Cavalier celebrates silver anniversary!

Cavalier Transportation has come a long way since George Ledson founded the company as a one-man operation based at his kitchen table. Now, 25 years later, it boasts a staff of 160, and a fleet of more than 90 trucks and 175 trailers that ply the highways of Canada and the U.S. The modest kitchen table has been replaced by a state-of-the-art logistics centre with 200,000 square feet of storage space at the company’s sprawling headquarters in Bolton, Ontario.

IN THIS EDITION

Remembering all the veterans

Protect your assets with V-Trac

Customer Connection Sylvite, a soaring success

Riding the rails in Europe

and much more!

...continued on page 2
January 2005 will mark Ledson’s 49th year in trucking – he started at Intercity Truck Lines as a credit clerk in 1957 – and he has every intention of sticking around for his 50th. George is confident that the future of Cavalier is in good hands, crediting its longevity to the fact that he has hired “some really good people.” Trucking is not only in Ledson’s blood; it’s also in his bloodlines. His son Brian is National Sales Manager; son Geordie is Vice-President, Operations; daughter Vicki Stafford is Vice-President, Resource Development; and her husband Scott is Projects Manager/IT – all the makings for a successful succession.

In the meantime, Ledson continues to be active in the industry. He recently completed a two-year term as chairman of the Ontario Trucking Association. Being named chairman of the 800-member organization was “like winning an Oscar,” he enthuses. “It was an incredible honour.” And while he claims his term was “made easy,” thanks to the Association’s capable president David Bradley, he acknowledges that the industry faces many challenges – the rising cost of insurance, truck safety, border issues, the impact of the stronger Canadian dollar on carriers with U.S.-dollar accounts, and hiring and retaining drivers.

Cavalier is addressing the latter by adding automatic-transmission tractors to attract more drivers, and providing profit-sharing and RSP contribution plans to retain them.

A long-time Trailcon customer, Cavalier leases trailers when it needs to supplement its fleet in a hurry and doesn’t want to tie up capital, says Ledson.

Away from the business, Ledson often trades one kind of horsepower for another. He is an avid equestrian who owns and trains thoroughbreds – in fact, Cavalier is named after his father’s favourite horse.

Trucking will always be a passion. “I still like to smell the diesel. Trucking has provided me with three meals a day for 48 years, and for that I’m thankful.”
November 5-11 has been designated “Veterans’ Week.” This is the time that has been set aside for Canadians to “honor and remember our veterans, and all who served Canada during war, armed conflict and peace,” according to the website of Veterans Affairs Canada.

Alas, V.A.C. appears to be suffering from a bad case of selective memory. Not only was it less than supportive in providing assistance to many veterans who wanted to attend the 60th-anniversary ceremony of D-Day in Normandy this past June, but it outright rejected a segment of that group.

V.A.C. brought 60 vets to the ceremony. However, according to its “Canada Remembers” Division, this group was accompanied by: 19 RCMP, 18 Parks Canada reps, 20 members of the Canadian Forces, and 41 V.A.C. staff – a retinue of 98 versus only 60 veterans! To add insult to injury, the federal government had agreed to sponsor any WWII veteran in this way? But neither Prime Minister Paul Martin, nor Governor General Adrienne Clarkson, who spoke to the same group of veterans, saw fit to acknowledge the sacrifice made by the Canadian soldiers who fought and died at Dieppe.

When Trailcon contacted V.A.C. to sponsor two vets to attend the D-Day ceremony, it was a long and frustrating exercise that went like this. On May 12, my assistant called V.A.C. on its toll-free line and inquired what Trailcon would need to do to sponsor a veteran. A gentleman named Hugo said he would have someone from head office call her back to advise us.

A week later, her call still had not been returned. My assistant called the toll-free number again, and was told that a “travel information form” and a “security clearance form” needed to be filled out and submitted that day. My assistant explained that we only wanted to sponsor some vets, and that we thought V.A.C. would have a list of those needing sponsorship. She was then told to call the head office, where someone called Reanne told her that V.A.C. was not planning any more trips for veterans, but they could make their own arrangements, submit the receipts afterwards, and receive the $1,000 subsidy from the government (assuming, of course, they hadn’t fought at Dieppe). Reanne then referred her to the National History Society. This organization, a private charity, told her that it was working to try to free up flights and hotel space for veterans, but that any hotel that would be available would be very far from the ceremony site, and the men would have to make their own way there.

Finally, my assistant contacted Trailcon’s travel agent, who told her that all flights and hotels were booked, but that she was conducting a guided tour to France that included the D-Day ceremony. Although there was no space left on the tour, a number of veterans were traveling with the group. At that point, Trailcon decided to sponsor two of the veterans from her group, Bill Marshall and George Mummery (see “Pitching In,” Report on Transportation, Summer 2004). But who would have thought V.A.C. would do so little to help us to honour a veteran in this way?

