

REPORT ON Transportation

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ELECTRIC TRUCK MARKET AMPS UP

With several Canadian retailers and carriers making significant investments in electric trucks, the market is poised for a breakthrough.

Globally, Frost & Sullivan's latest analysis of the electric truck market expects the light/medium/heavy-duty hybrid and full electric truck segments to achieve annual sales of more than 2.25 million units by 2025.

"The case for electric trucks is becoming more compelling, with new business models like leasing of trucks and battery packs or fuel cell stacks, the availability of incentives, as well as subsidies driving market change," says Chandramowli Kailasam, mobility team leader at Frost & Sullivan.

In the vanguard of this evolution is Elon Musk's **Tesla Semi**, which the flamboyant business magnate unveiled to much fanfare last November. The Semi has an impressive list of features, including a range of about 800 kilometres on a 30-minute charge, and the ability to hit 100 kilometres per hour in 25 seconds while fully loaded.

Who's on board

Walmart will be among the first to test the new vehicle, having pre-ordered 10 Semis for use in Canada. Meanwhile, Loblaw Companies Ltd. upped the ante with its pre-order of 25 units. In November, the grocery retailer also introduced its first fully charged electric Class 8 truck for commercial grocery deliveries in Canada, setting the stage to meet its commitment to reduce its carbon footprint by 30 per cent by 2030. The fully electric 53-foot truck and hybrid refrigerated trailer, manufactured by BYD, uses technology that Loblaw will expand to its fleet in the coming years.

Canadian carriers are also jumping into the fray. Toronto-based Fortigo Freight Services Inc. became the first dedicated fleet company in the country to invest in the new electric models when it confirmed an order for Tesla's Semi.

"Securing our Semi truck orders off the back of Tesla's unveiling came with no hesitation," says Elias Demangos, Fortigo president. "The transportation and trucking industry has a legacy of being quite conservative in its approach to innovation, and needs to look towards the technology that will shape the future of the industry. Tesla's vision for the new Semi trucks speaks directly to some of Fortigo's core values, and allows us to take our commitment to customer service to the next level." ...continued on page 2



Photo: Tesla

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Cover

Electric truck market **AMPS UP**

....continued from the cover

Also joining the party is Titanium Transportation Group Inc., Bolton, Ont. The asset-based transportation and logistics company has reserved five Tesla Semis. "Tesla trucks complement Titanium's commitment to safety and innovation, and will enhance our efforts towards reducing our carbon footprint," says Ted Daniel, CEO of Titanium. "We expect this investment will allow for significant net operating and maintenance savings for our local fleet, and will result in fewer accidents and breakdowns."

In January, Hercules Forwarding Inc., Toronto, followed suit with its announcement of an initial order of Tesla Semis. Hercules plans to evaluate the trucks on short-haul cross-border line-haul runs between origin states of New York and New Jersey to destination cities of Toronto and Montreal. "Since 1985, we've been a technology-driven LTL carrier which embraces changes as they come to the industry," says Eric Warren, vice president business development. "We see this as another new technology that can help make us a more efficient and responsible carrier."

Other companies on the growing reservation list include Atlanta-based UPS, which pre-ordered 125 tractors; PepsiCo Inc., with 100; foodservice distribution company Sysco Corp.; and other U.S.-based fleet operators.

While the Tesla Semi has stolen much of the thunder, several other companies are developing electric trucks. According to *Reuters*, Navistar International Corp. and Volkswagen AG's Truck and Bus are working to launch an electric medium-duty truck by late 2019, while rival Daimler AG has provided the first of a smaller range of electric vehicles to customers in New York.

But can it deliver?

The first deliveries of the Tesla trucks are expected in 2019. But not everybody is willing to shell out cold, hard cash to reserve their piece of the electric pie. Many are taking a wait-and-see approach, citing recharging availability as a potential hurdle.

How quickly Tesla could build a robust network of electric filling stations for commercial truckers is questionable. The company is already stretched thin, and has struggled to ramp up production of its new Model 3 sedan, which has been plagued by delays. Some analysts and trucking executives doubt that Tesla can deliver the Semi itself in 2019, let alone a vast charging infrastructure to support it.

Tesla is reportedly collaborating with clients Anheuser-Busch, PepsiCo and UPS to build on-site charging terminals at their facilities, while Loblaw has said it will likely use solar power to juice charging stations for the Semis it has pre-ordered.

Many industry executives are also skeptical of the range of the electric trucks compared with diesel, which can go 1,600 kilometres on a single tank.

In the end, the pace of adoption will boil down to dollars and cents. Tesla claims that with fewer systems to maintain, the Semi provides savings of more than \$200,000 in fuel, and a two-year payback period. The jury is still out on whether it can deliver the goods.



Loblaw unveils its first fully electric Class 8 truck for commercial grocery deliveries in Canada.

WYNNE MUST LOSE

By Alan Boughton, President, Trailcon Leasing Inc.

It's not very often that people have to ask me what I'm thinking, as I pretty much wear my emotions on my sleeve and usually give folks my opinion before I am even asked. Such is the case with Kathleen Wynne and the Liberal government that has been in power since 2003, first with Dalton McGuinty as premier and now with Wynne.

I can't stand the sight of her face on the nightly news, the newspapers and, worse yet, her touchy-feely "look at me; I'm jogging through Caledon" advertisements. Every one of these B.S. messages is followed by a wicked attack on the Conservatives funded by a provincial or federal union under names such as Working Ontario Women (WOW). You think that these are wonderful people who care about Ontario when they are actually unions that keep funding Wynne, the Liberals and also the NDP. WOW is fully funded by the powerful Service Employees International Union, which has two million members. In the last provincial election, attack ads against the Conservatives were paid – to the tune of \$2.5 million – by "Working Families Coalition," another union-backed group that used attack ads right after the "aren't I sweet" jogging clips that were filmed right by my home and in a riding that has never put a Liberal in Queen's Park in the history of Ontario politics. Based on Wynne's track record, I suggest she not jog in Caledon this year, as it might be hazardous to her health!

Wynne/McGuinty have totally mismanaged this province's finances, increasing our provincial debt from \$110 billion when the Liberals came to power to \$315 billion today. The cost of debt service alone is now \$12 billion annually.

