truck and coach technician all the things that are on trailers that we see today, that's exactly what we're after." - now have a new opportunity for hands-on learning, thanks to Trailcon Leasing's re-The College's truck and coach program cent donation of a 53-foot refrigerated unit. for a 310T Certificate of Apprenticeship, The Hamilton-based College is using the which also includes a trailer component, trailer to train students on ABS, air brake, comprises 720 hours of learning divided wheel-off service, panels, reefer units into three levels over a three-year period; "we're using every component of it," says

PITCHING

Trailcon trailer goes to college

Angelo Cosco, professor, motive power. "We say here at Mohawk College that we want to make sure that our apprentices and our students are always future ready, so that when they leave here, they can basically take on any challenges that they may encounter as they go into the workforce," says

and the 310J Certificate, for truck-trailer service technician, entails 480 hours of class over two years. Because they are apprenticeship programs, students have the opportunity to work between or during courses.

There are approximately 20 students in each of the two levels of the truck-trailer



The 53-foot refrigerated trailer that Trailcon Leasing donated to Mohawk College.

Понашк

program, and over 150 annually in the truck and coach - and growing. Over the five years that the apprenticeships have been offered, "we're seeing an increase in enrollment, because we're starting to use industry to help us promote the program within the school system," says Cosco. "Because we're trying to show the students that there are other options and excellent career opportunities, we definitely are starting to see the youth of today choosing the trucking industry." Whereas the high schools previously focused mainly on automotive, he adds, "now we're able to get these kids exposed to the trucking and truck-trailer industry so that they're making that as their first choice."

And not a moment too soon. After all, the average truck mechanic is 50 years old. "We need to start looking now for our future techs," says Cosco.

A donation like Trailcon's not only helps the College, but also puts the company in the forefront in a competitive hiring market, says Cosco. "It puts a name to some of the corporations in the industry that are supporting and looking for future talent."

"Trailcon Leasing is a huge supporter of this program, and will continue to support it in years to come, as well as other initiatives to attract young people to the industry, such as the Ontario Trucking Association's Next Generation program and the Toronto Transportation Club's Scholarship Fund," says Mike Krell, vice president, sales and marketing, for Trailcon Leasing.

CUSTOMECTION Duckering's Transport Ltd. The biggest little carrier

Alberta-based **Duckering's Transport**, a third-generation family-owned business, offers its customers the best of both worlds – the size and infrastructure to provide the reporting and coverage found in larger organizations, and the personalized service and access to decision-makers often associated with smaller firms.

"We're striving to be the biggest little carrier," explains president and CEO Dan Duckering, whose grandfather, Clarence, founded Duckering's in 1971. "I think that's where we really stand out. We can change our system to accommodate our customers' needs so we can partner with them on their service requirements."

The company, which Dan runs with his brother Dave, chief operations officer, as well as business partner and CFO Ian Littlefair, has a fleet of about 60 tractors and 150 trailers, as well as a number of owner-operators, to offer truckload and less-than-truckload service throughout

Alberta. It has come a long way – both literally and figuratively – from its origins back in 1957 as Midget Delivery, which Clarence operated with three open-box trucks.

But what has not changed is the company's commitment to customer service and its dogged determination to find a way to get the job done. "We recognize that we stand on

the shoulders of giants, and that the road we are on was paved through their blood, sweat and tears," says Dan. "The task for us is simply to continue to live up to the standard of excellence while serving a much broader market, so our customers of today can enjoy the same responsive service of yesterday."



As the company evolved, it expanded its coverage to nearly 500 destinations direct throughout Alberta, while continually upgrading its software and equipment. Its family-oriented culture encourages input

> from employees, whose average tenure is 7.5 years – no easy feat in job-rich Alberta. For example, based on employee suggestions, the carrier launched two new services in 2014 – Dedicated Deck Division, which provides customers with a dedicated driver and trailer; and Same Day Service from Edmonton into Calgary.

To facilitate its province-wide coverage,

Duckering's has full-service terminals in Edmonton, Red Deer, and Calgary, and smaller facilities in Brooks, Medicine Hat, and Fort McMurray. It chooses not to specialize in any particular industry, preferring to diversify its customer base to guard against market fluctuations and, more recently, falling oil prices. "We're trying to counteract anything that might happen by proactively looking at our opportunities for new services, or intentionally pursuing some customers that fit well," Dan explains.

When **Trailcon Leasing** opened its branch in Edmonton in 2008, Duckering's became its first customer. "We proudly bear the account EDM01," says Dan. The carrier now leases several dry vans from Trailcon, and calls upon it when extra equipment on short term is required. "So we use them a lot for our rentals."

When Dave Ambrock, Trailcon's regional manager, western Canada, initially called on Duckering's, Dan told him he would give Trailcon an opportunity if his current vendor ever couldn't meet his needs. No sooner had Ambrock left the office when Dan discovered that Duckering's desperately needed a trailer. He called Ambrock, who offered to meet him immediately at Trailcon's yard and set him up with a trailer. "So at that time," Dan recalls, "I recognized that he was adaptive to what we needed. He was responsive, and it really fit the culture of our company. We've been happy to work with Trailcon ever since."