This year, says the V.A.C. website, it is “making a special effort to honour and remember the nearly 100,000 Canadian veterans who served in Italy during the final two years of the Second World War.” Nothing wrong with that, but there is something wrong with recognizing one group of veterans while shamefully excluding another. Every one of the veterans fought for their country and for our freedom, and they all deserve our sincere gratitude. May they never be forgotten.

As for the V.A.C., I think they’re operating in a V.A.C.U.U.M.
California-based V-Trac Systems’ low-cost GPS tracking systems notify owners of rolling assets of a potential problem before it occurs – whether it be the theft of a trailer or the failure of a part.

Recently, it introduced the Intermodal Modular Security System design for both chassis and containers. The system can be integrated into intermodal container chassis for the purpose of daily automated location checks and operational efficiency, and can be expanded to include temperature reports on retrofitted or customized axle hubs and brakes. For example, hub temperatures are set at two thresholds: the lower one indicates a warming condition that would signify low oil conditions or the beginning of excessive bearing wear; the second is set at a point higher than the first to give advance warning of potential major damage to the race, hubs, or other parts.

The system is also able to monitor brake wear and heavy use.

Consisting of four independent yet integrated modules, the system is engineered so that failure of one part does not necessitate replacement of the entire system. The company’s 24/7 Response Centre diagnoses any problems with or failure of any of the modules, and advises the client, while at the same time shipping the replacement module for fast, simple field repairs.

Another new product, V-Link-1T, protects cargo in refrigerated freight carriers. An extension of the basic Vlink1 theft prevention product line, V-Link-1T samples the temperature every 15 minutes in the cargo area during reefer operation. It transmits the high, low and average temperatures as often as required, and sends instant alarm messaging to the operations manager if a problem occurs, such as out-of-range temperature or reefer failure. During non-operation of the reefer, the unit reverts to non-temperature-reporting mode, pre-programmed upon installation, to avoid the expense of temperature transmissions when not required.

Extensive reporting and user-driven menus available on the company’s Web site allow end users to define whether they want to have specific events simply recorded, or to be notified of them immediately, via e-mail or live operator telephone call. Those with their own IT departments can also have data delivered directly into their databases using virtually any protocol.

The Driver Fatigue Monitor (DFM), from Pittsburgh-based Attention Technology Inc., notifies drivers if they are becoming drowsy, before the situation becomes potentially dangerous.

The portable device, which mounts on the dashboard to the right of the steering wheel, has a compact video-based sensor that measures slow eyelid closure associated with drowsiness. If the DFM identifies that the driver is drowsy, the unit sounds an audible alert.

The result of more than 10 years of research and testing at Carnegie Mellon University, DFM has been validated by the U.S. Department of Transportation as being able to accurately measure drowsiness. Pennsylvania-based carrier DistTech is currently testing it with its fleet drivers.

The governments of Canada and Ontario have appointed a team to research and develop strategies for using Intelligent Transportation Systems (ITS) to improve the flow of traffic at all international border crossings between Ontario and the U.S.

ITS technologies include cameras to monitor traffic, weather and road conditions, as well as electronic sensors and detectors embedded in the roadway to gauge the speed of traffic. All of this information is passed along to drivers through real-time changeable message signs.

Over the next 18 months, the team will evaluate existing technology to determine how it can best be used to keep drivers informed and better manage traffic. Regularly updated project information can be found at: www.intelligentborder.ca.
PITCHING IN

Trotting out a cure for breast cancer

For the third year running, the Trailcon Trotters – 13 Trailcon Leasing employees, family members, and friends – laced up their sneakers to take part in the CIBC Run for the Cure to raise money for the Canadian Breast Cancer Foundation. This year, the Trotters raised more than $12,000, surpassing their 2003 total of over $10,000.

The team was especially thrilled by the participation of Anita Lombardi, the wife of one of our mobile mechanics, Nick Lombardi. A breast-cancer survivor, Anita was the inspiration for the Trailcon Trotters when the team formed in 2002.

Trailcon thanks all our employees, mechanics, customers, suppliers, friends, and family who donated money to this worthwhile cause. The 170,000 Canadians who participated, donated, or volunteered helped raise $19.2 million for breast cancer research and awareness programs, compared with about $17 million last year.

Back row, from l to r: Donna Payne, Matt Watters, Pamela O’Brien, Trish Brisson, Anita Lombardi, Nick Lombardi.

Front row: Sally Lamonte, Cathy Gardiner, Jim Wedgewood, Kim Nadas.

Missing from photo: David Carter, Joan Nessman, Linda O’Brien.

A little goes a long way

The following letter was received by Trailcon Leasing.

“Thank you so much. The cost of camp is beyond our reach.”

“There are so many reasons to be grateful for the support that Caledon Community Services provides. This summer, the camp program was a blessing for our child.”

“Thank you for your generosity. The camp experience has been invaluable for our child.”

The following letter was received by Trailcon Leasing.

“I finally learned to swim.”

“My kids had the opportunity to be carefree for one week this year.”

“Thank you so much. The cost of camp is beyond our reach.”

Because of you, a child’s possibilities are endless! Again, many heartfelt thanks!

