

TRANSDIGEST

Transportation & Logistics Council, Inc.

George Carl Pezold, Executive Director
Diane Smid, Executive Secretary

Raymond A. Selvaggio, General Counsel
Stephen W. Beyer, Editor

VOLUME XXIV, ISSUE NO. 251, JANUARY 2019

Plan Ahead – TLC's 45th Annual Conference

- **California Law and Shipper Liability for Carrier Violations**
- **Supreme Court Rules Against Forced Trucker Arbitration**
- **Driver Classification Update**
- **UCR Fee Reductions**
- **FMCSA Proposed Changes to Criteria for HazMat Permits**
- **Ocean Carrier Low-Sulfur Requirements**
- **New CCSB Docket**
- **More Q&A's**

BRAND NEW!

Q & A IN PLAIN ENGLISH – BOOK 11 AVAILABLE

Published by the TRANSPORTATION & LOGISTICS COUNCIL, INC.

120 Main Street • Huntington, NY 11743-8001 • Phone (631) 549-8984 • Fax (631) 549-8962

Website: www.TLCouncil.org • email: tlc@transportlaw.com

Table of Contents

GUEST EDITORIAL	2	QUESTIONS & ANSWERS	12
ASSOCIATION NEWS	3	RECENT COURT CASE	15
HAZMAT.....	5	CCPAC NEWS.....	16
LOGISTICS	6	CLASSIFICATION	16
MOTOR	7	ADVERTISE IN THE TRANSDIGEST	19
OCEAN	11		

GUEST EDITORIAL

ARE WE SEEING THE BEGINNINGS OF AN IMPORT SHIFT?

By Askia Shaheer
Global Logistics Manager, Big Lots

The landscape of trade and transportation is constantly changing, but over the last ten years there has been some things that have remained constant. One of those unchanging norms of transportation and trade has been that China has been leading the way in goods imported into the United States.

In 2008, according to the US Census Bureau statistics on Foreign Trade, China was leading the way in the import of goods to the US at 16.1%, but only slightly above our neighbor to the north, Canada, at 16.0%. Fast forward ten years later to 2018 and China is still first but now at 21.1% through October of 2018 (*due to a lapse in federal funding the website has not been updated*). The gap between China and the next country Mexico (13.7%) has also grown. Overall the top 5 countries may have only changed slightly in order but the names (China, Mexico, Canada, Japan and Germany) remain the same and account for almost 58% of the value of goods imported into the US.

2008/ Imports(Goods) US Census Bureau

Rank	Country	Imports (Year-to- Date) in Billions	Percent of Total Imports
1	China	337.8	16.1%
2	Canada	335.6	16.0%
3	Mexico	215.9	10.3%
4	Japan	139.2	6.6%
5	Germany	97.6	4.6%
6	United Kingdom	58.6	2.8%
7	Saudi Arabia	54.8	2.6%
8	Venezuela	51.4	2.4%
9	Korea, South	48.1	2.3%
10	France	44	2.1%
11	Nigeria	38.1	1.8%
12	Taiwan	36.3	1.7%
13	Italy	36.1	1.7%
14	Ireland	31.6	1.5%
15	Malaysia	30.7	1.5%

2018 Oct YTD/ Imports (Goods) US Census Bureau

Rank	Country	Imports (Year-to- Date) in Billions	Percent of Total Imports
1	China	447.0	21.1%
2	Mexico	289.7	13.7%
3	Canada	269.2	12.7%
4	Japan	117.6	5.5%
5	Germany	104.8	4.9%
6	Korea, South	61.5	2.9%
7	United Kingdom	50.2	2.4%
8	Ireland	48.1	2.3%
9	India	46.3	2.2%
10	Italy	45.4	2.1%
11	France	43.5	2.0%
12	Vietnam	41.4	1.9%
13	Taiwan	37.4	1.8%
14	Switzerland	34.1	1.6%
15	Malaysia	32.7	1.5%

<https://www.census.gov/foreign-trade/statistics/highlights/top/top0812yr.htm> <https://www.census.gov/foreign-trade/statistics/highlights/top/top1810yr.html>

As we look forward into 2019 and beyond the question becomes: Have we reached that magical point to where we begin to see a shift in these numbers? In 2018 we have seen tariff activity begin to impact how shippers look at sourcing from China or at least question it. The United States began with two rounds of tariff implications in early and mid-2018 imposing 25% on \$50B worth of imports from China to the US. Then came round three of the 301 tariff increases that began with 10% September impacting approximately \$200 Billion in imports from China, with expectations of rising to 25% in at the beginning of 2019.

In the short term with the “threat” of tariffs rising from 10% to 25% at the beginning of the 2019, many shippers responded by looking to move planned cargo from the beginning of 2019 to December of 2018. The increase ultimately has been delayed for the time being as the US and China continue to negotiate with a new date of March 1st. Although the increase did not occur, there are still impacts being felt by shippers. This move up of cargo has now resulted in congestion at US ports. According to an article by Bill Mongelluzzo in the *Journal of Commerce*, the Port of Los Angeles/Long Beach saw “an unprecedented year over year increase in imports of more than 20% in December”. Most shippers will not be able to continue the practice of moving up freight each time there are tariff changes brought to the table. Shippers may have missed on the tariff increase this time, but may now see additional costs in demurrage, detention and others due to a strained network.

Now that the US has imposed tariffs on its trading partners with imports from China being significantly impacted, many supply chains in the long term may begin the process of shifting their sourcing. As you can see based on the chart above that in 2018 Vietnam has moved into the top 15 as some suppliers have already began shifting sourcing from China to other countries in Southeast Asia and the Indian Sub-Continent. Has the shift indeed begun? The other question that needs to be answered is will these countries have the labor, infrastructure and ability to produce the quality of products needed to support most shippers. Shippers will have to continue to evaluate options which may include a total change in sourcing to take some of their eggs out of the basket of China.

These changes and where the numbers for the top 15 importers into the US land in the next ten years will be very interesting. With this being such an impactful topic, it will be featured as a workshop at the upcoming Transportation and Logistics Council Conference in Memphis, Tennessee (March 25-27), along with other important topics impacting today’s shipper and the transportation industry.

Reference to Journal of Commerce: https://www.joc.com/port-news/us-ports/port-los-angeles/la-lb-port-braces-another-month-congestion_20190117.html.

ASSOCIATION NEWS

REGISTER NOW FOR TLC’S 45TH ANNUAL CONFERENCE

Register now for TLC's 45th Annual Conference, which is coming up on March 25 – 27, in Memphis, TN at the Hilton Hotel Memphis. Pre-Conference seminars will be offered on the Sunday before the Conference on March 24, 2019, including a CCP Primer Class. Attached is a copy of the preliminary program, as well as information about registration. Visit <https://tlcouncil.org/> for more information and go directly to



https://www.hilton.com/en/hi/groups/personalized/M/MEMPHHF-TL0322-20190322/index.jhtml?WT.mc_id=POG for reservations at the Hilton.

Judy R. McReynolds, Chairman, President and Chief Executive Officer of ArcBest Corporation, will be the guest speaker for the Monday luncheon. Ms. McReynolds joined ArcBest in 1997 and has served as President and CEO since 2010 and as its Chairman of the Board since 2016. She holds a Bachelor's Degree in Accounting from the University of Oklahoma, has served as Director of several corporations and organizations and is a member of the American Trucking Associations Executive Committee.

What to do: Memphis Attractions

Memphis has a diverse offering of attractions with over 60 unique choices including museums, like the Memphis Brooks Museum of Art (pictured at right), parks and zoo. However, perhaps the most unique cultural aspect of Memphis is its history in music, Memphis Blues, Soul music, Elvis' Graceland and the incomparable Beal Street.

Visit <https://www.memphistravel.com/> for more details.

In addition, Southern Living just named Memphis World's Best Destination of 2019. Visit <http://www.msn.com/en-us/travel/tripideas/this-southern-city-was-just-named-the-worlds-best-destination-to-visit-for-2019/ar-BBSEfSS?li=BBnb7Kz> for more information.



SUPPORT THE CONFERENCE

In addition to the benefits of great educational sessions and networking opportunities, we thought that you might want to get your company's services and/or products out to others in the industry. There are 3 ways you can do this:

Be a Sponsor:

Among the traditional amenities of the Transportation & Logistics Council's Annual Conferences are the Hospitality Suites on Sunday and Monday night of the Conference. Complimentary hors d'oeuvres and cocktails help create a welcoming atmosphere for attendees, an opportunity to meet both old and new friends, and to network with other transportation professionals.

These Hospitality Suites are funded entirely by contributions from our sponsors, and we would like to ask you make a contribution. We have three sponsorship levels:

- Bronze \$300
- Silver \$500
- Gold \$1000

Your company name will be prominently displayed at the entrance to the Hospitality Suite area, and will be published in the conference program, the TransDigest and on the website. See Sponsorship form attached.

Be an Exhibitor:

Each year we invite companies that may be interested in exhibiting their products and services to our attendees. This is an excellent opportunity for companies to show off their products and services to a select

group of attendees representing shippers, carriers, intermediaries and related transportation service providers. See Exhibitor information attached.