President and CEO Dan Duckering

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TECTALK

Keeping the pressure up – or down

Submitted by Hendrickson Canada

Tires are the second biggest expense for fleets, after fuel. The number one cause of tire wear is improper inflation, be it under-inflation, over-inflation, or mismatched pressure in dual tires. For the last decade, tire-inflation systems have done a very good job at dealing with under-inflation. Unfortunately, this has not only led to an increase in over-inflation issues, but has not addressed the problems created by mismatched tire pressures.

An inflate-only system will inflate tires to the set pressure, regardless of ambient temperature. Since pressure is proportional to temperature, a trailer going from a warm environment to a colder one will experience a tire-pressure drop. As the pressure drops, the tire-inflation system will compensate by maintaining the target pressure. However, once the trailer is back to its original climate, there is no way of bringing the pressure back down, leading to over-inflated tires.

According to Bridgestone, a 5-PSI difference in dual-tire pressure will cause the tire with the lower pressure to be dragged for 5/16" per revolution. That adds up to 246 miles per 100,000 miles driven. Current inflate-only systems cannot address this issue.

This brings us to TIREMAAX[®] PRO, the industry's only system that monitors and fully controls tire pressures. PRO will not only inflate tires to a set target pressure, but will also relieve them once the pressure exceeds a certain threshold. In addition, specially designed integrated hub caps



ensure that dual tires are maintained at the same pressure, eliminating tire-pressure mismatch. The system is completely mechanical for easier maintenance.

As the trailer is running down the road, PRO will monitor the tire pressures and adjust them as needed. Should the pressure drop because of a leak, a light will warn the driver as the system tries to maintain tire pressure. In most cases, the driver can make it to a repair facility and avoid a costly road call. Should the leak be such that PRO cannot keep up (such as a blowout), the remaining tires are isolated to prevent further damage.

According to **Matt Wilson**, controls business unit director for **Hendrickson Trailer Commercial Vehicle Systems**, TIREMAAX[®] PRO pays for itself, and more. Labor savings can be achieved, since drivers do not have to conduct daily, manual tire checks, which can take an operator 30

Why TIREMAAX® PRO?

- Adjusts tire pressure both up and down as required.
- Saves fuel by eliminating rolling resistance from under-inflated tires.
- Saves labour, as drivers don't have to do daily manual checks.
- Extends tire life by minimizing uneven wear.

▲ TIREMAAX[®] PRO is the only tire pressure control system designed to allow air to flow in both directions – to and from tires.

minutes per rig. The Technology & Maintenance Council (TMC) *Recommended Practice 235 – Guidelines for Tire Inflation Pressure Maintenance* states that "most tire companies recommend that tires be checked for correct pressure once a week." One of the benefits of TIREMAAX[®] PRO is that these weekly, manual tire checks are supplemented by the continuous monitoring of tire pressure. With TIREMAAX[®] PRO, the driver is notified of low tire pressure almost immediately.

Fuel is another area in which the TIRE-MAAX[®] PRO generates savings. It reduces fuel consumption by eliminating rolling resistance from under-inflated tires. Finally, proper tire inflation helps minimize uneven wear and premature fatigue of the steel cords, extending tire life. Ultimately, this could save one road call per tractor-trailer each year. Hendrickson has a TIREMAAX ROI Calculator available on our website to help decision-makers calculate the impact that TIREMAAX[®] PRO has on their bottom line. Visit: www.hendrickson-intl.com/ truthabouttires.

TECH TALK

MTO further revises National Safety Code

In October 2014, the **Ontario Ministry of Transportation** (MTO) made amendments to the regulations under the Highway Traffic Act related to vehicle inspections under the recently updated National Safety Code (NSC) Standard 11, Part B, of its Periodic Commercial Motor Vehicle Inspections (PCMVI) program. This Standard, which outlines maintenance and periodic inspections, applies to the mandated Annual and Safety Standard Certificate (SSC) issued at a registered MTO Motor Vehicle Inspection Station (MVIS).

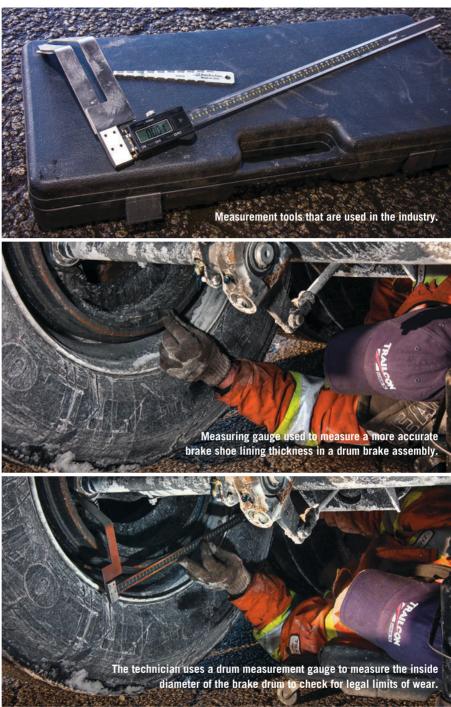
Effective January 2015, technicians must perform additional inspection procedures as specified under the 2014 updated NSC-11B Standard.

In the case of trailers, the new revisions affect wheel-end inspections. For example, for air brakes, inspecting technicians must now measure and record rotor and brakepad thickness; for drum brakes, they must measure and record the inside diameter of the drums and the thickness of the brakeshoe lining. A drum brake system with rigid backing plate will require the removal of the brake drum in order to measure the drums and brake lining components.

