



SAMMONS SPRING NEWSLETTER

MARCH 2016

"The world as we have created it is a process of our thinking. It cannot be changed without changing our thinking" - Albert Einstein

Sammons Team –

It's been over a month since UTi was acquired by DSV making us all part of the 4th largest 3PL (third party logistics) provider in the world. For me personally, I think that's a pretty big accomplishment.

Since the acquisition became complete, there has been very little noticeable change in our organization. The fact of the matter is, there hasn't been much.

However, while things might seem quiet on the outside, there has been plenty going on in the background. I, along with other members of our leadership team have spent a considerable amount of time getting to know our new colleagues, their way of doing business and their expectations of Sammons as a part of the DSV team. We have a lot to do and our Sammons team has stepped up big time to help with the transition. Thanks to all of you!

Although it seems the process of integrating into DSV has started out moving relatively slow, I fully expect that to not be the case in the near future. It should be full steam ahead very soon.

With that said, I encourage all of you to embrace this opportunity that we have been given as now is our time to shine.

Moving forward, there will continue to be a lot going on as we integrate. Most of this will not affect the day to day operations of Sammons, but for only a few of us. For the rest of you, I will do my best to keep you informed as to any changes that may affect you personally.

Remember, we can only control what we can control. It is how each of us responds to these events that will give us our desired outcome.

Work hard, have fun and be safe!

Best regards,
Scott Palmer

Why Do Accidents Happen?

Complacency – Never take your safety for granted

Inadequate information – Listen to special instructions and ask questions

Poorly maintained tools or equipment – Inspect all equipment each and every time

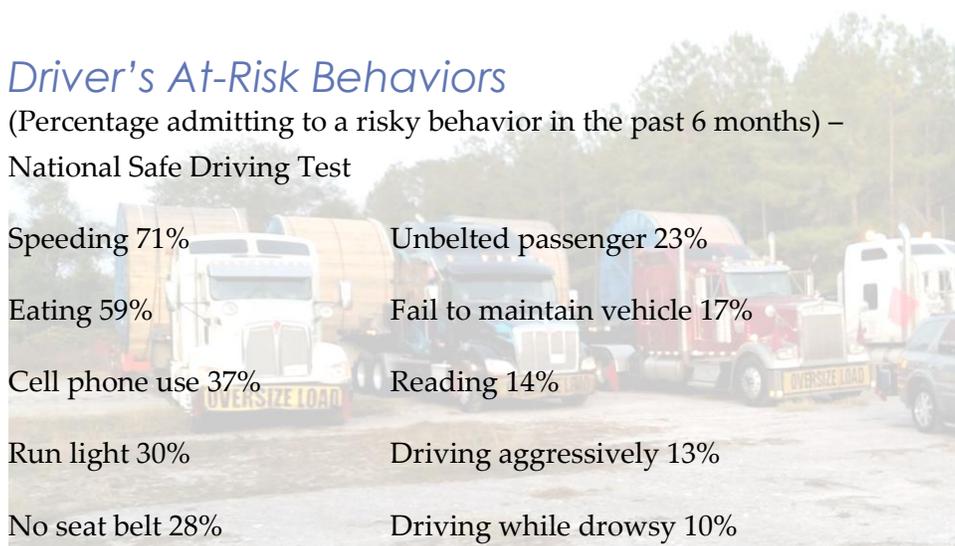
Not looking where you are going or not paying attention to what you're doing – stay alert at all times

Carelessness – Keep focused and avoid distractions

Fatigue – Get enough sleep and rest when needed

Driver's At-Risk Behaviors

(Percentage admitting to a risky behavior in the past 6 months) – National Safe Driving Test



Speeding 71%	Unbelted passenger 23%
Eating 59%	Fail to maintain vehicle 17%
Cell phone use 37%	Reading 14%
Run light 30%	Driving aggressively 13%
No seat belt 28%	Driving while drowsy 10%
Fail to signal 26%	Lane Change without clear vision 7%

What is Distracted Driving?

