

Keep on truckin'



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This is a challenging time in the shipping industry. When you consider terrorist threats, faulty food and drug processing at foreign facilities, historically high fuel costs, sporadic equipment shortages and a never-ending stream of federal, state and local legislative bills affecting international and interstate commerce, it is the most difficult environment most of us have experienced.

But another looming problem has the potential to cause the most strain: the convergence of difficulties threatening the nation's trucking industry.

I recently attended the New Jersey Motor Truck Association's award luncheon, which honored current Chairman Myron "Mike" Shevell for his long record of service and dedication. In addition to running a large group of transportation companies as chairman and CEO of New England Motor Freight Inc., Shevell is engaged in industry regulatory and legislative affairs.

The turnout was impressive: New Jersey Gov. Jon Corzine and Assemblyman John Wisniewski, chairman of the New Jersey State Assembly Transportation and Public Works Committee, praised Shevell for his contributions to the transportation sector. The room was filled with sophisticated, intelligent and hardworking men and women from the trucking industry.

Most of them are entrepreneurs, running businesses in competitive markets, investing large sums in trucks and equipment, providing jobs and benefits to legions of truckers and providing critical services to the industry and the community at large. What was striking was that there was nary an optimist in the bunch.

Most of the conversations were about their fears about escalating fuel costs,

driver shortages, increasing regulation, a credit crunch and increasing demands by their customers, who are experiencing their own growing demands within ever-shorter time frames.

Add to that the frustrating circumstances that local drayage companies endure when trying to get in and out of our marine terminals in a reasonable time, being encumbered by faulty chassis or having to go to one location to pull a chassis and then another location where the container is mounted for insufficient compensation for the double stop.

When we in the industry talk about terminal turn times, we are often talking about two measurements. For an import load, terminals will measure from the time a trailer pulls into the gate until it leaves with a full container — that is, a "turn" within the terminal.

The drayman, however, also considers the amount of time spent outside the gate, along with any time spent pulling a chassis from another location if necessary. That can be quite a time difference. Many truckers say they are lucky if they can make two runs a day.

The drayage companies generally charge their customers by the container load with or without a fuel surcharge. Most customers don't want to hear about how long it takes or what problems they encounter. And shippers, their brokers or 3PLs don't want to absorb demurrage or detention charges if the delay on either end was not directly caused by their own actions. "Just get the load delivered, man! We all have problems. You get enough business from us."

And that's what the truckers get from their clients, the people they are working for. What they get from the terminals is often worse. They also are often charged for container and chassis repairs for pre-

existing but unrecorded damage. While there may be a process to settle such disputes, the terminal truckers have little real possibilities for success in fighting the charges and may face the threat of being banned from the facility if they don't pay up.

So why are all these intelligent, hardworking, entrepreneurs involved in the trucking business? How can they maintain and continue to attract skilled local and long-haul drivers for the current wages they can afford to pay? I am sure many of them are asking themselves the same questions.

So it's easy to understand the shortage of optimists in the trucking industry. How can we change it?

Importers and exporters must re-engage the trucking companies as vital partners in the supply chain. We must work with the carriers and terminal operators to minimize delays and frustrations caused at the terminals and let them know that the draymen are acting as the shipper's representative at the terminals.

Shippers do have options and should consider the full spectrum of the cargo flow when negotiating with their carriers. We can avoid blaming each other and deal directly with real problems that affect one or the other, which actually affects us all. We can work together to ensure a smoother flow of goods, allowing for more moves per day and fair compensation.

Without a healthy trucking industry, we cannot be too optimistic about our own industries that solely rely on it.

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