The new Standard builds on the previous version introduced in 2011. And that Standard replaced the one originally developed in 2006 by the Canadian Council of Motor Transport Administrators (CCMTA). While Ontario already had its own regulations, the 2011 National Standard encompassed all the provinces and territories, making inspection criteria the same across the country.

MTO is providing an educational period until December 31, 2015 to assist Motor Vehicle Inspection Stations, Commercial Vehicle Operator, in complying with the 2014 NSC-11B Standard. The Ontario Trucking Association is also in the process of publishing an updated version of its "Practical Safety Inspection Technician Handbook – Truck and Trailer."

Trailcon Leasing has already trained its mechanics to the new NSC-11B Standard, and has revised its electronic data trailer inspection report, displayed on the inspecting technician's handheld computer



tablet, says Mick Crowe, national accounts customer service manager.

While the additional inspections are more labour-intensive and costly to perform, they will not only improve safety, but also offer other advantages. "There are additional benefits to documenting measured usage of wearable components into the vehicle maintenance file, such as operational risk management, demonstration of due diligence, and the ability to react to abnormal wear patterns," says Vic Wintjes, owner of VW Transcon Services, who has trained some of the Trailcon Leasing mechanics on the revised standards. "That will improve equipment efficiency and life cycle on vehicle wearable components due to all the wheels in the assembly sharing the load in a more balanced system."

For a free download of the NSC-11B inspection standards, visit: **www.ccmta.ca**.

RESOURCES: National Safety Code standards 11 update 2014.



The Galapagos Islands Animal Attraction

By Sally Praskey

When my telephone rang one fall evening a few years ago, I was pleasantly surprised to hear the voice of my high-school friend Kelly. "I have a travel agent who can get us a good rate from G Adventures for a 10-day trip to the Galapagos if we book right away," she said. "Are you in?" Although I don't normally make decisions of that magnitude spontaneously, this was an exception. I immediately replied, "YES!"

And that was how I came to realize a longtime dream of travelling to the Galapagos Islands. Kelly and I met up in Quito, Ecuador, just four months later – she travelling from Canada's west coast and I from the east – to begin our adventure.

After a day of exploring the vibrant city of Quito, including the historic old town and a mountaintop cable ride, we boarded a jet for the 1,000-kilometre journey across the Pacific Ocean to the island of San Cristobal, where we would embark on our eight-day catamaran cruise. But before we weighed anchor, our tour guide whisked us off to a breeding centre for the giant Galapagos tortoises from which the archipelago derives

its name. There we could see the iconic creatures in various stages of growth, from tiny pet-shop-sized specimens with tracking numbers on their shells, to 500-pound adults.

As our bus pulled into the harbour where our motorized catamaran awaited, we gaped in awe at the hordes of sea lions sprawled out on many of the sailboats anchored there. But that was just a taste of what was to come!

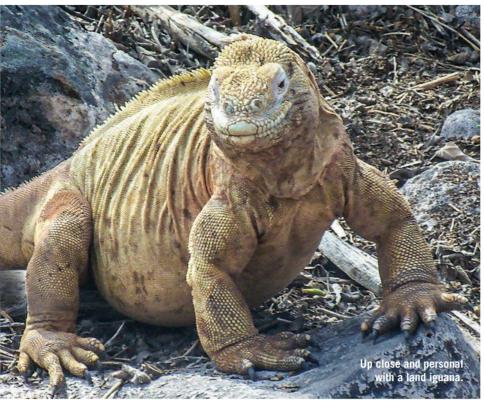
We had chosen Toronto-based G Adventures travel company in part for its small-capacity vessels, reasoning it would take less time to board the Zodiac inflatable boats that would ferry us to our destinations each day. Our catamaran, the well-appointed Queen of A Galapagos tortoise in natural surroundings in the highlands of Santa Cruz Island.

the Galapagos, held a maximum of just 16 passengers. The rooms, all on the second level, were comfortable and serviceable. Our group of 15 comprised couples and singles – most from the Vancouver area, but also Denmark, Chicago, and Panama – all of whom shared an interest in eco-

tourism. Some were experienced sailors, but the rest of us relied on a transdermal ear patch to stave off seasickness.

Despite the fact that the Galapagos archipelago is situated on the equator, the climate is moderated by the Humboldt Current. Therefore, temperatures in the warmest season range from 22 to 33 degrees C, while the water temperature hovers around the mid-20s C. Wet suits recommended for snorkeling!

Because most of the area is a national park, visitors must be accompanied by a certified guide. No camping is permitted. Therefore, we ate all our meals on board, quickly settling into a routine of breakfast at 7:00 a.m., followed by a hike and snorkeling. Then it



In all, we visited seven islands, each with unique vegetation and fauna. While space doesn't permit me to name all the wildlife we saw each day, there were many highlights beyond the tortoises and sea lions: the bluefooted, red-footed, and masked booby birds, the latter nesting with their babies; yellow land iguanas; Sally Lightfoot crabs, with their distinctive yellow and orange shells; marine iguanas, found only in the Galapagos; sea turtles; pelicans with nesting babies; male black frigate birds, with a red gular pouch that inflates like a balloon during breeding season; manta rays; fur seals; tiny Galapagos penguins, the only species of that bird that can survive in the tropics; and much more.