Donate Door Prizes:

A door prize can be anything with your company logo on it or something that represents your company. Door Prizes can be sent directly to the hotel. Please have them arrive no sooner than March 21st. Examples: company products, pens, mugs, T-Shirts, keychains, etc.

Hilton Memphis – Attn: TLC/Diane Smid
939 Ridge Lake Blvd
Memphis, TN 38120

Please call Diane or Katie in the office if you are sending an item so you can be properly acknowledged or if you have any questions: 631-549-8984 or email at diane@transportlaw.com.

NEW MEMBERS

Regular Members

Stephanie Castro

Pitney Bowes
7171 Southwest Parkway, Suite 400
Austin, TX 78735
stephanie.castro@pb.com

Carrie Frisbie, CCP

SEKO
1100 N Arlington Heights Rd.
Itasca, IL 60143
c_berenyi@yahoo.com

Brandi Brown

HTS Logistics
11554 Davis Creek Ct
Jacksonville, FL 32225
bbrown@hickorytrans.com

Adam Littrell

Mars Petcare
315 Cool Springs Blvd.
Franklin, TN 37067
adam.littrell@effem.com

Cassie Icamina

KLLM Transport Services
135 Riverview Drive
Richland, MS 39218
cicamina@kllm.com

Richard Zuckett

Sellers Logistics
900 Hwy 78 E #521
Jasper, AL 35501

Associate Member

Colleen McLain

RRD/DLS Worldwide
200 N. Gary Ave
Roselle, IL 60172
colleen.m.mclain@rrd.com

HAZMAT

FMCSA TO USE UPDATED CVSA CRITERIA FOR HAZMAT PERMITS

On December 31, 2018 the Federal Motor Carrier Safety Administration (“FMCSA”) issued a notice of proposed rulemaking (“NPRM”) to amend its hazardous materials safety permits regulations to incorporate by reference the updated Commercial Vehicle Safety Alliance (“CVSA”) handbook outlining the Out-of-Service Criteria.

The Out-of-Service Criteria provide uniform enforcement tolerances for roadside inspections to enforcement personnel nationwide, including FMCSA's State partners.

The regulations currently incorporate the April 2016 edition by reference. The agency proposes now to incorporate the April 2018 edition. Comments are due January 30. For the Federal Register notice, visit <https://www.federalregister.gov/d/2018-28169>.

LOGISTICS

THREE KEYS TO ACHIEVE SUCCESSFUL LOGISTICS PARTNERSHIPS

By Tony Nuzio, ICC Logistics

So it's a new year and many shippers have either recently entered into new strategic business partnerships with Logistics Service Providers ("LSPs"), or are planning to enter into new relationships in the coming months. Ensuring that these relationships will be successful for the long term should be the goal of every shipper as well as for their logistics partners.

While cost for shippers and profitability for the logistics partner are key factors in all of these relationships, we believe the cost and profitability factors fall further down the food chain in making the proper decision to join forces.

To start, all key stakeholders on both sides of the partnership must be involved from the beginning to the end of the qualification process to ensure there are no gaps, no misunderstandings and that the goal of complete success of the partnership will in fact be met from both sides.

This all sounds very basic and completely logical for any business partnership and it really is. However, we have experienced over the years many instances where the two sides were so eager to create a partnership they failed to take the time to fully understand if they should actually do business together in the first place. Are they "ideal" business partners or not? Many fail to see the benefits of establishing several key and basic elements to ensure success, as follows:

- **Do both sides FULLY understand the intended outcome of the relationship?**

We're getting down to real basics here, but we are amazed at how many shippers fail to properly explain what they actually need from particular strategic partners. Not all service providers are created equal. Does the LSP have all of the capabilities the shipper needs to ensure a flawless integration? Does the LSP really understand what is expected of them? Can the LSP be successful and profitable in this relationship? Yes, very basic questions for sure but if you can't get to first base in these relationships, forget about trying to get to second!

On the other side of the coin, does the LSP know what to expect from the shipper? If not how can they ensure there will be "a possibility of performance?" Remember the LSP will be expected to perform as close to 100% of whatever metrics are established between the two parties, but how can they do that if they really don't know what to expect from the shipper?

We've seen dozens of these relationships fail over the years simply because the shipper could not, or would not pay their invoices in the timeframe the LSP "thought" the invoices would be paid in. It doesn't get any more basic than that.

- **Failure to document all processes**

Years ago, children played a game called “telephone” where they would gather in a circle and one person would say something to the next person, that person would say it to the next person and so on. Once everyone had a chance to speak, the results typically were that the last person heard something completely different from what the first person actually said.

And believe it or not, sadly the same applies today when companies do not document all of their business processes to ensure that everyone is on the same page as to what each side is committed to doing in the relationship. “I thought you... (fill in the blank).” or “I was expecting you to... (fill in the blank).” If processes are not completely and jointly documented and signed off by both parties there is going to be a big disconnect and the partnership will surely fail.

- **Failure to integrate systems**

It’s one thing to document processes and ensure that everyone understands their role in these relationships, but in today’s world of connectivity, both parties must integrate their systems so that there is complete transparency.

The shipper must have full visibility into the LSP’s systems operations to know in an instant the status of their orders; where their products are at all times; how successful is the LSP in providing the services the shipper has engaged them for; and finally, what are all of the costs associated with each of the shipments to ensure the relationship is working exactly as planned.

On the other hand, the LSP must have access into the shipper’s systems operations to fully understand order cycle times; shipment weights, dimensions and special delivery instructions; expected ship and required delivery dates; and have the ability to view all return authorizations as well as any other pertinent information to ensure they are successful in meeting the shipper’s expectations.

And one final thought we cannot forget, and that is that each and every one of these strategic alliances must be handled under a formal contract between the parties which spells out all of the obligations of each party; exactly how the operation must work to be successful; who is responsible for what; what metrics will be required and documented; and finally, lay out all of the costs associated with the operation and how and when those costs must be paid.

Remember, contracts are bi-lateral agreements. As such they cannot be changed by either party without the consent of the other party. This provides protection for both sides. Obviously each side must meet their obligations for the arrangement to be completely successful. The contract can and should spell out these obligations and what happens if either or both parties do not live up to their contractual obligations. Shippers and LSPs should not leave any stones unturned when entering into these agreements as they will surely come back to haunt one or both parties.

MOTOR

NEW CALIFORNIA LAW COULD MAKE SHIPPERS JOINTLY LIABLE FOR LABOR AND EMPLOYMENT LAW VIOLATIONS BY PORT TRUCKING COMPANIES

By George Carl Pezold

Background

Effective January 1, 2019, California SB 1402, now codified as California Labor Code Section 2810.4 (https://leginfo.ca.gov/faces/codes_displaySection.xhtml?lawCode=LAB§ionNum=2810.4),

will make “customers” of port drayage motor carriers jointly and severally liable alongside port drayage motor carriers who have unsatisfied judgments from owner-operators or other employees regarding unpaid wages and/or various employee benefits.

This legislation is another example of the policy of California to extend its labor law protections to truck drivers and independent contractors, for example Assembly Bill 1513 (“workers compensation and piece-rate compensation”) in 2016, which caused major less-than-truckload (“LTL”) carriers to impose “California Compliance Surcharges” on all shipments to or from California.

The 2016 legislation was followed by a series of lawsuits involving alleged “misclassification” of owner-operators and other independent contractors, including the 2018 California Supreme Court decision in the *Dynamex* case where the Court reinterpreted the test for determining whether workers should be classified as independent contractors or employees, and embraced a standard that essentially presumes that all workers are employees instead of independent contractors.

This most recent law was specifically triggered in part by articles in 2017 by *USA Today* that described alleged abuses of drivers and owner-operators by trucking companies serving the ports of Los Angeles and Long Beach, as well as pressure from the labor unions.

Specifically, the new law:

1. Requires the Division of Labor Standards Enforcement (“DLSE”) to post on its website a list of port drayage carriers, or their successors, with outstanding judgments for wage violations and other labor law violations.
2. Makes any “customer” using the service of a carrier on the DLSE list jointly and severally liable for unpaid wages and other damages or penalties, as specified. The customer’s liability will be determined either by DLSE or by a court in a civil action brought by DLSE or a commercial driver.
3. Provides exceptions to when a “customer” is jointly and severally liable, such as when employees are covered by a collective bargaining agreement or when a customer and a carrier have an existing contract at the time the carrier is listed on the DLSE website and the customer wishes to terminate the agreement within 90 days of the listing.

Analysis

The problem for an importer or exporter lies in the definition of the word “customer” as used in the law. The statute defines “customer” as follows:

- (2)(A) “Customer” means a business entity, regardless of its form, that enters into an agreement, *either directly or through an agent*, with the port drayage motor carrier to transport freight containers or cargo to or from a port.

Most importers or exporters do not contract directly with a port drayage company to move their containers to or from the port. This is usually done by the ocean carrier, a non-vessel operating common carrier (“NVOCC”), a freight forwarder, freight broker or some other type of transportation intermediary.

It would appear that, in addition to these entities that actually arrange with and hire the trucking companies, the definition could be broad enough to include the importer or exporter that indirectly or “through an agent” is the beneficiary of the drayage services (even though it may be unaware of what carrier is moving its containers).

