

FALL 2020



Customized Logistics & Delivery MAGAZINE

TRENDS THAT WILL IMPACT OUR INDUSTRY IN 2021





■ Who's In Your Network?

No matter your delivery network (DSPs, ISPs, RSPs, ICs, Contracting Carriers, Haulers, Freight Agents, or Master Contractors) ... How well you know your business partners and their ability to protect you and your client's insurance is critical.

As pioneers in same day delivery, logistics, and courier insurance, Risk Strategies gives our clients extra peace of mind by offering tailor made insurance programs for their network of deliverers.

We'll customize a specialty insurance program to suit your specific needs:

- Commercial Fleet Auto
- Hired/Non-Owned Auto
- Cargo Insurance
- IC Misclassification
- Warehouse/Terminal Coverage
- Workers Compensation
- Occupational Accident
- General Liability & Property Insurance
- Umbrella (Excess) Liability
- Employment Practices Liability
- Professional Liability

Getting ahead in business requires taking risks.
Staying ahead requires managing them.

We Are Risk Strategies.
Passion. Resources. Results.

Contact one of our specialists today:
B3@risk-strategies.com | 440-260-1002



www.risk-strategies.com/transportation
www.risk-strategies.com/transportation

In This Issue



FEATURED ARTICLES

- 10 Trends That Will Shape Our Industry in 2021
- 16 Operating in the Age of COVID-19
- 20 Air Cargo Trends That Will Impact 2021
- 22 Winning the Future in Customized Logistics and Delivery Requires Getting Upstream
- 26 E-Commerce Trends and Shopping Behaviors That Will Influence Delivery in 2021
- 32 CLDA Members Forecast
- 34 Technology 2021: A Year of Growth and Change
- 40 What Insurance/Risk Trends Will Impact the Industry in 2021?
- 44 How Diversity & Inclusion will Impact the Logistics Industry in 2021
- 46 An Agile, Accessible & Accurate Courier Plan is More Important Now than Ever Before
- 50 Business Toolkit

ASSOCIATION NEWS

- 54 CLDA Finds Its Voice
- 58 Welcome New Members
- 59 CLDA Discount Programs
- 60 Diversity Task Force / Coronavirus Hero
- 62 CLDA Executive Leadership Summit
- 71 CLDA Kudos Corner

DEPARTMENTS

- 5 President's Message
- 6 Government Affairs

About CLDA

CLDA OFFICERS/EXECUTIVE COMMITTEE

PRESIDENT

Steve Howard
Esquire Express • Hialeah, FL

FIRST VICE-PRESIDENT

Jason Burns
QCS Logistics • New Orleans, LA

SECOND VICE PRESIDENT

Mark Cossack
Priority Courier Experts • Vadnais Heights, MN

TREASURER

Errol Cvern
Select Express and Logistics • New York, NY

SECRETARY

Charlie Wolfe
Blaze Express Courier Service • New Orleans, LA

EXECUTIVE COMMITTEE MEMBER

Ralph Perrothers
On The Go Cargo, Inc • Carlstadt, NJ

IMMEDIATE PAST PRESIDENT

Chuck Moyer
ROVA • Franklin, TN

BOARD OF DIRECTORS

Jason Burns, First VP

Lorena Camargo, Director

Tim Cocchia, Director

Mark Cossack, Second VP

Errol Cvern, Treasurer

Randy Edmonds, Director

Nate Geese, Director

Steve Howard, President

Thomas Jowers, Director

Ben Kaplan, Director

Keith Kirk, Director

Ralph Perrothers, Director

Kelly Picard, Director

Joel Pinsky, Director

Jon Rydel, Director

Bart Salant, Director

Charlie Wolfe, Secretary

CLDA Magazine is published quarterly by CLDA. Editorial, advertising, and administrative offices: CLDA, National Press Building, 529 14th Street, NW, Suite 750, Washington, DC 20045. Telephone: 202/591-2460. Fax: 202/591-2445. Copyright ©2020 by CLDA. All rights reserved. No part of this publication may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopying, recording, or any information storage and retrieval system, without permission in writing from the publisher. The material herein presented is for informational purposes only. A qualified professional should be consulted with regards to any specific, factual situation. Opinions expressed are not necessarily those of the publisher, editor, CLDA or its officers or directors.

POSTMASTER: Send address changes to CLDA Magazine, National Press Building, 529 14th Street, NW, Suite 750, Washington, DC 20045.



President's Message

Flexibility and adaptability. These are the bedrocks of our profession and some of the most important requirements for anyone in business in 2020.