This tour is not for the cossetted and coddled; while the hikes were not demanding physically, they did at times require a degree of sure-footedness. Our guide did not baby us, forging ahead and expecting us to follow at a reasonable pace. One rainy day, we were up to our ankles in red mud (I thought my new sneakers were ruined, but the crew



cleaned them up as good as new!) while he ploughed on, seemingly oblivious to our plight.

But I wouldn't have had it any other way. Climb those steep stone steps to see masked booby birds nesting with their babies right at our feet? OK! Forge that rushing stream to view the teeming masses of marine iguanas? Of course! Slog

was back to the boat for lunch and a rest period, followed by more hiking and snorkeling in the afternoon. Not being an avid snorkeler, I and some fellow landlubbers skipped some of those outings in favour of relaxing on deck, walking the beach, or convincing a crew member to take us exploring in the Zodiac. After "happy hour" (drinks cost extra) and dinner – the food was invariably excellent, with plenty of fresh local fruits and vegetables – and a brief talk from our guide about what we would see the next day, most of us headed off to bed to rest up for another full day. If you're looking to party at night, this is not the trip for you! Ditto if you're permanently attached to your smartphone – Internet is not an option!

The sighting of so many species of animals at close range was everything I had hoped for, and more. On the island of Santa Fe, for example, we literally had to step around the sea lions lounging on the beach (touching them is not permitted), including babies awaiting their mothers' return from foraging in the ocean. Sadly, we learned that the mortality rate for the Galapagos sea lions is high, due to predators and changes in the water temperature. through the mud to see a passel of pink flamingos? Sure thing! Negotiate the jagged rocks of a lava field for a breathtaking view of the volcanic tower rising out of the water? Be right there! Well, eventually.

On Santa Cruz, our last stop and the most populated island, we visited the Charles Darwin Research Station, dedicated to preserving the archipelago's ecosystem. It was in the Galapagos Islands that Darwin formulated his theory of evolution by natural selection, after observing how various species had adapted to their specific environments. At the Research Station, we saw, yes, more tortoises, of several varieties – you never tire of them! A final trip to a coffee plantation to see yet more tortoises – this time, up close in their natural habitat in the highlands – capped off a perfect trip. A few hours remained to shop in the village of Puerto Ayora. I returned home with several bags of Galapagos organic coffee beans, and a lifetime of precious memories.

Sally Praskey is the writer/editor of Trailcon Leasing's "Report on Transportation."

INDUSTRY Notes



OTA praises mandatory entry-level driver training

With Transportation Minister Steven Del Duca's decision to introduce mandatory entry-level training (MELT) for truck drivers seeking to become licensed in Ontario, that province has become the first jurisdiction in North America to make such a commitment.

The Canadian Trucking Alliance's (CTA) Blue Ribbon Task Force (BRTF) on Truck Driver Shortage made entry-level training one of the central recommendations in its seminal report back in 2011, while the Conference Board of Canada raised the issue in its examinations of the reasons behind the driver shortage.

"It may initially seem counter-intuitive to some that the industry would be seeking to raise the bar at the same time that it's facing a chronic driver shortage," says David Bradley, president and CEO of the Ontario Trucking Association. "But the fact is the BRTF concluded that until such a time as the driving occupation is deemed to be a skilled occupation, the industry will continue to miss out on all those people – and their parents and guidance counsellors – who for the first time are suggesting 'the trades' as a ticket to a bona fide career."

The Truck Training Schools Association of Ontario has thrown its support behind the initiative, while the federal department of employment and social development is currently providing funding, along with CTA, to a project being administered by Trucking HR Canada that is laying the foundation for MELT through a truly industry-developed National Occupational Standard, says Bradley.

While there is still much work to do, in Ontario and across Canada, he adds, "the industry has a glorious opportunity."

Remembering Ivan Service

The industry mourns the death late last year of Ivan Service, of Atripco Delivery Service and a former board member of the Ontario Trucking Association. Service passed away peacefully in his sleep at the age of 92.

Service is fondly remembered as Trailcon Leasing's first customer, back in 1992. "I will never forget Ivan's contribution to the success of Trailcon Leasing, as the very first trailers ever ordered at Trailcon were from him on October 29, 1992, only three days after we started business," recalls president Alan Boughton.

"Ivan will be missed by many as a big part of the Ontario Trucking Association," says Boughton. "I particularly enjoyed the time I spent working with him on the Membership Development Committee. Ivan was a true gentleman, an all-around great guy, and an industry leader."

Ontario to allow extended-length tractors on B-trains

Starting this year, the Ontario Ministry of Transportation will issue individual and fleet permits for extended-tractor B-train double trailer configurations.

The amendment to the Highway Traffic Act will extend the maximum overall length of the popular B-train tractor double trailer combination from 25 to 27.5 metres in order to accommodate a tractor with a longer wheelbase. This will allow more comfortable sleeper berths for drivers, animal strike guards (moose bumpers), and technologies such as auxiliary power units in order to meet more stringent air-quality and greenhouse-gas (GHG) reduction standards, says the Ontario Trucking Association (OTA).

The change does not allow for any increase in cubic carrying capacity, as the box length (the distance between the front of the first trailer and the back of the second trailer) will remain at the current standard of no more than 20 metres.

Ontario is the first Canadian jurisdiction to introduce this amendment, which is part of a recent set of changes to the national Memorandum of Understanding on Heavy Truck Weights and Dimensions agreed to at a meeting of the Council of Ministers Responsible for Transportation and Highway Safety last fall.

