

Making The Decision

You've seen others doing it, so why not you? Perhaps you've been in a big truck long enough and now you want to do something else? Retired? Wanting to travel and make money at the same time? Any of these are legitimate reasons why you might want to become a transporter. Before you set off on this business adventure you should have your ducks in a row. To get started isn't cheap. Expect to spend \$4000.00 or more for equipment. This doesn't include the price of your truck, which can be as high as you want to go. What this manual will show you is how to prepare for and increase your chances of being a successful transporter.



My experience in the transportation industry dates to the early 90s. As a chase car driver, truck driver, owner operator, small fleet owner, freight broker, and now a transporter. I'll share with you the knowledge and experience I've gained so that hopefully you to will be a success in your new venture.



First and foremost you must keep in mind that you are your own business. Any company you work for will be as a contractor. This means that no taxes are held from your pay and you'll receive a 1099 at the end of the year. You'll file a long form tax return where you'll be able to write-off most of your expenses. When finding a tax preparer, it's a good idea to find one that has experience working with the trucking industry.

The company you choose to contract with should be reputable. There are a lot of transport companies out there today. From large companies that have several hundred if not thousands of drivers to small companies that have only a handful. Do your homework! It cost's too much to find out you leased (contracted) to a company that isn't being fair with their contractors.

Although I won't divulge the company I was contracted with, I will give you leads to companies that you can check out for yourself. The reason for not divulging the name of my company is that what's right for me may not be right for you. There are those that are contracted to companies that I wouldn't touch with a ten-foot pole, yet these contractors swear by them. Then there are those that feel the same about my company.

So, the decision on whom to lease is up to the individual and what meets their wants and needs.

More often than not, those with trucking experience prove to be successful at being a transporter. The reason for this is that those with trucking experience have the experience and knowledge in which to draw from in order to succeed. This experience and knowledge is that of distances, traffic patterns, roads, DOT, the legal aspects of commercial transportation, and the experience of constantly having a trailer behind them.

This doesn't mean that those without trucking experience can't do it, just that they are behind on the learning curve. There are many that don't have big truck experience that are successful. Those that have survived the first six months without going broke or having driver damage to the trailers that they were transporting.

Have I caused you to have second thoughts about becoming a transporter? I hope not because it can be a rewarding as well as a profitable career. You're your own boss. You get to travel the country.

Have a friend or relative somewhere that you haven't visited in sometime? Now you can! Take a trailer to their location and spend time with them.

Is there a place you always wanted to visit? Now you can! Again just take a load to your desired destination.

You get the idea. Plus, no one breathing down your neck or telling you what to do. As a contractor you are self-employed. You work when and where you want. Most companies only require you to move one load a month to keep your contract active. Yes, you can do this part time.

Now to answer the most asked question I hear, "How much can I make?" Of course this depends on you and how hard you want to work. I'm generally home 2-3 days per week (average) and gross approximately \$75,000.00 per year for a net of \$40,000.00 - \$50,000.00 a year. To be honest with you, I don't work that hard. If you figure this up you'll see what I mean. Being home 2-3 days per week means I'm off 3-5 months per year. My wife thinks I should work harder. Now that I've figured my time off this way makes me think that maybe she's right, I should work harder.

Ok, if you're ready to become a transporter, let's get started. First things first though, let's choose a truck.

Accessorial

Additional charges to the line haul rate that are billed to a customer or paid to a carrier. Common accessorials include, fuel surcharge, unloading charges, and stop charges

Air Bag

Large paper bags filled with air and placed between pallets or stacks of cargo to protect boxes of goods from falling to the floor or slipping within the trailer. Used frequently in transporting canned drinks, especially beer.

Air Brake

A brake, which is operated by air. The air is operated by the use of air lines, valves, tanks, and an air compressor.

Air Freight Forwarder

Non-asset-based firm, whose primary advantage is cost. Negotiate low rates with the airlines and resell in small quantities to the shippers

Air Ride Suspension

A trailer suspension system, which uses air bags for a greater cushion than that provided by the conventional leaf spring.

Backhaul

The load of freight a carrier moves in order to get back to his home terminal, or back to another direct customer, in order to get line haul rates. A broker usually arranges for a backhaul.

Bill of Lading

Identifies; 1. The parties (consignor, carrier, and consignee), 2. The goods being transported, 3. Responsibilities of the parties, 4. The consignor or shipper typically owns the goods being transported, 5. The carrier identified on the bill of lading is the party to be paid for the freight charges and is responsible for the care of and the in a safe and careful manner of the cargo, 6. The consignee or receiver is the party to whom the goods were sold to and is expecting delivery of the goods in the same condition as were shipped. 7. The goods are typically identified, a count given and a poundage weight is given, 8. The bill of lading will normally identify responsibility for freight charges. Prepaid, collect, COD or third party billing, 9. When signed as a receipt for the goods by the consignee it also serves as a "proof of delivery". In short, it is the most important document in transportation. It is the contract between the shipper and the carrier, and contains the terms and conditions.