

# AMTR Smart Auditing® Smart is our middle name!

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## The Smart Auditing® Difference

At AMTR, our process of freight bill auditing is very different from that offered by pre-audit and pay firms. The sole focus of our business model is what we call **Smart Auditing®**.

**Smart Auditing®** is an approach that involves human transportation experts—not just technology—driving the auditing process for every client. At **AMTR**, freight bill auditing begins with verifying bills and checking for payment errors, then goes much further to analyzing the totality of shipment information available to include all associated data, contracts, regulations and implied intents. This is a complex process that requires actual human intelligence in addition to computers.

Our staff of certified transportation auditors has over 160 years of combined experience and their collective knowledge is unrivaled in the industry. Additionally, they are enabled by state-of-the-art technology tools to uncover what others cannot. Even if your company has an internal audit process, it simply cannot dedicate the time or apply the depth of expertise to freight bill analysis that **AMTR** can.

We will not only identify overcharges and file claims on your behalf, but we will also educate you on how you can prevent errors in the future. Why not let us help you to know more about your freight bill processing?

## CN and CP to Cut Petroleum Rates to Attract Business

Canadian National and Canadian Pacific Railway, who together account for most crude-by-rail shipments, are cutting rates by as much as 25%. This is being done in an effort to attract shippers as crude oil prices continue to fall and shipments from Canada to the U.S. continue to decline. **AMTR** advises current and potential shippers to be on the lookout for updates to tariffs and investigate new contracted rates during this time.

## Extensions Are Big News Highway Funding and Positive Train Control

On Thursday, October 29, 2015 President Obama signed into law a bill that extended the highway spending bill deadline. This bill was signed just in time to prevent the shutdown of spending due to the expiration of the previous extension of the spending bill. This was the 35th extension since 2009; now lawmakers have until November 20, 2015 to come up with a long-term spending bill.

In July, before the 33rd extension was set to expire, the Senate passed the DRIVE Act. This act put into place a six-year spending bill totaling \$258 billion; however, the Senate was only able to determine how to fund the first three years. The House passed the \$325 billion Surface Transportation Reauthorization (STRR) Act of 2015 on November 5th. Both acts incorporate funding for federal transportation programs to include highway and bridge construction projects. The House and Senate must come to an agreement on the provisions of these two acts and compromise on a joint act to introduce to the President to be signed into law.

The October stop-gap measure also included a three-year Extension for the implementation of Positive Train Control (PTC)—a system that can prevent accidents by overriding conductors and slowing or stopping trains. Despite the investments the railroads have already made—according to the AAR, about \$6 billion—they were not ready to meet the December 31, 2015 deadline.

Although there have been both positive and negative reactions to the signing of the October extension bill, for shippers, the good news is that transportation systems will continue operating normally for the time being.

Visit **AMTR's** website for the latest developments on this legislation.

# AMTR Expertise

## Code of Federal Regulations (CFR) Title 49 – Transportation Sound Familiar?

Do you know what CFR, Title 49 is and what it addresses? If you deal with transportation and/or freight payables, it should be something with which you are very familiar. The title contains all of the statutes that carriers and shippers must adhere to while transporting goods in any portion of the United States—for example, *Subtitle IV – Interstate Transportation, Part A – Rail, Chapter 117 – Enforcement, Investigations, Rights and Remedies*. Over the last year or so, some carriers have published changes to their own rules tariffs—changes which directly contradict this section of the CFR for certain regulated commodities. Being aware of this gives you the leverage necessary to retain the maximum of your shipper's rights.

All **AMTR** auditors must pass a Transportation Law course in order to be certified, so we are all acutely aware of legal issues such as this. You can be assured if we are reviewing your freight invoices, we will catch any related impacts.

## Beware of Boilerplate Provisions

You have been negotiating rates with a carrier for weeks or even several months. You have finally agreed on all the new charges, and you are now prepared to review the draft contract to make sure the rates are correct and to sign.

But wait! Have you read the boilerplate provisions that may be buried inside the contract document? If not, you might have agreed to something that you did not realize was included. Boilerplate terminology is standard language found in many legal documents, especially rate contracts. The boilerplate sections are often titled "Miscellaneous", "General" or "Standard". The boilerplate can address concepts such as arbitration rights, attorneys' fees, liability and notice to cancel, to name a few. Moreover, some boilerplate provisions also make reference to other tariffs and rules to which you would be held accountable. These may call for a shorter statute of limitations period or include other provisions that could possibly limit your rights. Alternatively, they may provide some rules that could expand your rights.

**AMTR** always reviews boilerplate provisions in the course of our audits. This is the kind of attention to detail that makes us the best at what we do!



## Freight Volumes Low as the Holiday Season Approaches

September marked the beginning of the high volume shipping season that typically occurs ahead of the holidays.

However, this year's Cass Freight Index measured a domestic freight volume of 1.5% below that of September 2014. It is believed that a buildup of inventory for many manufacturing and retail companies is to blame. Many companies stockpiled goods early in the year, anticipating that labor disputes at West Coast ports would continue for a greater length of time. This means that there is now less of a need for products to be shipped to these companies. Transportation analysts do not wholly agree on whether volumes will increase or decrease throughout the remainder of 2015. In the meantime, increased capacity could give shippers a greater variety of carriers to choose from, as well as lower than normal rates in certain situations.

It is important to note that even when quotes are obtained, there is still plenty of room for billing errors to be made. Inquire today how **AMTR's Smart Auditors** can help you recover overcharged monies.

## USDOT Releases National Freight Strategic Plan Draft

On October 22, 2015, U.S. Dept. of Transportation Secretary Anthony Foxx announced a draft of the National Freight Strategic Plan which offers specific policy proposals and solutions to address the growing challenges of moving freight in the U.S. Given that freight traffic is expected to increase by 40% or more by 2040, there is concern that the existing transportation infrastructure will be inadequate. As this document and its outcomes will have an eventual impact on shippers, **AMTR** joins the USDOT in encouraging the public to review and comment on the plan at <https://www.transportation.gov/freight/share-your-ideas>.

### Quote

To know what you know and what you do not know, that is true knowledge.

—Confucius

# American Truck and Rail Audits, Inc.

November 2015 Brain Teaser

## Truckload Sudoku

Each of the 3x3 boxes has to contain one letter from the word TRUCKLOAD within its squares. Each letter can appear only once in a horizontal row, vertical column or 3x3 box.

There is only one correct solution.

D	L		T		A		K	C
T				L				R
			K	C	O		D	
O		K				C		L
	T	R				K	A	
L		A				T		D
			A	T	R			
R				U				A
U	A		C		D		L	K

Find the solution for  
this brain teaser at  
[amtr.com/brain-teasers](http://amtr.com/brain-teasers)

A TRUCKLOAD (TL) shipment is a shipment that contains a large amount of freight that usually requires an entire trailer or container. Also known as full truckload (FTL) or full container load (FCL), these differ from LTL shipments as they are picked up from a single shipper and do not process the freight through an origin and destination terminal; they are moved directly to the destination(s). It is critical that a shipper knows the difference between truckload and less than truckload options and which will render the lesser freight charges.



Home of Smart Auditing® – We Discover, Recover, & Educate