

SPRING 2019



# Customized Logistics & Delivery MAGAZINE

## THE SECRETS OF LONG-LIVED COMPANIES

### INSIDE

WANT TO BUILD A LONG-LIVED COMPANY?

INVESTING IN THE PEOPLE SIDE OF BUSINESS

CREATE AND FOLLOW A SUCCESSION PLAN

TECHNOLOGY: THE KEY TO A LONG-LIVED COMPANY

"MR. COURIER" BILL GOODMAN



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# President's Message

This issue of the Customized Logistics & Delivery magazine is all about longevity in our business. Building a long-lived company takes dedication, perseverance, attention to changes in the business environment and a passion for delivering service above and beyond what's expected.



In these pages you'll learn about what it takes to survive and thrive in our industry from industry veterans. You'll find a profile of one of longest-lived companies, Jet Transportation & Logistics. It has led the way in our industry for over six decades. And those who built it, Larry Day and Jay Scarola, also played key roles in this organization from the day it was founded.

You'll also read about practical tips for building a maintaining a successful company that will outlive the competition. Check out the Strategic Planning piece on page 8 to learn about the building blocks for a company that lasts. Learn how to keep your business going long after the founder is no longer involved with succession planning. There is also a piece that offers a preview of the presentation of Final Mile Forum Speaker David Bork. He will lead a workshop at the conference on succession planning for family business.

For those who see technology as one of the keys to longevity in this business, you'll want to check out the interview with Todd Wiebe, VP of Enterprise Sales for CXT Software and Patrick Scardilli, VP Sales & Marketing for Key Software Systems on page 15.

We all know that our people are our true competitive edge, so make sure you read the advice from Hackbarth Delivery's HR Director Beth Saylor. She'll tell you how to attract and keep talent. And why it's been one of the keys to the company's 40+ years of success. That is on page 12.

Lastly, don't miss the profile of one of the greats of our industry, Mr. Courier, Bill Goodman. We have a fond remembrance of the man who defined this industry for well over seven decades.

And, for those who are reading this at our first Final Mile Forum & Expo, I offer you an enthusiastic welcome. Expect to walk away from this conference with more business opportunities; shipper connection; contacts in the industry and a head full of knowledge about what makes our industry tick.

Please look for me at the conference or contact me with your thoughts, questions and ideas by emailing me at [President@clda.com](mailto:President@clda.com).

Working together for the enrichment of all,

*Chuck Moyer*  
*CLDA President*





# Important DATES

## **3PL & Supply Chain Summit**

June 10 – 12, 2019 / Atlanta, GA

## **SMC3 Connections**

June 24 – 26, 2019 / Colorado Springs, CO

## **NHDA Forum 2019**

August 5 – 7, 2019 / Denver, CO

## **CLDA Executive Leadership Summit**

September 25 – 26, 2019 / Evergreen Marriott Conference Center Atlanta, GA

## **Air Cargo World**

January 26 – 28, 2020 / Nashville, TN

## **CLDA Final Mile Forum & Expo**

February 19 – 20, 2020 / Miami, FL

## **Home Delivery Europe**

March 18 – 20, 2020 / Amsterdam

## **ECA MarketPlace**

April 26 – 28, 2020 / Dallas, TX

## **Home Delivery World**

June 1 – 4, 2020 / Philadelphia, PA



By Madeline Jurch,  
CLDA Director of  
Government Affairs

# Government Affairs

## Cherry blossoms and federal administrative budgets can only mean one thing, it is spring in D.C.!

Chances you are reading this issue right at the Final Mile Forum & Expo in Phoenix, Arizona! If so hopefully you have seen your company name on the Advocacy Fund board at the registration desk as well as attending the Advocacy Fund Donor luncheon. Needless to say all of the government affairs initiatives would not be possible without your donations. Over the years, the association has had some big wins because of donors like those listed here, most notably in the Massachusetts Delivery Association (MDA) FAAAA victory as well as testifying on behalf of the final mile industry and membership before Senate Committee on Health, Education, Labor and Pension. What often goes unnoticed are the many small victories that preserve the supply chains ability to utilize independent contractors in their business models, preserve small business issues as well provide clear guidance for the industry across multiple federal agencies.

While some states have already ended their legislative sessions like Virginia, some are continuing well into summer. As of this writing we have multiple state associations that the CLDA partner with in battles in their state's legislatures. In the case of Washington state there is no organized state association but need to recognize members such as Delivery Express, OnTrac, TForce and others that have continued to push SB 5765 through Olympia. Efforts like this is what lays the foundation for

state associations and coalition groups to work together. Take a few minutes while you are at the Final Mile Forum & Expo to meet these groups and learn how you can participate.

With interested former members of the Express Delivery & Logistics Association (XLA) adding to the Government Affairs Committee along with the expanded interest areas, new subcommittees are being added to the mix. If you are interested in joining and participating in any committee be sure to reach out to CLDA Government Affairs Manager Evan Collier. Certified Indirect Air Carriers (IAC) that are part of the CLDA membership will be already receiving notifications from the CLDA as it is now part of the IAC database, CCSP. Again, while you are here in Arizona, be sure to take full advantage of connecting with your colleagues from across the country as well as to hear from speakers on the TSA, Department of Labor and cross-border commerce. Regulations vary around the country and learning about how they can impact others in industry or how they have succeeded could aid you as well.