Last summer, Ontario also became the first province to allow full-length trailer tails, aerodynamic devices that improve fuel efficiency and reduce GHG emissions. In December 2013, Transport Canada amended the Motor Vehicle Safety Act to allow the use of boat tail devices up to five feet long on Canadian highways. Each province still has to modify its own regulations to allow them, but most have agreed to do so.

These amendments are part of what OTA president and CEO David Bradley calls "an impressive list of positive decisions by [Ontario] Transportation Minister Steven Del Duca that will contribute to improved safety, environmental sustainability, and productivity." During his relatively short term as minister, Del Duca has announced his intention to move forward with mandatory entry-level training for truck drivers; set in motion the plan to bring unplated heavy trucks into the Ontario registration and fuel tax system; expanded LCV operations in Ontario to 12 months a year; introduced "deferred enforcement" to allow for the introduction of full boat-tails in Ontario; and paved the way for extended B-train lengths, says Bradley.

Survey: "Fun" times in trucking again

Thanks to rising freight volumes and more stable rate growth, carriers are optimistic about this year, according to the latest Transport Capital Partners (TCP) business expectations survey.

"While still off its peak of 92% in February 2011, carrier confidence that volumes will increase over the following 12 months has risen from a low of 45% to 76%," noted TCP partners Richard Mikes and Lana Batts, authors of the report.

When asked if trucking "was starting to be fun again," just over 55% of trucking company executives answered "some days,"



while one-third responded with a resounding "Yes!" Eighty-six percent of carriers expect rates to increase over the next 12 months, continuing a trend started in November

2012. The percentage of carriers who experienced rate increases jumped almost 50%.

The Ontario Trucking Association's (OTA) fourth quarter 2014 survey of business conditions revealed a similar buoyancy among carriers. "As 2014 comes to a close, there is clearly a sustained level of optimism in the air, and the post-recessionary skepticism that hovered for years over the industry is in the rearview mirror for most carriers," says the OTA.

Driver shortage prevails as the top concern for carriers (55%), followed by capacity/rates (21%). Only 18% stated that the economy was their number one reason for alarm, nearly half as many (30%) who were most worried about the economy at the end of 2013. Despite better rates of return, carriers remain cautious about the amount of capacity they intend to add, says TCP. Forty percent indicated they planned to add 1-5% over the next 12 months, while 25% expected to add 6-10%. About a quarter of carriers intended to add no capacity.

Canada Cartage joins the acquisitions party

Canada Cartage became one of the latest industry players to enter the acquisition fray with its purchase of Mississauga-based Vanguard Global Services Inc., a third-party logistics firm that has been providing customized supply-chain solutions to Canadian and U.S. companies since 1999.

With the purchase, Canada Cartage can now deliver national fleet outsourcing, warehousing, and distribution through Vanguard's Direct Distribution Centres division, and complete third-party transportation management in both Canada and the U.S.

"We are very excited about adding the expertise and experience of the Vanguard management team and staff to Canada Cartage," says Jeff Lindsay, president and CEO of Canada Cartage. "Vanguard is a very successful and innovative company in the transportation management space, and

INDUSTRY NOTES

they will allow us to bring a complete logistics solution to our customers."

Most recently, Canada Cartage announced the acquisition of D.J. Knoll Transport Ltd., White City, Sask., an asset-based transportation provider.

In a similar vein, Mullen Group Ltd., Okotoks, Alta., completed the acquisition of Manitoba-based Gardewine Group Limited Partnership. Founded in 1952, Gardewine provides regional less-than-truckload, truckload, and specialized truckload services primarily in Manitoba and Ontario, and is one of the largest privately owned transportation carriers in Canada. Gardewine will operate as a wholly-owned subsidiary of Mullen Group.

Mullen Group Ltd. provides a wide range of specialized transportation and related services to the oil and natural-gas industry in Western Canada, and is a leading supplier of trucking and logistics services in Canada.

Also, Toronto-based Wheels Group Inc., a leading North American third-party logistics provider, has agreed to be acquired by U.S.-based Radiant Logistics, Inc. The deal is expected to close in the second quarter of this year. Radiant is a non-asset-based transportation and logistics company providing domestic and international freight forwarding services across North America.

Alta., B.C. to serve as test sites for CV technology

dmonton and Vancouver have been chosen as the locations for the ACTIVE AURORA project, a unique and innovative initiative to advance Connected
Vehicle (CV) technology.

The three-year, \$3.66-million project – a first for Canada – is a unique partnership among the University of Alberta, University of British Columbia, three levels of govern-

ment (Transport Canada, Alberta Transportation and the City of Edmonton), and industry. Jointly, the universities will collect and analyze data that will lead to improved traffic safety and efficiency for travelers, transport companies, and other users of the Asia-Pacific Gateway.

Connected vehicles use wireless mobile devices that are present in a car or truck to exchange information in real time with road-side equipment like traffic lights or message signs,



and with other vehicles. For example, researchers will be able to test systems that would let a driver know that a collision has happened up ahead, or that traffic is slowing after the next exit, which could be used to improve traffic flow as well as safety.

"This technology holds great potential to make our roads and highways safer and more efficient – further supporting our strong economy by getting Alberta's goods to markets across Canada and in the United States," says Wayne Drysdale, Alberta Minister of Transportation. "Being at the forefront of innovation helps us maintain a high quality of life and a healthy environment for all Albertans as we strive to meet growing urban and regional transportation needs."