Recommendations

Obviously, if the importer or exporter is contracting directly with a “port drayage motor carrier”, it would be wise to verify that the carrier is not listed on the DLSE website, available at: https://www.dir.ca.gov/dlse/List_Port_Trucking_Companies_Outstanding_Judgments.html.

If the importer or exporter is dealing through an intermediary, it may want to obtain confirmation that the intermediary has established procedures to protect its interests, and even require the intermediary to hold harmless and indemnify it from any liability that may be imposed by the statute.

DRIVER CLASSIFICATION UPDATE

As previously reported (TRANSDIGEST #250), on December 21, 2018 the Federal Motor Carrier Safety Administration (“FMCSA”) granted petitions to preempt California’s meal and rest break (“MRB”) rules, which conflict with current Federal hours-of-service (“HOS”) regulations.

In its announcement regarding the decision, the FMCSA stated:

This action prioritizes safety, jobs, and uniformity for truck drivers.

SAFETY

Uniform rules in and out of California is important for safety. According to the Oregon Department of Transportation, truck parking shortage “increases closer to the California border,” where “more crashes are occurring,” likely as “a result of encountering troubles finding safe and adequate parking.” Safety is FMCSA’s top priority and making uniform rules is a key component to increasing safety.

COST OF GOODS

California’s extra rules reduce productivity and are a drag on the economy. For example, FedEx stated that “California rules have resulted in a costly loss to driver productivity,” and the National Retail Federation explained that a member company reported that due to the MRB rules, the company’s drivers in California had a 3% reduction in productivity compared to drivers in the balance of the country, which cost the company \$1.5 million annually. Every bit of loss productivity increases costs to consumers and hurts hard-working American families.

UNIFORMITY

Different rules in different states add needless burdens on drivers – many of whom are small businesses fighting to make ends meet in a competitive market. According to the Oregon Trucking Associations, “the California rules can create significant confusion for out-of-state drivers used to uniform federal rules and enormous operational hurdles for Oregon carriers sending trucks into California.” A patchwork of regulations disrupts interstate commerce and is not an effective or fair way to regulate the industry.

Ultimately, this action by FMCSA is an important step toward creating a more reliable and consistent regulatory environment for truck drivers. A consistent set of rules directly benefits drivers, consumers, small businesses, and the American economy.

We can now report that on December 27, 2018 the Teamsters Union filed a petition for review of the FMCSA decision with the U.S. Court of Appeals for the Ninth Circuit, which has traditionally been friendly to labor interests. According to an International Brotherhood of Teamsters news release, “FMCSA’s suggestion that California’s meal and rest break rules negatively impact highway safety is ludicrous. The idea that providing a 10-minute rest break after four hours and a 30-minute meal break after five hours

somehow makes the roads less safe is beyond comprehension. This is simply a giveaway to the trucking industry at the expense of driver safety.”

Deja Vu: in mid-2014, the Ninth Circuit concluded that the Federal Aviation Administration Authorization Act of 1994 (“FAAAA”) does not preempt the application of California’s meal and rest break laws to motor carriers because these state laws are not sufficiently “related to” prices, routes, or services, thus requiring trucking companies that have operations in California to comply with California’s meal and rest break laws instead of the Department of Transportation regulations.

The Teamsters opening brief is scheduled to be filed March 18, 2019.

Visit <https://www.federalregister.gov/d/2018-28325> to view the FMCSA decision as published in the December 28, 2018 Federal Register and visit <https://www.fmcsa.dot.gov/regulations/fmcsa-grants-petitions-ensure-safe-and-uniform-rest-rules-california-truck-drivers> for the FMCSA announcement.

Who is Winning the Driver Classification Battle

In this hotly contested matter it is hard to say just who is winning the driver classification battle, with each side claiming victories. As we noted above and in TRANSDIGEST #250, the recent FMCSA decision favored carriers and a U.S. District Court ruled the *Dynamex* ABC test used to determine whether owner-operators were employees or independent contractors was preempted by the FAAAA; two contradictory bills regarding which test to use were introduced in the California legislature; the U.S. Supreme Court denied three writs of certiorari originating in Washington State, thereby letting the state’s declaration of a misclassification stand; and recently, the U.S. Supreme Court ruled in favor of drivers in *New Prime v. Oliveira* (discussed below in Recent Court Decision section).

In the meantime, the Teamsters union and its Justice for Port Drivers affiliate hailed two recent awards in late December by the California Labor Commissioner of nearly \$6 million to 24 truck drivers for wage theft due to misclassification. These awards were against two units of NFI Industries’ California Cartage subsidiary — California Cartage Express (“CCX”) and California Multimodal (note that these units were only recently acquired by NFI and the awards were not against NFI).

This may have been a Pyrrhic victory though, as NFI appears to have decided to vacate the property owned by the Port of Los Angeles its subsidiaries operated out of after its lease was revoked by the Los Angeles City Council. Visit <http://justiceforportdrivers.com/nfi-abandons-workers-at-port-of-la-rather-than-reach-agreement-to-end-labor-disruptions/> for more details.

California agency begins publishing names of port truckers with violations

A California law enacted in October holding customers of port drayage carriers jointly and severally liable for carriers’ violations of certain labor laws took effect January 1, 2019 and the California Labor Commissioner on January 2 published the first list of carriers with unsatisfied final judgments, assessments or liens.

Visit https://www.dir.ca.gov/dlse/List_Port_Trucking_Companies_Outstanding_Judgments.html for more information.

FMCSA ISSUES COMMERCIAL LEARNER’S PERMIT FINAL RULE

On December 21, 2018 the Federal Motor Carrier Safety Administration (“FMCSA”) published its final rule on commercial learner’s permits. From the summary:

FMCSA amends the Federal Motor Carrier Safety Regulations (“FMCSRs”) to allow States the option of issuing a commercial learner’s permit (“CLP”) with an expiration date of up to one year from the date of initial issuance. The CLP must be valid for no more than one year from

the initial date of issuance without requiring the CLP holder to retake the general and endorsement knowledge tests. CLPs issued for a period of less than one year may be renewed provided the CLP is not valid for more than one year from the date of initial issuance. This rule does not require a State to revise its current CLP issuance practices, unless it chooses to do so.

The effective date is February 19, 2019. Visit <https://www.federalregister.gov/d/2018-27779> to view the Federal Register notice.

UNIFORM CARRIER REGISTRATION FEE REDUCTIONS

On December 28, 2018 the Federal Motor Carrier Safety Administration (“FMCSA”) published its final rule on Uniform Carrier Registration (“UCR”) fees to be collected in 2019 and thereafter from carriers, brokers, freight forwarders, and leasing companies. The rule has an effective date of 12/28/18. From the rule summary:

For the 2019 registration year, the fees will be reduced below the 2017 registration fee level that was in effect by 18.62 percent to ensure that fee revenues collected do not exceed the statutory maximum, and to account for the excess funds held in the depository. The fees beginning with the 2020 registration year will be reduced below the 2017 level by approximately 9.9 percent. The reduction of the current 2019 registration year fees range from approximately \$11 to \$10,282 per entity, depending on the number of vehicles owned or operated by the affected entities. The reduction in fees for 2020 and subsequent registration years range from approximately \$5 to \$3,899 per entity.

To view the Federal Register notice, visit <https://www.federalregister.gov/d/2018-28170>.

OCEAN

LOW-SULFUR FUEL

Effective January 1, 2020 the International Maritime Organization’s (“IMO’s”) low-sulfur cap on international shipping will require the global fleet to transition to a low-sulfur fuel regime, referred to as “IMO 2020”.

The regulation will reduce the allowable sulfur fuel content cap from the current 3.5 percent to just 0.5 percent. Ocean carriers have essentially three options to meet the requirement: install scrubbers on their ships to reduce sulfur emissions; use alternate fuels that are less polluting, such as liquid natural gas (“LNG”); or switch to very-low-sulfur fuel oil (“VLSFO”) in place of the current high-sulfur fuel oil (“HSFO”).

Widespread utilization of the first two options is questionable, given the lack of proven technology and significant up-front capital investments required, leaving the use of VLSFO as the most likely choice for compliance.

The question then is what impacts will the widespread use of VLSFO have?

There is no question that VLSFO will cost more per ton than HSFO. Just how much more is the question. Current average bunker prices are slightly below \$400 per ton and some estimates indicate there will be a premium of \$300 per ton or more for VLSFO.

In September 2018, Maersk Lines published a “Bunker Adjustment Factor” (“BAF”) table to allow customers to predict, plan and track how changes in fuel price will impact total shipping freight rates for a

forty foot equivalent (“FFE”) standard (dry) container. According to Maersk, the “BAF tariff is designed to recover fuel related costs, and it will be charged separately from the basic ocean freight as the fuel cost is a very significant and volatile part of shipping costs.”

