

MOE-MENTUM

MOMENTS

MOE-MENTUM TRANSPORTATION, INC.

MOE-MENTUM LOGISTICS

MOE-MENTUM TRANSPORTATION

TRAFFIC MANAGEMENT DIVISION

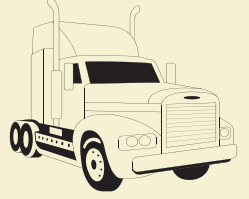
FREIGHT FORWARDING DIVISION

DIVISIONS OF MOE-MENTUM SYSTEMS

Complete Domestic & Worldwide Transportation Services

VOL. 3, NO. 1 • July 2008

CARRIER PROFITS DISAPPEAR- AS FUEL RISES, ECONOMY SINKS II



Public and private Trucking companies, both Trailer-Load and LTL say they are barely surviving a bleak 4th quarter of 2007 and 1st quarter of 2008. Revenue per one hundred weight rose more rapidly than ever. Mostly due to fuel costs, but also due to increase of the cost to purchase new equipment, driver pay, insurance and additional empty miles driven, due to the scarce freight market.

Driving much of the accelerated loss is the increase in fuel. Last year, 2007

first 6 month average for nation wide retail diesel fuel was \$2.51 per gallon. This year, 2008 first 6 month average was \$3.98 per gallon. **That is an increase of 63%!!!**

The driver shortage we have experienced the last ten years is still prevalent, although the economy is stalled!! Although the carrier profits for the most part are "non-existent", the Trucking company owners are raising the pay scales 5-6% per year to keep the good drivers on board!!

Insurance rates; both for cargo and

liability insurance continue to grow at an alarming rate for the carriers. The ATA announced in the May 12th Transport Topics; "Insurance rates have increased 10-12% each of the last 3 years."

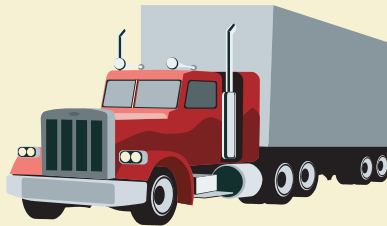
Finally, a shortage of freight and shorter trip lengths have led to a run-up in "dead-head"- or "empty" miles. Both for Trailer load and LTL carrier with everything else on the rise, this scenerio is a 100% loss of revenue for the carrier and driver!!

Truck Ordered Not Used Scenerio

Carriers and third party logistic professionals alike experience a Shipper calling the office for a rate-with-service standard. Once both are agreed upon, the Shipper will verbally tender the freight to the carrier and/or third party. The driver will then be called and dispatched. During the period between time of dispatch and time of pick-up, the shipper will call the carrier, (third party), and "cancel" the load. The Shipper might say "the consignee does not want the freight or they are waiting for money, etc, etc, etc. Meanwhile the carrier (truck) has "dead headed" 20, 50, 80 miles at 6 mile per gallon. This scenerio also hinders the carriers ability from finding another shipment on that day. The Shipper very rarely will pay for this unethical chain of events.

The above mentioned scenerio can cost a carrier upwards of \$1000. We at **Moe-Mentum** have found, 93% of the time this occurs, the Shipper actually found another truck for less money!! The Transportation industry as a whole is not taking these "unethical practices" by the Shipping public lightly. There are "watchdog" websites industry - wide to expose the companies using this practice on a regular basis. The Shipping public should be aware and sym-

pethic to the monetary demand of the carriers today. If a smaller carrier is struggling to make ends meet, experiencing 3-4 of these situations can be devistating to their survival.

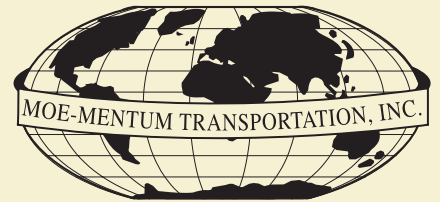


113

Years Experience!

Moe-Mentum Systems is extremely proud of our entire staff. The management and complete staff are fully committed to the demanding needs of our clients!! Meet our employees online www.moe-mentum.com

*click on "meet the employee's" button.



RE-INTRODUCTION OF MOE-MENTUM MOMENTS

Just as the Transportation industry is changing to meet the demands of tomorrow, so too is **Moe-Mentum** growing and diversifying to meet the demands in serving its existing and perspective customers.

We at Moe-Mentum would like to take the time to re-introduce **Moe-Mentum Moments** to our client base. Our dedicated logistic professionals are surprised at the "lack of awareness" of the perfect storm brewing. **Moe-Mentum Moments** will inform the shipping public of the difficult times ahead. The fuel crisis, the shortage of drivers and equipment, will be make the process of moving freight the most difficult challenge in the business process going forward.

Please answer the following questionnaire. Then, mail of fax it to Moe-Mentum Systems at 781-551-8299. A sales representative will contact you to set up an appointment. *Performance of our Complete Audit and Evaluation is FREE!*

Company Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Fax: _____ E-mail: _____

Contact: _____ Best Time to Call: _____

Are the company's freight movements arranged in-house?

Inbound Yes/No Outbound Yes/No (UPS / Fedx)

Number of shipments per month: _____

Carriers being used: _____

Level of discounts: _____

Service standards needed: _____

Do you negotiate your own rates? Yes No

If not, when does your contract expire? _____

Do you pay your own freight bills? Yes No

If not, who does? _____

Do you have an in-house traffic manager? Yes No

Do you have an in-house traffic department? Yes No

Do you audit you own freight bills? Yes No

If not, who does? _____

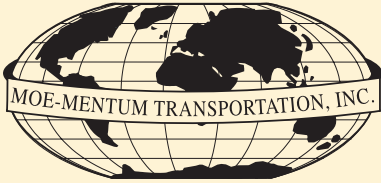


COLLARD'S CORNER

SHORT HAUL "CARRIER TRENDS"

A truckload shipment that is under 500 miles is always a next day lane for the Carrier. If you have a next day shipment and you have the opportunity to move this Monday thru Thursday, please plan accordingly. In these tough economic times, the short haul Carrier is working smarter. The Carrier will not chance securing a load on Friday morning. Their only scenerio in this case will be to "dead head" home. If you must ship "short haul" on Friday, secure your equipment by Wednesday!!!

We look forward to continued success together in 2008 and beyond.



77 Access Rd.
Unit 3
Norwood, MA 02062

Place
Stamp
Here

Moe-Mentum Systems, Inc.
77 Access Rd.
Unit 3
Norwood, MA 02062