Yours very truly,

Debbie Malevris, Director of Resources, Caledon Community Services

P.S. For more information regarding our services, please visit our Web site at: www.caledoncommunityservices.org

Hbc Rewards communities

Hudson’s Bay Company has created what it calls the largest community-based fundraising program in the country with the introduction of its Hbc Rewards Community Program. The Program allows community and charity groups to register with Hbc so that their supporting members can donate Hbc Rewards points directly to help their community.

Hbc customers can visit any of the more than 500 Bay, Zellers, and Home Outfitters stores, or go online to www.hbc.com/community, and simply link their Hbc Rewards card to the community group to which they wish to donate their points. Customers can allocate the percentage of points they wish to donate. Community groups receiving the donations can use the points to select merchandise or gift cards to use in support of fundraising activities for their community.

Groups who sign up for the Hbc Rewards Community Program will receive up to 80,000 bonus Hbc Rewards points to kick-start their account.

“For anyone who has ever wanted to help their local little league team, school, hospital, shelter, or other community group, the Hbc Rewards Community Program will make it easier than ever,” says George Heller, President and CEO, Hudson’s Bay Co. “We’re proud to offer this community-based initiative across Canada, in addition to donating over $11 million each year to charities across Canada.”

Masonite raises funds to fight cancer

Trailcon customer Masonite International swung into fundraising in a big way with its 5th Annual Masonite Charity Golf Classic. Employees, customers, suppliers, and friends raised $130,000 in support of the Philip S. Orsino Facility for Cell Therapy and Hematology Centre. The Centre, named after Masonite President and CEO Philip Orsino, performs specialized types of bone marrow transplants for leukemia and other cancer patients at Princess Margaret Hospital in Toronto.

From l to r: Participants Deryck Kahn, Director of Inventory and Logistics, Masonite International; Peter Collins, Sales and Marketing Manager, Trailcon Leasing; Cathy Gardiner, Controller, Trailcon Leasing; and Paul Bernards, Executive Vice President and CFO, Masonite International.

Many thanks to Trailcon Leasing for their generous gift of $400 to the summer camp program!

Your donation to a Caledon child brought light to an otherwise cloudy summer. Your gift brought opportunities to feel the breeze, to see the trees and understand life from a brand new perspective.

This letter brings news of better days for 47 children who might not have gone to camp. Thank you for seeing that this is a cause for all of us, an investment in the future and strength for the community: our children. Some feedback Caledon Community Services received:

“I finally learned to swim.”

“My kids had the opportunity to be carefree for one week this year.”

“Thank you so much. The cost of camp is beyond our reach.”

Because of you, a child’s possibilities are endless! Again, many heartfelt thanks!

Yours very truly,

Debbie Malevris, Director of Resources, Caledon Community Services

P.S. For more information regarding our services, please visit our Web site at: www.caledoncommunityservices.org
How many transportation companies can claim to have moved into new offices, doubled their warehouse space, established two new divisions, and added 30 staff, all in 2004?

Meet the Sylvite Transportation Group, which has accomplished all of this, and is poised for more of the same in the coming year.

The Sylvite Transportation Group is a division of the Sylvite Group of companies, which includes Sylvite Agri-services, Sylvite Fuels, Sylvite Packaging, Sylvite Financial, and Sylvite Industrial.

A mere two years old, Sylvite Transportation Group was formed when Sylvite purchased Norris Transport and opened a full-service 3PL operation as a service for its customers and suppliers. In that short period of time, it has already become one of the largest steel haulers in Ontario, transporting over 120 loads per day. Its fleet now boasts over 200 pieces of equipment – including 5-axle rack and tarp, sliders, 53-foot vans (both dry and reefer), bulk trailers, tankers, and fuel trucks – to enable the company to provide customized logistics support and solutions for various shippers, from steel to packaging to food, to name just a few.

Following its latest growth spurt, the Sylvite Transportation Group now consists of three divisions: Sylvite Freight Systems (steel, van, reefer), Sylvite Logistics Solutions, and Sylvite Warehousing, all consolidated at the Group’s new head office in Burlington, Ont. Besides more than 90,000 square feet of warehouse space at the Group’s headquarters, the Warehouse Division has over 150,000 square feet of quality food-grade space in a second location in Burlington.

Yet another building is in the works as well, to be announced before year-end.

With its new Burlington-based head office, Sylvite has strategically located facilities across Ontario, as well as distribution facilities in Pennsylvania, Florida, and Kansas, giving the company easy access to all points throughout North America and abroad.

Founded in 1977, the Sylvite Group of Companies is a privately owned Canadian company that offers a diverse range of services. It is the largest independent Canadian-owned supplier of fertilizer agricultural products. Its Agri-services division offers planning, planting, grain-handling and storage, while its Financial division services the agriculture, industrial, transportation, and investment industries. Other divisions provide sourcing, handling, bagging, and distribution of materials for both industrial and manufacturing customers.