And don't even get me started on the shocking electricity fiasco. According to the Financial Accountability Office of Ontario, the total cost of the Fair Hydro Plan's electricity rate reduction is estimated to be \$39.4 billion over 30 years, including about \$4 billion in extra interest charges. These charges are "extra" because the Province doesn't plan to borrow all the money directly. Instead, the financial structure the government designed has other government entities, including Ontario Power Generation, borrowing at higher



interest rates. "Internal records show that senior government officials were aware their approach to borrowing could result in Ontarians paying significantly more than necessary," said Auditor General Bonnie Lysyk in a recent Special Report.

Can anyone reading this believe that the actions by Wynne should result in her receiving a single vote in the next election, let alone being returned to govern us for four more years? Let us all take the time and make the effort to spread the message to friends, family, neighbours, co-workers, and anyone else you talk to, and ensure we all vote on June 7.

Doug Ford and the Conservatives need your support to eliminate this terrible Liberal government and send Wynne packing – not to Caledon, please, but out of Queen's Park. Wynne's loss will be Ontario's gain.

Ont. Net Debt and Interest on Debt

| | Fiscal Years 2009-10 to 2017-18 (\$ Millions) | | | | | | | | |
|---------------------|---|---------|---------|---------|---------|---------|---------|---------|---------|
| | Current Outlook | Actual | | | | | | | |
| | 2017-18 | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 | 2011-12 | 2010-11 | 2009-10 |
| Net Debt | 311,653 | 301,648 | 295,372 | 285,403 | 267,968 | 252,823 | 236,230 | 214,511 | 193,589 |
| Interest on Debt | 12,246 | 11,709 | 11,589 | 11,221 | 11,155 | 10,878 | 10,587 | 10,005 | 9,119 |
| Accumulated Deficit | 193,510 | 193,510 | 192,029 | 187,511 | 176,634 | 167,132 | 158,410 | 144,573 | 130,957 |

Source: Ontario Financing Authority.

Notes: Net Debt and IOD have been restated to include broader public sector, starting in 2005–06.

FUN and FUNDS

“fore” veterans

Trailcon Leasing is honoured to sponsor, for the second consecutive year, **Veterans Golf Day**.

This event brings together veterans of different eras for a day of camaraderie and fun, while raising much-needed funds for veterans’ groups.

Veterans Golf Day began in 1988, the brainchild of four World War II veterans who decided to commemorate those who had served during that conflict by playing a round of golf on the anniversary of D-Day. Eventually, the event grew in popularity to include 144 veterans and their guests. As the older vets began to pass away, organizers reached out to younger veterans who had served in more recent conflicts, such as Afghanistan and Bosnia. “We came up with the idea of offering foursome sponsorships so we could invite current members of The Canadian Forces to attend Veterans Golf Day,” says Joe Hutter, chairman of the event. “During our post-golf reception, I have watched young veterans in their 20s, 30s and 40s in discussion with 90-year-old vets from the Second World War. While the money raised is important, the opportunity to bring veterans from different eras together is the real reason for Veterans Golf Day.”

Trailcon became involved as a sponsor through David Bradley, retired president and CEO of the Ontario Trucking Association (OTA)/ Canadian Trucking Alliance, and now president of DHB Consulting Inc. “I have always had a real interest in Canada’s military history and an appreciation for the sacrifices our veterans have made and continue to make,” he says. “This interest was always shared by OTA. When I announced my retirement from OTA, I started looking around for things I could do that interested me and that would make a difference.” During that time, he connected with childhood friend Hutter, who gladly recruited him to the organizing committee. Bradley approached Trailcon, as he knew the event would hold special significance to president Al Boughton, whose grandfather was wounded at Courcelette during World War I.

Last year, six foursomes of veterans participated as invited guests, and an additional \$25,000 was distributed to Wounded Warriors Canada, True Patriot Love, and the Canadian Warplane Heritage Museum.

The theme for this year’s event, to be held Thursday, June 7, at The Country Club in Woodbridge, Ont., will be “The 65th anniversary of the signing of the armistice to end the Korean War.”

While anyone may play in the tournament, priority is given to veterans who register and those who are invited through a foursome sponsorship. For more information, visit www.facebook.com/VeteransGolfDay, or contact Shannon Polk at 905-633-6613.



▲ Three veterans, representing the army, navy and air force, proudly attended last year’s event. From l to r: Organizing committee member James Bell (Bombardier with the Royal Canadian Horse Artillery), who served in Korea, 1951-52; the late Roman Sokolowski (Royal Canadian Navy – Squadron 803/825 and 826), who served aboard aircraft carrier HMCS Magnificent, 1946-51; Russ Bannock (DSO, DFC, RCAF Wing Commander, Mosquito Fighter/Bomber Pilot), who served during World War II, 1940-45.



▲ A March Past for all veterans, led by The Scarborough Pipes & Drums, takes place after a one-hour cocktail reception preceding the dinner.



▲ Al Adams, a major with the Royal Canadian Electrical and Mechanical Engineers who served from 1955-1969, and a member of the original organizing committee; Rex Murphy, Canadian commentator and author, and the 2017 event’s honorary starter.



Trailcon staff in the Customer Response Centre handle calls 24/7.



A ringing endorsement

Trailcon staff at the 24/7 Customer Response Centre were kept busy in 2017:

Number of calls for service:

— **32,960** —

Number of calls through customer interface:

— **5,318** —

Total calls handled:

— **38,278** —

NEW TECHNOLOGY

expands Trailcon Customer Response Centre capabilities

Your trailer is down, you're somewhere on the I-95, and it's nearly midnight on a long weekend. Who ya gonna call?

Well, if the trailer is leased from or maintained by **Trailcon Leasing Inc.**, you can call **1-855-ROAD-RPR** for mobile trailer repair – *anytime, from anywhere in North America.*

Fully trained Trailcon employees handle all calls – they are never outsourced to a third-party operator. Employees have full access to copies of trailer ownerships, safety certificates, detailed equipment specifications, and other vital trailer information.