This is shaping up to be an action packed year of government affairs activities and involvement from all of the CLDA members. For those that like to follow the government affairs and advocacy efforts closely, be sure to contact Evan Collier at [evan@clda.org](mailto:evan@clda.org), CLDA's new Government Affairs Manager.

**CLDA**



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Affairs Newsletters!

Be sure to look for continuing  
Government Affairs updates  
via the CLDA Twitter account  
(@theCLDA) as well as on the  
CLDA website and email alerts.

If you have any questions on the  
CLDA Government Affairs activities  
or would like to become more  
involved, please contact Madeline  
Jurch at [madeline@clda.org](mailto:madeline@clda.org).

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Interested in contributing to our advocacy efforts?

Contact Madeline Jurch at [madeline@clda.org](mailto:madeline@clda.org) or (202) 207-1122.

*Less than ¼ of CLDA Members are donating to the Advocacy Fund. However, this advocacy fund sponsors almost 100% of all government affairs activities CLDA undertakes. Most recently, CLDA used advocacy fund donations to draft two amicus briefs – one for the National Labor Relations Board and one for the U.S. Supreme Court. We continue to work on all fronts, including judicial, to defend CLDA members and their right to have independent contractors and to have arbitration agreements in place. Without the advocacy fund, CLDA would not have had a voice and would not have been able to comment on behalf of the entire logistics and delivery industry. Donate now and help us represent YOU on the federal, state and judicial level.*

Thank you!

# Want to Build a Long-Lived Company?

PLAN  
PLAN  
PLAN

By *Andrea Obston*  
CLDA Director of Public Relations

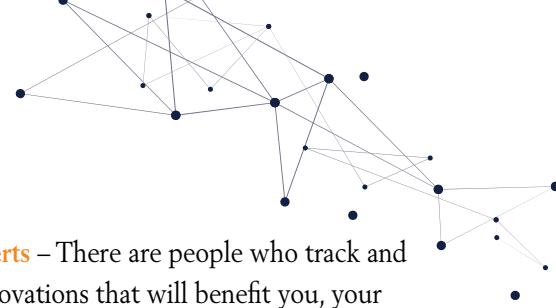


Companies looking forward to a long and healthy future tomorrow need to look beyond today. That's the advice from business consultant Pam Butterfield. "For companies in the logistics and delivery industry, strategic planning is vital for profitability and, more importantly, for survival. Running a profitable business in this industry has never been more challenging and the challenges are not going to subside." Butterfield is the founder of Business Success Tools, a consulting firm that works with CEOs and their teams to ensure their companies grow to their fullest potential.

She pointed to the need for companies in our industry to be nimble. "For business owners and leaders in an industry besieged with disruptive change, it leaves many people wondering daily, 'What's the next step for me and my company?' Lots of bits and pieces on your plates. Some make sense. Some make no sense. Some will fit into your plans; many will come out of the blue with no clear solutions. Additionally, business leaders are learning that past experiences are not always the best basis for developing future strategies, especially in this industry."

"What should we be doing, and why?" is the most crucial question business owners must ask themselves today. Answering this question requires information that often lies outside the four walls of an organization. In addition, we are in an industry in which every minute is taken up with the need for on-the-spot responses. That leaves little or no time to think and digest new information about the big picture and the changes needed to respond to it.





Butterfield points to the need for both strategic and tactical planning. Strategic planning is an attempt to answer the question, “where are we going?” Tactical planning is shorter term and answers the questions “what do we need to do this year...this month...this week? The challenges of today’s business environment in our industry make planning messy. “Planning requires the ability to react to unexpected changes and the ability to be resilient; to recover quickly and efficiently,” points out Butterfield. “This is a time that requires revisiting your business basics on a regular basis. There’s too much going on outside your company to put blinders on and run on autopilot.”

### More Than an Inside Job

Planning should involve business owner(s), potential business partners, investors, board members and key employees. These in-house players need to be able to find the time to think instead of spending all their days on doing and reacting. “This is an important point, especially for those who are running, heads down to meet customer demands day-in and day-out,” she says.

Business owners can’t know it all and do it all themselves. Businesses and their marketplaces too complex. To deal with the intricacies of today’s logistics’ environment Butterfield recommends involving experts who bring knowledge, experience and expertise to the table that doesn’t exist within the company. “It makes sense to hire an outside consultant to help you develop your plans if they have the expertise that internal people do not,” she points out. “There might also be industry specific conferences (like the Final Mile Forum & Expo); webinars and research papers that can add to your perspective on the environment.”

It also makes sense to bring in an outside consultant, on a project basis, to provide additional capacity to facilitate the process. This is particularly important if those inside the company are stuck in the day-to-day of getting business in the door and keeping promises to customers. Among the consultants Butterfield suggests considering are:

**Technology experts** – There are people who track and know technology innovations that will benefit you, your company and your customers. They have inside knowledge about the products and systems that are currently on the market and those on the horizon. These experts understand which technologies will help you make better decisions about routing, shipment visibility, staffing and warehousing. “To ultimately reduce costs and respond to the increasing demands of the market, you need people who specialize in these technologies and can provide valuable input into your planning process. You can’t be expected, as a business owner focused on ‘getting it done’ day in and day out, to know or be able to keep up with all the technological advances. So that’s when you reach out to get outside help.”

**Supply chain experts** – You know that when it comes to logistics and managing costs that efficient performance and timely delivery are vital to reducing logistics costs. While transportation, labor, storage and admin costs contribute to the bulk of these expenses, understanding the specific logistics costs is critical. So, if you are part of a supply chain that is experiencing changes, and you do not have the time to analyze and understand the benefits and costs of those changes, consider bringing in someone who specializes in supply chain management to help you.