From the Maersk notice:

EXAMPLES only of BAF tariffs (USD/FFE) for standard (dry) containers at different fuel prices (USD/ton), for selected trades:

Trade	USD 400	USD 450	USD 500	USD 550	USD 600	USD 650	USD 700
North Europe to Far East	280	315	350	385	420	455	490
Far East to North Europe	480	540	600	660	720	780	840
Mediterranean to Far East	280	315	350	385	420	455	490
Far East to Mediterranean	480	540	600	660	720	780	840
Far East to USWC	390	439	488	536	585	634	683
USWC to Far East	90	101	113	124	135	146	158
US to North Europe	120	135	150	165	180	195	210
North Europe to US	520	585	650	715	780	845	910
Europe to ECSA	350	394	438	481	525	569	613
ECSA to Europe	600	675	750	825	900	975	1050

Visit <https://www.maersk.com/news/2018/09/17/new-bunker-adjustment-factor-baf> to see Maersk notice.

Aside from the direct increase to the cost of ocean shipping, one potential indirect outcome could be increased cost for over the road shipping. VLSFO, while not identical to over-the-road low-sulfur diesel fuel, essentially uses the same refinery equipment, capacity and feedstock, with the potential result of an increase in the price of diesel for motor carriers.

While the implementation of IMO 2020 will clearly have impacts on global trade, only time will show just how significant or disruptive they are.

QUESTIONS & ANSWERS

By George Carl Pezold

FREIGHT CLAIMS – RODENT DAMAGE TO PART OF FROZEN FOOD LOAD

Question: We moved a load of pre-packed individual frozen meals that shipped back in April via rail. The trailer inspection at the shipper showed the trailer to be clean and acceptable for shipping. Upon receipt there were 3 cases that appeared to have been chewed on by some sort of rodent. The seal was intact and there was no other evidence of rodent activity. The shipper of course says it couldn't have come from them, the carrier says no way it was on their trailer.

Understanding that there is virtually no way we will ever know where the rodent came from, what degree of responsibility does the shipper or customer have in this case? They would not allow for an inspection of the product and deemed the entire load to be a total loss despite there only being damage to 3 cases. Given

the proprietary nature of the product and the packaging, there is no salvage value. Should the carrier be on the hook for the full value?

Answer: First, I would observe that the transportation of food products is subject to a very high standard of care. It is quite common for consignees to reject any shipments that have been exposed to conditions that might result in contamination. Shippers and consignees have legitimate concerns about violation of federal regulations, product liability claims, or potential injury to their trademark or brand name and often take the position that it would be an unacceptable risk to allow the product to enter the market for human consumption, or that it would be impossible to adequately sample and test all of the product to ensure that the quality had not been compromised.

Obviously, there are questions as to where and how the rodents got into the trailer, and whether the entire load should have been destroyed. Carriers will usually argue that the shipper has the burden to prove that there was actual damage to the product, and that there is a duty to mitigate the loss through salvage. However, the trend in the court decisions is to favor the shipper's position where food or food products intended for human consumption are involved.

FREIGHT CLAIMS – MISDELIVERY TO PROPER PARTY, WRONG LOCATION

Question: I, being the shipper, contracted a carrier to take a load. They delivered the load at the wrong location (load being live plants). The customer did not pay us for the plants because they were not delivered at the correct location. We have a claim of \$5900.00 and the carrier states it's not their fault because the customer's people received the load (even if it was the incorrect location).

Yes the carrier did deliver the load to the proper party, but at the wrong location. The carrier did not go back to pick up the load, rather they took it upon themselves to talk to the receiver and determine that they would not pick up the load and take it to the proper destination.

Now the carrier is not even acknowledging the claim and the customer, a very big customer, has refused to pay us for the cargo and we are facing a loss of \$5900.00. We have even tried talking to the carrier to come to an agreement, offering that they don't pay the full claim, but that half would be okay. Unfortunately, the carrier is no longer even responding to our emails.

When this happens (for this and future reference), if carrier does not acknowledge us, what do I do? Are we correct in continuing with the claim towards the transportation company for their mistake? If they are not responding to my emails, can I go directly to their insurance provider and file directly with them?

Answer: From your description of the facts it appears that the carrier did deliver the shipment to your customer, but at a "wrong" location.

There are two contracts here: one between the shipper and the carrier, and another between the seller and the buyer.

Ordinarily a carrier is required to deliver a shipment to the consignee named on the bill of lading and at the location specified on the bill of lading, and failure to do so is considered a "misdelivery" for which the carrier is liable for any resulting damages.

If the carrier was promptly notified of the misdelivery, and failed or refused to correct the mistake, it could be argued that it should have known that the consignee/buyer would not pay for the plants.

However, in this case I think the equities favor the carrier and the consignee should be liable for the charges. If the consignee/buyer (or some authorized agent or employee) actually received and accepted the shipment, it waived any objection to the misdelivery and would be unjustly enriched by accepting the plants with paying for them.

With regard to the carrier's insurance, unfortunately the former requirement for mandatory cargo liability insurance, the BMC-32 endorsement, was abolished by the Federal Motor Carrier Safety Administration ("FMCSA") in 2011. Among the important features of the BMC-32 was that it gave shippers a right to pursue freight loss and damage claims by direct action against the motor carrier's insurance company. Without the BMC-32, the shipper has no direct claim against the carrier's insurance, since it is not an insured party to the insurance policy. You can, of course, contact the insurance company directly, but it probably will ignore you.

As an alternative, you may want to consider transportation contracts with your carriers, which will spell out matters such as the carrier's liability for loss or damage claims, or you could take out your own "inland marine insurance" to cover the value of your shipments in transit.

FREIGHT CLAIMS – FAILURE TO SUBSTANTIATE DAMAGE

Question: Our truck delivered a load of aluminum sheets that was packaged in plastic and cardboard. It was pouring rain and although the driver loaded inside a facility, his tarp was wet from the rain. The wet tarp caused water marks on the cardboard resulting in the load being rejected for wetness. When asked for documentation of damage, the plastic or cardboard was never removed and therefore the product or damage to it was never visible. I sent someone at a later date to document the damage and he was not able to see any damage due to the products remaining wrapped in plastic and cardboard. When my insurance adjuster visited to value the damage, he was also denied removal of the wrapping to see any damage. He protested to management, however he still was not allowed to open packaging to value the damage.

Are we, as the carrier, legally required to pay the claim of \$36,000 even though no one, including the receiver has ever opened the packaging to view the damage? Is there any provision for proof of damage?

The broker later sold the aluminum back to the shipper for scrap value.

Answer: As the Supreme Court stated in *Missouri Pacific Railroad Company v. Elmore & Stahl*, 377 U.S. 134 (1964), "Accordingly, under federal law, in an action to recover from a carrier for damage to a shipment, the shipper establishes his prima facie case when he shows delivery in good condition, arrival in damaged condition, and the amount of damages."

Clearly the claimant has an obligation to prove that there was actual damage to the aluminum. Unless there was some other actual inspection when the goods were delivered, I don't see how the claimant can meet its burden of proof to support the claim.

FREIGHT CLAIMS – LIABILITY OF "BILL TO" PARTY

Question: A freight broker has contracted a carrier who delivered goods to the consignee, however the freight delivered was 1 pallet short upon delivery. Is the freight broker, acting as the "bill to" party, responsible for payment on this claim as it pertains to the shortage of goods? Or is it the carrier that is ultimately responsible being that they are the ones who lost one of the pallets?

Also, freight originated out of Taiwan, but the invoices provided are from Taiwan and Florida. How it is possible for both invoices to be for the freight that moved on the same PRO?

Answer: I assume that the loss (shortage) occurred on a domestic truck movement. If so, the motor carrier that issued the bill of lading would be liable, and any claims should be submitted to the carrier.

Freight brokers are not usually liable for loss or damage in transit, even though they may be a "bill to" party for the freight charges. The only exception would be if the broker had contractually assumed liability for loss or damage, or if the cause of the loss or damage is the negligence of the broker.

As to the measure of damages, the general rule is that the invoice value to the consignee/purchaser of the goods is the correct value.

RECENT COURT CASE

SUPREME COURT RULES AGAINST FORCED TRUCKER ARBITRATION

In a decision with potential widespread implications, on January 15, 2019 the U.S. Supreme Court issued a decision ruling that workers in the transportation industry cannot be forced to waive their rights through private arbitration agreements.¹

The case, *New Prime v. Oliveira* involved interstate trucking company New Prime Inc. and one of its drivers, Dominic Oliveira. Mr. Oliveira worked under an operating agreement that labeled him an independent contractor and contained a mandatory arbitration provision.

After Mr. Oliveira filed a class action alleging that New Prime denied its drivers lawful wages, New Prime asked the court to invoke its statutory authority under the Federal Arbitration Act (“Act”) to compel arbitration. Mr. Oliveira countered that the court lacked authority because §1 of the Act excepts from coverage disputes involving “contracts of employment” of certain transportation workers. New Prime insisted that any question regarding §1’s applicability belonged to the arbitrator alone to resolve, or, assuming the court could address the question, that “contracts of employment” referred only to contracts that establish an employer-employee relationship and not to contracts with independent contractors. The District Court and First Circuit agreed with Mr. Oliveira and the Supreme Court affirmed.

The Court noted that:

The Federal Arbitration Act requires courts to enforce private arbitration agreements. But like most laws, this one bears its qualifications. Among other things, §1 says that “nothing herein” may be used to compel arbitration in disputes involving the “contracts of employment” of certain transportation workers.

