

Connections

TECHNOLOGY

SAFETY

COMMUNICATIONS

EQUIPMENT



DEDICATION

INGENUITY

EXPERIENCE

Driving Your Business

With Challenger Logistics

To keep pace with the rapidly changing trucking environment, now, more than ever, companies must rely on the expertise of their carriers. Challenger Logistics gives you the ideal shipping choice as your third-party transportation provider with 100% access to the same quality and service that Challenger Motor Freight customers enjoy.

End-to-End Service under the Challenger Banner

Integration with Challenger's freight management system is central to our ability to provide customers with a total service package. "Along with Challenger's equipment and technology, we also have their knowledge base, and the same great customer service team behind us," says David Warne, Business Development Manager, Challenger Logistics. "We can assure you of quality, on-time, as-you-need-it service for any shipment to any location in North America. This covers Alaska to Mexico as well as Hawaii."

Our third party freight service secures additional capacity for our customers from a select group of carriers who share our business and customer service philosophy. Service includes satellite tracking that is updated in real time, and safe, secure transportation provided by highly trained drivers. Through Challenger Logistics, capacity is extended to fit your unique requirements. Whether you need truckload, LTL shipping, or specialty services, if we don't have equipment available where and when you need it, we know a carrier that does. We are regularly called-upon to provide team service, power tailgate service, temperature controlled services for perishable items or even specialty equipment for oversized and heavy loads. We will also arrange for rail, ocean or air transportation as required.

And of course, Logistics customers have complete access to Challenger's convenient customer web site. There you can review a shipment history, assess on-time performance, retrieve documents, and track your shipments in real time – regardless of the carrier we have selected for you.

Seamless Integration into Your Business

Integrating Challenger Logistics into your supply chain increases efficiency. As a result, the administration time spent searching for a new carrier, tracking multiple carriers, and managing the resulting paper-flow is reduced. "Our customers tell us that by choosing Challenger Logistics, they know they have expanded their company's market reach," adds David. "They are shipping with a name that they trust and have access to a network of shipping partners with the same standards of quality service as Challenger transportation services."

"For more information on Challenger Logistics freight services, call David Warne at 1-800-268-2096 ext. 2329."

"With Challenger Logistics, customers have expanded market reach."

David Warne
Business Development Manager
Challenger Logistics



New C-TPAT Security Measures

ISO 17712 Security Seals

On May 26, the Customs-Trade Partnership Against Terrorism (C-TPAT) introduced its latest initiative with the implementation of the ISO security seal criteria.

According to the initiative, all US domestic and US-bound containers and trailers must be secured with a seal that meets or exceeds the ISO 17712 steel cable or bolt standard. Currently, the security criteria pertain to the C-TPAT importer and not the carrier. The importer must ensure that their carriers are sealing their loads according to the ISO standard throughout the supply chain, no matter how many stops are made.

“Logistically this is going to be difficult to manage,” says Enno Jakobson, Vice President of Risk Management at Challenger. “The program requires that a seal be replaced at every point of pick-up and delivery. For LTL and peddle-run shipments this can result in many seal changes per shipment, resulting in more documentation for the driver to complete.”

To illustrate this, each time a seal is broken the driver must save it and record the security number on the manifest and transmit this information to our Operations centre via satellite. Now at Challenger,

additional personnel are needed to manage the increased data and co-ordinate the program for every US-bound truck leaving the terminal. “The whole border security and pre-notification program has evolved into an extremely costly and time-consuming process,” says Enno. “These incurred costs will continue to be reflected in higher rates to the customers.”

Challenger is asking shippers to help streamline the process by working closely with their representatives to ensure their paperwork is prepared as completely and accurately as possible and sufficient seals are available for the shipment.

“C-TPAT is not a regulatory agency and non-compliance with the new seal program is unlikely to result in refusal of entry into the US,” says Enno. “But it would certainly increase the possibility of a suspension of C-TPAT registration for anyone who does not comply.”

Challenger’s security measures encompass our trucks, our facility, and our employees. Part of this includes an approved seal program. Going forward, we intend to maintain the top-level security we provide by adhering to the new ISO seal provision.

C-TPAT Security Seal Criteria

To protect against the introduction of unauthorized material and/or persons, this sealing criteria must be followed by all trailers and containers bound-for and within the US:

- All FAST and non-FAST loads are included.
- US domestic short-runs are included.
- Seals must meet or exceed PAS ISO 17712 standards – of a one-eighth stainless steel cable or a three-eighths bolt.
- Drivers must change the seal every time the truck is opened.
- Drivers must list the seal numbers on the manifest and retain the seals until cleared by customs.



C-TPAT – PIP – FAST

Our Keys to Safety

As carriers and shippers struggle to comply with the ever-increasing border initiatives, it is easy to lose sight of the greater purpose these programs were designed to manage. This article gives us a snapshot reminder of the framework and issues related to the most influential programs on both sides of the border: C-TPAT, PIP, and FAST.

Customs-Trade Partnership Against Terrorism (C-TPAT) – US Program

Developed by the US Bureau of Customs and Border Protection (CBP), C-TPAT is the initiative that partners, on a voluntary basis, with members of the business community to strengthen the supply-chain in their war against terrorism.

Letter From Dan



At the end of May the OTA sponsored a fact-finding mission to Europe for five senior representatives of the trucking industry and its associations in Canada. As a member of this team, I was fortunate to meet with carriers, trade associations, regulators, drivers, and manufacturers in England, Belgium, France and Germany to discuss the effect of speed controls in Europe and how we could learn from their experiences.

