

The TRANSLOGISTICS



Freight Bill Audit. Doing Nothing is Not an Option

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As you may or may not know, there are multiple levels of auditing freight bills.

Recently, our Audit team questioned a carrier regarding a class change that resulted in a higher fee than expected. Because the dimensions of the shipment were different than stated on the bill of lading, our Audit team asked for a picture of the shipment in question.

The bill of lading stated that one carton was shipped loose; however after reviewing the picture, our Audit team found that the carrier had decided to place the carton on a pallet to make it easier to move.

OIL'S IMPACT ON FREIGHT RATES

Earlier in the year, TLI forecasted oil prices would drop below \$30/bbl. I feel it is worth advising the general impact these prices have between rail & dedicated modes.

Fuel makes up 20% of the operating cost of the rail according to the Pittsburgh Post-Gazette; however, the rail industry isn't fond of this drop in energy. The Canadian &

US rail industry are seeing lower demand which is largely due to a drop in oil & coal. Even with fuel surcharges, the intermodal carriers cannot stave off the correction due to the decrease in



demand. Overall prices are falling to the benefit of shippers.

Trucking is largely still more expensive than rail; however, there has been a push back to trucks lately for three reasons: visibility, transit time, and mainly the drop in pricing. The drop in pricing is mostly due to fuel, but also supported with more drivers on the road having left the oil/ fracking industry aiding capacity.

According to <u>DAT trend lines</u>, Jan'16 YOY comparison in fuel prices is -29%, while the van spot market is down -14% from Jan'15. It is safe to say prices are falling for the first half of 2016. So with this information available shippers should be analyzing KPI's to verify their 2016 \$/lb is dropping for them as well.

If you have any questions or want to learn more about how to make the most of your KPI's, feel free to contact: josephm@tli.email



Did You Know?

Semi-trailers are generally about 53 feet long, minus the cab. Add the cab and they're about 70 to 80 feet long. The maximum load they can haul is 80,000 pounds. Unless you're in Australia. Down under folk allow "road trains." What's a road train? A tractor with four trailers attached to it hauling upward of 300,000 pounds.



Don't forget to wear green on St. Patrick's Day on March 17th!

According to tradition, four leaf clovers bring good luck to their finders, especially if found accidentally. In addition, each leaf is believed to represent something: the first is for **faith**, the second is for **hope**, the third is for **love**, and the fourth is for:

- A. Peace
- B. Wealth
- C. Luck
- D. Happiness

Be one of the first 3 people to email <u>Stacy</u> with the correct answer and we'll send a little luck your way (or some cool TLI gear)!

Freight Bill Audit...continued

It was admitted by the carrier that they put the carton on the pallet which created the larger dimensions and thus the higher charges. TLI was then notified that the class change would be reversed back to its original class and charges.

Some may question whether it was worth the time and effort for one shipment that was only one carton. At Translogistics, we feel it is.

There have been examples in the past where a lift gate charge is added to a freight bill. Our Audit Team will review the location using a satellite view to determine if the delivering location has a dock. If there is a dock at the building, the charge is disputed with the carrier and often reversed.

Some may question whether it was worth the time and effort to investigate a lift gate fee for one shipment.



Our view is yes, it does take a lot of time and effort to review the details of each shipment; however it sets a precedence with our carrier partners that these charges will be questioned and disputed when it happens. Experience has told us that it is better to take the time and effort to get one corrected now, than get many corrected later. If we do nothing and allow the charges to flow through without ever disputing them, the carriers will continue to increase costs to our clients.

As always, we're here to help if you have any questions or concerns. If you missed our 2 minute video featuring our Audit Service, you can watch it <u>here</u>.

Scott McDevitt, President of TLI



Meet Kevin Nguyen

A lot of employees were happy when Kevin re-joined the Translogistics team in October of 2014 as a Software Support Engineer. He's responsible for configuring ViewPoint accounts, fixing bugs, creating reports, and running data analysis'.

"Data is abundant, but without understanding how to interpret it, it's useless information. I enjoy my job because I can help people turn data into information so they can do their job better."



FAST FACTS:

Married? Children? I am married to my wife Angel and we have 2 children, Mason (4) and Desmond who was just born February 22nd!

Favorite free time activity? I like spending time with my extended family and I like to go fishing with friends.

Interesting fact most people don't know about you? I used to live in Hobart, Tasmania Australia. I loved the weather and the people there were always nice.

Favorite vacation spot? I love Aruba because this is where my wife and I went on our honeymoon. This is also where we spent our first vacation together as a family.





"Kevin is a tremendous asset to our development support team. He is always ready and willing to assist anyone and always has a positive attitude. He is a vital member of our team."

-Tim Thomas, Director of IT



"The price of anything is the amount of life you exchange for it"

Henry David Thoreau

TLI ANNIVERSARIES:

David Orr	4/25/05
Peter Rio	4/25/11
Melanie Bernstiel	4/27/15

BIRTHDAYS: Bob Frye 3/1 Tim Wolfskill 3/4 3/8 Joseph McDevitt 3/30 Stacy Thomas Martin Shields 4/21 George Ditzler 4/28



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