

# AMTR Looking Back and Moving Forward



## Grateful Employees Take Time Out to Honor Company Founders

Earlier this month, **AMTR** held a surprise dinner event for our company's Founding Fathers—Ed Scott, Mike Lasiter and Shan Scott. A large crowd of employees, their families and the Founders' family and friends gathered for the celebratory occasion. According to Monica Poyner, Senior Rail Auditor and 20-year employee, "It is hard to express what these guys mean to us. We felt the need to say thanks in a big way. We want them and everyone else to know how important they are to us."

The evening consisted of dinner, dancing and numerous personal tributes to the leaders. Tamara Henry, Audit Support Staff member, stated, "Working for **AMTR** has changed my life for the better. I have never worked for such good, caring people." John Ladd, Senior Truck Auditor, offered, "These men are truly a blessing to me and so many other people that have come across their paths." Monika Williams, Rail Auditor, said, "I'm incredibly grateful that I was provided the opportunity to work here and succeed to my fullest potential...they believed in me from the beginning."

In reflecting on the event, family member (and **AMTR** Chief Education & Innovation Officer), Summer Bartczak, stated, "I know these men, personally, of course. It is not enough to say that they were stunned at the recognition and humbled beyond words. And, although the night was clearly focused on them, the caring character of the employees was also evident in all the planning and effort they put forth on the event."

**AMTR** was founded by Ed and Mike in 1979 and became a true functioning entity in 1981. Mike still serves as company President, and Ed as Chairman of the Board. Shan Scott, son of Ed Scott and 30+ year company employee, has been serving as CEO since 2013. These men brought **AMTR** out of a basement, transitioned it through the challenges of de-regulation and digitization, and built it into the nation's premier provider of expert-based after-payment freight audit services. Although the evening was an opportunity to look back at what **AMTR** has become under their thoughtful leadership, it also served as a reminder of the core values that lie at the heart of the company and will continue to guide it going forward.

## Strategizing for the Possible Impacts of Protectionism on Supply Chains

In the U.S., the recent presidential election has sparked new thinking regarding supply chain strategies in what may be a new era of Protectionism. Protectionism—an economic philosophy that centers on shielding a country's industries from foreign competition—has many companies re-evaluating their supply chains. In a recent *Harvard Business Review* article, "Rethinking Your Supply Chain in an Era of Protectionism," authors Justin Rose and Martin Reeves state, "Adjusting to new economic realities as well as political and economic uncertainties will require making supply chains more resilient." They suggest that so much is changing in the world that even the "most fundamental assumptions [about supply chains] must be questioned."

Of course, rail transportation is a significant element of many supply chains. This year alone, **AMTR** has seen numerous changes taking place with the re-emergence of the Surface Transportation Board and pending legislation issues. Although there is much uncertainty in the industry, **AMTR's** knowledge of transportation, freight charges, billing issues and overcharge recovery processes will remain a constant. Whatever changes our clients implement in their supply chains, we will be there to ensure freight costs are kept at the absolute minimum and any unreasonable charges are identified.

### TEAM AMTR

Red, White, Blue... and Pink



Truck & Rail Auditors  
"moving forward"  
for a cure

### AMTR Supports Breast Cancer Awareness

**AMTR** employees recently participated in the Susan G. Komen Race for the Cure. As two employees are breast cancer survivors, the cause hits close to home. It was a meaningful and fun day for all!

## Cybersecurity Threats—Growing Concern Across Trucking Industry

Shippers and carriers share a greater amount of digital communication and connectivity than ever before. Emails, electronic load booking and cell phones are replacing faxes, phone calls and CB radios. This increasing “connectedness” should leave shippers and carriers alike contemplating how vulnerable they are to data breaches and what the implications of these breaches might be.

It was recently reported that the American Trucking Association is in the final stages of developing a cybersecurity incident and response service to address this very issue. The service, known as Fleet CyWatch, will aid carriers in reporting cyberattacks of on-board trucking data systems that could be used to further exploit carriers’ IT systems and infrastructure. It is important to note that this is a reporting/alert system; it cannot prevent cyberattacks.