**Market intelligence specialists** – Increasingly, shippers’ operations are being driven by customer demand rather than being self-guided by the shippers. As a last mile carrier, you need to know proactively what the shippers’ customers are demanding of them so you can get ahead of that demand. If this is not something you typically do yourself or that you have time for in a normal day, bring in an industry specialist. You’ll meet some of them at CLDA’s Final Mile Forum & Expo.

### People, Deals and Verticals

Strategic thinking starts with a look at where you are now. There are three areas Butterfield suggests you start with: people, deals and the verticals you currently serve.

### People-related questions can include:

- Do you have the right/best supervisory and management team in place?
- What are you doing to increase their connection to company performance?
- Do you need a different mix of full-time and part-time employees?
- Do you have the right mix of ICs?
- What can you outsource to vendors or contract staff to keep overhead as low as possible?
- What compensation strategies do you have (or need) to attract and retain the right people to get the work done?
- How are you factoring in customer satisfaction to employee evaluations?
- How are you tapping into your people's day-to-day experiences with our customers to help get a better handle on changing customer expectations?

### Deal-related questions can include:

- How profitable were the new deals with new customers you brought in last year?
- What have you done to retain beneficial deals with existing customers?
- Are those deals still profitable given today's climate?
- What kinds of deals do you want to sign moving forward?
- What deals will not be repeated?
- How must pricing be adjusted?

### Vertical-related questions can include:

- What verticals do you currently serve?
- What verticals have you developed a unique expertise in serving?
- What verticals are you heavily (or too) dependent upon?
- What verticals are the most (and least) profitable?
- What verticals are similar companies finding success in?
- Could you compete favorably in those verticals?
- What verticals will you no longer serve?

## Outside Factors

There are typically five significant environmental areas that stimulate change in the business climate. Butterfield advises thinking how the changes in one or more of these factors could impact your company, your customers and your competitors. "Changes are occurring each and every day in one or more of these areas," she points out. "Things will trickle down and affect your ability to remain profitable and, in some cases, to survive."

She recommends taking all five of these factors into account in your strategic planning process:

**Society**— Baby Boomer shoppers are being replaced by Millennials who have grown up with Amazon and Uber. "These groups expects free shipping and that their deliveries will be at their doors yesterday," points out Butterfield.

Societal shifts in the population will also mean you'll need to make talent development a priority as Boomers retire and are replaced with Millennials and Post-Millennials. "Succession planning and team training need to be the foundation of any company that expects to survive and thrive," she says.

**Technology** – Look at all the technological advances that are affecting companies in the logistics and delivery industry. Technology vendors, like the ones you'll meet at the Final Mile Forum & Expo, are constantly developing new ways to automate the logistics process, including constant updates to their tracking and monitoring technology. These systems take the guesswork out of planning by reporting the raw data without bias. "Ensuring your business is better informed by the latest software will allow you to refine your processes around the factors that impact your bottom line the most," says Butterfield.

**Environmental** – Today's consumers are increasingly aware of environmental issues. Environmental violations can create



a negative perception of the brand that may require immediate remediation and could take a brand years to recover from. Among those factors affecting our industry are increasingly stringent emissions goals; the push for more efficient gas vehicles and the drive towards vehicles powered by alternative energy sources. In addition, the increased push to eliminate excess packaging will affect how goods are packed and shipped.

**Economic** – In the US, small start-up businesses are making a big impact on all sorts of industries. In the last mile delivery space, rogue start-ups using cloud-based technologies can offer delivery with lower overhead and at lower prices.

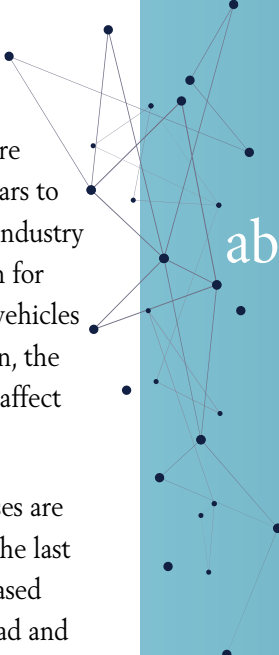
**Political** – Consider the impact of government infrastructure investments. Potholes, unstable bridges, unsafe railways and old highways have become the norm for American's infrastructure. Elected officials determine what spending will be allocated for infrastructure improvements. "We need a much-improved infrastructure. That's true, but meanwhile be prepared for increased delays due to aging roads; more traffic and road work that causes delays and detours. You know that will impact your business," says Butterfield.

In addition, the political environment around the IC issue shows no sign of calming down. Decisions such as the Dynamex case in California point to increased pressures for those dependent on ICs to get the job done.

## The End of Simply Reacting

The bottom line for companies that want a long, productive life is to plan. "You've got to find time to do this," urges Butterfield. "It's one of those important and non-urgent business activities that can easily be pushed off when someone is in-your-face with a demand. But you can't put it off for long."

For business owners and key people to carve out the time to plan, Butterfield says the first step is to learn to delegate. "Did you know that this is the #1 reason that small businesses fail in the United States?" she says. "Don't fall into this trap. Train someone else to handle the day-to-



“Planning requires the ability to react to unexpected changes and the ability to be resilient; to recover quickly and efficiently...”


day demands so you can get to the more critical business planning activities necessary to keep you and your business sane and healthy.”