But while Trailcon's Customer Response Centre has always offered 24/7 access, it now boasts new state-of-the-art tech-

nology that makes it even more customer-friendly and efficient. A service call module, implemented in early March, provides the following features:

- Supports pictures and attachments;
- In the near future, will allow customers and vendors to access call details through a self-service portal;
- Seamlessly integrates with yard management controls and mobile repair orders;
- Provides a visual dashboard that allows supervisors and managers to monitor the activities of the call centre.



Giovanni Cani

- Locates units based on the information received from Trailcon's telematics provider, Digi International.

"This release is a major improvement since the first iteration, which went live in 2012," says Giovanni Cani, IT project manager, Trailcon Leasing.

"From the technical side, we are using the latest technology to enhance user experience, and consolidating data within one database. From the business side, much has changed since 2012, and the system has been built to handle the ever-evolving business requirements."

Device indicates when brakes out of adjustment

The **Brake Stroke Light Indicator (BSLI)**, the invention of longstanding Trailcon mechanic **Kevin Falconer**, notifies truck drivers visually when brakes are out of adjustment.

Here's how it works. A sensor is located behind each slack adjuster. When the brakes are applied, the slack comes back, and if it touches the sensor, a light will come on to indicate that a brake adjustment is recommended. The set point of when the light triggers can be adjusted to each customer's preference.

All components of the BSLI system are heavy duty to withstand bad weather, and are protected from road debris by the position at which they are installed. The brackets are adjustable to work on any air brake system.

For more information, visit www.outofadjustment.com, or contact Kevin Falconer at e-mail kevin@tt-innovations.com; telephone/text 416-986-1124.



BSLI

Brake Stroke Light Indicator

A Garage fit for a “KING”

Car buffs who visit Petty's Garage are like kids in a candy store.

The high-performance speed shop is the pride and joy of **Richard Petty**, “King of NASCAR.” Petty founded the Randleman, N.C., business in 2008 as an extension of his illustrious competitive career.

The motto of Petty's Garage is: “If you can dream it, we can build it.” Specializing in all things American-made, the shop's services include – but are not limited to – performance upgrades, restorations, luxury personal builds, custom one-off builds, supercharged engines, paint and body, suspension, exhaust upgrades, brake systems, custom fabrication, custom interior, tires and wheels, and corporate builds. Petty himself is very involved in the business, coaching the technicians on ways in which the vehicles they are building can be changed cosmetically or functionally.

After all, Petty has been building hot rods ever since he decided his childhood bicycle wasn't fast enough. Whether it's performance or stock cars, his life has been built around producing and driving high-quality vehicles.

Trailcon president Al Boughton has met Petty on several occasions over the years, going back to 1977 when he attended his first NASCAR race.

During his recent buying process (see “Boys & their Toys,” opposite page), Boughton got to know the people at Petty's Garage. That friendship and mutual respect culminated in the parties striking a deal for Trailcon to be the exclusive trailer supplier to Petty's Garage. There are now two special-events trailers in the works, including a high-end mobile lounge.

For more information about
Petty's Garage, visit
www.pettys-garage.com



No.43 races on

Richard Petty's famous No. 43 race car is still on the track as part of Richard Petty Motorsports, the Hall of Famer's professional stock-car racing team.

The team has its roots in 1949, when Richard's father, Lee, founded Petty Enterprises. He was succeeded by Richard, Richard's son, Kyle, and the first fourth-generation athlete, Adam, who tragically passed away in 2000. In 2009, Richard joined with Andrew Murstein to form Richard Petty Motorsports and keep his celebrated No. 43 on the track, now with the talented Darrell “Bubba” Wallace Jr. – part of NASCAR's youth movement and one of a growing number of diversity drivers – at the wheel. “We are confident that Wallace Jr. will continue the Petty legacy for many years to come,” says Petty.

Despite his long and successful career as both a competitive driver and a businessman, Petty has no intention of resting on his laurels. His mantra is: “We want to be better today than what we did yesterday.”

And so Petty continues to keep the pedal to the metal, earning the respect and gratitude of customers and fans alike.

At the Museum

The Petty Museum, established in 1988, presents the unparalleled success story of one of the founding families of stock-car racing, their drive for engineering excellence, and the technical inventiveness and ingenuity that made it all possible.

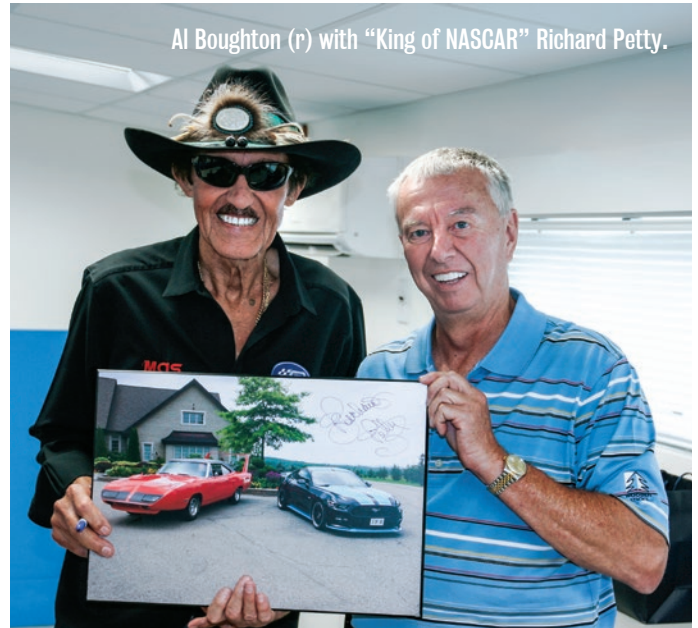
Guests touring the Museum also get a glimpse of the Petty Garage – and often of Richard Petty himself, who makes frequent stops at both sites, much to the delight of visiting fans.



Vintage cars on display in the Petty Museum.



From l to r: John Foss, Executive Manager, National Accounts, Trailcon Leasing; Richard Petty; Al Boughton, President, Trailcon Leasing.



“PREMIUM” addition to classic collection

When **Trailcon Leasing** president **Al Boughton** was looking to add to his collection of American muscle cars, he was thrilled to find the car of his dreams at Petty's Garage. Upon hearing about the car from one of Trailcon's American suppliers, Boughton couldn't resist the chance to acquire a North American-built Mustang – in Petty colours, no less!