In this issue of the Customized Logistics & Delivery magazine, we've asked industry experts to polish up their crystal balls and gaze into a future that is about as unfathomable as possible. Take every word to heart, while still knowing that those twin values of flexibility and adaptability will be your keys to making it in 2021.

Your CLDA flexed and adapted in 2020 and that limberness served us well.

- Our virtual Executive Leadership Summit in September brought together 125 leaders in the logistics industry from 26 states for a two-day virtual professional development conference (check out the story on page 62)
- We have responded to membership needs with six webinars featuring topics such as: IC Recruitment, Orientation and Retention; Final Mile Beats Coronavirus – Protecting Your Company; Mental Wellness on Stress and Resiliency and Navigating the Final Mile Remotely: Tips for Managing Effectively.
- Our outreach to the U.S. Department of Labor helped CLDA members get out from under lengthy regional audits that have deviated from Federal guidance on independent contractor classification
- Our new TSA Working Group secured CLDA's participation in monthly check-in calls with the TSA Air Cargo Division; conducted outreach with the International Air Transportation Association (IATA) to coordinate our advocacy with TSA and Congress and gained almost total acceptance for our proposals for the IACSSP by IATA's Working Group
- Our efforts created a group that includes 30 associations representing small businesses supporting Congress' efforts to fix, improve, and keep the Paycheck Protection Program (PPP) funded.

And our ability to flex and adapt has meant that our Final Mile Forum will go on. We've decided to move the date to June 23-25 at the same venue we had booked for February – the legendary Caesar's Palace in Las Vegas. For many, this is the industry's most influential conference, gathering shippers and carriers for three days of networking, camaraderie and education. Our plans are for an in-person event, but true to our nature, we will adapt as needed to serve up a conference that is both safe and desirable.

In addition, we are planning a virtual event for the first quarter of 2021 that will bring members of our industry together with business opportunities that will kick-start a new wave of success for them. Stay tuned for the details!

Meanwhile, check out this issue of the Customized Logistics & Delivery magazine. You'll get a dose of the future from some of the thought leaders of our industry to help you plan for 2021. Make sure you catch these articles:

- Predictions for the air cargo sector by Southwest's Steve Bossi on page 20
- Upcoming issues around diversity and inclusion by ELS speaker Djoly Souffrant on page 44
- Expectations for companies operating under COVID conditions in 2021 from Paul Marron, Esq. & Paul B. Arenas, Esq from Marron Lawyers on page 16
- Observations on winning the future from Spencer Tenney from the Tenney Group on page 22
- Predictions for insurance and risk trends from Brian Jungeberg from Risk Strategies Company on page 40
- Expectations for the role of technology from executives at Datatrac, Locus, CXT and Key Software on page 34

We are living in a world of change. But I assure you that one thing will never change: CLDA's commitment to helping you stay ahead of that change and thrive! No matter what the future brings.

Onward!
Steve Howard
President, CLDA



Government Affairs

By Michael Taylor,
CLDA Government Affairs Director

During the last three months, CLDA's Government Affairs team has remained focused and extremely active on all advocacy fronts that matter most for our members and the industry as a whole.

Election 2020

Joe Biden has been elected the 46th President of the United States, according to The Associated Press and other major news outlets. The presumptive president-elect was projected on November 7 to win the Commonwealth of Pennsylvania, which put him over the 270-electoral college vote threshold. Kamala Harris, his running mate, is the first woman and first woman of color to be presumptive vice president-elect. Biden also makes history as the oldest presumptive president-elect. Georgia, meanwhile, announced a manual recount of votes cast, which they expect to be completed by November 20. The AP has called Alaska for President Trump, and North Carolina was still counting as of November 13. At the time of this writing, President Trump has not conceded the race.

As I write, the Trump campaign has filed at least 17 lawsuits in various state and federal courts with the latest being a federal lawsuit in Michigan. Attorney General William Barr has sent a memo to federal prosecutors to probe election fraud allegations before results of the presidential race are certified. As I write this, no state election officials have found any evidence of fraud. Presumptive president-elect Joe Biden has announced a new coronavirus task force.

Democrats will maintain control of the House of Representatives. Republican Senator Dan Sullivan has won reelection in Alaska. Control of the Senate is going to come down to the two Senate seats in Georgia, where a January 5 runoff is scheduled. Senate Majority Leader Mitch McConnell of Kentucky won re-election, while House Speaker Nancy Pelosi of California also won her re-election bid.