"It has been a pleasure to work with Al Ward, Barry Stevens and the incredible team at Sylvite," says Mike Krell, Senior Account Manager at Trailcon. "Watching them grow from a start up division to a successful business has been both challenging and exciting. We look forward to continuing and expanding this partnership in the future!"
**ON TRACK**

**CN reports rise in net income**

CN recorded a healthy 34% increase, to $326 million, in second-quarter 2004 net income over 2003. Operating income was $575 million, an increase of 32% from year-earlier figures, while the operating ratio of 65.5% was 4.6 percentage points better than the prior year’s quarterly performance.

“Our strong quarterly results reflected a comeback in Canadian grain traffic, market share gains as a result of good service, yield improvement initiatives, and improved profitability resulting from CN’s Intermodal Excellence (IMX) strategy,” said president and CEO E. Hunter Harrison.

The quarter also marked CN’s acquisition of the railroads and related holdings of Great Lakes Transportation LLC. In July, the railroad also completed a $1-billion acquisition of BC Rail from the British Columbia government.

**CN terminates RoadRailer service**

CN has ceased commercial operations of its RoadRailer intermodal service between Montreal, Toronto, and Chicago, due primarily to a strike in February of this year by mechanics, clerks, and intermodal yard workers.

According to *Today’s Trucking*, many shippers shifted freight from rail and intermodal to trucks during the strike. Following the strike, some of the truck freight extended into longer contracts.

**CPR Q2 revenue tops $1 billion**

Strong growth in five of its seven business lines pushed Canadian Pacific Railway’s revenue past the $1-billion mark in the second quarter of 2004 – a 10% increase over the same period in 2003. The revenue increase helped drive net income up 146% to $84 million in the quarter ended June 30. This compares with second-quarter 2003 net income of $34 million, which included a special charge for job reductions, an asset write-down, and network restructuring.

Operating income in the second quarter increased 19% to $221 million, while operating ratio for the three-month period was 78%, a 1.7% improvement.

Intermodal revenue grew by $21 million, or 9%, in the second quarter of 2004, on top of a record second-quarter 2003.

Intermodal loadings in June fell 2.5% to 2.3 million tonnes, accounting for 9.6% of total tonnage. Similarly, loadings in July were slightly more than 2.3 million tonnes and accounted for 9.7% of the total tonnage loaded. On a year-to-date basis, intermodal loadings increased 3.1% to 15.6 million tonnes.

China’s rapid manufacturing growth is a major culprit in the capacity crisis. According to a report in *The Globe and Mail*, port bottlenecks in Vancouver and backlogs on the intermodal rail network are causing delays of 10 days or longer for train shipments to other parts of Canada, while growing truck volumes and inefficiencies at Canada–U.S. border crossings are costing millions of dollars. Imports from China have been rising steadily over the years. In the first seven months of 2004 alone, they soared almost 25 per cent, to $12.6 billion, compared with a year earlier, according to Statistics Canada. The only good news is that some Canadian suppliers may be able to cash in on the offshore backlog with promises of fast delivery.

**CPR posts key stats on Web site**

Canadian Pacific Railway has added carload and key performance measure reports to its Web site. The measures include average terminal dwell time, average train speed, freight cars on line, and bill of lading timeliness.

As of press time, 2004 total weekly carload for intermodal (originated and received) ranged from 19,409 to 25,191, while average train speed fluctuated from 25.3 to 30.4 miles per hour for intermodal, and from 22.0 to 26.4 mph for total system.

**Capacity crunch reaches crisis**

“North America’s surface transportation infrastructure – our network of railways, ports, and highways – is headed for a capacity crunch,” said Rob Ritchie, president and CEO of Canadian Pacific Railway, speaking at the CPR Connections 2004 Regional and Short Line Conference in September.

The transportation network has not kept pace with economic growth, he said. “Far too many outdated regulations and policies continue to sap the strength of our railways and other parts of our transportation sector.” He called for regulatory and taxation changes that would allow railways to increase their pace of investment in their networks.

Loadings of intermodal freight – containers and trailers hauled on flat cars – for the second quarter of this year rose 11.9% to a record high 7.1 million tonnes, according to Statistics Canada. Trailers, however, appear to be on a downward trend compared with containers, accounting for only 5.7% of intermodal traffic for the period, down from the peak of 7.8% in the first quarter of 2003.

Intermodal loadings in June fell 2.5% to 2.3 million tonnes, accounting for 9.6% of total tonnage. Similarly, loadings in July were slightly more than 2.3 million tonnes and accounted for 9.7% of the total tonnage loaded. On a year-to-date basis, intermodal loadings increased 3.1% to 15.6 million tonnes.
In late September, my wife Wendy and I, along with another couple, flew to Frankfurt, Germany, for a whirlwind trip to three European countries in 10 days. While that might seem like an overly ambitious agenda for such a short period of time, the efficient train system in Europe made it all possible – and even pleasant! Not only can you travel just about anywhere you want by train, but you can do it in record time. Trains zip along at speeds of 250 kilometers per hour, and invariably depart on time, right to the second! For an extra $11 or so, you can reserve a seat in a first-class compartment and really travel in style and comfort. The meals on board are excellent, but not cheap.