If you want to find the time to plan, you'll want to reclaim some of the time you're wasting by getting involved in things that don't require your expertise. Butterfield advises tracking your time for two weeks. "Track who and what wastes your time every day," she says. "I'll bet when you take a good hard look at how you're spending your time, you'll be able to easily reclaim two to three hours a week. And that's a good start on freeing up your time to work on the business and not just in it."

Once you find the time and your determination to plan go to the next step, "You'll need blocks of uninterrupted time for thinking and planning," advises Butterfield. "Schedule it when you won't be interrupted. Get away from the office. You can move the block of time carved out for planning if an emergency comes up, but you can't delete it!"

For those determine to build and maintain a long-lived company, regular strategic planning is a must. Butterfield concludes her advice about strategic planning this way: "This is the one thing that can make the difference between financial success and financial ruin. Make a commitment to it regularly for the health and welfare of your company and the people who depend upon it."





By Andrea Obston  
CLDA Director of Public Relations

# Investing in the People Side of Business

*“It is critical to the health and success of any organization to retain good people. Knowledge, skills and abilities are important but when a company couples that with several years of tenure the people become invaluable for long-term success.”*

With those words, Beth Sayler explains the critical role that retaining quality people has played in Hackbarth Delivery Services’ longevity. Sayler is the company’s Human Resource Director. The 44 year old Alabama-based carrier has demonstrated the kind of growth and success that many in our business would envy. And, they credit their ability to get and keep quality employees and drivers as one of the keys to that success.

Rob and Carol Hackbarth started the company in November 1975 in Mobile, Alabama. They had \$500 in start-up capital and one blue van. The company’s first month sales were \$7.50 representing five deliveries. Today, headed by CEO Kelly Picard, Hackbarth Delivery services in ten states in the Southeast, Midwest and Mid-Atlantic regions. They provide last mile delivery, warehousing, hot shot and pool point services.

The company has always seen its people as the backbone of its success. That emphasis on the human side of the business stems from the company’s philosophy of what it calls, “...a profound care for others - family, customers, co-workers and community.” On its website it credits the company’s longevity to “...faith in a dream, belief in each other and a stellar support team dedicated to the vision of providing the best service.”

A substantial number of the company's workforce (37 percent) has been with the Hackbarth Deliver for over five years. Sayler says retaining good people plays a critical role in the company's success. "When you have strong retention numbers you have expertise that cannot be matched. We want our people to be coached and developed by our more senior staff to ensure our future success. We prefer to promote from within the organization when possible. When you create opportunity and help them develop skills they will stay."

### Hiring the Right People

Retention starts with hiring the right people. "We have to have people who care," says Sayler. "We can teach someone all about our business and how to be successful in the last mile delivery environment, but caring is something beyond knowledge, skills and ability. Something that is critical to success at Hackbarth is hiring people that care about themselves, the customer, and their co-workers. If they truly care, they will always do the right thing. When everyone cares it creates a great environment for success. People want to be in a positive environment and look forward to coming to work." The company has an extensive on-boarding process to find and bring on new employees and drivers and has even added integrity testing to their search process.

To attract quality drivers, the company does a variety of advertising on social media. They offer referral bonuses for drivers that refer others and provide sign-on bonus for new drivers.

Attracting employees and drivers has become increasingly tough. "As the job market has gotten more competitive we have upped our game," says Sayler. "We have added a fulltime Talent Acquisition Manager to drive our recruiting efforts."

To retain drivers the company recognizes service with awards and a newsletter that spotlights drivers for their achievements. "We do a ton of employee and driver engagement and appreciation events from cancer walks to March Madness

brackets," adds Sayler. "We feel like the best way to attract drivers is word of mouth and if we create an environment that makes people excited to come to every day they will tell their friends and encourage them to join us."

### Keeping the Right People

To retain employees Hackbarth makes it a point of really listening to what they want long-term in their careers and lives. "We talk about their personal career goals through our evaluation process and help them see a path to achieve their goals," says Sayler.

It's also important that managers help their people to see that there is a path towards advancement in the company. "All managers are tasked with developing their people. By creating opportunity for people they feel appreciated and challenged and as a result stay with the organization," says Sayler.

### Employees as the Key to Long-Term Company Success

For any company that wants to last, their people are clearly the key. Sayler puts it this way: "When we can attract and retain great people we are better. We are more efficient and effective at our jobs and the customer experience is great. We know what the customer needs before they ask because over years our employees and drivers have become experts in their businesses."

She sums up the critical role that the people side of our business plays in the life of a long-lived company: "Some turnover is needed in any organization, but you have to be able to retain your good people to be a health organization. Create an environment where they feel appreciated, respected and have an opportunity to advance. Money will attract people, but the relationship between the organization and its people has to be more than transactional. People need to feel they are a part of something bigger and that the work they do makes a difference."

CLDA

"Knowledge, skills and abilities are important but when a company couples that with several years of tenure the people become invaluable for long-term success."





## Want Your Business to Live Forever?

# CREATE & FOLLOW A SUCCESSION PLAN

By Andrea Obston  
CLDA Director of Public Relations

**S**uccession planning is the bedrock that keeps a business going long after the founder is no longer involved. But a shocking number of senior executives don't have a formal succession plan in place. In fact, nearly one-third (31 percent) of companies with more than 1,000 employees said they didn't have a succession planning program at their organization in a 2011 CareerBuilder survey. And for smaller companies, chances are the numbers are even more dismal.