INTERMOSIGHTSAL



Intermodal loadings continue steady rise

Intermodal freight loadings continue to climb steadily; for the week ending March 7, Canadian railroads reported 58,622 intermodal units, up 14.1% from the same period the year before, according to the Association of American Railroads.

Loadings rose 12.8% to 173,000 units in December 2014 from the same month a year previous, says Statistics Canada. The gain stemmed primarily from an increase in containerized cargo shipments. From a tonnage perspective, traffic grew 13.7% to 2.6 million tonnes.

The December total is also an increase of 5,000 units from 168,000 in November 2014.

Panama Canal expansion close to completion

With the transfer in December of the last of 16 gates to the Panama Canal, the multiyear expansion project is 85% complete. The new locks will have 16 rolling gates – eight in the Pacific and eight in the Atlantic. The gates have been arriving in staggered shipments since August 2013, but all will be in the locks ready for installation during the next couple of months. The tallest of the gates is 33.04 metres high, the equivalent of an 11-storey building.

The first tests of the new locks are expected to occur near the end of this year to be ready for commercial transits in the first quarter of 2016.

The expansion, which began in 2007, entails the construction of a third lane of traffic, allowing the passage of larger vessels. That will double the Canal's capacity and have a major impact on world maritime trade.

PMV adopts new regs for container trucking

The Government of Canada has amended regulations to help the Province of British Columbia and Port Metro Vancouver (PMV) bring further efficiency and stability to container trucking at the Port.

The amendments support new provincial legislation by requiring container trucking companies to have provincial licenses to access PMV. This follows the model for the container trucking industry the federal government unveiled in October.

The new program is a combination of higher participation charges, enhanced truck age requirements aligned with PMV's current environmental standards, an expanded provincial audit and oversight framework, improved tracking and measurement of Port efficiency, and trucking company sponsorship of owner-operator drivers.

The increased participation charges will be used to fund the system on a costrecovery basis, to reduce the number of trucking companies from over 150 that currently serve the Port and to ensure drivers are protected from rampant undercutting that has created widespread discontent.

Other changes planned or already implemented include extended terminal hours, wait-time payments to drivers, a robust reservation system, and GPS monitoring of all truck movements.

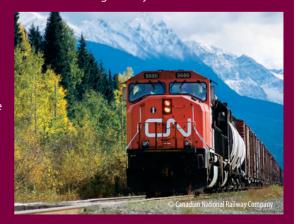
The local trucking industry moves approximately 1.3 million TEUs (20-foot equivalent units) per year through PMV.

Canadian railroads lauded for climate-change actions

n international organization has recognized both major Canadian railroads for their actions on climate change.

CN has been awarded a position on "The A List: The CDP Climate Performance Leadership Index 2014" in recognition of its action to reduce carbon emissions and mitigate the business risks of climate change. This marks the sixth consecutive year that the railroad has earned a position of leadership for its climate performance. Canadian Pacific Railway Limited has also been recognized by CDP as a leader for

the depth and quality of climate-change data it has disclosed to investors and the global marketplace. The railway has been awarded a position on the Canadian Disclosure Leadership Index in the "2014 Canada Climate Change Report." CP scored 95 out of 100, indicating the provision of robust climate data upon which decisions that will promote low-carbon economies can be made.



The Index presents 187 listed companies identified as demonstrating a superior approach to climate-change mitigation. CDP is an international non-governmental organization that drives sustainable economies at the request of investors who represent more than one-third of the world's invested capital.

FOR YOUR INFORTE

Word Watch

Robot

Cience-fiction writer Isaac Asimov may have popularized "robots" in his works, but he didn't invent the word.

It first appeared in English in 1922, in a translation of the 1920 play "R.U.R. (Rossum's Universal Robots)" by Czech writer Karel Čapek, originally staged in 1920. Čapek's robots were artificial humans with limited intellects.

Čapek credited his brother, Josef, with coining the word "robots." It derives from the common Czech word "robota," meaning "forced labour" or "drudgery," from the European system of serfdom by which a tenant's rent was paid for in forced labour or service.

R.U.R. tells the story of a company using the latest biology, chemistry and physiology to mass-produce workers who "lack nothing but a soul." Audiences loved the play across Europe and the United States, but ironically, it was Karel Čapek's least favourite work.



Sources: www.dictionary.reference.com, www.sciencefriday.com, www.word-detective.com

MVA on the 401 – send in the drones

Not just the exclusive domain of hobbyists and real-estate agents, drones have found a niche in law enforcement. Police officers are now using what they call UAVs, for "unmanned aerial vehicles," to help clear motor vehicle accident scenes.

According to an article in *The Toronto Star*, the Ontario Provincial Police and the Halton Regional Police have purchased the drones from Waterloo-based company Aeryon for use by the highway safety division.

They are used to map the accident scene by taking aerial images, reducing the time it would normally take by 45 minutes to an hour on average. With an estimated cost to the economy of \$600,000 for a one-hour highway closure in the GTA, the sky's the limit for drones.

This book's a real stinker

Looking for some provocative reading material? Herewith, the nominees for The Bookseller's annual Diagram Prize for Oddest Book Title of the Year.

And the winner is: *How to Poo on a Date: The Lovers' Guide to Toilet Etiquette*, which narrowly defeated worthy opponents *Are Trout South African?* and *The Origin of Feces.* (Are we sensing a theme here?)