As a result, the Court addressed two questions:

When a contract delegates questions of arbitrability to an arbitrator, must a court leave disputes over the application of §1’s exception for the arbitrator to resolve? And does the term “contracts of employment” refer only to contracts between employers and employees, or does it also reach contracts with independent contractors?

With regard to the first question, the Court held that the answer to that essentially depends on the answer to the second question, whether or not the contract in question falls under the exception in §1.

To find its answer, the Court looked to the history of the Act and the meaning of term “contract of employment”. The Court ultimately held that a “contract of employment” was essentially a contract for work, which brought Mr. Oliveira’s agreement with New Prime under the §1 exception, and therefore left the courts without authority to order arbitration.

¹ It should be noted that arbitration is generally considered to be less favorable than litigation in the court system for individuals in disputes with businesses. In addition, each individual must arbitrate their dispute separately, whereas groups of individuals can litigate in a class-action in the courts, and attorney fees are paid out of any proceeds.

It should be noted that the Supreme Court did not rule on Oliveira's underlying complaint, whether New Prime had treated its independent contractors as employees while failing to pay the statutory minimum wage, but only whether he would have to pursue those claims through arbitration or would have access to the courts.

View the decision at https://www.supremecourt.gov/opinions/18pdf/17-340_o7kq.pdf.

Which leave us with the implications.

According to Fred Potter, Vice President-at Large, International Brotherhood of Teamsters, and Director of the Teamsters Port Division:

This is a great victory for all workers in the transportation industry, including employees, legitimate independent contractors, and drivers misclassified as independent contractors who are suffering egregious wage theft. Although we have consistently challenged employers' attempts to compel private arbitration to avoid a public legal battle, the U.S. Supreme Court ruling makes it clear that employers cannot and should not require drivers to waive their right to their day in court through binding arbitration agreements.

This ability to pursue wage and worker classification claims in federal courts should lead trucking companies to reconsider and review the language in their contracts, and how they contract and interact with independent contractors. Drivers and groups seeking to represent them will likely find it easier to take such cases to court as a result of this ruling and could lead to an increase in litigation.

CCPAC NEWS

CCPAC

Established in 1981, the Certified Claims Professional Accreditation Council ("CCPAC") is a transportation cargo claim accrediting organization with a global membership and is comprised of shippers, manufacturers, freight forwarders, brokers, logistics companies, insurance companies, law firms and transportation carriers including air, ocean, truck and rail and various related transportation organizations. CCPAC seeks to raise the professional standards of individuals who specialize in the administration and negotiation of cargo claims. Specifically, it seeks to give recognition to those who have acquired the necessary degree of experience, education, expertise and who have successfully passed the CCP Certification Exam covering domestic and international cargo liability, warranting acknowledgment of their professional stature.

The next CCP Primer Class will be held at the Memphis Hilton Hotel in Memphis, TN on Sunday, March 24, 2019 and the CCP Exam will be conducted at the same location on Wednesday March 27, 2019. Prior application, registration and approval are required to sit for the CCP Primer Class and/or the CCP Exam. Visit <https://www.ccpac.com/2018-ccp-primer-ccp-exam/> for more information about the exam and visit www.ccpac.com for general information and membership in CCPAC.

CLASSIFICATION

NEW CCSB DOCKET 2019-1

The Commodity Classification Standards Board ("CCSB") will conduct its next public meeting to consider proposals for amending the National Motor Freight Classification ("NMFC") in Docket 2019-1 on

Tuesday, February 12, 2019 at the Hyatt Regency La Jolla at Aventine, 3777 La Jolla Village Drive, San Diego, California 92122, commencing at 12:30 pm Pacific Time.

Anyone having an interest in a proposal listed in this docket may attend the meeting on February 12, 2019 and/or communicate that interest in writing by mail, email or fax prior to the meeting. Such Interested Persons will be notified of the CCSB's disposition of the proposal.

Following is the subject index for Section I of the docket:

COMMODITY CLASSIFICATION STANDARDS BOARD DOCKET 2019-1

INDEX OF SUBJECTS (PROPOSALS) - DESCRIPTION and SUBJECT:

A		I	
Advancing Charges – Item (Rule) 300.....	23	Item (Rule) 245, Definition of or	
Air Coolers, water evaporative type.....	15	Specifications for Crates.....	17
B		Item (Rule) 265, Sec. 2, Definition of or	
Beverages, nutritional, flavored.....	8	Specifications for Lift Truck Skids,	
Blinds, interior.....	6	Pallets or Platforms.....	12
Box Springs, upholstered.....	1	Item (Rule) 300, Advancing Charges.....	23
Brush Guards or Bull Bars, automobile.....	2	Item (Rule) 540, Secs. 1(a) and 2(c),	
Bumpers or Bumper Fittings, automobile.....	2	Hazardous Materials.....	5 of Docket 2018-3
C		(See Section II herein.)	
Cable, lightguide or lightwave, glass fiber –		Item (Rule) 595, Maximum Charges.....	23
Packaging.....	5	L	
Ceiling Fans, electric.....	10	Lighters.....	4
Combustible Liquids.....	3	M	
Compounds, inactive yeast or whey,		Mantels.....	13
dried	22	Matrices, printers'	21
Coolers, air, water evaporative type.....	15	Mattresses.....	1
Cosmetic Mirrors, with electric lights,		Maximum Charges – Item (Rule) 595.....	23
portable.....	16	Meters, electric.....	14
D		Mini - Blinds.....	6
Dinnerware, melamine resin.....	18	Mirrors, cosmetic, with electric lights,	
Drinks, nutritional, flavored.....	8	portable.....	16
Duct, air distributing, ventilating or exhaust		P	
system, flexible.....	6 of Docket 2018-3	Package 513.....	14
(See Section II herein.)		Package 574.....	3
E		Package 36F.....	1
Electric Meters.....	14	Package 47F.....	1
F		Package 154F.....	1
Fans, ceiling, electric.....	10	Packaging – Cable, lightguide or light - wave,	
Fiber Optic Cable – Packaging.....	5	Glass fiber, or Fiber Optic Cable.....	5
Fishing Poles or Rods.....	19	Packaging – Definition of or Specifications	
Flammable Liquids.....	3	for Crates.....	17
Food or Food Supplements, liquid, flavored.....	8	Packaging – Definition of or Specifications	
G		for Lift Truck Skids, Pallets or Platforms.....	12
Grille Guards, automobile.....	2	Plates, engravers', steel and chalk	
		composition combined.....	21
		Power Pumps.....	7

Push Bars, automobile.....	2	internal combustion engine operated, NOI, handheld or hand supported.....	9
R		Trucks, form or waste metal, printers’	21
Rags, waste.....	20	V	
S		Venetian Blinds or Vertical Blinds.....	6
Shades, interior.....	6	W	
Shakes, nutritional, flavored.....	8	Waterbeds.....	1
Shutters, interior.....	6	Whey, condensed or powdered.....	11
T			
Tools, electric, hydraulic, pneumatic, or			

Shippers whose traffic may be affected by proposed changes should review the proposals and respond accordingly. Visit http://www.nmfta.org/Dockets/Docket%202019-1/2019_1.pdf to review the complete Docket online. Proposals to be included in the Public Docket must be submitted by 5:00 pm Eastern Time, February 1, 2019 and requests to be a Party of Record must be received no later than 5:00 pm Eastern Time, February 1, 2019.

The CCSB invites all interested persons to participate in the classification process. Anyone having an interest in a proposal listed in the docket is welcome to attend the meeting and/or submit a statement relating to the transportation characteristics of the product(s) involved — or relevant to packaging materials or methods in connection with proposed packaging amendments. Statements should include any underlying studies, supporting data and other pertinent information.

Written submissions will be included in the respective public docket file. Decisions on docketed proposals will be based on the information contained in the public docket file.

The address is: Commodity Classification Standards Board, 1001 North Fairfax Street, Suite 600, Alexandria, Virginia 22314, and the CCSB fax number is: 703.683.1094. Written statements may also be emailed to the staff contact involved. To schedule an appearance at the meeting, or if you require further information, please get in touch with the staff contact. Anyone requesting assistance in accordance with the Americans with Disabilities Act will be accommodated.

The CCSB’s policies and procedures as well as other information on the CCSB and the National Motor Freight Traffic Association are available online at <http://www.nmfta.org>.

Amendments to the National Motor Freight Classification resulting from the proposals in this docket will be published in a supplement to the NMFC, unless reconsideration is granted or arbitration is sought in accordance with the CCSB’s rules. The supplement is scheduled to be issued on March 29, 2019, with an effective date of April 27, 2019.

FUTURE COMMODITY CLASSIFICATION STANDARDS BOARD (“CCSB”) DOCKETS

	Docket 2019-2	Docket 2019-3
Docket Closing Date	April 11, 2019	August 22, 2019
Docket Issue Date	May 9, 2019	September 19, 2019
Deadline for Written Submissions and to Become a Party of Record	May 31, 2019	October 10, 2019
CCSB Meeting Date	June 11, 2019	October 22, 2019

Dates are as currently scheduled and subject to change. For up-to-date information, go to <http://www.nmfta.org>.