The Customized Logistics & Delivery magazine recently talked to David Bork about the critical need for companies of all sizes to develop a succession plan for companies that want to have long and profitable lives. Bork will lead a workshop on succession planning for family business at the Final Mile Forum & Expo on May 10.

Bork is the Founder and Owner of Family Business Matters Consulting and the author of *The Little Red Book of Family Business*.

**CLDA MAG:** Why is succession planning so important for a company that wants to last for many years?

**BORK:** Succession planning is the bedrock of sustainability. It begins with the transfer of critical knowledge from the current leaders to their successors. Every business has practices, policies and information that must be passed to their next generation of leaders.

**CLDA MAG:** What are the key elements to consider when creating a succession plan?

**BORK:** You want to start with the alignment of the goals of business' owners and key executives with the employees who they look towards to contribute to the business' future success. Next, those making doing the plan must recognize the proper the roles key each employees fill, and then establish the boundaries to those roles. This can be particularly challenging in a family business where roles often may have emerged emerge and evolve changed over time. Boundaries need to reflect the changes in family job descriptions. Often the boundaries of those roles are unclear.

Another critical part of creating a succession plan is clear and constructive communication between the executives and their employees. Lastly, you have to look at which members of the company have proven competence in what they do. No business can be sustained if the successors are not fully competent. A passion for the business and a willingness to go the extra mile to assure its success makes this whole process a lot more productive.

**CLDA MAG:** What happens to companies that don't have a succession plan?

**BORK:** They don't outlive the founders or continue after the loss of key employees. Businesses without a succession plan stumble and fail because of their inability to resolve critical issues and create a proper vision for the future. And, by the way, that plan must be in place well before it's needed. It should be done while the business is going full steam. That's because a critical part of a succession plan is the process of grooming the next generation of leaders before they need to move into those roles. Driving home from the cemetery after the death of a key executive is too late to create a succession plan.

**CLDA MAG:** What are the biggest mistakes companies make when it comes to succession planning?

**BORK:** Too often leaders of companies are influenced by what they want to be true rather than what they know to be true. Succession planned during a highly emotional transition of roles is more likely to fail. The succession exercise needs to be started years before it is likely to take place.

**CLDA MAG:** Why are so many companies resistant to succession planning?

**BORK:** Succession planning requires confronting the reality of life itself. Many a founder believes he/she will live forever so they only work on today's challenges and ignore the future. **CLDA**





By Andrea Obston  
CLDA Director of Public Relations

# Technology

## The Key to a Long-Lived Company

Companies that have lived long and productive lives depend upon technology for their very survival. Escalating customer demands, the need to provide instantaneous answers to their questions and the ability to provide truly personalized service all cry out for the latest technology.

We asked two veterans with first-hand experience delivering technology solutions to members of the customized logistics and delivery industry for their take on the role technology plays in company longevity. Here's what we heard from Todd Wiebe, VP of Enterprise Sales for CXT Software and Patrick Scardilli, VP Sales & Marketing for Key Software Systems:

**CLD Magazine: Set the stage for us by telling us how your company works with members of our industry.**

**WIEBE:** CXT Software is a leading provider of delivery software technology. We provide last mile delivery and logistics software to manage on-demand, routed and distribution delivery operations. The company offers an extensive software product suite including X Dispatch (on-demand order, courier resource management, invoicing and settlement), X Route (route and distribution logistics management), X Mobile (mobile application with GPS tracking), Rapidship (online ordering and tracking), and X Stream (application and data integration).

**SCARDILLI:** Key Software Systems supplies dispatch, operations, final mile, distribution and mobile communication software solutions to carriers and shippers. Throughout all of our product lines, our focus is on providing simple solutions to complex problems, designed to enhance the user experience.

**CLD Magazine Why is technology the key to building a company that lasts?**

**WIEBE:** It is very difficult to scale a company without technology. The operational and cost efficiencies that good technology can provide are unmatched. We always say you can throw more people at an issue or make use of technology. In most cases technology comes out the winner across the board. Also, we live in the Amazon/Uber age where customers have very high levels of expectations for what software can do. In some ways, the customer is now categorizing technology into "old school" and "new school." This means you have to stay current, or you will fall behind.

**SCARDILLI:** Technology lives and breathes to solve problems and challenges. Problems and challenges for companies of all ages are vast, complex at times and always evolving. Leveraging technology maximizes a company's resources to scale, introduces automation, produces measurable results in streamlining operations and opens communication to customers and drivers. Deploying tech drives down operational overhead and increases margins compared to manually performing those tasks. As companies grow and achieve longevity, the challenges and goals of the business evolve in tandem with customer expectations. Technology helps bridge the gap between those challenges and expectations.

*CLD Magazine Over the years, what changes in technology have helped companies survive and thrive?*

**WIEBE:** In the delivery industry, many technology changes have been strongly driven by the customers or shippers. Bar code scanning and ePOD are just a few examples. For many years simply responding to what customers and shippers wanted was good enough. You could simply react to what the market demanded. But, there has been a shift in recent years with a new generation of business owners. Many of them are taking a more proactive approach to technology to get an edge on the competition.