We began our trip in nearby Hanover, so we could check out the Hanover Truck Show, one of the largest in the world. The Mercedes-Benz display alone was as big as some of our entire shows! We learned that, while there are no speed limits on the Autobahn (highway) in Germany, trucks are allowed only in the right lane, and traffic moves smoothly and unimpeded. Truck drivers there work a shorter day than in North America, and trucking is considered a skilled and highly valued profession.

Hanover is an interesting city that dates back to the 10th century. During World War II, the old section of the city was almost totally destroyed. However, in the rebuilding, parts of the remaining original structures were transferred to form a “new old town” in the city’s oldest part.

From Hanover, we traveled by train to Interlaken, Switzerland, a picturesque resort town in the Swiss Alps nestled between two lakes. Towering over the town is the famous Jungfrau — German for “Virgin” — Mountain. During our stay in Interlaken, we took a trip on the celebrated Jungfrau Railway, built in the late 1800s, to Europe’s highest-altitude railway station. At 11,333 feet, we enjoyed a spectacular view of snow-capped peaks and glaciers. We also rented a car and drove north of Lake Thun, on scenic secondary roads that wound through the foothills of the Swiss Alps. Our destination was Luzern, a medieval town on Lake Luzern surrounded by the Alps. Curiously, we found that more people spoke English in Germany than they did in Switzerland.
Next on the itinerary was Munich for — what else? — Oktoberfest, the largest festival in the world. I can only describe it as a lot of Germans drinking a lot of beer and consuming a lot of meat and fish of every description. Not an ideal pastime for abstainers and vegetarians, but plenty of German “Gemütlichkeit.” I was pleasantly surprised by the absence of high-rise buildings in Munich. After the devastation of the Second World War, residents had voted by a narrow margin to restore the city to its original condition — and hence, no high rises. As the Nazis had taken photos of virtually every square inch of Munich before the War, there were ample records to guide in the restoration. That’s why the twin onion-domed towers of the “Frauenkirche” — Church of Our Lady — continue to dominate the skyline to this day, though not without controversy.

While my buddy and I chowed down and imbibed at Oktoberfest, the two ladies took a side trip to Salzburg, Austria, about 150 kilometers from Munich, where they took in a four-hour “Sound of Music” tour. An eight-person van took them to the birthplace of Wolfgang Amadeus Mozart in Old Salzburg, and to locations where the story of the von Trapp family was filmed. They also visited the ancient fortress of Hohensalzburg — considered to be the largest fortification in Europe — the magnificent Baroque Cathedral, and the shops in the old town, referred to as the “Altstadt.”

All too soon, it was time to board the plane, fortified with some hearty German beer and lots of fond memories, back to Toronto.

In sharp contrast to the efficiency of the trains in Europe, we noticed an item in the newspaper recently noting that U.S. airlines are on pace to set a record for lateness. Late arrivals nationally, at 710,000 for the first six months of the year, and late departures, at 574,000, were both up about a third over the same period last year.

While there’s plenty of beer flowing in Germany — many small towns have their own breweries — you won’t find any of it packaged in cans. Instead, Germans quench their thirst from returnable bottles. The deposit on one beverage bottle is a whopping 1 Euro, equivalent to about $1.50. That’s a pretty strong incentive to return the empties for recycling.
As the Ontario Ministry of Transportation (MTO) continues to trumpet the results of its ongoing “blitzes” to improve road-safety, Ontario Trucking Association President David Bradley charges that, if the provincial government were serious about further improving truck safety, it would concentrate its enforcement efforts on the “bottom feeders” of the industry.

He complains that the Ministry spends too much time inspecting the majority of carriers that don’t pose a risk, instead of “putting the real problem companies out of business.” Bradley urges the government to introduce a program of real competitive advantages for safe trucking companies, and recommends that shippers who use unsafe carriers be held liable for accidents.

According to an MTO press release, provincial enforcement officers conduct approximately 125,000 commercial vehicle and driver safety inspections, and over 250,000 commercial weight inspections every year. About 2,200 carriers annually receive a Commercial Vehicle Operator’s Registration (CVOR) compliance improvement intervention, such as a warning letter, interview, audit, or suspension due to poor road-safety performance.

During Operation RoadCheck 2004, a three-day North-America-wide enforcement blitz held in June, over 76% of the trucks subjected to a full mechanical inspection on Ontario’s roads were in compliance. However, Nova Scotia had the best record for trucks, with an out-of-service rate of 13.9%, followed by Saskatchewan at 14.1%. New Brunswick brought up the rear, at 26.2%, followed by Yukon at 26.1%, and Ontario at 23.8%. As of press time, results were still pending for Operation Air Brake, which targeted brake defects in trucks, and Ontario’s Operation Corridor, a 24-hour blitz along Highway 401 and the Trans-Canada Highway. Both were conducted in September.

The MTO says it intends to develop a nation-wide carrier safety ratings program that will publicly identify carrier performances.