ADVERTISE IN THE TRANSDIGEST

TRANSDIGEST ADVERTISING

Full page and one-half page ads are now being accepted for the TRANSDIGEST. Reach a highly selective audience with information on your products and/or services at a reasonable cost. Rates are available for 3, 6, 12 monthly issues, and include both print and electronic issues. For information contact Diane Smid or Stephen Beyer at (631) 549-8984.

THE ENFORCER[®] Cargo Security Solutions >> HIGH SECURITY LOCKING SYSTEMS

Trailer/Container Locks



Tractor Locks



Rear Door Hasp



ENFORCER[®] SEAL
GUARD[™] lock



Covert GPS tracking technology also available.

Transport Security Inc.

TransportSecurity.com • 952-442-5625

MGM Marketing, Inc.

Providing Solutions for Freight Claims and Salvage Products



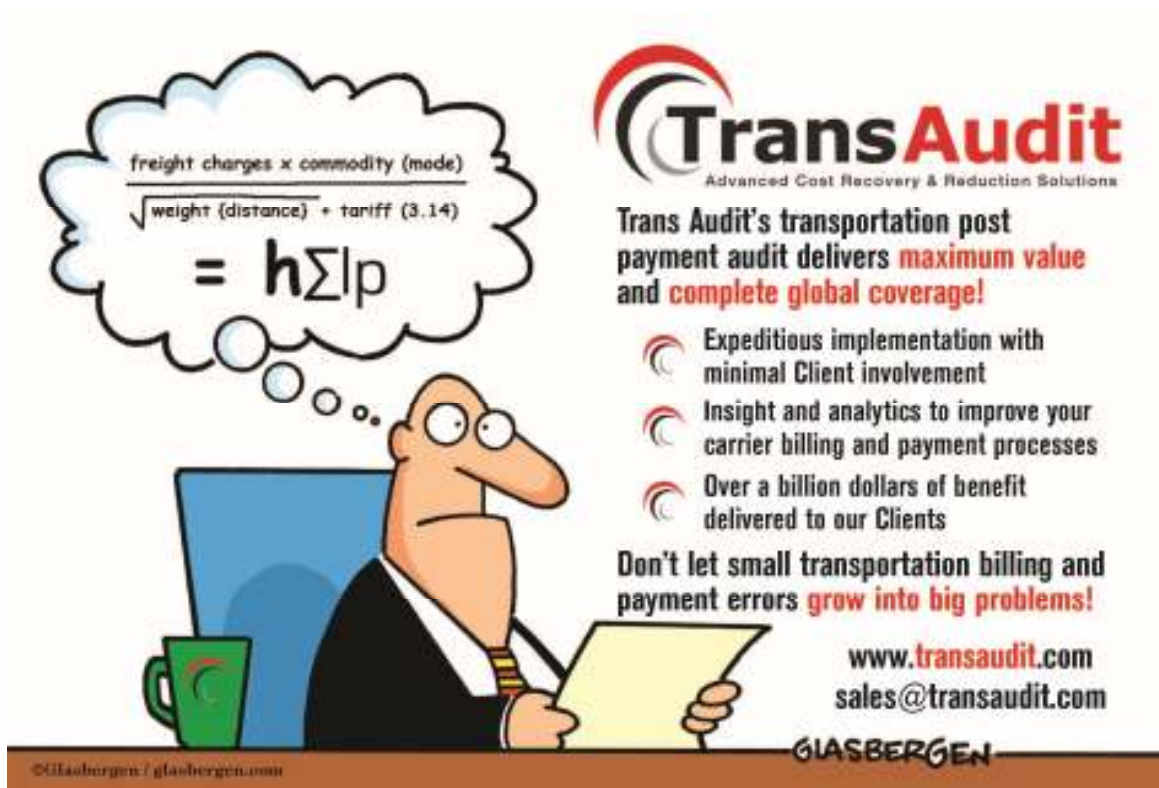
Call Kim at 800-214-7788



**The Next Generation
of Freight Audit and
Payment is Here.**



www.veraction.com | 800-755-0110



TransAudit
Advanced Cost Recovery & Reduction Solutions

Trans Audit's transportation post payment audit delivers **maximum value** and **complete global coverage!**

- Expeditious implementation with minimal Client involvement
- Insight and analytics to improve your carrier billing and payment processes
- Over a billion dollars of benefit delivered to our Clients

Don't let small transportation billing and payment errors **grow into big problems!**

www.transaudit.com
sales@transaudit.com

©Glasbergen / glasbergen.com GLASBERGEN

freight charges x commodity (mode)
√ weight (distance) + tariff (3.14)
= hΣlp



HOW MANY freight claims do you file per month?

If it's more than 10, MyEZClaim Freight Claim Software can reduce your filing costs:

- ▶ Mine claim data to identify problem carriers or products
- ▶ Reduce filing time to just 15 minutes per claim
- ▶ Avoid missed deadlines with automated system alerts
- ▶ Cloud-based software as a Service (SaaS)

TranSolutions 480.473.2453 • TranSolutionsInc.com • Sales@MyEZClaim.com

TRANSPORTATION AND LOGISTICS COUNCIL
45TH ANNUAL CONFERENCE
PRELIMINARY PROGRAM

Monday, March 25th

8:30am-10:00am	<u>General Session I</u>	<u>TRANSPORTATION INDUSTRY UPDATE</u> Leading representatives from industry and the trade press will provide an overview of critical issues facing the transportation and logistics industry - the economic outlook, consolidation and mergers in all modes of transportation, the impact of E-Commerce, funding for infrastructure, recent legislation, regulatory initiatives and administration policies affecting commerce, and other current issues.
10:30am-12:00pm	<u>Workshop 1</u>	<u>THE AMAZON EFFECT</u> Consumers are shopping with their I-Phones and big retailers are closing stores. Manufacturers and distributors are scrambling to establish or relocate distribution centers and warehouse facilities. Uber drivers are delivering purchases in hours. Panelists will discuss the logistics of what shippers and carriers are doing to meet the "I need it now" mindset driven by the Amazon Effect, and address some of the legal questions about how federal laws apply to current delivery methods and transportation business models - use of independent contractors, licensing, insurance, and liability for freight loss or damage.
10:30am-12:00pm	<u>Workshop 2</u>	<u>IMPACT OF THE "ELD MANDATE"</u> Panelists will discuss how shippers, brokers and carriers have been impacted so far by the ELD mandate of Dec 18, 2017. What is the FMCSA doing to monitor and track compliance, and how do they plan to use the data?
12:00pm-1:30pm	<u>Luncheon - Guest Speaker:</u>	Judy R. McReynolds, Chairman, President and CEO of ArcBest Corporation
1:30pm-3:00pm	<u>General Session II</u>	<u>LAW OF THE LAND, LAW OF THE JUNGLE</u> A continuation of the ever-popular annual session where "Lawyers Explain the Law, and Businessmen Tell It Like It Is".
3:30pm-5:00pm	<u>Workshop 3</u>	<u>INTERNATIONAL TRADE</u> Administration policies on international trade; impact of new tariffs on US importers and consumers; effect of retaliatory actions by trading partners on US exporters; how manufacturers, distributors and retailers are dealing with the changes; NAFTA negotiations and effect on cross-border trade and transportation.
3:30pm-5:00pm	<u>Workshop 4</u>	<u>THE LTL MARKET - NEW PRICING STRUCTURES</u> For many years the NMFC and the class rating system has governed the rates and charges of the nation's major LTL carriers. However that is changing: the NMFC has been moving toward density related classification, and carriers are instituting dimensional weight systems with cubic scanners. These new pricing structures are replacing the traditional ways that carriers can optimize their operations and use of assets. What shippers need to do in order to adjust their shipping practices to take advantage of this new pricing.
5:15pm-5:45pm	<u>CCPAC</u>	<u>CCPAC Annual Membership Meeting</u> Conclude your first day at the conference by attending the Certified Claims Professional Accreditation Council Annual Membership Meeting. Open to all CCPAC

Members and guests. Officers and Board Members in attendance at the conference will be introduced, Council News, Announcements and Door Prizes..