**SCARDILLI:** Two changes immediately come to mind: mobile communications and system integration. First, let's talk about mobile communications: Before the smartphone era businesses were looking to streamline the driver process, while meeting their customers demand for barcode scanning and package level tracking data. At that time, ruggedized handheld devices or mobile computers were the best option. With price points that went from almost-reasonable to ridiculous, companies had a difficult time both financing and managing these devices day-to-day. When smartphones entered the market they offered low-cost to no-cost options to

business owners. They also supported the Bring Your Own Device model approach and opened new possibilities for technology companies to design elegant, yet simple solutions on advanced platforms. When it comes to system integrations there have been some growing pains. I believe 2005 was when our company built our first EDI for a large office supply company. The development path for that integration was long, arduous, and expensive. Fourteen years later, the advancement of API's has taken projects that were six to nine months for development, down to a few weeks or days. The financial investment has dropped from several thousand dollars for an integration to hundreds, and in some cases, to zero. These changes have helped businesses lower the cost of implementation, reduced deployment time and increased win rates for new business.

*CLD Magazine: How has technology contributed to companies' robust bottom line and financial stability?*

**WIEBE:** When managed properly, technology can create and sustain operational efficiencies that help drive increased profits. Customers perceive companies with good technology as being better partners to work with and having more advanced capabilities. Finally, employees view the use of advanced technology as a way to improve their work experience. They also see these investments in technology as a demonstration that the company is serious about looking to the future.

**SCARDILLI:** Businesses have been able to leverage technology to help them scale without the need for additional staff. With an automated environment, for example, a company can grow order volume by a significant percentage year-over-year before thinking about adding staff. The implementation of automated route optimization is a prime example of this. When in place, the system analyzes order level and package level data. This takes planning time from hours to minutes. These systems also

increase capacity and elevate performance. Dashboard analytics and KPIs have provided companies the ability to quickly visualize potential pitfalls or opportunities that occur day-to-day, month-to-month or even minute-by-minute. They empower the people who are driving the company to make critical, time-sensitive business decisions that affect their stability and financial wellbeing.

***CLD Magazine: How do long-lived companies make the most of technology as a competitive advantage?***

**WIEBE:** The real purpose of technology is to add value to the customer and the operation. You can't expect to just flip a switch and say you have technology and expect customers to come flooding in. It takes work to really create an advantage with technology. In most companies this means having the right staff in place to manage and execute on your technology plan. Investing in putting a good IT person on the team can make a huge difference.

**SCARDILLI:** These companies have a plan in place to provide continuous education on their technology and encourage engagement with their technology providers. The most successful companies have a plan in place to understand and implement the new technology that their provider deploys. When new enhancements are released, they use their test environment to gauge what changes would occur when that technology is deployed to their internal teams, mobile workforce, and customers. The companies that leverage technology the most effectively are continuously learning and engaged with their providers to push the conversation and uncover other features or functions of the software that can strengthen their teams or relationships with customers. These companies provide valuable feedback to their technology providers on industry trends and customers asks. They attend webinars, trade shows like the Final Mile Forum & Expo and user conferences. The technology is such a critical part of their business' success that they build technolo-

gy into their sales presentations to show how they differentiate themselves from competitors. Even if two businesses are using the same platform, the way they think about and incorporate the technology into their new business presentations can easily create separation.

***CLD Magazine: What has been the impact on companies that have been resistant to staying up-to-date on the technology they use?***

**WIEBE:** These companies fall behind and many end up going out of business. Or, they have customers that start requiring certain things only technology can provide. It really becomes a mindset issue. Do they think of the software as a necessary evil or a strategic part of the operation? Rolling out software must be aligned properly with corporate culture or it won't work very well.

**SCARDILLI:** The ultimate impact for companies that resist up-to-date technology is losing the customer, driver or dispatcher that it took you so long to get in the first place. Those individuals and companies will seek to work with a company that is delivering a better experience. That typically means a company with the right technology in place.

***CLD Magazine: What else can you add about technology's contribution to companies that last?***

**WIEBE:** Ongoing training is key to the success of using technology and software. Best practices point to having solid training plan for all staff.

**SCARDILLI:** I agree, ongoing training is vital and provides a strong foundation for success as the business grows.

***Want to know more about our industry's hottest trends in technology? Find CXT Software (Booths 100 and 102) and Key Software Systems (Booths 310 and 312)***



## JET TRANSPORTATION AND LOGISTICS

# Six Decades and More and Still Going Strong.

When Allan J. Day founded Jet Messenger in 1958 the cost of a gallon of gas was 25 cents; a first-class stamp was three cents and Toyota and Datsun had just sold their first cars in America. Sixty-one years and three generations later, its descendant, Jet Transportation & Logistics, is very much still alive and kicking. Gas may be over \$3 a gallon in some places. That same stamp costs 55 cents and Toyota and the Nissan Motor companies have close to a 24 percent share of the U.S. auto market.

Today's Jet Transportation & Logistics is the umbrella company for three separate operating companies: Jet Messenger Service; Dedicated Delivery Systems and American Eagle Dispatch. As a whole, these three companies provide a full-service logistics footprint from Connecticut to North Carolina. Lawrence (Larry) Day, the son of the founder has passed on his role as CEO of JMS Services to his son James; Jay Scarola is the CEO of Dedicated Delivery Systems and Carol Ann Day, Larry's wife, is the President of American Eagle Dispatch. Combined, these companies represent one of the largest and oldest transportation and logistics firms in the customized logistics and delivery industry.

Both Jay and Larry have over 40 years of experience in the industry. Both are founders and past Presidents of the CLDA's predecessor, the Messenger Courier Association of the Americas. "We've been friends for over 30 years and that's what we are really proud of!" says Scarola

How has the company kept its competitive edge over more than six decades? Jay Scarola sums it up this way: "Treat your clients, employees and drivers like family."