Others making the shortlist: *Working Class Cats: The Bodega Cats of New York City; Pie-ography: Where Pie Meets Biography;* and *How to Pray When You're Pissed at God.*

"The public have chosen wisely," says Horace Bent of The Bookseller. "Not only have they picked a title that truly captures the spirit of the prize; they have selected a manual that can help one through life's more challenging and delicate moments."

Site-seeing www.ThisIsWhyImBroke.com

Who knew there were so many unique items on which to waste your hard-earned cash?

You just *know* you need that colour-changing shower head for a psychedelic bathing experience. Or how about a water jet pack for a cool \$68,500? Or maybe a Harry Potter-style magic wand remote control for a modest \$89.99?

This site, which dubs itself "The Internet's Mall," divides its products into categories: Popularity, Newest, Price Range, Giveaways, and Gifts under \$20. It's fascinating to browse through the quirky offerings, even if you really don't need a toilet bowl coffee mug or a unicorn mask. We must confess, however, to a hankering for the coffee table aquarium. At a bargain \$660.20, we're going for broke!



BOYS AND TOYS

Home sweet motorhome

When **Mick Crowe** and his wife **Barbara** go on a trip, they take everything *AND* the kitchen sink. After all, their 2005 Holiday

Rambler Ambassador RV is truly a home away from home. "It's like a mini-apartment," says Crowe, who is **Trailcon Leasing's** national accounts customer service manager. "It has two bathrooms, two TVs, a satellite dish – you don't want for anything."

The couple bought the 40-

foot diesel pusher motorhome last year, and brought it, with their Jeep in tow, to Largo, Fla., for the first time this winter. Barb





he explains.

Mick Crowe in his RV with his dog Angus.

is spending the winter months there, while Mick travels back and forth as his schedule permits. "This is kind of a semiretirement thing we're looking at doing,"

The Crowes intend to bring the motor-

home back from Florida in late April. With a son in North Bay and five grandchildren, they plan to use it for summer travel as well.

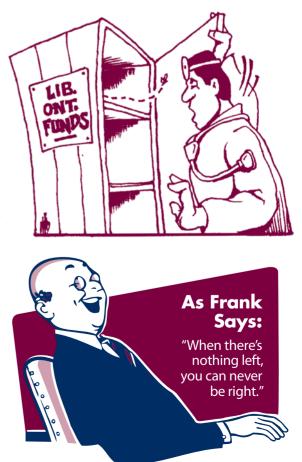
Mick advises anyone contemplating the purchase of an RV to "be handy." He adds that "it's just like being at home, so there's always something to do. You're always tinkering with it." He recommends would-be RVers to "take your time, be comfortable, and maintain it so you don't break down."

FRANK SAYS...

ran into Frank at the airport in January, and a couple of minutes into our conversation, I could see he was trying to steer me to his hot topic of the last decade – the Liberal governments of Dalton McGuinty and Kathleen Wynne in Ontario. Both Frank and I are still in shock over the results of the last election. However, we recognize that the outcome was more a result of the failure of Tim Hudak, and the Conservative platform that was presented to the Ontario voters, than the endorsement of wasteful Liberal practices.

But that doesn't change the fact that, for the next five years, Ontarians are stuck with these dopes and the promises they made to woo the voters, including the public-sector unions representing the police, teachers, doctors, and nurses. Frank was really on a roll as he laughed sardonically about the breakdown between the Wynne Liberals and the Ontario doctors (Ontario Medical Association) on a new fee structure. It seems that these highly educated folks thought that they would have a better chance at wage negotiations with an Ontario Liberal government supported by public-sector employees than they would with the Hudak Conservatives, who had promised to cut 100,000 public-sector jobs in order to balance the budget. Now, it seems that's not the case.

Liberal policies, as well as the waste of over \$5 billion by McGuinty and Wynne, have saddled the Ontario government with a huge deficit and debt, and the doctors have been told that the raises they think are fair – and which Frank and I both support – are not going to happen due to fiscal mismanagement and the fact that the cupboard is bare. Properly compensating Ontario doctors is the correct thing to do, both for them as well as for their Ontario patients.



CALENDAREVENTS

May 1-2 AMTA Annual General Meeting and Conference

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

May 3-6

WERC 2015 Annual Conference

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

May 6-7

Intermodal Operations, Safety and Compliance Seminar Oak Brook Hills Marriott, Oak Brook, Ill. Contact: Intermodal Association of North America Telephone: 301-982-3400 E-mail: info@intermodal.org Web: www.intermodal.org

May 12

OTA Spring Golf Tournament Glencairn Golf Club, Halton Hills, Ont. Contact: Ontario Trucking Association Telephone: 416-249-7401, ext. 231 E-mail: yvonne.macaulay@ontruck.org Web: www.ontruck.org

May 14

TTC Spring Golf Tournament Lionhead Golf & Country Club Contact: Toronto Transportation Club Telephone: 416-886-5450 E-mail: membership@ torontotransportationclub.com Web: www.torontotransportationclub.com

May 24-26

50th Annual CTRF Conference

Marriott Chateau Champlain, Montreal, Que. **Contact:** Canadian Transportation Research Forum **Telephone:** 519-421-9701 **E-mail:** cawoudsma@ctrf.ca **Web:** www.ctrf.ca

May 26

PMTC Spring Golf Tournament Dundas Valley Golf Club, Dundas, 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 5-6