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 Michael Taylor at michael@clda.org.

U.S. Department of Labor (DOL)

On September 22, the U.S. Department of Labor (DOL) announced a long-awaited proposed rule addressing how to determine whether a worker is an employee under the Fair Labor Standards Act (FLSA) or an independent contractor.

According to the DOL, this proposed rule would adopt an “economic reality” test to determine a worker’s status as an FLSA employee or an independent contractor. The test would consider whether a worker is in business for themselves (independent contractor) or is economically dependent on an employer for work (employee).

The DOL has identified two “core factors,” for this test specifically:

- The nature and degree of the worker’s control over the work
- The worker’s opportunity for profit or loss based on initiative and/or investment

Under the proposed rule, these would be the primary factors used to determine if a worker is economically dependent on someone else’s business or is in business for themselves.

The DOL has also identified three other factors that they have called “additional guideposts” which may be used in the analysis if the two core factors are potentially not conclusive. These three guideposts include:

- The amount of skill required for the work.
- The degree of permanence of the working relationship between the worker and the potential employer.
- Whether the work is part of an integrated unit of production.

DOL has also said that the actual practice of a given business relationship is more relevant than what may be contractually or theoretically possible in determining whether a worker is an employee or an independent contractor, making for a potentially hazy situation wherein a given class of worker may be an employee in some circumstances and an independent contractor in others.

On September 25, the proposed regulation was published in the Federal Register. DOL gave the public 30 days from publication of the Notice of Proposed Rulemaking to comment on the proposed regulation, so the comment period closed on October 26. Here is a [link](#) to the Federal Register notice where you can see the proposed rule.

CLDA’s Government Affairs Committee Steering Committee and CLDA’s Government Affairs team made this proposed rulemaking a top priority as we sought to analyze the potential impact on our industry and provide solid feedback to the DOL through this public comment process. Here is a link to the final comment we submitted.

CLDA’s Government Affairs team also reached out to a number of organizations, we believed would have similar concerns and perspectives to ours (e.g., National Federation of Independent Business, Transportation Intermediaries Association, National Association for the Self-Employed, International Association of Movers, etc.), along with key Congressional offices in an effort to mobilize further support for CLDA’s position.

House Action on a Phase 4 COVID-19 Stimulus Package

On October 1, House Democrats narrowly passed a revised \$2.2 trillion compromise coronavirus bill (H.R. 925) by a vote of 214 to 207. This bill includes several crucial changes to the Paycheck Protection Program (PPP). The PPP portions of the House relief bill would allow some business to take a second loan. To qualify for a second PPP loan, entities would have to:

- Employ 200 or fewer workers, instead of the current 500-employee threshold.
- Demonstrate that they had at least a 25% reduction in gross revenue in the first, second, or third quarter of 2020 compared with the same period in 2019, with some exceptions.
- Spend at a rate to exhaust their first loan before receiving a second one.

The bill would expand uses of PPP funds that would qualify for loan forgiveness. Approved expenditures for non-payroll costs would include:

- Purchases of personal protective equipment for employees and customers.
- Payments for inventory, raw materials, and supplies.
- Costs related to property damage, vandalism, or looting due to public disturbances in 2020, if the damage was not covered by insurance or other compensation.

PPP borrowers who received a loan at any time could choose a loan forgiveness period ranging from eight to 24 weeks. They could apply for forgiveness at any time following the covered period once they've spent the loan proceeds. Borrowers that rehire employees or document their inability to do so by September 30, 2021, could maintain their forgiveness. Businesses seeking smaller PPP loans could submit simplified applications for forgiveness with limited documentation. Recipients would still have to spend at least 60% of their PPP funds on payroll costs to qualify for full loan forgiveness. The measure would also require that recipients of future PPP loans greater than \$350,000 would have to show that they cannot obtain credit elsewhere, similar to a rule for borrowers under the SBA's flagship 7(a) program.

In addition to PPP changes, the text of the Democrat's proposed legislation did include a provision providing that PPP loan funds are not to be treated as gross income, providing for the PPP deductibility that CLDA and many other coalition stakeholders have been fighting for over the past few months.

Stimulus Negotiations State of Play

President Donald Trump's attempt to jumpstart negotiations on a new economic stimulus plan has left talks at a familiar stalemate with Republicans as well as Democrats

balking at his latest offer. House Speaker Nancy Pelosi and Treasury Secretary Steven Mnuchin continue to talk. Even if they manage to strike a deal, however, there is almost no chance of getting legislation written and passed by Congress before the election, in which control of the White House and the Senate is at stake.