LONGEVITY TIPS Scarola offers eight tips for building and maintaining a company that outlasts the competition:

**1 Don't put all your eggs in one basket** – Scarola believes one of the biggest keys to Jet's longevity is their ability to continually diversify its customer base. "Years ago there were companies that didn't follow that path," he recalls. "They put all their eggs in one basket. They stayed with one thing and got good at that one thing. But they never looked beyond it. That's no good. You need to always be expanding into new markets."

He points to the folly of depending upon one customer. "You could lose that customer, even if you've had them for 25 years," he says. "It might not even be your fault, but that doesn't matter. What matters is that you need to have something in the hopper to replenish business. You need to constantly be looking for that new vertical; that new customer. You have to frequently get the name of your company out there to new potential customers. That's why you join an association like CLDA, so you can get business."

Scarola should know. He's been an active part of the CLDA since its founding as the MCAA in 1987; served as its president from 1994 to 1996 and in every executive leadership position in the organization. "My advice to anyone who wants to start a business in our industry is to do some homework to find an association like this where there are people who are willing to help you. That's how we've been able to compete all these years because this association has exposed us to both new business opportunities and the folks who are willing to help us when we've needed it."

He likens the need to constantly bring in new business to regularly filling your car with gas. "Losing a big client is like

running out of gas," he says. "What do you do when your car runs out of gas? You stop and refill your tank to keep going. It's the same principle in business. If you are not out there knocking on doors and bringing in new business you'll run out of gas and you won't last."

**2 Develop your niche and stick to it** – While Scarola cautions against too much dependency on one vertical or service, he does advocate cultivating a niche. "Our niche is that we can respond immediately to the call that says, 'I've got 15 boxes that I need moved today.' The big boys can't do that. They aren't geared to do on-demand priority deliveries or the last mile like those of us in this industry."

**3 Take care of your customer** – "In this business, you can't promise your customer and not deliver," he says. "If you're going to say 'I'll do this today' you better do it. You better follow through and if there's a problem you need to be the first one to notify the customer. You don't want the customer to call you and say 'where's my delivery?' You need to tell them about the problem before they know it and they will respect you for that. That's how we've been able to retain customers. Look, it's simple: the only thing we can give them is service. If you don't give them service they won't need you."

He points to the value of client connections that go beyond the transaction. "Client relationship is key," he says. "Some of my clients have become like family. I know their wives names and how many grandchildren they have. I've had them so long they are like an extended family to me."



## Treat your clients, employees and drivers like family.

**4 Get out there** – This business is all about making and keeping connections, he says. “Make sure you attend conventions and meetings that get you in front of shippers, like the Final Mile Forum & Expo. Touch base with them at these kinds of meetings. Afterwards set up another appointment to cement your connections with the ones you think you can help.” He also reminds other carriers to look to their own backyards: “Go to meetings in your local area of organizations like Better Business Bureaus and Chambers of Commerce. That’s where you will get to meet other companies around you. Network, network, network! The more exposure you have the better it is. Keep talking to people. Keep knocking on doors. If you just sit around, you won’t grow.”

**5 Get in there** – Scarola also points to the need stay actively involved in the day-to-day operation of your business, no matter how old it is or you are. “I’m 70 years and I’m at work every morning,” he says. “I leave my house at 4:30 a.m. every day to do that. I want to be there when my employees are working. I expect them to be there and do the job. And I’m there with them. I don’t ask anything of them that I wouldn’t do that I’ve already done myself!”

**6 Treat your drivers and employees well** – Companies that last treat their people well, says Scarola. “If you don’t treat your drivers and employers well you won’t have a business for long,” he says. “Even if we have so much business that you need to make 2000 deliveries a day it won’t matter if you don’t have the drivers to make those deliveries. You have to take care of your people. They are the backbone of the business.”

**7 Driver retention is key.** “Turnover is terrible for your bottom line and really bad for customer relations,” he cautions. “Customers like to get the same drivers each time and they aren’t happy if you have so much turnover that it’s always someone new,” he says.

Help smaller companies grow to keep the industry vital – The overall health of our industry is the responsibility of everyone in it, Scarola contends. “Over the years I’ve probably helped start six or eight other companies to start and grow as part of my links to the MCAA and CLDA. I have always been willing to mentor those people and I believe every successful company needs to do the same. When we started this association, we were worried people wouldn’t share with other companies; that they would see them only as competitors. But that’s not what happened. Soon after we founded the MCAA we realized that we needed to help others join the industry and succeed. We helped those companies grow and they became resources to help us take care of our own customers when we need to get something into another region.”

**8 Know what’s coming in the industry** – “We make it a point to stay on top of industry changes,” says Scarola. “It’s one of the reasons we stay so involved with the CLDA. The trend we are seeing today is an increase in startups, and the pace of this seems to be increasing. We view our singular advantage as the ability and determination to deliver service better than anyone else. But we can’t depend on that as our only advantage. We have to keep up with the really large 3PLs. They have the ability to price many of us right out of the market. We all need to make sure to stay ahead of the curve in this fast-changing industry.”

