

# Focused on Making You Smarter and Richer in 2016

## New Year, Exciting New Initiatives!

Although 2015 was a great year for **AMTR**, 2016 promises to be even better. CEO Shan Scott, says, "As a result of our strategic planning efforts, we have a clear vision of where we will concentrate our efforts this coming year and have built a stronger and more robust organization structure and processes from which to execute our initiatives."

Some of the exciting things ahead include an expanded conference attendance schedule, internal upgrades to our 'Smart Tech' IT infrastructure, new collaborative partnerships with other auditing firms and new education-related efforts including workshop presentations and the creation of an Information Systems and Supply Chain scholarship at the University Central Arkansas.

Mr. Scott continues, "2016 will be a big year for **AMTR**! All of these efforts will help us better serve our clients and realize our vision of being the nation's premier provider of expert-based, after-payment freight auditing and transportation knowledge services." For more information about what's going on at **AMTR**, follow us on social media, stop by and see us at a conference in your local area, email or call.

## Come See Us at These Upcoming Events!

### SWARS February 24-25

swrailshippers.com  
San Antonio, TX

### PNWARS March 9-10

pnrailshippers.com  
Portland, OR

### SEARS March 29-31

serailshippers.com  
Charleston, SC

## Too Hard to Make Freight Cost Audits Work for You?

AMTR Implementation Team Makes It Easy!

We often hear from potential clients that they know their companies could benefit from freight cost audits, but they just don't know how to get started. They say it's too hard due to the difficulties of dealing across organizational stovepipes such as accounting, IT and transportation, as well as the challenges associated with coordinating across a large number of disparate, geographically separated activities.

Whatever the complication may be, rest assured that **AMTR** has an Implementation Team ready to help. Our Team consists of expert auditors, IT personnel and audit support specialists who can work hand in hand with clients—on-site if necessary—to develop a simple, tailored plan for implementation and rollout. And this service is offered at no cost to the client! We have years of experience setting up audit processes for companies large and small. Don't let the fear of challenges stop you from asking about our services. Contact **AMTR** and see how easy saving on freight costs can really be!

## Transportation Law is Complex

Have AMTR Experts on Your Side

Although resolved for now, recent lawsuits against the major U.S. railroads regarding the impacts of positive train control (PTC) highlighted the complexity of transportation law. Who exactly has jurisdiction when there is a problem? Where does one go to voice concerns and get relief? When it comes to shipping via rail or truck, there is a myriad of government bodies and rules and regulations that can impact shipments.

It takes a transportation expert to begin to understand the applicable transportation law as accounting technicians and rate clerks are rarely equipped with all the knowledge necessary to comprehensively audit a freight bill. Years of education, training and experience are required to assess a freight bill, understand applicable law and find the best, most appropriate rate. All **AMTR** auditors are required to be certified in transportation law; this is exactly why shippers need us on their side.



## Truck Tidbits for 2016

As a result of the passing of the FMCSA Final Rule on Electronic Logging Devices, carriers should begin to add these devices to their vehicles in 2016. This rule is intended to promote a safer work environment for drivers, as it will provide faster and more accurate tracking of driver activity log data. Carriers must have these devices installed for use by December 2017.

Also, beginning a new year means rate increases and changes in carriers' rules tariffs. The general base rate increases reported by YRC, UPS and Fedex average 4.9%. Furthermore, several carriers announced a change in their fuel surcharge tables and/or rules tariff. Carriers are finding that the extremely low-cost fuel market is negatively impacting their bottom line. Many shippers are receiving extremely low-cost or waived fuel charges due to the structure that was implemented when market fuel costs were much higher.

Finally, the conversation about truck decking is increasing. Decking allows drivers to place goods on upper decking bars, thereby keeping goods below the bars from being crushed. This can create more usable capacity in a trailer, creating more revenue for trucking companies. For shippers, the benefit is that product can be loaded above the decking bars when the product placed below the decking bars cannot be double stacked by conventional means. Of course, there must be associated changes made to carriers' rules tariffs to address the use of decking bars. Shippers need to be apprised of this new capability and make sure they are being billed correctly when it is being utilized by carriers.

## Rail Tidbits for 2016

Fuel was the big money saver in 2015 and that will continue in 2016. Diesel prices are expected to remain steady or possibly even lower; some predict the yearly average for diesel will fall below that of regular gas for the first time since 2004. The result of lower oil prices has driven some Class 1 railroads' fuel surcharge (FSC) to zero over the last twelve months, and, in some cases, the FSC application has been removed altogether. The good news for shippers is that this will bring lower and more consistent prices for shipments throughout 2016. On another note, amid the fallout from lower oil prices, new orders for energy sector railcar types continue to drop while demand for non-energy related railcars, such as covered hoppers and flat cars, is looking up. This is good news for railcar users who were squeezed out of the market due to energy industry demands.

# Industry News

## Signs that 2016 May Be 'Tipping Point' for Freight Industry

According to Zvi Schreiber of Freightos, the freight sector will reach a recognizable 'tipping point' this year. In a recent issue of Venturebeat.com he stated, "Growing demand for transparent logistics, changing industry mindsets, big data-technology, flexible supply chains, and growing demand for cross-border e-commerce is setting 2016 as the year freight goes online. And it's coming from the freight companies, it's coming from huge tech companies, and it's coming from an exploding number of startups." Examples to support his claim range from industry incumbents such as Delta Cargo's online air cargo booking and CH Robinson's online quoting platform to new logistics startups like iContainer's tech-enabled freight forwarding and Freightos' automated forwarder pricing. The "Uber-for-Trucks" model is growing as well with companies like Cargomatic, Convoy and Trucker Path entering the market. Indicators portend that the freight industry is on the verge of big change facilitated by enabling technologies and driven by shippers' expectations and demand for automated services.

**AMTR** keeps abreast of industry changes such as these to ensure that our clients are getting the most for their transportation dollars.

### American Truck and Rail Audits, Inc.

January 2016 Brain Teaser

Three types of shipments are going to a factory. Each has a different driver with a different product. Look at the hints to determine who is driving what type of shipment.

		Driver			Product Type		
		Niki	Kelly	John	Plastics	Metals	Chemicals
Shipment Type	Dry Van						
	LTL Pup						
	Flatbed						
Product Type	Plastics						
	Metals						
	Chemicals						

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

#### HINTS:

1. The Dry Van is carrying metals, but is not driven by John
2. The Flatbed vehicle was not carrying chemicals
3. The LTL Pup load was driven by Niki
4. As you use the hints, fill in the chart by writing in an "X" for no options and an "O" for yes options.

#### Contact AMTR

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