Tuesday, March 26th

8:30am- 10:00am	<u>General Session III</u>	<u>KNOW WHO YOU ARE DEALING WITH</u> Using the Internet - tools and techniques to investigate the backgrounds and credentials of organizations and individuals to make sound business decisions. How public records, legal filings, media, and other sources can be accessed for "due diligence" investigations. Cynthia Hetherington shares her <i>Five Knowledge Points for Conducting Online Due Diligence</i> to help save time and money and take the stress out of background checks.
10:30am- 12:00pm	<u>Workshop 5</u>	<u>TRANSPORTATION INSURANCE</u> The risks and foreseeable events that could disrupt the supply chain; insurance products available for shippers, brokers and carriers such as commercial general, motor carrier cargo and auto liability, broker's "contingent" cargo, marine and inland marine insurance policies; what they cover and what they don't (exclusions, exceptions, deductibles) and recommended "Best Practices" – what to look for when purchasing insurance or specifying what coverage you should require in contracts with your service providers.
10:30am- 12:00pm	<u>Workshop 6</u>	<u>DEALING WITH THE "CAPACITY CRUNCH"</u> What are the causes of the "capacity crunch" and what can be done by shippers, brokers, carriers and 3PL's to relieve this problem? Panelists will discuss steps they have taken to deal with peak needs and surge volumes and the benefits of collaboration between service providers and their customers; how technology and transportation management systems can help.
12:00pm- 1:30pm	<u>Luncheon - Guest Speaker. TBD</u>	
1:30pm- 3:00pm	<u>General Session IV</u>	<u>TRANSPORTATION ATTORNEY PANEL</u> Leading transportation attorneys will address current court decisions and legislation impacting shippers, carriers and intermediaries – loss and damage claims, freight charge disputes, multimodal issues, liability for highway accidents and other current issues.
3:30pm- 5:00pm	<u>Workshop 7</u>	<u>TECHNOLOGY & LOGISTICS</u> Shippers, intermediaries and carriers are turning to technology solutions to meet the rapidly changing demands of E-Commerce for the transportation and delivery of goods, particularly consumer products. Panelists will discuss how information technology, transportation and warehouse management systems can help to optimize capacity use, routing and shorten delivery times.
3:30pm- 5:00pm	<u>Workshop 8</u>	<u>MEET THE EXPERTS</u> Would you like help with a problem or have questions that need answers? Then this session is perfect. A Pre-Scheduled one-on-one meeting with top transportation professionals will give you an opportunity to ask specific questions or get guidance with a problem. Each meeting will be 10-15 minutes of uninterrupted time with a presenter or panelist of your choice. Sign up at the registration table for your own personal consultation.

Wednesday, March 27th

8:30am-
10:00am

General
Session V

LOSS PREVENTION AND MITIGATION OF DAMAGE

"An ounce of prevention is worth a pound of cure..." Theft, hijacking and shortages cost shippers and carriers millions every year; how such losses can be prevented with use of GPS tracking, recording and monitoring devices; Damage prevention through better packaging, blocking and bracing; special requirements and security for high value shipments; Mitigating damage by prompt action; inspection, sorting & segregation, repair, repackaging; Dealing with special situations and salvage issues involving food security, temperature abuse, broken or missing seals, consumer packages, product liability, brand and trademark considerations.

10:30am-
12:00pm

General
Session VI

FREIGHT CLAIMS - QUESTIONS & ANSWERS

Panelists will tackle questions submitted by the audience and to the Council's "Q&A" forum, tell how they would answer them from both a shipper and carrier viewpoint, and give suggestions on how to resolve difficult situations. Be sure to bring your questions to this session!

12:30pm-
3:30pm

CCP Exam

CCP Exam

Pre-Qualification is required and Approval from CCPAC needed to take this exam.

2019 TLC 45TH ANNUAL CONFERENCE REGISTRATION FORM

A separate **REGISTRATION FORM** is required for each person registering

CONFERENCE REGISTRATION FEE	
<input type="checkbox"/> TLC MEMBER	\$745.00
<input type="checkbox"/> NON – MEMBER	\$895.00
<input type="checkbox"/> NON-MEMBER PLUS 1 YEAR TLC MEMBERSHIP INCLUDED (SEE WEBSITE FOR DETAILS)	\$945.00
SPOUSES/GUESTS <input type="checkbox"/> ALL MEALS \$275.00	<input type="checkbox"/> PRESIDENTS DINNER ONLY \$100.00
<ul style="list-style-type: none">• Multiple registrants from the same company deduct \$50 each after the first registration at full price• Conference fees include Pre-Meeting Breakfast, Mid-Day Breaks, Luncheons and President's Dinner	

OPTIONAL SEMINARS – SUNDAY MARCH 24, 2019 (<u>NOT</u> included in Annual Conference Registration Fee above)		
	MEMBER	NON-MEMBER
FREIGHT CLAIMS IN PLAIN ENGLISH Includes "Freight Claims in Plain English 4th Ed." On CD ROM	<input type="checkbox"/> \$550	<input type="checkbox"/> \$625
CONTRACTING FOR TRANSPORTATION & LOGISTICS SERVICES Includes "Seminar Manual"	<input type="checkbox"/> \$520	<input type="checkbox"/> \$595
TRANSPORTATION, LOGISTICS AND THE LAW Includes "Seminar Manual"	<input type="checkbox"/> \$520	<input type="checkbox"/> \$595
• All Seminar fees include Pre-Meeting Breakfast, Mid-Day Breaks, and Luncheon		

Hotel rate of \$149/night is available until February 20, 2019 or room block is sold out

How to Register for Full Conference and/or Optional Seminars

BY FAX: 631-549-8962 ♦ **ONLINE:** www.TLCOUNCIL.ORG ♦ **BY MAIL:** to TLC at address below

Payment method: ☐ M/C ☐ VISA ☐ AMEX ☐ Check – Payable to "TLC"

Credit Card # Exp Date CVV Code

Name on Card:

Billing Address:

TOTAL PAYMENT: \$

REGISTRANT INFORMATION – Name, Company, City & State will appear on name tag

Name & Title:

Company:

Address: Tel:

Fax:

Email:

CLE Credit (for Attorneys only): State: Bar No.:

GEORGE CARL PEZOLD, Executive Director
RAYMOND A. SELVAGGIO, General Counsel

Transportation & Logistics Council's 45th Annual Conference

Hospitality Suites Sponsorship

Sponsors will have their company name/Logo prominently displayed at the entrance to the Hospitality Suite, Exhibitor area, along with being published in the conference program and the *TransDigest*.

<input type="checkbox"/>	Bronze Sponsorship	\$300.00
<input type="checkbox"/>	Silver Sponsorship	\$500.00
<input type="checkbox"/>	Gold Sponsorship	\$1000.00

Company: _____

Please send your company logo in .jpeg format to diane@transportlaw.com

Method of Payment (please check one option below):

☐ By Check , Payable to “**Transportation & Logistics Council**” (for the amount checked above).

☐ By Credit Card (for the amount checked above):

MC / Visa / Amex Card # _____ Exp Date _____

Name (as appears on card): _____ CVV: _____

Billing Address (of card): _____

Email Address : _____ Phone: _____

Thank You!

A NOT-FOR-PROFIT CORPORATION DEDICATED TO SERVING THE INTERESTS OF THE SHIPPING COMMUNITY
THROUGH EDUCATION AND REPRESENTATION IN ISSUES RELATING TO THE TRANSPORTATION OF GOODS

120 Main St. • Huntington, NY 11743-6906 • Phone (631) 549-8984 • Fax (631) 549-8962
Website: www.TLCouncil.org • e-mail: tlc@transportlaw.com

Transportation & Logistics Council

45th Annual Conference

Memphis, TN

Exhibitor Information

If interested in exhibiting at the Transportation & Logistics Council's 45th Annual Conference, please contact Diane Smid for further information at (631) 549-8984 or by email to diane@transportlaw.com. The conference will be held from **March 25, 2019 to March 27, 2019** at the Hilton Hotel, Memphis, Tennessee. The following is a summary of information about the exhibit program at TLC's conference.

Preliminary Schedule

The exhibit floor is open on Sunday, March 24, 2019 5:30 pm through Wednesday March 27, 2019 12:00 pm

Move In/Set up

Sunday	March 24th	9:00 am – 5:00 pm
--------	------------	-------------------

Exhibit Hours

Sunday	March 24th	5:30 pm – 7:30 pm	
Monday	March 25th	7:30 am – 5:00 pm	6:00 pm – 8:00 pm
Tuesday	March 26th	7:30 am – 5:00 pm	
Wednesday	March 27th	7:30 am – 12:00 pm	

Move Out

Wednesday	March 27th	12:00 pm – 4:00 pm
-----------	------------	--------------------

Costs of Exhibiting

\$1,400 per booth for TLC members

\$1,600 per booth for non-members

10' by 8' booth display with a six (6') foot draped table and two (2) chairs

One complimentary full conference registration per booth rental. Includes all sessions, handouts, continental breakfasts and coffee breaks Monday, Tuesday and Wednesday and lunch on Monday and Tuesday.

The Cost of Exhibiting is for one booth worker. A charge of \$300.00 will be incurred for each additional booth worker.

Registration list will be provided to exhibitors.

The Transportation & Logistics Council, Inc.

Phone: (631) 549-8984

120 Main Street, Huntington, NY 11743

Fax: (631) 549-8962

E-Mail: diane@transportlaw.com

APPLICATION FOR ANNUAL MEMBERSHIP

Membership in the Council is open to anyone having a role in transportation, distribution or logistics. Membership categories include:

- **Regular Member** (shippers, brokers, third party logistics and their representatives);
- **Multiple Subscriber** (non-voting additional representatives of a **Regular Member** firm); and
- **Associate Member** (non-voting members – carriers and freight forwarders).

All members receive:

- An email subscription to **TRANSDIGEST** (TLC's monthly newsletter). NOTE: To receive the printed version of the **TRANSDIGEST** by First Class Mail a fee of \$50, in addition to applicable membership fee, will apply.*
- **Reduced rates** for **ALL** educational programs, texts and materials.

New Members also receive:

- A complimentary copy of "Shipping & Receiving in Plain English, A Best Practices Guide"
- A complimentary copy of "Transportation Insurance in Plain English"
- A complimentary copy of "Transportation & Logistics – Q&A in Plain English Books 4, 5 & 6 on CD Disk"

If you are not presently interested in becoming a member, but would like to subscribe to the **TRANSDIGEST**, you can opt for a 1-Year/Non-member subscription to the newsletter by making the appropriate choice below.