An estimated 3,260 for-hire trucking companies based in Canada earned annual revenues of $1 million or more in the first quarter of 2004, 10% more than in the same quarter last year, according to Statistics Canada. Both the operating revenue and operating expenses of these carriers were up 14% from the first quarter of 2003, while their operating ratio (operating expenses divided by operating revenues) was unchanged at 0.95.

The top 82 for-hire motor carriers of freight (Canada-based trucking companies earning $25 million or more annually) generated operating revenues of $1.83 billion and expenses of $1.73 billion in the second quarter of 2004, reports StatsCan. Average per-carrier revenue was up 5.2% over the second quarter of 2003, to $22.3 million, while average per-carrier expenses increased only 3.4% to $21.1 million.

The operating ratio for these carriers was 0.94, compared with 0.96 in the second quarter of 2003, a significant improvement.

Tonnage carried by Canada-based long-distance for-hire carriers rose to 305 million metric tonnes of freight in 2003, up 3.9% from 2002, reports Statistics Canada. Although domestic activities accounted for 72% of the total tonnage and 78% of the total shipments, transborder movements generated 48% of the total revenues earned and 52% of the total tonne-kilometers for these carriers.
As shippers of food products become more vigilant about food-safety standards throughout the supply chain, the trucking industry is responding.

The Canadian Trucking Alliance (CTA) has developed a food-safety program for carriers based on the Hazard Analysis and Critical Control Point, better known as HACCP. This is an internationally recognized system designed to minimize the risk of food-safety hazards.

Pillsbury and National Aeronautics and Space Administration (NASA) first used HACCP in the 1960s to ensure that astronauts had a safe food supply while in space. Now its principles can be applied to all segments of the food chain.

CTA’s initiative got under way nearly two years ago, explains Ron Lennox, Vice-President, Regulatory Affairs. “The Canadian Food Inspection Agency [CFIA] was encouraging industry sectors to develop HACCP-based food-safety programs,” he says. “We looked at it then, and we were starting to get calls already from carriers who were saying shippers of food products were becoming more and more interested in carriers who had HACCP in place. There wasn’t a program out there, so we decided to develop one of our own.”

Throughout 2003, working with a consultant and some of the national associations in the food industry, CTA put together a HACCP-based trucking food-safety program. It was approved by CFIA, but had to be piloted before it could be rolled out to the industry.

“About the time that we finished developing the program, Agriculture and Agri-Food Canada put in place a new program, the Food Safety and Quality program,” says Lennox. “With funding from that program, CTA is now piloting that trucking food-safety program. We have 10 carriers from across the country who are actually using the program and the food-specific modules that we developed, and integrating them into their operations right now.”

Lennox says the program is very detailed. Besides addressing major issues such as temperatures, health, and hygiene, it covers “everything right down to washing the truck and what chemicals to use to deal with what pathogens,” he says.

Once the pilot has been completed and any amendments approved by Agriculture and Agri-Food Canada, the program will be rolled out to the industry, possibly by the end of this year.

StatsCan launches online database

Statistics Canada recently launched the “North American Transportation Statistics” database, an online source for information on transportation activity. It covers 12 specific areas of interest, including freight transportation and safety.

For example, in 2000, transportation and transportation-related industries accounted for 15% of the gross domestic product in Canada, compared with 11% in the U.S. About 15.9 million people, or 9% of the employed labour force in North America, worked in transportation and related industries.

Over 259 million road motor vehicles traveled on more than 8 million kilometers of road in North America that same year. Canada’s motor vehicle fatality rate was 1.6 fatalities per 10,000 road motor vehicles, compared with a rate of 1.9 in the U.S. and 7.0 in Mexico.
FOR YOUR INFO

The quirks of perks

An article in The Toronto Star points out that the pay for Canadian CEOs of large public companies is generally 21 times that of the average worker. That compares with 17 times for head honchos in Europe, and 10 times for those in Japan. However, those figures pale in comparison with the U.S., which writer David Olive calls “ground zero in the latest epidemic of corporate malfeasance.” Uncle Sam’s CEOs are paid a whopping 531 times what the average worker earns.

33 broken promises – and counting

While Frank Klees did not win the Progressive Conservative Party leadership – that dubious honour went to John Tory – his campaign team did come up with one of the more original Web sites. The site www.stop-dalton.com outlines 33 promises that beleaguered Ontario premier Dalton McGuinty made while campaigning – and promptly broke. These include everything from balancing the budget, to capping hydro rates until 2006, to the infamous “no tax increases” (shades of that notorious line from then-presidential candidate Bush Senior – "Read my lips — no new taxes" — that played a part in his defeat four years later by Bill Clinton).

The broken promises have led some wags to dub the party the Fiberals.

A stinker of a job

And you thought YOU had a bad day at the office!

While poking around for interesting tidbits, we came across an article from The Globe and Mail about Popular Science magazine’s quest to find the “worst job” in the science world.