“Distracted driving is any activity that takes your eyes off the road, your hands off the steering wheel, or your mind off your primary task of driving safely” (Marsh Risk Consulting)

The Four (4) Steps of P.A.C.E

(Marsh Risk Consulting)

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Plan Ahead – prepare for the trip. Examine conditions in advance of encountering them.

Analyze the Surroundings – continuously monitor what is happening around your vehicle

Communicate with others – use proper communication techniques to avoid potential collisions

Execute Safe Driving – practice risk free driving

What is a Collision?

(Marsh Risk Consulting)

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A vehicle colliding with another or a fixed object is not considered an accident!
WHY?

Accidents occur without the control of those involved.

Collisions (crashes) occur as a result of the incorrect actions of one or more parties.

Keep Calm and Drive On

J.J Keller and Associates, Inc

- Drive at a safe speed and maintain a safe following distance (no tailgating)
- Use left lane only for passing
- Yield to vehicles trying to pass
- Avoid eye contact. Keep eyes on the road as much as possible
- Avoid showing a reaction to an aggressive driver. Never return gestures or engage in verbal arguments
- Use directional signals for every turn and lane change

- Use the horn sparingly
- Use high beams appropriately
- Keep away from erratic drivers
- Pull into a public place and call authorities if pursued by an angry driver

At-Fault vs. Preventability

(Marsh Risk Consulting)



At- Fault collision – is a determination of who is liable for the collision.

Preventable Collision – is a determination of whether a party involved executed every possible action to avoid the collision.

Medical Applications and Forms

FMCSA

The FMCSA announces a 120-day grace period during which Medical Examiners may use either the current or the newly revised versions of the Medical Examination Report (MER) Form and Medical Examiners Certificate (MEC). This period is from December 22, 2015, until April 20, 2016. This action is being taken to ensure that Medical Examiners have sufficient time to become familiar with the new forms and to program electronic medical records systems.

Chain of Custody Forms

All contractors must ensure that there is a Chain of Custody form in your truck at all times. The original form is given to you in your accident kits upon orientation. Multiple times per year the Safety department will also send you additional forms. If for any reason you do not have a form in your truck, please call Safety immediately and one will be sent to you. Should you be called to take a random DOT drug screen, you do not have a Chain of Custody and a clinic cannot be found to alter a form – it will be considered a refusal/negative. Please also note that Safety is not out to ‘catch’ you or make the drug tests inconvenient – it’s a DOT regulation that we all must abide to. Thank you, the Safety Department.

What are the differences between harassment and coercion?

FMCSA

Harassment is very specific; harassment occurs when a driver commits an HOS violation based on carrier actions that were related to ELD use.

Coercion is much broader, and is not limited to HOS violations. Coercion occurs when a motor carrier, shipper, receiver, or transportation intermediary threatens to withhold work from, take employment action against, or punish a driver for refusing to operate in violation of certain provisions of the Federal Motor Carrier Safety Regulations (FMCSRs), Hazardous Materials Regulations (HMRs) and the Federal Motor Carrier Commercial Regulations (FMCCRs). Coercion may be found to have taken place even if a violation has not occurred. FMCSA has published a separate rule on coercion

"Change is the essence of life: be willing to surrender who you are for what you could become" - unknown

SAFE OPERATORS OF THE MONTH

Congratulations to these drivers on their hard work!

Erik Halverson October 2015

Chris Warner December 2015

Curtis Herring November 2015

Shawn Martin January 2016

Words from the Wise: Have patients and be prepared to learn every day. Take criticism so you will know what to do next time. Know your truck – keep a personal log book for maintenance, the truck is your life. Drive slower, safe fuel. Plan your days and your routes. Never get in a hurry and never get complacent. To be successful you need to learn the job and learn what you do – you can't just do your job you need to be an owner and run your business.

Who Makes Your Business Decisions?

By Robert McAllister

My father & I had a vending machine business. We had a lot of competition in the area we were in. My father wanted to price items similar to everyone else in the area. I agreed. After a couple of months, I went to him and said, "we are losing money" I went on to explain to him that because we were not moving the product fast enough we were losing product to expiration which was creating a huge expense in our business. I also asked him "Why would anyone use our machine over the others out there? What will draw them to our machines?"

