

Human Experts: The “Smart Auditing”[®] Difference



AMTR Freight Auditors Most knowledgeable & hands-on for clients

For as long as **AMTR** has been in existence, our business model has put human, transportation experts at the center of our freight auditing services. Our team of auditors are arguably the most knowledgeable in the industry; each and every one having successfully passed a rigorous apprentice and training program as well as completed required certifications in transportation law, motor carrier operations, etc. Does this mean that **AMTR** only uses brainpower and not technology to accomplish audits? Absolutely not! We have a robust technology architecture which we call “Smart Tech” and time-tested data mining and overcharge discovery processes we call “Smart Net” that support our auditors in their work, but human auditors are always in the lead. At **AMTR** we use technology to augment our human experts not to replace them. As such, every client account gets human attention that results on a much more hands-on audit and a closer customer service relationship. Where automated freight audits based on pre-programmed algorithms can only identify the most standard errors, our human auditors get to know our clients and their freight operations on a deeper level which allows more extensive and higher-dollar overcharge recovery. When thinking about freight cost audits for your company get “Smart” and let the experts at **AMTR** work on your behalf!

Gap Between Contracts Can Cost

Let’s say you have had a long-standing contract involving many carriers for a through rate. One of the carriers has informed you that they are no longer able to be a part of that through rate. As such, your product and marketing managers must begin to negotiate new rates for that carrier’s portion of a route. When the negotiations conclude, the original contract must also be re-written with the new route and rates. These activities are time consuming, and often while negotiations are still underway, the original contract expires.

In this “gap” between the end of an old contract and the beginning of a new one, carriers must continue to invoice shippers and shippers must continue to pay their freight. As a result of the “gap”, many different scenarios that are not beneficial to shippers may ensue. Invoicing will default to Rule-11 tariff rates. If a point-to-point tariff rate is not available, a high-mileage scale might apply.

If a tariff rate does not exist, the carrier may update it to include one or provide a one-time quote or spot quote temporarily. Customers might even negotiate a temporary rate of their own to be billed collect. Such a “gap” may last a few days or a few months, but when the new contract is finally put in place, carriers will sometimes honor the new negotiated rates back to the date of original contract expiration.

These typically are complex situations to identify but not for the experts at **AMTR**. Let us review your freight to ensure you never pay more than what was intended.

When Tariffs Are Replaced Errors Often Follow

When a tariff is replaced by a completely new tariff errors can and will occur. As an example, in a recent audit of one of our client (shipper) accounts, it was discovered that a tariff which had been used for many years had been reissued into a new tariff. The new tariff was published and included discounted rates for one month to ease the transition. In the process of auditing for the client, it was discovered that transition rates had been loaded into the shipper’s freight rating system several months late. This resulted in hundreds of invoices being overpaid. Furthermore, it was found that one of the lanes was published at a considerably higher rate after the one month transition period. **AMTR** intervened for the client and contacted the railroad to determine the intent for such an increase and, in the process, confirmed that the higher published rate was actually an error (which was corrected in later tariff updates).

The moral of the story is that if you don’t have in-house experts examining your freight charges at this level of detail, then you are probably experiencing unnecessary overcharges. Let **AMTR** do it for you!

Quote

People who have expertise just love to share it.
That’s human nature.

David Baldacci



Sunshine, Surfing, and Surcharges? California Compliance Surcharge

Thinking about California often brings to mind thoughts of sunshine and surfing; however, if you're in the business of shipping goods, the new California Compliance Surcharge being billed by some LTL carriers is probably first and foremost in your thinking. As of May, two prominent LTL carriers, Old Dominion Freight Line and ABF, added surcharges to the majority of freight invoices for shipments originating from or destined to the state of California. Carriers have advised that these charges are necessary to offset the state's higher operating costs and stricter regulations such as requiring trucking companies to pay drivers for rest breaks and time spent refueling.

These new charges can be found in the carriers' rules tariff. For ODFL, see tariff ODFL 100-K Item 375 effective 5/2/2016--the charge is \$5.95 per shipment. For ABF, see tariff ABF 111-AI Item 162 effective 3/1/2016--the charge is \$5.92 per shipment. These surcharges do not come without complaint as they can add up quickly for those that do business in and out of California. Industry allies in Congress have introduced bills aimed at preventing states from applying regulations like California's to truckers. Some view these additional charges as the trucking companies' way of supplementing revenue in a weakening freight market. If this news isn't surprising enough, there is even talk about suggesting similar charges such as a surcharge for shipments going to the Northeast where parking is severely limited and costly to truckers.

With all these changes, you need experts working on your behalf to ensure you get what you pay for. **AMTR's** expert auditors keep on top of all the freight news so you don't have to.



AMTR Truck Auditor Wins SWARS Scholarship!

AMTR is excited to announce that one of our own, Kelly Kirkpatrick, has been awarded a top-level Southwest Association of Rail Shippers (SWARS) 2016 George

J. Elking, Jr. Scholarship. Kelly has worked at AMTR for nine years and currently serves as the Assistant Manager of the Truck Audits Team.

If being a member of Mensa wasn't enough, Kelly takes her education very seriously. She is currently pursuing a Bachelors in Business Management and regularly carries a full academic load as well working full-time. Kelly's intelligence shines through in many ways but especially in her work as a freight cost auditor as she has been a top producer in our company year after year. Kelly's academic pursuits embody our company core value of "seek knowledge always" - we are so proud of her. Congratulations Kelly!

Industry News

AAR Releases State of the Industry Report

The AAR recently released its second State of the Industry Report for 2016. This year's report titled, "The Ripple Effect: Freight Rail Delivers the Economy," for the first time ever shares data that begins to quantify the freight railroad sector's economic and fiscal impact. Furthermore, it features chapters that focus on the impact of the railroad industry on the national economy, public policy and consumers. Conducted by Towson University's Regional Economic Studies Institute (RESI), the report states that, "freight railroads trigger a powerful economic ripple effect across the United States. Railroad spending means job growth, dollars to communities and global competitiveness." AAR President and CEO Edward Hamberger remarks that "freight rail is the basic building block that allows a great sweep of economic activity to take place across the country." See more of the report at www.aar.org/report-2.

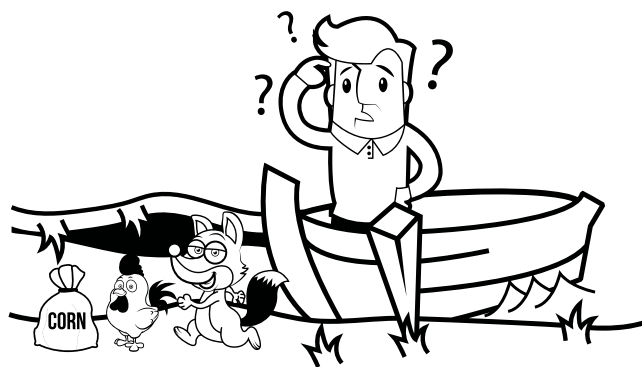
Come See Us at This Upcoming Event!

MARS Summer July 11-12
mwrailshippers.com
Lake Geneva, WI

American Truck & Rail Audits, Inc. June 2016 Brain Teaser

A "Carrier" Problem

A man has to get a fox, a chicken, and a sack of corn across a river. He has a row boat, and it can only carry him and one other thing. If the fox and chicken are left together, the fox will eat the chicken. If the chicken and the corn are left together, the chicken will eat the corn. How does the man do it?



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

Thanks to Fitbrains.com
for this brainteaser!