He is now the proud owner of a King Premium Edition, Level 2 727-horsepower 2016 Ford Mustang GT. The car came complete with Petty's Garage/BASF Custom Tri Colour Stripe package, which consists of the iconic Petty Blue, Red and White, covered in crushed and tumbled glass in clear coat. The body cladding is painted Petty Blue.



Al Boughton's King Premium Edition 2016 Ford Mustang GT.

Adventures in ASIA



Al Boughton and Keith Carroll in Vietnam

By Wendy Boughton

For our latest travel adventure, my husband Al and I embarked on an Asian rendezvous, returning via the United Arab Emirates.

We departed Toronto last spring on our 14-hour flight to Shanghai, China, arriving a few days prior to our Oceania Cruise to give us time to rest up and enjoy the city. We stayed at the Hyatt on the Bund, located on the bank of the Huangpu River, meeting up with our travel companions, Sharon and Keith Carroll.

Shanghai has lots to see and do, and is most vibrant at night, with every building and boat in the harbour lit up in brilliant colours. The harbour is a constant flow of container ships, tourist boats and ferries, a testament to how busy this port is on a daily basis.

As we departed on the M/S Nautica, the weather was cool but comfortable, averaging 14°C. However, given our itinerary, it promised to warm up as we went along!

The amenities onboard the Oceania ships are spectacular, with amazing restaurants, lovely staterooms and suites, and fun entertainment. A few sea days in between ports are always welcome so one can rest up from a tour day, or just enjoy the gym, spa, and many other facilities.

Our first port of call was Hiroshima, Japan. Hiroshima means “Wide Island,” and is, of course, well known because of the nuclear bomb that the U.S. Army Air Force dropped near the end of WWII in August, 1945. When one visits the museum and sees photos of the destruction, it is hard to imagine what the residents endured that day. Yet, the Japanese people hold no resentment towards Americans, welcoming them to their country even as their city government strives to abolish nuclear weapons worldwide by the year 2020.

Our next stop was Kobe, Japan, famous for its Kobe beef. Then it was on to China’s Xiamen City, and to Hong Kong on the south coast.

Hong Kong is one of the world’s leading international financial centres, and, with seven million people, is one of the most densely populated areas in the world. Although no longer under British rule, having reverted to China in 1997, Hong Kong maintains an independent judicial system and currency (Hong Kong dollar). The nightly Light and Sound Show at the waterfront, named the largest of its kind by *Guinness World Records*, is a must see!

After a few more days at sea, we reached our next port, Ha Long Bay in Vietnam. This was a sight to see, with 1,969 limestone islands rising out of the ocean and covered in lush vegetation. We enjoyed a cruise on a traditional “Junk” in this UNESCO World Heritage site. The turquoise waters and unusual shapes of the islands, 989 of which are named, provided us with several hours of photo opportunities.

Another day at sea brought us to Ho Chi Minh City, formerly Saigon, the largest city in Vietnam, with a population of more than nine million. This busy metropolis boasts several museums, a zoo, botanical gardens, parks, and an opera house, all very popular with tourists.

After visiting Sihanoukville, Cambodia, a little beach town about four hours from the capital of Phnom Penh, we reached our final stop – Bangkok, Thailand. This city of almost 20 million claims one of the fastest rates for construction of high-rise buildings. Enjoy a city tour in a traditional “tuk-tuk” (auto rickshaw) for a nominal, negotiable charge. Be sure to visit the King’s official residence, the Grand Palace. Shop in any of the upscale malls, and, of course, partake of traditional Thai cuisine.



Burj Khalifa, Dubai

renamed the Burj Khalifa, it is currently the tallest building in the world. It holds seven Guinness World Records, including the highest outdoor observation deck. VIP tickets to this viewing area are well worth the extra cost, as you can bypass the line-ups. The entrance to the tower is in the Dubai Mall, which not only has fabulous shopping and restaurants, but also a skating rink, a huge aquarium, waterfalls, and much more. We even found a Tim Horton’s!

The world’s only seven-star hotel, the Burj Al Arab, is another site well worth the short drive out of the city. This distinctive sail-shaped hotel will likely burst your budget to stay there, but if you can get a reservation at one of its nine world-class restaurants, you can marvel at its lavish interior, five pools, lobby aquarium and ocean views.

If you need to get around in Dubai, Uber is available and as efficient as in North

America, but its monorail system and taxis are also at your service.

After five weeks of touring, we were both ready to return to our family, to share our stories and photos, and hug our girls and grandchildren.

Al and I always say it’s wonderful to travel and great to get away, but there’s no place like home!

— Wendy Boughton is the wife of Trailcon Leasing president Al Boughton, and works in accounts receivable at the company.

The Emirates experience

Bidding good-bye to our friends and that part of Asia, we boarded our Etihad Airways six-hour flight to Abu Dhabi, the capital of the United Arab Emirates.

Not having been to Abu Dhabi before, we spent three days exploring this historical city. We stayed at the Emirates Palace, a lavish five-star hotel on the Persian Gulf. I rode a camel on the expansive beach, and we relaxed poolside, soaking up the hot desert sun.

Everyone who knows Al knows his passion for cars and racing, so we had to make the 30-minute trip to Yas Island, site of Yas Marina Circuit, the \$1.3-billion track and the venue for the Abu Dhabi Grand Prix held every November. We were awestruck at the magnificence of its grandstands, suites, garages, and media and conference centre. Even I, less of a car buff than my husband, had to admit it was stunning.

Yas Island is also host to the Yas Marina, filled with elegant yachts and swanky hotels. Next to that is Ferrari World Abu Dhabi, a Ferrari-branded theme park with the world’s fastest roller coaster, blasting you 240 km/h in 4.9 seconds and reaching heights of 52 meters! No, we did not venture on that!

We left Abu Dhabi in our arranged transfer, driving for about two hours on the freeway, across the desert towards the towering skyscrapers of Dubai. This is one of my favorite cities in the world. Its blend of old and new architecture makes it extremely beautiful. The people are friendly, the streets are clean, and the opulence of so many of the buildings is breathtaking.