Shippers should take note of carriers’ continuing investments into creating and reinforcing cybersecurity systems such as Fleet CyWatch. As the trucking industry continues to grow, shippers’ own IT systems can also be exposed to cybersecurity threats due to the high level of connectivity they and carriers now share. Compromised IT systems could mean the loss of critical data, including shipment information, payment records and images. As for **AMTR**, security is always a concern for us, as well, as we continue to implement industry-leading solutions to ensure our clients’ data is safe from compromise.

## New Environmental Surcharges Ahead for CP

Canadian Pacific (CP) is making plans to introduce new environmental surcharges to other Canadian provinces, in addition to those already established for British Columbia and Alberta. CP currently recovers these surcharges through the application of intermodal and carload surcharge rates. The plan is to expand the CP 9800 tariff to include added carbon taxes for each province in which it operates by the end of 2018.

## West Memphis Port Rail Expansion Project

West Memphis, Arkansas broke ground recently on a major port upgrade that will expand freight rail handling capacity. This \$10.9 million intermodal project will connect two major interstates, two Class 1 railroads (BNSF and UP), and the city’s deepwater port. It is expected to be completed in March 2018. This port, which previously supported only 800 railcars per year, is expected to expand to 350 railcars per week upon completion. More info about how this project will affect the rail market can be found at:

<https://tinyurl.com/http-tinyurl-westmemphisport>.

### Quote

Great leaders have a heart for people. They take time for people. They view people as the bottom line, not as a tool to get to the bottom line.

Pat Williams (and echoed by AMTR employees)

# Industry News

## Recent Trucking Conditions Index—A Look Under the Hood and Forward

The Trucking Conditions Index (TCI), published monthly by the freight transportation consultancy firm FTR, tracks the changes representing six major conditions in the U.S. truck market: freight volumes, freight rates, fleet capacity, fleet bankruptcies, fuel price and financing. The TCI is focused primarily on contract markets, not spot markets; however, the markets do interrelate.

As reported by Jeff Berman in *Logistics Management*, the most recent TCI, reported for the month of August, was a modest 1.41; this is a sharp drop from July’s 5.75 and the figure of 6.76 from the previous year. Although the index reading was substantially down, FTR cautions that the August number “is not wholly reflective of the current environment for truckers...[and it] reflects tightening conditions for hauling capacity.” FTR states that a positive TCI reading represents an adequate trucking environment, while readings above ten indicate prices, margin and volumes are in a range that is better for carriers. The August index of 1.41 showed only a “modestly positive” reading for market fleets, possibly signaling big changes ahead and a continued steady increase in spot market rates.

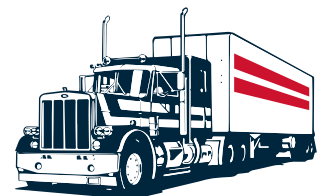
FTR COO Jonathan Starks points out that the increase did not happen all at once. Berman quotes Starks as saying, “... spot markets have actually been moving in this direction for the past year. Load activity was rising, truck availability was falling, and rates were already up over 20 percent year over year before the storms hit. Spot market rates are a leading indicator; and, although there is a lag, contract markets are starting to follow suit. Shippers are now taking notice and are getting worried about dealing with double-digit rate increases as we head towards bid season.”

## American Truck & Rail Audits, Inc. October 2017 Brain Teaser

### TRANSPO CRYPTO

Substitute each letter below for another letter in the alphabet. The letter substitution remains the same for each word. HINT: All of the words are transportation-related. The image below is a clue for the first word. There is only one correct solution.

L C J Y X \_\_\_\_\_  
L C P M O \_\_\_\_\_  
C Q Q Z Q C \_\_\_\_\_  
B M O Q U P J B \_\_\_\_\_  
T P Y X U P J B \_\_\_\_\_  
L C J Y X B H P S \_\_\_\_\_  
C P M B C H P S \_\_\_\_\_  
S Q P S U Q P S \_\_\_\_\_  
N G M L Y U M O D \_\_\_\_\_  
L C P O N F H C L P L M H O \_\_\_\_\_



Source: Created by Kelly Kirkpatrick, AMTR Sr. Truck Auditor

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