The hands-down winner was “flatus odour judge,” two scientists who work for a gastroenterologist researcher and spend their days inhaling “episodes of flatulence” from 16 research subjects who are fed quantities of beans.

The runner-up was “stool sample analyzers,” who work on a research project on treatment for diarrhea.

The third-place job entailed collecting bull sperm (don’t ask!).

The 11th place winner will strike a chord with Canadians. Ever since 1975, the article points out, when the U.S. passed a bill to adopt the metric system, it has been the job of “metric system advocators” to sell metric conversion to a country who has no interest in it.

For some weird and wacky entries from beyond the field of science, check out www.worstjob.com.

SITE-SEEING

www.GasBuddy.com

Tired of paying exorbitant prices at the pump?

Check out GasBuddy.com to find the cheapest gas prices in your city. As prices change frequently, and may vary by as much as 20 per cent within only a few blocks, this site provides a live forum for consumers to post local recent low and high prices.

The brainchild of a couple of guys from Saskatchewan who were fed up with price gouging, GasBuddy relies on a vast network of volunteers to keep an eye on prices in major cities across Canada, as well as almost 200 cities in the U.S.

We checked Toronto gas prices in a given 24-hour period, and found they ranged from a low of 75.4 cents a litre up to a high of 84.9 cents — reason enough to patronize one of the lower-priced stations.

There’s plenty of other interesting information on the site as well, including a rather painful comparison of average prices today, both in Canada and in your selected city, with those of a year ago. It’s enough to give you a bad case of gas!
The 2004 Olympics were a stark reminder of the federal government’s shameless lack of support for our dedicated athletes. But while the government sticks its proverbial head in the sand, corporations are stepping up to the plate and developing their own programs to assist our present and future athletes.

Trailcon has been struck by the contributions of at least two of its customers. George Heller, President and CEO of The Hudson’s Bay Company, organizes a charitable golf tournament that supports both Olympic and Commonwealth Games athletes (see Trailcon’s “Report on Transportation,” Fall 2003).

Michael Andlauer, CEO of Andlauer Transportation Services Inc., sponsored three athletes at this year’s Olympics, writing a poignant commentary in the company’s newsletter about what the Olympics mean to him as a Canadian.

When it comes to supporting local athletes, you might say Andlauer has taken the Bulldogs by the horn – he is also Chairman of the Board and Governor of the Hamilton Bulldogs hockey team, an AHL affiliate of The Montreal Canadiens. What makes the Bulldogs unique is their involvement in nurturing aspiring athletes in the community. For example, the team recently launched Healthy HABits (as in the “Habs”), a fundraising program in partnership with Week of the Child, City of Hamilton Community Services, and the Hamilton-Wentworth District School Board that promotes healthy living, physical activity, and nutrition within the schools.

“As a Hamilton Bulldogs player who concentrates on physical fitness, I am extremely excited about this community program that I know will help children and their schools in Hamilton and the surrounding area.”

Throughout the past season, Milroy and his teammates visited Hamilton-area schools, assisted with local minor hockey practices, participated in the Bulldogs’ 2003 Food Drive by loading food onto ATS trucks supplied for the occasion – the list goes on.

The Bulldogs have started a Youth Fund/Foundation to promote the creation of interactive programs involving education, physical fitness, and personal well-being. The Youth Fund uses the unique talents and resources of the Bulldogs players, families, employees, and shareholders, as well as its NHL affiliate Montreal Canadiens, and local corporate and community partners to enrich the lives of children and youth in the Greater Hamilton area.

If the government is going to abdicate its responsibility to our young athletes, private enterprise, led by visionaries like George Heller and Michael Andlauer, must step in to fill the void.
Judging by the bounce in Frank’s step as he approached my office and the smirk on his face, I knew that one of three things had happened: Frank had won Lotto 649; his wife had run away with the postman; or the Federal political scene was making him a little more goofy than usual. No luck on my first two guesses, so Frank began his tirade on the new session of Parliament that was about to begin.

It seems that Frank was more amused by the events of September and early October than by the actual sitting of the House. He couldn’t believe the “surprise” press conference called by Stephen Harper, Gilles Duceppe, and Jack Layton. It seems they wanted to change the rules of engagement to allow them to form the next government in the event of a non-confidence vote, thereby avoiding an election for which the Canadian electorate would surely punish those responsible.