Trump's first calling off talks in a tweet, then saying he wanted a bigger package than even Democrats have proposed probably served to harden Pelosi's resolve to stick with the Democrat's \$2.2 trillion proposal. Mnuchin has countered with a \$1.8 trillion stimulus plan.

One big issue for the administration here is Senate Republicans. Multiple GOP Senators have communicated that any agreement with Democrats that ends up around \$2 trillion is too much. It is believed that even Mnuchin's offer to Pelosi would not have enough Republican votes to pass the Senate without major changes.

Some Republican Senators see the spending levels being discussed as unacceptable and that ballooning the deficit will damage their standing with voters. While others see a deal of that size as handing Speaker Pelosi and the Democrats a major victory right before the election.

Your CLDA Government Affairs team has been working very closely with the National Federation of Independent Business, the National Restaurant Association, the Association of General Contractors, and other association partners in scheduling joint calls communicating to Congress and the Trump Administration the critical importance of negotiating and passing another coronavirus stimulus package. At the same time, together doing our utmost to convey that deductibility of PPP loans must be addressed in any final language. As a group, we intend to continue to schedule these calls keeping attention on this issue and continuing to push it. **CLDA**

Look for more updates on all of the activities of CLDA advocacy and government affairs efforts through the monthly CLDA Express and via communications from CLDA Government Affairs Director Michael Taylor at michael@clda.org!





Guiding Your Last Mile

A PRODUCT OF DATATRAC & ELITE EXTRA

The future of Courier Technology is here!








Beacon is the game-changing full-featured TMS solution for couriers worldwide.

From cloud-based rating, invoicing and driver settlements, to route optimization and dispatching, Beacon's all-in-one technology combines both best-in-class advanced dispatching and a back-office platform to make it a solution that is unparalleled.

Seamlessly operate your courier business from anywhere, provide top-notch customer service with real-time ETA alerts, and take your courier business to the next level!

Make the Last Mile Your Best Mile With Beacon!

Features

-  Route optimization
-  Specified time windows or by customer priority deliveries
-  Contactless delivery using photo capture
-  E-signature
-  Real-time texts and email ETA's
-  Cloud-based software - accessible from anywhere
-  Rate-charge and settlement information seamlessly communicated to any accounting software



GET STARTED WITH BEACON TODAY!

For more information contact us at Sales@BeaconDelivers.com.

TRENDS

that will shape
our industry in

2021

2021 will be a year when couriers get picky about the customers they work with; get smart about tapping into an expanding pool of potential drivers and cut overhead through technology.

By *Andrea Obston*
CLDA Director of Public Relations

TRENDS

Those were three of the trends spotted by NOW Courier's CEO, Ryan Schwalbach. The Indianapolis-based courier provides specialized medical deliveries; on-demand package delivery; routed and scheduled deliveries and cross-docking and warehousing.

Schwalbach is a second-generation courier. His father started NOW Courier in 1986 along with a partner. Ryan spent every summer and winter break working there. In 1991, his father became the sole owner of the business. His mom became president in 2005. In 2016, Ryan bought the business from his parents. The company has been a CLDA member since the association began as the Messenger and Courier Association and Ryan has been an active member since he attended his first conference in 2005.

Here's an overview of the trends this long-time member of the industry expects to impact the industry in 2021:

An emphasis on working with the right customers - Despite a challenging economy, Schwalbach predicts that the couriers that thrive in 2021 will avoid taking on all the work that comes to them. "Not all work is created equal. Some industries are profitable. Some customers are more appreciative of the value you bring to them," says Schwalbach. "Those who succeed in 2021 will say yes to the customers who want partnerships and no to those that are only looking for vendors. Once you know what you do well and which customers are the best fit for you, you will find them."

He cautions against letting negative news about the economy push couriers into working with every customer who comes to them. "Any courier that is still trying to be everything to everyone will not succeed. If you try to be a mile wide and an inch deep, you will struggle. Don't let the prospect of a new

customer get you out of your lane. Pick a lane or several lanes and stick to that. When a new customer approaches you, look at the finances closely. Make sure you can make a strong business case internally before you give a customer a quote. That's a change for us, I must admit it. There was a time where we'd say, 'let's price it to get the business and we'll figure it out later.' COVID or not, that kind of reasoning is not going to fly for anyone in our business in 2021."