We stayed on the 65th floor of the JW Marriott Marquis Dubai (the tallest hotel in the world), where we enjoyed spectacular views of the Dubai skyline. As the hotel was situated on Dubai Creek, we were able to stroll the boardwalk along the waterway, where, each evening, the “waterfall bridge” provided a dazzling display of colour.

On our last visit to this city eight years ago, we took pictures of the “Burj Dubai,” then in its early stages of construction. Since

Yas Marina and Hotel, Abu Dhabi



Emirates Palace Hotel



Wendy Boughton in Abu Dhabi





TRAILCON

to build new facilities in Edmonton and Calgary

With business booming in Western Canada, Trailcon Leasing Inc. has announced plans to build new facilities in Edmonton and Calgary to support current and future growth. Construction of the state-of-the-art facilities will begin in May of this year, with completion scheduled for Q2 2019.

"Trailcon has been growing at such a rate that we have outgrown our existing facilities in Alberta," says President Al Boughton. "The new buildings will allow our staff to continue to meet and exceed the expectations of our expanding roster of customers."

Both facilities, identical in design, will measure 20,000 square feet, with another 5,000 square feet available for future expansion. They will feature eight trailer bays, with space for an additional three. Large, secure fenced-in yards with truck gates will accommodate approximately 120 trailers, with ample parking space for customer rentals, new leases, fleet maintenance and repairs.

Designed to maximize energy savings and minimize their carbon footprint, the facilities will include: LED lighting with motion detectors; use of recycled materials in furniture and other fixtures; high levels of insulation; and polished concrete floors for high-traffic areas.

"No detail has been overlooked in an effort to provide our staff with an environment that is efficient, comfortable, and sustainable," says Nick Reid, Calgary branch manager.

The facilities also take into account the comfort and convenience of drivers and technicians. There will be a separate entrance for drivers, with washroom, sitting area and vending machines, while technicians will have a separate washroom, locker room, and shower facilities.

"I am very excited about these upcoming moves," says Dave Ambrock, Edmonton branch manager. "Not only will the new surroundings benefit staff and customers, but they will allow drivers to be treated with the respect that they deserve, by providing them with a comfortable space to recharge and relax."

Trailcon has had a facility in Edmonton since 2007, and in Calgary since 2012.



Trailer orders reach record levels

The trailer market is booming, with orders placed this spring arriving only in late Q4, and even well into 2019. Inventory on the ground now has already been snapped up.

Transportation economic research firm FTR reports preliminary February orders at 32,000 units, 24 per cent above a year ago and the fifth consecutive month that trailer orders exceeded 30,000 units as demand remains historically high. Backlogs should rise above 170,000 units for the first time since early in 2016.

Demand is expected to continue throughout the year; FTR recently boosted its forecast for 2018, projecting trailer orders to reach 334,000.

"The trailer market remains red-hot," says Don Ake, FTR vice president of commercial vehicles. "Fleets are scrambling to add capacity and are ordering large numbers of trucks and trailers. Most of these orders are for the second half of the year. This is good news for the economy and the industry, in that carriers expect the solid freight demand to last throughout 2018. The economy is vibrant and producing freight growth across all sectors, which is boosting all segments of trailers and resulting in record order months."

With orders skyrocketing, customers need to talk to their provider now about their imminent trailer needs, so they don't get left out in the cold in a hot freight market.

Bought and sold

The latest acquisitions in the transportation industry.

■ **Manitoulin Transport**, Mississauga, Ont., has acquired **Duckerings Transport**, Red Deer, Alta. Duckerings delivers LTL freight to 400 locations in Alberta from seven terminals in the province. More recently, Manitoulin acquired **Direct Right Cartage Inc.**, a Brampton, Ont.-based intermodal service provider, marking the company's seventh purchase in the last 12 months.

■ **Canada Cartage**, Mississauga, Ont., has bought **Doyle Transportation**, Guelph, Ont., a dedicated fleet that provides full truckload and less-than-truckload services, both domestically and cross-border.

■ **Day & Ross Transportation Group**, Hartland, N.B., has announced the U.S. acquisition of **REI Logistics** and **Korten Quality Systems, Ltd.**, in Romeo, Mich. The two businesses will operate as Day & Ross Dedicated Logistics USA, a division of Day & Ross USA Inc.

■ **FBI Group**, Vaughan, Ont., has acquired **Consolidated Carriers**, a non-asset-based freight broker in Markham, Ont. Consolidated Carriers employees, including owner Wayne McCord, will join The FBI Group and relocate to its Vaughan headquarters.

■ Ron Tepper, founder and CEO of **Tepper Holdings Inc. (THI)**, and chairman and CEO of **Consolidated Fastfrate Inc.**, Woodbridge, Ont., announced that THI has acquired the outstanding Fastfrate shares held by the New York-based private-equity firm Fenway Partners. That makes Consolidated Fastfrate once again 100 per cent Canadian owned and operated. Included in the shares acquired are Canada Drayage Inc. (CDI), Fastfrate Integrated Logistics and Consolidated Fastfrate.

■ **CAT Holding**, Coteau-du-Lac, Que., has purchased Kingston, Ont.-based **SLH Transport Inc.**, effectively tripling its fleet size. Both companies are primarily truckload carriers.

■ **Titanium Transportation Group Inc.**, Bolton, Ont., has acquired the shares of **Xpress Group**, a van and flatbed carrier based near Windsor, Ont.

MTO accepting applications for 60-foot trailer trial

The Ontario Ministry of Transportation (MTO) is taking applications, under modified conditions, for the extended semi-trailer trial (60-foot trailers).

Last September, MTO made amendments to the trial to allow for more flexibility for participating trucking companies, and to increase utilization of permits while maintaining a cap on the number.

The trial will no longer be restricted to the retail sector, but original conditions

Walmart Canada initiated trial of the 60-foot trailer in late 2012 when it approached MTO with a request to use its "Supercube" trailer, allowing it to ship up to 30 per cent more product than a standard 53-foot trailer.