He asked what I suggested. I said lets lower our prices. He didn't agree with lowering prices but did agree to try it and see what happened. Over the next few months our profitability increased and the business started moving in a positive direction. We eventually started expanding with more locations and machines. We got to a point where we didn't want to grow any bigger because we didn't want employees and had the business were we could manage the work load ourselves. I moved away from the area and he took over the business entirely and then slowly got out of it as he got within a couple years of retiring.

We were only able to make the decisions we made because we knew what our costs were. By knowing our costs, we were able change how we did things in order to cover those costs and become profitable. Being able to expand our business then became an option because we had a plan and implemented it. We changed things throughout the years on our machines because of increasing costs, product demand, economy and other factors we had to consider.

Are you asking yourself what this has to do with a freight moving business such as yours? Especially since this is in a newsletter from a trucking (freight moving) company? Let me try to explain how this same type of scenario plays into not just your business but, in reality, any business model.

"SAY NO TO CHEAP FREIGHT!" Great idea! Awesome concept! What is the reality? What do you consider to be cheap freight? Is it really cheap freight or is it just the lack of knowing your business that makes you think it is cheap?

As a business owner you need to be more aware of certain aspects that affect your business than the typical over the road 'company' driver. As an owner operator (business owner) you need a different mindset than a 'company' driver. Granted, I have not driven a big rig or dealt with the headaches you deal with out on the road. However, the numbers tell the story for every business whether it is yours, ours, a small mom & pop or big corporation.

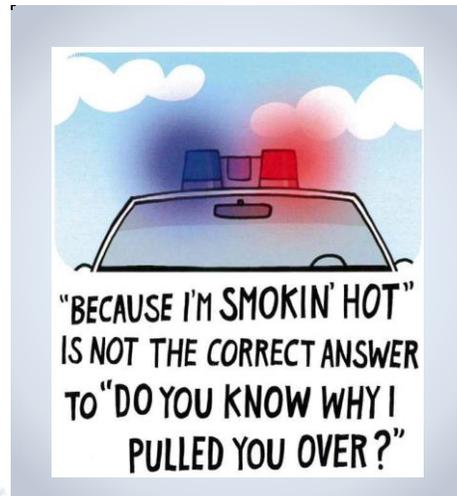
What are your operating costs? Are they fixed or variable costs? Do you know? Do you need to know? Every business should know what their costs are. If you don't know what your costs are, how can you know if the decisions you make will make you profitable or not?

Your business should not be solely about "NO cheap freight". You need to learn how to be profitable in YOUR business. What are your costs? Is it better to bounce empty or take a load to cover costs and get to a better freight area? Where can I cut expenses to improve profitability? Why is my cost per mile for fuel so high? How can I improve it? Is it cost effective for me to sit and wait for a better paying load? How much does it cost me to wait for better paying freight? What do I need to do to bring more money home?

Are you trying to "Cherry Pick" freight? If you were moving freight for \$2.25/mile (all in) back when the fuel surcharge was \$.50/mile, then is that same freight not worth moving at \$1.88/mile now with a \$.13/mile fuel surcharge? Time and time again when I ask that question I get the answer of "no". It is simple math though.... $\$1.75/\text{mile} + \text{fuel} = \$1.75 + .50 = \$2.25$, $\$1.75 + .13 = \1.88 . The only difference in those two equations is the fuel; the load is paying the same.

Like I said earlier, the numbers tell the story... For the month of January, we had an operator that averaged \$1.36 freight bill earnings, they had 11,000 loaded miles. They put \$3100 in their pocket and paid \$5100 towards their truck. Was this driver hauling "Cheap Freight"?

I would say that he wasn't. He was running his business and doing what he needed to do in order to be profitable and creating a revenue stream to pay his business expense and pay himself a decent wage in the current economic cycle. Simply put... MILES MAKES THE MONEY, sitting and not moving increases your expenses making it more difficult to just break even. Say yes to reasonable freight, know your costs and make good business decisions.