### Final Advice on Building a Company that Lasts

Scarola advises anyone who wants to build and maintain a company for the long run to be a part of an organization like the CLDA. “Get involved and you’ll find another family of people who are willing to help you along the way. If you find that right association, like we did, you’ll get the opportunity to talk to the guys who have been around forever. Take advantage of that. It’s there for the taking. You’ll find it’s the key to your long-term success. It worked for us!” **CLDA**



# BURN RUBBER IN THE FINAL MILE



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# “Mr. Courier” Bill Goodman



## Our Industry's LONGEST & Most DEDICATED CHAMPION.

By Andrea Obston

CLDA Director of Public Relations

**B**ill Goodman came by the title of “Mr. Courier” rightly. He spent seventy years in our business and came to symbolize a life-long dedication to delivering anything; anywhere; anytime. From foot runners to fax machines and email to ecommerce, Bill saw it all and made it work.

With Bill’s passing this past December, the industry lost its longest-running cheerleader. Until well into his 80s, Mr. Courier was publishing the Courier Times and serving as the Executive Director of the New York State Messenger and Courier Association (NYSMCA).

For his lifelong dedication to the industry, Bill was inducted into what was then called the MCAA Hall of Fame in 2011. “I’m honored to be chosen for your Hall of Fame,” he said, reacting at the time. “I’m 78 years old and have been in the business since I was 16. I started as a messenger then bought the company I worked for. It was a very successful company and I sold it to the Chiusano family in 1989 after undergoing heart surgery. Then, I

took on the responsibility of director of the NYSMA... In the meantime, I started the publication, The Courier Times and wrote a book on starting a messenger company...It’s been one hell of a ride. I love this industry because of its many challenges.”

Goodman received the award as a mark of respect for his noteworthy contributions to our industry. “The purpose of the Hall of Fame is to recognize people who have made noteworthy contributions to our industry and Bill Goodman certainly deserved that honor,” said Gil Carpel, then head of the association’s Awards Committee. “Bill ... could teach the history of our industry by memory and sometimes does if you happen to read his column in The Courier Times. Through his newsletter, he tirelessly promotes, publicizes and documents our industry; our achievements; our challenges and our leaders. It is a rare courier industry meeting where Bill Goodman – along with his ever present camera – isn’t one of the first people I see. And, when I see Bill, I know that I am with courier people and I am among friends.”

*Bill was a legend in the transportation industry. He saw the evolution of the industry from its infancy to how it matured with e-commerce entering the game.*

Michael Gultieri was one of several people who worked towards Goodman's nomination to the Hall of Fame. "I loved this guy. I loved his quiet unassuming demeanor. And I loved making sure he was nominated to the Hall of Fame. It didn't take much arm-twisting among the board members as Bill was elected unanimously on the first ballot. I'm very proud it occurred during my presidency," he said.

Bill's seven decades in the industry started when he was 16-years old as a messenger for Service Messenger Co. Inc. in New York City. Originally formed to serve the entertainment industry, Service Messenger offered Bill the opportunity to work as everything from courier and owner. Its role as the delivery service for the entertainment industry meant Bill had brushes with the famous and the infamous. The company's regulars included theatrical giants like Flo Ziegfeld, George White, Billy Rose, Hal Prince and George S. Kaufman. Kaufman, for example, used to call the service to change his typewriter ribbon. Columnist William F. Buckley used to come in and use their phones. And Nanette Fabray's boyfriend once hired them to deliver a bacon and tomato sandwich to her. They even had to babysit celebrity chimpanzee Mr. Muggs at the Plaza Hotel. But the most memorable assignment --the one that Bill and his partner Susan Cooper reserved for themselves -- was doing the yearly delivery of the Tony Awards. "We always made sure we did those ourselves because the recipients would be so happy and they'd always invite us in," he said.

Goodman and Cooper sold the company in 1989 after having grown it from an office staff of three employees and \$100,000 in annual sales to 11 employees and \$1.5 million in annual sales. Bill stayed on for four years before accepting the position of executive director of the NYSMCA. He grew that organization from eight to 75 members and created the organization's Courier Times, the newsletter he published well into his 80s.

In a 2008 profile of Bill in Messenger Courier World, association member, Claudia Post, then president of

Diamond Transportation (Philadelphia, PA), summed him as "...an all-around good guy and a good friend who has managed to boost the industry. He's the Henry Kissinger of our industry ... An icon wrapped in a cherub's body," she said.

His small stature was part of his charm, according to Mark Chiusano, whose family purchased Bill's company in 1989. When asked what the most memorable thing about him was, Mark said: "While he only stood about 5 ft. 4 inches, he was a giant personality!"

Express Carriers Association (ECA) president Jim Luciani summed up Bill's contribution to the industry this way: "Bill was a legend in the transportation industry. He saw the evolution of the industry from its infancy to how it matured with e-commerce entering the game. He also witnessed the devastation that the fax machine did as well as email and still survived. Bill played a role in educating the industry through it all with his magazine and as Director of the NYSMCA."

He added his voice to that of CLDA President Chuck Moyer upon Bill's passing with this joint statement from the two associations: "We are saddened to learn of ... the passing of Bill Goodman, an influential member of our industry. Mr. Goodman made substantial contributions to the industry throughout his career and as a forefather in the industry supported both the CLDA and ECA in advancing the industry and helping with membership any way he could... Thank you, Mr. Courier, for all you have done for the industry in New York and across the country. You'll truly be missed."

Former CLDA president and unabashed fan of Bill Goodman, Michael Gultieri, sums up how the industry felt about him: "He was completely loved and respected by his peers. Bill's best trait was that he had no agenda. He supported the industry without reservation and would never say no to a request for help. He steered clear of anything resembling a turf battle. He was simply a beloved friend to all of us."

**CLDA**





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