Atlantic Truck Show Moncton Coliseum Complex, Moncton, N.B. Contact: Mark Cusack, Show Manager Telephone: 506-658-0018; 1-888-454-7469 E-mail: mcusack@mpltd.ca Web: www.masterpromotions.ca

June 9

TTC Women in Transportation Lunch & Learn

The Old Mill, Toronto Contact: Toronto Transportation Club Telephone: 416-886-5450 E-mail: membership@ torontotransportationclub.com Web: www.torontotransportationclub.com

June 10-12 SCMA 2015 National Conference

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

June 16-17

PMTC Annual Conference Kingbridge Conference Centre, 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 16-19 CCMTA Annual Meeting

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

June 18

AMTA Annual Southern Golf Fundraiser

HeatherGlen Golf Course, Calgary Contact: Alberta Motor Transport Association Telephone: 1-800-267-1003 E-mail: amtamsc@amta.ca Web: www.amta.ca

June 25

AMTA Annual Northern Golf Fundraiser

Links Golf Course in Spruce Grove, Edmonton, Alta. Contact: Alberta Motor Transport Association Telephone: 1-800-267-1003 E-mail: amtamsc@amta.ca Web: www.amta.ca

July 24-26

29th Annual Fergus Truck Show

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

August 10-14 NAIC 2015

Hyatt Regency St. Louis at the Arch, St. Louis, Mo. Contact: Commercial Vehicle Safety Alliance Telephone: 301-830-6143 E-mail: cvsahq@cvsa.org Web: www.cvsa.org

August 25-27

AAMVA 2015 Annual International Conference

Des Moines, Iowa Contact: American Association of Motor Vehicle Administrators Telephone: 703-522-4200 E-mail: events@aamva.org Web: www.aamva.org

August 27-29

Great American Trucking Show Dallas, Texas Telephone: 888-349-4287 E-mail: rdavidson@randallreilly.com (Randy Davidson) Web: www.gatsonline.com

September 10 AMTA Annual Golf Day

Sylvan Lake Golf & Country Club, Sylvan Lake, Alta. Contact: Alberta Motor Transport Association Telephone: 1-800-267-1003 E-mail: amtamsc@amta.ca Web: www.amta.ca

September 13-17 2015 CVSA Annual Conference & Exhibition

Boise Center, Boise, Idaho Contact: Commercial Vehicle Safety Alliance Telephone: 301-830-6143 E-mail: cvsahq@cvsa.org Web: www.cvsa.org

September 14

PMTC Fall Golf Tournament Markland Woods Golf Club. Toronto

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

E-mail: info@pmtc.ca Web: www.pmtc.ca

September 17

Toronto Transportation Club Power of Education Golf Classic Muskoka, Ont. Contact: Toronto Transportation Club Telephone: 416-886-5450 E-mail: membership@ torontotransportationclub.com Web: www.torontotransportationclub.com

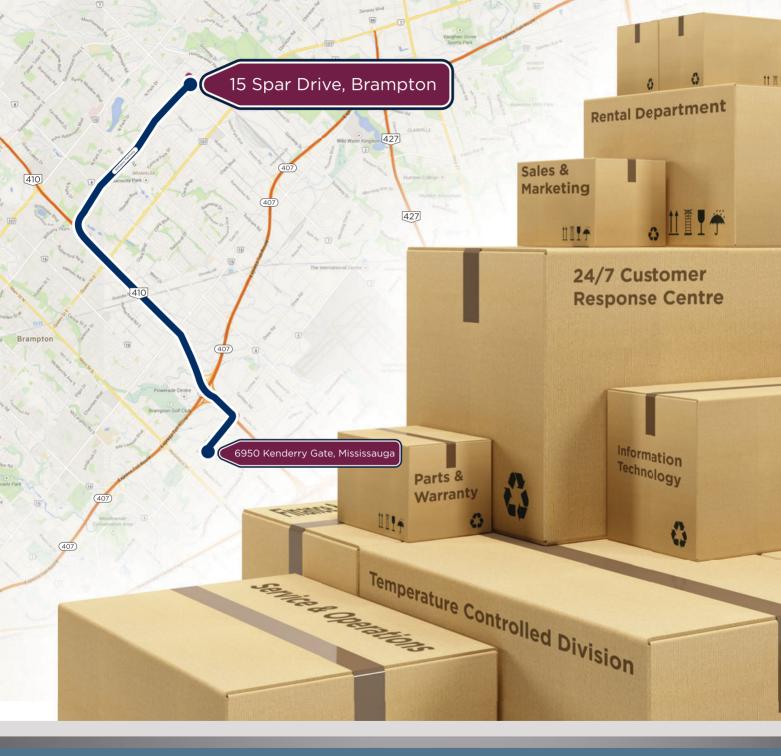
September 20-22

IANA's Intermodal Expo Fort Lauderdale, Fla. Contact: Intermodal Association of North America Telephone: 301-982-3400 E-mail: info@intermodal.org Web: www.intermodal.org

September 27-30 TAC Annual Conference

& Exhibition Charlottetown, P.E.I. Contact: Transportation Association of Canada Telephone: 613-736-1350 E-mail: conference@tac-atc.ca Web: www.tac-atc.ca

TRAILCON HAS MOVED



The NEW state-of-the-art Trailcon Leasing Head Office opened April 20, 2015 at 15 Spar Drive, Brampton, ON, L6S 6E1

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