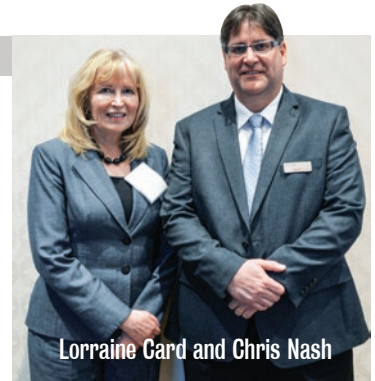
remain that no single carrier may hold more than eight permits, and no shipper may be associated with more than eight permits.

"MTO's measured approach in addressing 60-foot trailers through a limited trial is the appropriate action to take when considering if a new configuration should be introduced," says Stephen Laskowski, president and CEO of the Ontario Trucking Association. "MTO followed this path with long-combination vehicles and extended stinger steer car carriers – both those programs are on successful, but limited,

implementation paths. Opening up the 60-foot trial to sectors outside of the retail world will allow opportunity for proof of concept to be tested in other areas, which is necessary to monitor the effectiveness and acceptance of this new configuration."

Once carriers have safely completed 3.2 million kilometers of travel within the trial, MTO will evaluate the results and determine the next steps. Based on current mileage accumulation, it is anticipated that this milestone could be achieved by the end of 2018.

AMTA appoints new president



Lorraine Card and Chris Nash

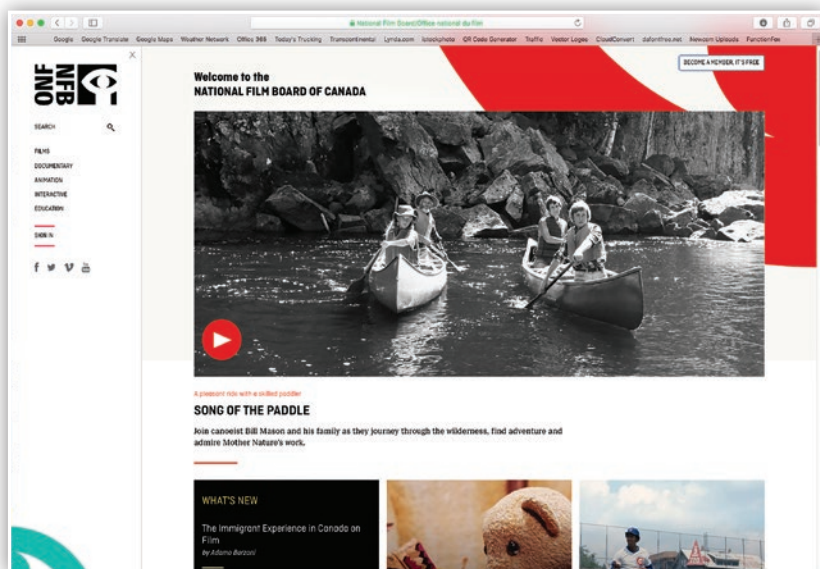
The **Alberta Motor Transport Association (AMTA)** has appointed **Chris Nash** as president, effective March 5.

Nash, who has more than 30 years' experience in the transportation industry, replaces Lorraine Card, who has retired. He joined the AMTA board of directors in 2016 as the Edmonton Regional director, and became vice-chairman of the board in 2017. He is also a board member of the Canadian Trucking Alliance. Most recently president of Jones Transportation, Nash has also owned and operated his own trucks, and maintains his Class 1 license.

AMTA has also announced plans to construct a new training facility, office building and five-acre track at the Edmonton International Airport (EIA). "Having outgrown our current Edmonton office, we're pleased to announce, with EIA, the development of this project," said Card prior to her retirement. "We saw the need for a driver training track in a safe, controlled environment and are looking forward to providing the transportation industry with a world-class facility."

The 20,000-square-foot facility is scheduled to be ready this fall.

Site-seeing



National Film Board of Canada

www.nfb.ca

Give Netflix a rest and head on over to the site of the **National Film Board** to take in some excellent Canadian content, eh. Feature films, documentaries, animated films for both children and adults, short films for the time-pressed, interactive mini-sites on a wide variety of topics – it's all at the click of a mouse, free of charge.

Choose from over 3,000 productions – and growing – that can be streamed for free or downloaded for a small fee.

New words for “wordies”

Time to expand our vocabulary. The Merriam-Webster dictionary recently added 850 terms – including one for lovers of words – as the English language continues to grow and evolve. “Wordie” is patterned after other words denoting enthusiasts, such as “groupie” and “foodie.”

A few of the other new entrants:

- **Kombucha**, a fermented and effervescent tea drink that is becoming all the rage.
- **Mansplain**, as when someone (usually a man) explains something to someone (typically a woman) in a manner regarded as condescending or patronizing.
- **Glamping**, glamorous camping, i.e., enjoying the great outdoors, but with indoor plumbing.
- **Blockchain**, a technology for keeping records of financial transactions in a digital database as part of a publicly accessible network.

Wasteful winners

The Canadian Taxpayers Federation (CTF) has announced its 2018 Teddy Awards for Government Waste.

And the provincial winner is – Ontario's Fair Hydro Plan. The Wynne government plan to reduce Ontarians' hydro bills will end up costing ratepayers tens of billions of dollars. The plan, which involves Ontario Power Generation borrowing money to keep hydro rates relatively flat

WORDWATCH

Resting on one's laurels

Nowadays, “**resting on your laurels**” describes someone who is overly satisfied with past triumphs.

But it wasn't always that way. The expression actually dates back to athletic stars of ancient Greece. Victors at the Pythian games, held in honour of Apollo every four years, received wreaths made of laurel branches, which symbolized the Greek god. The Romans eventually adopted the practice and presented wreaths to generals who won important battles. Venerable Greeks and Romans, or “laureates,” were thus able to “rest on their laurels” by basking in the glory of past achievements. But it was only in the 1800s that the expression took on the negative connotation that it implies today.



Source: www.phrases.org.uk, www.history.com

until 2021, will then see rates increase by 6.8 per cent every year until 2027 to pay back the borrowed money with interest, says CTF.

Lifetime Achievement Teddy: The City of Calgary's gaffe-prone public art program.

Calgary has a long track record of wasting taxpayer dollars on public artwork. One of the most notable is "Bearing," a \$221,000 large metal ball made from fasteners, washers and bearings located behind a fence at the Calgary Fire Department's repair and maintenance facility.