How did you hear about TLC?

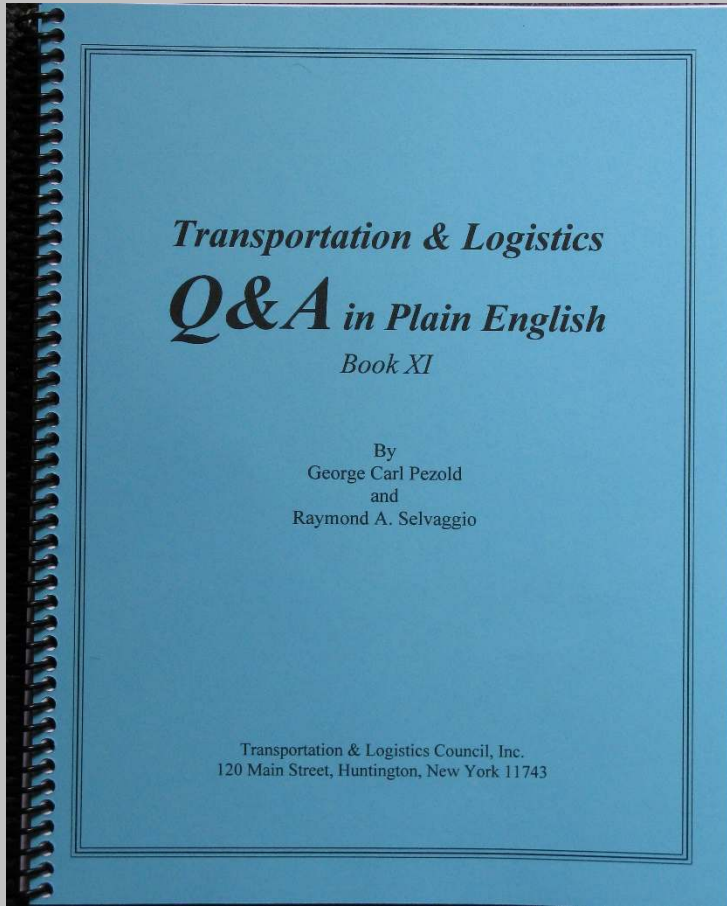
- ☐ **Internet** ☐ **Email**
- ☐ Seminar/Meeting. Please specify location _____
- ☐ Referred by _____
- ☐ Other _____

*Please return completed Membership Application Form along with your payment to:
TLC, 120 Main Street, Huntington, NY 11743*

Membership Application Form

Name:		Title:	
Company Name:			
Address: (STREET ADDRESS ONLY - UPS DOES NOT SHIP TO P.O. BOXES)			
City:		State:	Zip: -
Phone: ()	Fax: ()	Email:	
Description / Type of Membership	Quantity	Fee	Total
Regular Member [includes email subscription to TransDigest]		\$395.00	\$
Multiple Subscriber [includes email subscription to TransDigest]		\$200.00	\$
Associate Member [includes email subscription to TransDigest]		\$345.00	\$
Non-Member Introductory Subscriber [email subscription to TRANSDIGEST only]		\$150.00	\$
* <i>Optional</i> : Printed version of TRANSDIGEST by USPS [added to membership fee]		\$50.00	\$
TOTAL PAID (Make Checks Payable to "TLC"):			\$
Credit Card Information			
• MasterCard • VISA • AmEx	Credit Card No.	Exp: (/)	
Name on CC :	Address (if different than mailing address) :	CVV:	

BRAND NEW!



NOW AVAILABLE IN PRINT OR ON CD!

Transportation & Logistics Q&A in Plain English – Book XI

"*Transportation & Logistics - Q&A in Plain English - Book XI*", by George Carl Pezold and Raymond A. Selvaggio, is the eleventh in this series of the Transportation & Logistics Council's popular texts, and is a compilation of 275 of the most recent questions submitted to the Council's "Q&A" forum and published in the TransDigest,

What is unique about this compilation of questions and answers is that the questions reflect the real problems that actually come up every day, and that the people actually doing the work - shippers, carriers, brokers, intermediaries and even truck drivers - need help with.

The answers range from simple advice to thorough explanations of the legal principles based on the authors' extensive experience in transportation law.

Transportation & Logistics - Q&A in Plain English is excellent resource of advice and knowledge about everyday problems in transportation and logistics, and a great training tool for anyone starting out in the transportation and logistics profession.

Between this new eleventh edition and the previous ones, the authors have created a virtual encyclopedia of almost every conceivable question that can come up. You can't find this kind of information anywhere else.

AVAILABLE NOW in soft cover (175 pages, with Table of Contents), or on searchable CD (with instructions on "How to Use this CD"). Price: Members \$60; Non-Members \$70 This includes FREE shipping in the 48 Contiguous United States! To order, log on to www.TLCouncil.org or call (631) 549-8964.

Order Form

Fill out the information below, detach and send with your payment to: **TLC, 120 Main St., Huntington, NY 11743**

Name:		Position:		
Company Name:				
Address: (STREET ADDRESS ONLY – UPS DOES NOT SHIP TO P.O.BOXES)				
City:		State:	Zip:	
Phone: ()		Email:		
Item #	Description	Qty	Price	Total
595	Q & A in Plain English – Book XI (T&LC Member)		\$ 60.00	\$
595-NM	Q & A in Plain English – Book XI (Non-Member)		\$ 70.00	\$
596	Q & A in Plain English – Book XI on CD (T&LC Member)		\$ 60.00	\$
596-NM	Q & A in Plain English – Book XI on CD (Non-Member)		\$ 70.00	\$
CREDIT CARD INFORMATION				
Credit Card #		MC <input type="checkbox"/>	VISA <input type="checkbox"/>	AE <input type="checkbox"/>
Name on Card		CVV:	Exp. Month/Year:	
Billing Address (if different)				

The Transportation & Logistics Council, Inc.

Phone: (631) 549-8984

120 Main Street, Huntington, NY 11743

Fax: (631) 549-8962

EDUCATIONAL MATERIALS

Item		Item#	Price
Transportation & Logistics - Q&A in Plain English – Book XI (2018) by George Carl Pezold and Raymond Selvaggio * BRAND NEW*	Member	595	\$60.00
	Non	595-NM	\$70.00
Transportation & Logistics - Q&A in Plain English – Book XI (2018) on CD Disk by George Carl Pezold and Raymond Selvaggio *BRAND NEW*	Member	596	\$60.00
	Non	596-NM	\$70.00
Shipping & Receiving in Plain English, A Best Practices Guide (2009), by George Carl Pezold	Member	586	\$70.00
	Non	586-NM	\$90.00
Contracting for Transportation & Logistics Services (rev. 2001), by George Carl Pezold	Member	576	\$40.00
	Non	576-NM	\$60.00
Transportation & Logistics - Q&A in Plain English – Books VII, VIII & IX a Compilation on CD Disc by George Carl Pezold and Raymond Selvaggio (2015)	Member	594	\$50.00
	Non	594-NM	\$60.00
Transportation & Logistics - Q&A in Plain English – Books IV, V and VI a Compilation on CD Disc by George Carl Pezold and Raymond Selvaggio (2004 – 2007)	Member	589	\$60.00
	Non	589-NM	\$80.00
Transportation & Logistics - Q&A in Plain English – Book X (2014) by George Carl Pezold and Raymond Selvaggio	Member	592	\$50.00
	Non	592-NM	\$70.00
Transportation & Logistics - Q&A in Plain English – Book X (2014) on CD Disk by George Carl Pezold and Raymond Selvaggio	Member	593	\$50.00
	Non	593-NM	\$70.00
Transportation & Logistics - Q&A in Plain English – Book IX (2012) by George Carl Pezold and Raymond Selvaggio	Member	590	\$35.00
	Non	590-NM	\$55.00
Transportation & Logistics - Q&A in Plain English – Book VIII (2010) by George Carl Pezold and Raymond Selvaggio	Member	587	\$25.00
	Non	587-NM	\$45.00
Transportation & Logistics - Q&A in Plain English – Book VII (2008) by George Carl Pezold and Raymond Selvaggio	Member	584	\$25.00
	Non	584-NM	\$45.00

FREE SHIPPING in the 48 Contiguous U.S States
(Call for shipping costs outside the US)

Order Form

Fill out the information below, detach and send with your payment to: **TLC, 120 Main St., Huntington, NY 11743**

Fax to: 631-549-8962 Email to: diane@transportlaw.com

Name:		Position:	
Company Name:			
Address: (STREET ADDRESS ONLY – UPS DOES NOT SHIP TO P.O.BOXES)			
City:		State:	Zip:
Phone: ()		Fax: ()	Email:

Item #	Description	Qty	Price	Total
			\$	\$
			\$	\$
			\$	\$

CREDIT CARD INFORMATION			
CREDIT CARD #			<input type="checkbox"/> MC <input type="checkbox"/> VISA <input type="checkbox"/> AE
Name on Card:		CVV:	Exp. Month/Year: /
Billing Address on card (If different than above):			
City:		State:	Zip: