

BY LOUIS BIRON

# THE TRUCKING BACK OFFICE

## THE GRADUAL VIRTUALIZATION

**W**hen I joined the world of transportation 19 years ago working for Brink's in New York City, it was a world of fax machines and paper, lots and lots of paper. Actually, there was paper everywhere in duplicates. Today, we live in a paperless world (unless you are still using one of the old tech TMS). The difference is startling and may not be so evident if you only recently joined the workforce. Paper forces you to have a physical office to go to where you shuffle it. I do not miss those days. Let's track the paper trail and see what happened to it. There were a series of innovations that led to the paperless trucking company but by themselves they were not enough to tame the paper monster. We needed the glue to put it all together: the modern TMS. Until you are fully done with paper you will be chained to a physical office. After reading "The 4-Hour Workweek" by Timothy Ferriss, we came up with many ways to integrate technology and our TMS to work from anywhere in the world.





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## Customer Orders

Back in the day at Brink’s, we used to have a truck stop at our customers along a pre-planned route to see if they had anything to move for the day. The driver would get an order from the customer and the freight at the same time. As the freight would move through the system we would have to make sure that the paperwork would make it back to the CSRs (Customer Service Reps) so that they could create an order in our system to make sure the customer would get billed for it. Imagine how inefficient this was. When I owned a trucking company, we used the telephone. Customers would call our office or we would call them to capture the loads on a large white blotter pad with black marker, also, very inefficient. This practice was gradually replaced by the fax machine and eventually by email. In larger relationships, this went the EDI (Electronic Data Interchange), then Web Services route. Once it got to the fax machine or email client, it would still be printed, so you saved on the truck stopping to see if there was a load, but you were still stuck with paper. Now smartphones and email enable us to communicate with our customers wherever we are.

## Load Boards

When the boards started, you used to have to call them to get to let them know what loads/trucks were near you, then they would fax you a list. Obviously, you needed someone in the office to handle this or if you were an owner operator, you stopped in a truck stop and paid a lot of money to get this information. Then the boards moved to software, but you had to install it on your PC. This was an improvement, but now finally the major boards have all moved to a Web-based system that you can run from your smartphone so there is really no more need for paper or an office.

## Check Deposits

Until very recently you needed someone to physically get the mail, open it, find checks and go the bank to deposit them. I used to think nothing of this process until I realized that we were spending 30 to 45 minutes a day running to the bank. And you had to be at the office daily to see if a check came in. This problem was resolved in multiple ways. The most expensive one for a trucker is factoring. For a significant fee, the factoring companies will receive your checks, deposit them, and transfer the money in your account (in advance) so you don’t have to go to the bank every day, which is impossible if you do any kind of long distance trucking. Now most banks will give you the option of using your phone to scan a check or if your volume warrants it you can have a check scanner in your office. These last two still tie you to your mailbox so we moved to the final and most cost effective solution, the bank lockbox. Our bank

receives and deposits the checks for us, so while we are on vacation, the cash keeps coming in. And no more paper unless you decide to print the deposit reports.

## Check Printing

This was also a major force to keep you in the office. If you’re a trucker, you might be able to get away with doing one print run a week, but as a broker we have to send checks to our carriers every day. The simplest solution here is to use your bank’s online bill payment. In my experience, this works at a small scale but can get unmanageable quickly. ACH comes to the rescue as you can now send a file to your bank telling them who to pay for how much without having to print anything. And you can do this from anywhere. As ACH is not always possible with vendors that we use only once, we also engaged a third-party vendor that can print checks for us. I programmed our proprietary TMS, Stratebo, to upload the payments in just four clicks. I can do this from anywhere. These last two solutions are more technically complicated and I would recommend using a TMS made for it to handle it. But again no check printing equals freedom from the office.

## Dedicated Mileage Programs

This is an easy one. When I started brokering I was struck by how expensive the mileage software was. It made no sense then and still makes no sense to me today. I understand that a lot of shippers will force carriers to use one of these tools to calculate mileage for a bid and so in turn the software providers think they have you by the throat. Google Maps need I say anything more... Free (if you insist) and on your phone, so you are not tied to a PC like you used to be. Although I assume you probably have the opportunity to you use the packaged products on a phone now.

## QuickBooks

This was a tough one. A great number of companies in our industry use QuickBooks (QB) for their back office accounting. QB is good but has some flaws that can be overcome if you know what you are doing. QB does not play well over a network, which forces you to be close to the computer that runs it for it to operate properly. Yes, there is QB online, and if you have a very small company that may be sufficient, but QB online is limited and does not lend itself well to integration with other software like your TMS. So the solution we adopted is remote desktop (your IT dept/guy/nephew/niece should know how to do this). We even put it in the Cloud so we can run it from anywhere.

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# TMS

This is the glue that holds everything together. All the previous areas we looked at before can be considered paperless when you look at them independently, but you don't have something to tie the whole thing together you are going to end up printing orders, keeping copies of BOL, carrier contracts and so on. The TMS comes to the rescue by electronically tying all these systems together from the fax machine, the email, the bank, the check printer/ACH, directions, invoices, and so on. Only then can you have a solution where you can run a company without being physically tied to a location as described by Timothy Ferris. For a small trucker that means you can be on the road longer, for a broker you can work out of your basement one day the beach the next and no one will ever know. ■



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