Inspection & Maintenance FAQ's

J.J. Keller and Associates Inc.

When do drivers have to stop to check their loads?

The federal safety regulations require drivers to periodically check their cargo and securement devices to ensure that the cargo is properly secured, and make adjustments as necessary. Drivers are required to check their loads:

- Before the trip starts,
- Within the first 50 miles after beginning the trip, and
- Whenever the driver makes a change of duty status or after the vehicle has been driven for 3 hours or 150 miles, whichever occurs first.

Is a pre-trip inspection required?

The federal safety regulations require the driver to be 'satisfied' that basic parts and accessories are available and 'in good working order' prior to driving the vehicle. Although not required to be in writing, the pre-driving determination must include specific parts and accessories. The driver must also ensure that all cargo and vehicle components are properly distributed and/or secured. Finally, when available, the driver must review the last driver's vehicle inspection report (DVIR) and sign if it defects or deficiencies were reported.

What must a driver do with a roadside inspection report?

When a driver receives an inspection report from the state or FMCSA official at a roadside inspection, the driver must deliver the report to the motor carrier upon arrival at the next terminal or facility. If the driver is not scheduled to arrive at a terminal or facility within 24 hours, he/she must immediately mail the report to the carrier.

Getting Better Fuel Economy

J.J. Keller and Associates Inc.

- **Rolling resistance** is a combination of tire design, construction, alignment, and proper air pressure. Drivers can help themselves by ensuring proper air pressure is maintained.
- **Aerodynamic drag** is caused by three main factors, which are speed, coefficient of drag, and frontal area. The driver can only control speed.
- **Acceleration** is the major user of energy. Drivers can control how quickly they accelerate.
- **Idling** is also a major factor in fuel economy and is easy to cure. Drivers should shut down whenever they can. Several states are writing or currently have legislation in place prohibiting idling beyond 3-5 minutes.

2016 State Truck Driving Championships

June 18th Billings, MT

To qualify to you may not have had a DOT reportable accident within the prior 12 months. Contact Safety if you are interested in participating! If you win at State you will move forward to the National Trucking Driving Championship held in Indianapolis, IN on August 10th-13th.

St. Patrick's Day Recipe

By Lisa Cardin

Reuben Loaf:

- Refrigerated pizza dough
- Thousand Island dressing
- Swiss cheese
- Corned Beef in a Can
- Sauerkraut

Take Sauerkraut out of package and put into a strainer, take corned beef out of can and put into a bowl and set aside.

Roll out pizza dough on a greased cookie sheet, and begin layering with the above ingredients.

First Swiss cheese, then Thousand Island dressing, then corned beef, more dressing, and sauerkraut, then top with cheese.

Fold up in a Kris/Cross fashion, put into oven and bake for 20-25 mins @ 350

Enjoy, and Happy St Patty's Day

Permit Corner

By Ada Kelley

Thank you!

I would like to thank all of you for your patience. Thank you to the contractors for being prepared when calling in to place your permit order and thank you to all the CSR/Agents for having complete and correct information in the computer.

READ YOUR PERMITS!!!

Please remember to read all of your permits, routing, restrictions and add'l requirements. We lately have had a few costly issues that could have been avoided had the permit just been read.

Frost restrictions:

It is that time of year again when many states begin to enforce their frost restrictions.

North Dakota has implemented restrictions on some of their roads already.

Wisconsin will start their springtime posted road restrictions the 2nd week in March thru early May.

City and County Permits:

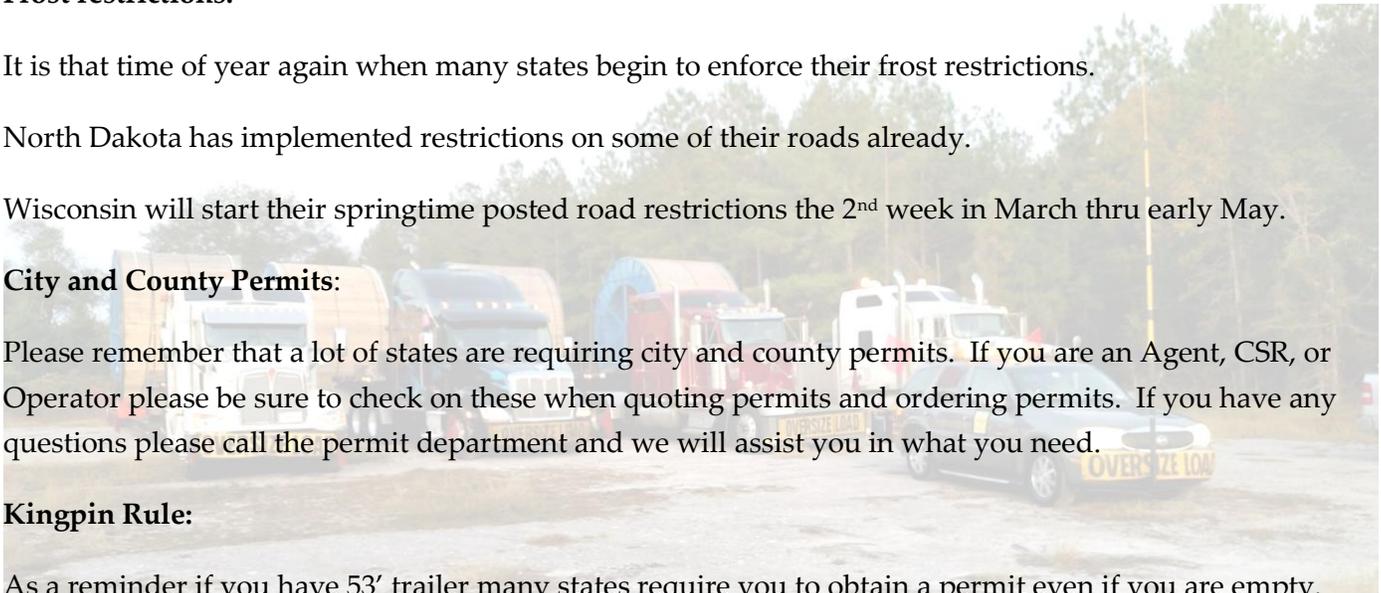
Please remember that a lot of states are requiring city and county permits. If you are an Agent, CSR, or Operator please be sure to check on these when quoting permits and ordering permits. If you have any questions please call the permit department and we will assist you in what you need.

Kingpin Rule:

As a reminder if you have 53' trailer many states require you to obtain a permit even if you are empty. Please take the time to refer to your Sammons Trucking Licensing & Permit book for information.

Wyoming:

Please remember to call the closest Port of Entry at least 1 hour prior to entering Wyoming and get your clearance #. If you are loading in Wyoming call the closest Port to where you are loading. Failure to call will result in a violation. We have had quite a few get warning violations lately. So we all need to remember to make that phone call.



"Striving for success without hard work is like trying to harvest where you haven't planted" – David Bly

March Madness

Things have change a little this year for our March Madness contest. We will be starting with the top 32 Lease Purchase Operators on one side and our top 32 Owner Operators on the other side. To determine who our starting 64 contenders are for this years contest we will be finding your daily average for the combined months of December 2015, January & February 2016. The formula being used will be earnings + loaded miles to determine who advances through the brackets.

Finish #16-9 get \$100.00 and recognized with a "2016 March Madness Sweet 16 Contractor" Sammons Shirt. (8 total)

Finish #8-5 get \$200.00 and recognized with a "2016 March Madness Elite 8 Contractor" Sammons Shirt. (4 total)

Finish #4-3 get \$300.00 and recognized with a "2016 March Madness Final 4 Contractor" Sammons Shirt. (2 total)

Finish #2 get \$400.00 and recognized with a "2016 March Madness Finalist Contractor" Sammons Shirt. (1 total)

Finish #1 get \$500.00 and recognized with a "2016 March Madness Champion Contractor" Sammons Shirt. (1 total)

Let the
madness
begin!



REMEMBER: to be eligible to win — monthly maintenance recaps & truck /trailer inspections must be current, no DOT violations for time of contest & for LP contractors PM must be current