



We LOVE Recovering Your CASH

AMTR - Your "Free" Full-Time Auditor

The month of February often brings to mind thoughts of hearts and cupids. For **AMTR**, however, it is the time of year we reflect on how much we LOVE to recover cash for our customers. Our auditors pore over every detail of a client's freight bills and analyze them for trends over long periods of time to find unseen overcharges. We take as much time as is required to thoroughly investigate all transportation bills and payments, both common and irregular, as well as scrutinizing the contracts and tariffs themselves. We LOVE nothing better than to return cash to our clients—cash that can be added back to their bottom line.

Do you have anyone on staff who can commit similar time and energy to such audit activities? If so, do they have the necessary personal experience or an entire staff of experienced auditors with decades of knowledge in transportation law and regulation to back them up? If not, why not let **AMTR** serve as your full-time auditor? With **AMTR's** signature service—the after-payment freight audit—your freight bills will get the time and attention of an entire staff of expert certified auditors at absolutely no cost. That's right, our service never costs—it only pays! What's not to LOVE about that?

What You Don't Know Can Hurt You

The Dangers of Being Too Reliant on Automation

At **AMTR**, we frequently hear that freight bill auditing is no longer necessary because computers take care of everything. If that were truly the case, **AMTR** would have been out of business some time ago. Instead, we continue to recover overcharges for clients year after year, even though some of them have multi-million dollar computer systems that handle all freight and payments. The fact is that no matter how many shipping scenarios are programmed in our clients' computers or the computers of their outsourced prepay or logistics companies, there will always be exceptions.

With so much automation on both the carriers' and clients' sides, the actual bills are rarely examined by humans. As such, when complicated scenarios such as diversions, holds, cancels and rebills occur, they are often rated incorrectly and no one notices. Furthermore, until a human looks at those bills and identifies the errors, the automated programs cannot be fixed. This is a dangerous case of "what you don't know can hurt you." Rest

assured, **AMTR** has a great respect for technology but always keeps knowledgeable experts in the loop, reviewing bills with human eyes to see what computers cannot.

Rail Diversions and Through Rates Complexity That Costs

Let's say you have a joint line rate negotiated or published for a lane of traffic. In this case, you know who will invoice you and for how much. After your railcar ships, what if the customer cancels the order, the product is found to be out of spec, or you have a different client that needs the goods more urgently? You will have to request a diversion to alter the movement of the car. More than likely, however, when the original EDI transmission was sent to the carrier, a freight bill was already created in its system. If the diversion occurs with the originating carrier, they may or may not cancel the billing and invoice you correctly. Alternatively, if the diversion occurs on the subsequent carrier, you may find yourself shipping product to a point where you have no alternate through rate or have to pay the second carrier a "Rule 11" for their portion. In this instance, AAR accounting rules state:

A non-origin diverting carrier should submit a 426 challenge with a D1 code in the ZR13 segment if no 426 waybill has been received at the time of diversion. Challenges related to diverted shipments are not subject to a waiting period as defined in Freight Mandatory Rule 64B(2).

Sound complicated? It is! If the action described above did not happen, the originating carrier did not get the memo and the billing may still be in place for the first move. This type of scenario is extremely hard to catch and requires the transportation group to proactively communicate with the carriers involved. What makes it even more challenging is that many corporations are transferring such responsibilities to the accounts payable function, which is inadequately prepared to handle such freight cost complexities.

If this is your situation, you need a team of experts behind you who have been trained to identify these kinds of problems and more. Let **AMTR's** Smart® auditors review your freight for free [today!](#)

Industry News

Ready, Set, Don't Go!

The driver shortage has been the topic of many conversations in the trucking industry lately. With trucks delivering nearly 70% of all freight annually, they undoubtedly help drive the economy with the movement of everything from raw materials to manufactured goods. Without an adequate number of truck drivers, our economic future is not as bright. As such, recent data about driver turnover rates proves interesting.

According to the American Trucking Association (ATA), the annualized turnover rate for large truckload (TL) carriers skyrocketed by 13 points in the 3rd quarter of 2015, bringing the turnover rate to 100%. On the other hand, the rate for smaller TL decreased to 68% which is the lowest since 2011. Finally, coming in with steadier figures, the less-than-truckload (LTL) fleets saw a 3% 3rd quarter decrease, which returns them to the previous nine-month average of 10% turnover.

Given the mixed nature of this news, the ATA is waiting until the 4th quarter to make any overall trend assessments. Even so, any decreased availability of capacity and drivers for TL or LTL carriers will generate increases in the rates for moving product and those extra dollars will be tacked onto the price of goods. In times like these, companies should look for ways to ensure they are not being overcharged on their transportation costs.

AMTR will make sure you are not overbilled and will recover your money if you have been!



Important Railroad Reports Released

The Association of American Railroads (AAR) released its first "State of the Industry Report" in late January. The purpose of this report is to inform lawmakers, the business community and the public about the freight railroad industry's top priorities. This report details the industry's investments in new technology and innovation that are enhancing safety across the nation's rail network.

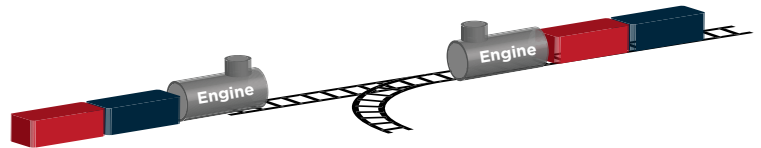
Also, BNSF, CSXT, Norfolk Southern and UP recently released their 2016 capital expenditure plans which all include reductions from 2015. An "uncertain environment" is cited as one of the key factors in the reductions. In 2016, growth potential is seen in the intermodal and merchandise markets but will continue to be accompanied by a weakness in energy markets and export business.

American Truck & Rail Audits, Inc.

February 2016 Brain Teaser

Two trains are travelling along the same stretch of single line track toward each other. Each train consists of an engine and two cars. There is, however, a siding that can take one engine and one car. How is it possible for the two trains to pass each other using this siding?

To work the puzzle, sketch the track and use a nickel for the engine and 2 pennies for the cars (all heads up) on the left and a nickel for the engine and 2 pennies for the cars (all tails up) on the right. Assume the engine can connect to cars from either end.



Find the solution for this brain teaser at amtr.com/brain-teasers

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

NEARS April 26-28

www.nears.org
Baltimore, MD

QUOTE

Knowledge has to be improved, challenged, and increased constantly, or it vanishes.

-Peter Drucker