There was no shortage of worthy nominees – including Health Canada for spending \$100,000 per year to operate the minister's Twitter account. To see them all, visit www.taxpayer.com.



Photo: PAL-V

Fly or drive? How about both?

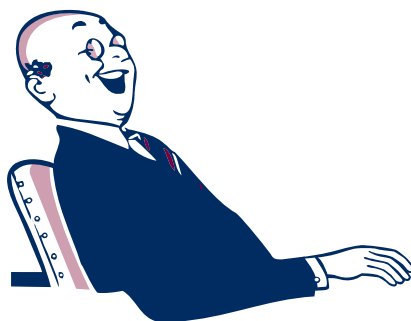
While this isn't the first time we've heard of a flying car, the **Liberty Flying Car** is actually available for delivery in 2019. Dutch firm PAL-V unveiled the Liberty, dubbed "the world's first flying car production model," at the recent Geneva Motor Show.

The Liberty is a gyroplane, so it resembles a helicopter when in flight, but the rotor is not powered. Therefore, it doesn't take off vertically, but needs a short runway, like an airplane. When driven as a car, the rotor folds up to make the vehicle about the size of a full-size truck. The Liberty will hit about 100 km/h on the road, while recommended flying cruise speed is 140 km/h. It has a maximum altitude of 11,480 feet.

The Pioneer limited edition (only 90 to be sold worldwide) will set you back an "expected" \$599,000 US, while the Sport model to follow will cost a mere \$399,000 US.

Consulting firm Frost & Sullivan calls the introduction of the Liberty a "watershed moment, ushering in the next transformational shift in mobility similar to the effect the Model T had on automobiles in 1908."

If you're skeptical that flying cars will ever take flight, we have two words for you: autonomous vehicles.



FRANK SAYS

Frank burst into my office a few weeks ago brandishing a newspaper clipping. For once, he wasn't glaring at me. In fact, he was grinning from ear to ear.

"Did you see this?" he asked, before I could even say "hello."

Without waiting for me to answer, he launched into his tirade. "Some woman tried to get on a United Airlines flight at Newark Airport with a peacock! She claimed it was an 'emotional support animal!' That's a bird-brained story if I ever heard one! Well, the airline said that just won't fly," he guffawed.

Clearly, Frank was on a roll, and was determined to pun-ish me.

"These claims for therapy animals have just gone too far," he ranted. "Would you believe, on one American Airlines flight, a duck in diapers was wandering up and down the aisle! What kind of quack travels with a duck?" he smirked. "Someone else wanted to bring a 'service monkey' on board. Yeah, that'll happen when pigs fly! But guess what? They already do!" he said in disbelief.

"So why do they allow these animals on board?" I asked.

"I'm glad you asked that," said Frank, who obviously had done his research. "According to the Americans with Disabilities Act, only trained dogs and – wait for it! – miniature horses can be considered service animals," he explained. "But airlines have to go by the Air Carrier Access Act, which allows free travel for 'any animal' that is trained to assist a person with a disability or that provides emotional support. So you can see how that legislation is being abused, and that hurts the people who really need service animals.

"Here's what I think," said Frank, warming to his punchline.

As Frank says:

"If you're going to invent a peacockamamie story about a therapy animal, don't complain if the airline cries fowl."





Canadian ports report record year for intermodal

Canadian ports on both coasts set records for container traffic in 2017.

Overall container traffic at the Port of Vancouver saw a significant increase of 11 per cent over 2016 to reach a record 3.3 million TEUs (20-foot equivalent units). Loaded imports were also up by 11 per cent. Volumes were driven by a global upswing in economic activity, which boosted Canadian export sales and overall strength in the transpacific container market, says Robin Silvester, president and CEO of the Vancouver Fraser Port Authority. "Year over year, we continue to see an increase in the global demand for Canadian products shipped in containers, and Canadian demand for consumer and manufacturing goods from Asia," he adds. "To meet future demand, we are taking steps to ensure the Port of Vancouver is ready to handle growing container volumes through Canada's West Coast."

At the Port of Prince Rupert, expansion of the Fairview Container Terminal increased annual throughput activity by a whopping 60 per cent, enabling it to move 926,540 TEUs.

It was a similar story on the east coast, where volume was helped by the arrival of Ultra container vessels over 10,000 TEUs last year. Containerized cargo volume through the Port of Halifax in 2017 was 559,242 TEUs, up 16 per cent over 2016 and the highest volume the Port has handled in a single year.

Intermodal contributes to CN growth in 2017

An increase in intermodal revenue of 12 per cent – attributed mainly to higher volumes of traffic in overseas intermodal – contributed to an eight-per-cent jump in revenue for CN in 2017 compared with 2016. The railway attributed its particularly strong fourth quarter in part to higher container traffic via the ports of Prince Rupert and Vancouver.

Net income increased by 51 per cent to \$5,484 million over 2016. Operating ratio, however, rose slightly, by 1.5 points to 57.4 per cent.

CN president and CEO Luc Jobin expects to see continued volume growth in 2018, "as the economic backdrop remains favourable in North America."

The company is targeting a record \$3.2-billion capital program this year to meet growing freight demand.

Province of Quebec to expand container-handling capacity

Both Montreal and Quebec City are boosting their container-handling capacities to support the expanding market for Quebec and Eastern Canada.

With the filing of an environmental impact assessment in February, the Port of Montreal's previously announced \$650-million container terminal project at Contrecoeur has crossed a key milestone in its progress. When completed, the new terminal will have the capacity to handle 1.15 million TEUs (20-foot equivalent units), bringing the Port's total container-handling capacity – including the Vieux Terminal that opened in 2016 – to 2.1 million TEUs.

The Port of Montreal is the second-largest container port in Canada, and the fifth-largest on the east coast of North America.