Frank roared with laughter recalling the three opposition leaders standing shoulder-to-shoulder, with love all around, plotting their strategy to overthrow the Liberals. What an unholy alliance, to say the least, chortled Frank: a separatist, a communist and a right-wing cowboy, supposedly all on the same political page, poised to save Canada from the clutches of Paul Martin and the other 134 Liberal demons. It was no big surprise to Frank – or the rest of Canada – that this marriage was on the rocks by early October. “So why bother wasting our time broadcasting such silliness?” I asked. Exactly the point Frank was trying to make.
CALENDAR OF EVENTS

November 7-9
CTEA 41st Annual Manufacturers’ Conference
Fairview Le Château Frontenac, Quebec City
Contact: Canadian Transportation Equipment Association
Telephone: 519-631-0414
Web: www.ctea.on.ca

November 7-12
Essentials of Supply Chain Management
Holiday Inn Select Toronto Airport
Contact: The Laurier Institute or Supply Chain & Logistics Canada
E-mail: scmexec@wlu.ca
Web: www.wlu.ca/laurierinstitute; www.sclcanada.org

November 10-13
CITT 46th Annual Conference & AGM
Banff Park Lodge, Banff, Alta.
Contact: Nora Chan, Canadian Institute of Traffic and Transportation
Tel: 416-363-5696, Ext. 22
Web: www.citt.ca

November 11-12
TMTC Technical Conference & Display
Toronto Congress Centre
Contact: Ontario Trucking Association
Telephone: 416-249-7401
Web: www.ontruck.org

November 11-12
OTA 78th Annual Convention
Toronto Congress Centre
Contact: Melanie Kowdrysh, Ontario Trucking Association
Telephone: 416-249-7401
Web: www.ontruck.org

November 13-17
Intermodal Expo 2004
Henry B. Gonzalez Convention Center, San Antonio, Texas
Contact: Intermodal Association of North America
Telephone: 1-866-438-3976
Web: www.intermodal.org

January 10-13
Promat 2005
McCormick Place South, Chicago
Contact: Carol Miller, Material Handling Industry of America
Telephone: 704-676-1190
E-mail: cmiller@mhia.org
Web: www.promat2005.org/

January 23-27
2005 COHAMED (Cooperative Hazardous Materials Enforcement Development)
Doubletree Hotel Fort Lauderdale Oceanfront, Florida
Contact: Commercial Vehicle Safety Alliance
Telephone: 954-524-8733
Web: www.cvsa.org

February 2
Entries open for PMTC Awards
Contact: Private Motor Truck Council
Telephone: 905-827-0587; 1-877-501-PMTC
E-mail: info@pmtc.ca
Web: www.pmtc.ca

March 3
Seminar – Labour Issues that Affect Fleet Operators
“The Pub,” Molson Breweries
Contact: Private Motor Truck Council
Telephone: 905-827-0587; 1-877-501-PMTC
E-mail: info@pmtc.ca
Web: www.pmtc.ca

April 4-6
Supply-Chain World–North America 2005 Conference & Exposition
Disneyland Hotel, Anaheim, California
E-mail: info@supplychainworld.org
Web: www.supplychainworld.org

April 16-21
CVSA 2005 Annual Conference
Hyatt Regency Albuquerque & Albuquerque Convention Center, New Mexico
Contact: Commercial Vehicle Safety Alliance
Telephone: 505-842-1234
Web: www.cvsa.org

April 28-30
North American Truck Show 2005
Boston Convention & Exposition Center
Telephone: 1-800-225-1577
Web: www.naexpo.com/truck-show/

May 1-4
WERC Annual Conference
Adam’s Mark Hotel, Dallas
Contact: Warehousing Education and Research Council
Telephone: 630-990-0001
Web: www.werc.org/conference/

May 24-26
PACex International – Food Processing, Packaging, Materials Handling/Logistics Exhibition
National Trade Centre, Exhibition Place, Toronto
Contact: Maria Tavares
Tel: 416-490-7860, Ext. 219
E-mail: mtavares@pacexinternational.com
Web: www.pacexinternational.com

May 31
PMTC Ontario Spring Golf Tournament
Markland Wood Country Club, Toronto
Contact: Private Motor Truck Council of Canada
Telephone: 905-827-0587; 1-877-501-PMTC
E-mail: info@pmtc.ca
Web: www.pmtc.ca

May 31-June 3
Transport logistic 2005
New Munich Trade Fair Centre, Munich, Germany
Telephone: (49 89) 949-20660
E-mail: info@transportlogistic.de
Web: www.transportlogistic.de

June 7
PMTC Québec Spring Golf Tournament
Les Quatre Domaines, Mirabel, Que.
Contact: Private Motor Truck Council of Canada
Telephone: 905-827-0587; 1-877-501-PMTC
E-mail: info@pmtc.ca
Web: www.pmtc.ca

June 17-18
PMTC Annual General Meeting and Conference
White Oaks Conference Resort and Spa, Niagara-on-the-Lake, Ont.
Contact: Private Motor Truck Council of Canada
Telephone: 905-827-0587; 1-877-501-PMTC
E-mail: info@pmtc.ca
Web: www.pmtc.ca
Introducing . . .

“Customer Connection”

In this issue of “Report on Transportation,” we introduce a new regular feature called “Customer Connection.” As Trailcon Leasing services a wide range of customers in many different industries, this feature provides an opportunity to focus on their operations and highlight their accomplishments.

First up is The Sylvite Transportation Group, which has established two new divisions, added 30 staff, doubled its warehouse space, and moved into new offices – all in 2004! Read all about it on page 6.

We hope you enjoy this new feature.

For more information, please contact Alan K. Boughton at 905-670-9061 or email aboughton@trailcon.com