One of the differences we discovered in Europe was their solution to speed control with the mandatory use of speed limiters.

“There is no speeding problem,” we were told. Drivers don’t speed. Speed controls and tachographs have been mandated for years, and digital tachographs become law in August. Europe’s outlook on speed control is different, too. It is a way of life, it

applies to everyone, and it has been found to alleviate some of the stress drivers experience over faster delivery times resulting from today’s competitive market. Dealerships cannot sell trucks without speed regulators, tampering is a serious offence, and non-compliance fines are severe.

Yet, we do have similarities. Europe is faced by concerns over health and safety, hours-of-service, and the shortage of experienced drivers – as we are. Traffic congestion is often blamed on trucks, though they represent a scant 10% of the total vehicles on the road, and fuel, insurance, and equipment costs are on the increase, too, just as in North America. While heavily supported by bureaucrats on both sides of the Atlantic, modal shift – truck to train – has been a dismal failure in Europe, mainly as a result of their poor rail service.

Evaluating the data from this trip will take time, though the overall opinion on Europe’s mandatory speed controls is positive. They have fewer accidents on more congested roads than in North America, and everyone – including drivers – approve of and support these controls. We need to take from this experience and extrapolate it to our own. To date, the Canadian Trucking Association (CTA) has already endorsed, under industry purview, the first steps to installing black boxes in our trucks, so the initiative is already in motion.

My hope is that we will get mandatory speed control across North America for it to work – and I see this happening in the next five to ten years. With the valuable information gathered from this mission, we are now better equipped to enter into discussion on this and other issues with more informed dialogue.

As new regulations continue to unfold, Challenger looks forward to its role in shaping that future for our industry and our customers.

Dan Einwechter

Canadian customers that take an active role in these initiatives have greater potential for customs benefits:

- A reduced number of inspections
- An assigned account manager
- An emphasis on self-policing

Partners in Protection (PIP) – Canadian Program

Similar to the US C-TPAT program, PIP was implemented by the Canadian Border Services Agency (CBSA) and it too enlists the co-operation of private industry in an effort to improve border security, combat terrorism, and prevent contraband smuggling.

Companies that agree to the PIP agreement

benefit several ways:

- Quicker processing of shipments
- Increased security measures
- On-site evaluation of security procedures and suggested improvements

Free and Secure Trade (FAST) – Joint Canadian-US Program

FAST is a joint initiative that supports expedited clearance processes to pre-approved importers, carriers, and drivers crossing in both directions at the US-Canada border. To bring FAST shipments into Canada the carrier must be PIP authorized – while carriers importing into the US must participate in C-TPAT. In both cases, the vehicle driver

must also have FAST-approved status.

Shippers weighing the time and costs of FAST approval should consider these benefits of the program:

- Reduced information requirements for customs clearance
- Dedicated or designated FAST lanes at the border (where available)
- Trade-compliance verification is conducted away from the border
- In Canada – Streamlined accounting and payment processes

For more information on Canada-US Customs initiatives call Karen Richards, CCS at Challenger at 1-800-265-6358.

Staying Connected

More Access – Increased Efficiency



To maintain our position as one of the most technologically advanced carriers in Canada, Challenger continues to embrace new technologies that streamline processes – enabling us to extend greater efficiencies to our customers, our employees, and our drivers. “This year has been exciting for Challenger and technology,” says Eveline Gaede, Director of Information Technology. “We have invested a great deal into several areas of the company.”

Online Capabilities for Our Customers

Challenger and Challenger Logistics customers are already familiar with the extensive set of tracking tools available through our web site. [www.challenger.com] “Recent developments have significantly enhanced the visibility and reporting functions for our warehouse customers,” says Eveline. “They now have access to on-

hand inventory, receiving, and delivery information. If Challenger moves their freight, they can also follow the movement of goods from receipt into our warehouse to delivery at their customers’ doorstep. The Challenger warehouse acts like an extension of their-own.”

Automated Warehouse Functionality

Control-processes for inventory have also been streamlined with the introduction of radio frequency (RF) capabilities. All the picking information for an order is sent directly to the picker’s RF gun: product, location, quantity, even the assigned lot if first-in-first-out (FIFO) is a requirement. “Because everything is automated, we can monitor exactly how long a function takes and quickly determine where a receiving or picking bottleneck might occur,” Eveline explains.

Yard Management System

With the pending move to Challenger’s new 54-acre facility, tracking and scheduling of the trucks could have presented a problem. “Instead, we invested in a yard management system,” Eveline said. The moment the equipment arrives at the yard the gate staff will have access to what is on the trailer, instructions for the driver on where to drop the trailer, and routing directions if maintenance is needed. Dispatch will have instant access to pinpoint the location of a loaded or empty trailer in the yard as well. Parked trailers will be tracked both while onsite, at the Challenger yard, or offsite at a customer’s drop location. As stage two comes into place, we’ll be tying-in our warehouses, as the software has the capability of dock door management and freight scheduling.

Technological and operational innovations continue to take Challenger in new directions, which in turn allow us to meet our customers’ increasingly diversified transportation needs. For more information on Challenger’s online services, or how you can access your freight and inventory details, call 1-800-265-6358.

“Recent developments have significantly enhanced the visibility and reporting functions for our warehouse customers.”

*Eveline Gaede
Director of Information Technology
Challenger Motor Freight*

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is a publication of Challenger Motor Freight Inc.

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