Meanwhile, the Quebec Port Authority

Intermodal loadings soar in 2017-18

Canadian intermodal units, week ending March 3, 2018: **70,595**

↑ 16.4%

(vs. same period 2017)

Canadian intermodal units, cumulative volume, first nine weeks of 2018: **588,167**

↑ 6.3% (vs. 2017)

Intermodal freight loadings, December 2017: **195,000 units**

↑ 9.2% (vs. 2016)

Containers on flat cars, December 2017:

↑ 9.3% (vs. 2016)

Trailers on flat cars, December 2017:

↓ -1.0% (vs. 2016)

Source: Association of American Railroads, Statistics Canada.

has announced plans to build a container terminal at the site of its Beauport 2020 project. In a speech to the Quebec City Chamber of Commerce and Industry, Port president and CEO Mario Girard noted that the opening of the 15-meter-deep Panama Canal in 2016 and the emergence of next-generation ships requiring deep-water ports are completely changing the landscape of commercial shipping. This new standard makes it harder for the St. Lawrence to compete with American ports in the container market. However, with its water depth of 15 meters and full intermodality, Quebec City has a distinct advantage in the St. Lawrence–Great Lakes trade corridor, he said.

2018

April 18

Canadian Fleet Maintenance Summit

International Centre, Mississauga, Ont.
Contact: Newcom Business Media Inc.
Telephone: 416-510-6867
E-mail: sim@newcom.ca (Sim Frayne)
Web: www.trucksuitmit.ca

April 19-21

Truck World

International Centre, Mississauga, Ont.
Contact: Thierry Quagliata, Show Manager
Telephone: 416-510-5235;
 800-268-7742, ext. 5235
E-mail: thierry@truckworld.ca
Web: www.truckworld.ca

April 20-21

AMTA Annual Leadership Conference and AGM

Rimrock Resort Hotel, Banff
Contact: Alberta Motor Transport Association
Telephone: 403-214-3431; 1-800-267-1003
E-mail: amtams@amta.ca
Web: www.amta.ca

April 26

Toronto Transportation Night: Speakeasy

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

May 11-12

Truxpo, in partnership with B.C. Trucking Association

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

May 15

OTA Annual Spring Golf Classic

Glencairn Golf Club, Milton, Ont.
Contact: Ontario Trucking Association
Telephone: 416-249-7401
E-mail: events@ontruck.org
Web: www.ontruck.org

May 17

TTC Spring Golf Tournament

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

May 30

Western Women with Drive Leadership Conference

Calgary Airport Marriott In-Terminal Hotel
Contact: Alberta Motor Transport Association
Telephone: 1-800-267-1003
E-mail: amtams@amta.ca
Web: www.amta.ca

May 31

PMTTC Spring Golf Tournament

Heron Point Golf Club, Alberton, Ont.
Contact: Private Motor Truck Council of Canada
Telephone: 905-827-0587; 1-877-501-PMTC
E-mail: info@pmttc.ca
Web: www.pmttc.ca

June 3-6

CCMTA Annual Meeting

Quebec City, Que.
Contact: Canadian Council of Motor Transport Administrators
Telephone: 613-736-1003
E-mail: info@ccmta.ca
Web: www.ccmta.ca

June 3-6

CTRF 53rd Annual Conference

Crowne Plaza Gatineau-Ottawa, Gatineau, Que.
Contact: Canadian Transportation Research Forum
Telephone: 519-421-9701
E-mail: cawoudsma@ctrf.ca
Web: www.ctrf.ca

June 8-10

BCTA AGM and Management Conference

Fairmont Chateau Whistler Resort, Whistler, B.C.
Contact: British Columbia Trucking Association
Telephone: 604-888-5319
E-mail: bcta@bctrucking.com
Web: www.bctrucking.com

June 12

Women in Transportation Lunch & Learn

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

June 13-15

SCMA National Conference

St. John's, NL
Contact: Supply Chain Management Association
Telephone: 416-977-7111; 1-888-799-0877
E-mail: info@scma.com
Web: www.scma.com

June 14

OTA Bike/Car Rally and OTA Golf Classic

Location TBA
Contact: Ontario Trucking Association
Telephone: 416-249-7401, ext. 231
E-mail: yvonne.macaulay@ontruck.org
Web: www.ontruck.org

June 14-15

PMTTC AGM and Conference

Crowne Plaza Fallsview, Niagara Falls, Ont.
Contact: Private Motor Truck Council of Canada
Telephone: 905-827-0587; 1-877-501-PMTC
E-mail: info@pmttc.ca
Web: www.pmttc.ca

July 21

Southern Alberta Truck Expo and Job Fair

Lethbridge Exhibition Park, Lethbridge, Alta.
Contact: Southern Alberta Truck Exposition Association
Telephone: 587-434-SATE
E-mail: southern.abte@gmail.com
Web: www.southernalbertatruckexpo.ca

September 13

TTC Power of Education Golf Classic

Town of The Blue Mountains, Ont.
Contact: Toronto Transportation Club
Telephone: 416-886-5450
E-mail: membership@torontotransportationclub.com
Web: www.torontotransportationclub.com

September 16-18

Intermodal Expo

Long Beach, Calif.
Contact: Intermodal Association of North America
Telephone: 301-982-3400
E-mail: info@intermodal.org
Web: www.intermodal.org

September 18

OTA Annual Fall Golf Classic

Glen Abbey Golf Club, Oakville
Contact: Ontario Trucking Association
Telephone: 416-249-7401, ext. 231
E-mail: yvonne.macaulay@ontruck.org
Web: www.ontruck.org

September 23-27

CVSA Annual Conference and Exhibition

Kansas City Convention Center, Kansas City, Mo.
Contact: Commercial Vehicle Safety Alliance
Telephone: 301-830-6143
E-mail: cvsahq@cvsa.org
Web: www.cvsa.org

September 30 - October 3


TAC Annual Conference & Exhibition

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

October 10

Surface Transportation Summit

International Centre, Mississauga
Contact: Newcom Business Media Inc.
Telephone: 416-510-6867
E-mail: sim@newcom.ca (Sim Frayne)
Web: www.surfacetransportationsummit.com

The background of the advertisement is a scenic photograph of a multi-lane highway stretching into the distance. A white semi-truck is driving on the left side of the road. The scene is set during a golden hour sunset, with the sun low on the horizon to the left, creating a strong lens flare and casting a warm, orange glow over the landscape. The sky is filled with soft, textured clouds. The road is flanked by grassy fields and distant mountains under the twilight sky.

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