A need to make better use of technology to drive overhead down - The current economy's impact in 2021 will require couriers to look for ways to cut costs without impacting the quality of service. Schwalbach predicts that will mean those in the industry will look to technology to help them cut costs; to do things more efficiently and to use their people better. "Next year will be the right time to take advantage of technology to find ways to cut overhead without impacting quality," he says. "There are great courier software platforms out there that help with dispatching, accounting and mapping. Companies looking for success next year will want to find software providers that can be their partners; tech companies that look for ways to help them. Not vendors to sell them software."

The way couriers use software will shift in 2021. "Before, it was just about finding the technology that helped you maximize the number of runs you could get from a driver," he says. "Next year it will be about finding the technology that helps reduce overhead and use people more efficiently."

A push to tap into an expanded pool of drivers - The impact of the virus has meant many workers have been furloughed or laid off. Schwalbach advises companies to tap into this expanded pool of workers to lessen the driver shortage that has plagued our industry for years. "Unemployment is at an all-time high now and I can't see that changing much in 2021. It's going to be a good time to look

for drivers who were in other professions,” he says. “Consider ways of letting these workers know the benefits of delivering for your customers. Help them understand the flexibility and satisfaction that comes from being your own boss as an independent contract driver. Find ways to make it appealing.”

Schwalbach warns that there will still be competition for these drivers coming from companies like Uber and DoorDash. “These workers have so many options,” he points out. “They can deliver food or

predicts. “We need to market ourselves to these potential drivers,” he says. “This industry is going to see a massive explosion. Everybody’s having things brought to their homes. We’re delivering things like pharmaceuticals and office supplies right to peoples’ doorsteps. And no matter what happens with the virus, that’s not going to go back to the way it was before. There’s so much potential for this industry, but we must find the right drivers now. The company that figures out the driver shortage will succeed in responding to the market in 2021 and beyond.”

This industry is going to see a massive explosion. Everybody’s having things brought to their homes. We’re delivering things like pharmaceuticals and office supplies right to peoples’ doorsteps. And no matter what happens with the virus, that’s not going to go back to the way it was before.

groceries or people. You must make it more inviting to be a courier. You need to create a better company environment, so they want to do this instead of being a DoorDash driver. Ask them ‘would you rather be delivering a package or food? Do you really want your car smelling like food?’”

He advises those recruiting drivers to point out that couriers have a better potential for earnings and an enhanced working environment. “We need to emphasize that being an independent contract driver means they are running their own businesses. They can pick the hours that suit their needs. They have flexibility and high earning potential,” he says.

Companies that find ways to make the most of the current labor market will succeed in 2021, he

The continued deployment of a remote workforce – Quarantine may have forced businesses to send their people home to work, but Schwalbach sees this as something that’s made a permanent change in the way employers manage. “If you would have told me a year ago that we would have 75% of our workforce working from home, I would have said ‘no way. You have to be in the office to do this job.’ My dad started this business 34 years ago and he just shakes his head when I say there’s nobody who’s working from the office. We are getting the job done every day due to the technology that allows our people to work from home.”

He points out that agility is one of NOW Couriers’ core values. The company has always prided itself on being able to pivot quickly, but in mid-

March that was put to the test. “We went remote on March 16,” he recalls. “I told everyone to grab everything they could before they left the office so they could start working remotely the next day. Today, our dispatchers and our routing supervisors are all working from home. Except for drivers and warehouse workers, we found out we really didn’t need to have people working in the office.”

He predicts that trend will continue next year and that it will open up a whole new potential workforce. “I now know that I don’t have to have a dispatcher sitting in downtown Indianapolis. They can be in South Dakota or almost anywhere else. I don’t have to limit myself to the talent pool in the Midwest. Next year, this phenomenon will continue to open up that addition pool of talent.”

A push toward restructuring companies’ physical space – A natural outgrowth of the remote workforce is that courier companies will take a good hard look at their offices in 2021. “You’ll need less space for administrative workers,” he predicts. “And what you have will have to be reconfigured for safety. Fewer people will be in the office and those who are will need to be seated farther apart for safety sake. Companies will also start asking themselves, ‘do we really need so much office space?’ It might make more sense to look at headquarters that have more warehouse and cross docking space (to accommodate more home deliveries). And to find a facility with less office space.” That’s exactly the conversation they are having at NOW Couriers as they contemplate a move for the first time in 20 years. “A year ago, if you’d suggested this, I would have thought you were crazy,” says Schwalbach.

A need to look three to five years down the road – The impact of COVID is that many companies in all sectors have been just reacting to whatever the market throws at them on a day-to-day basis. Schwalbach cautions against that in 2021. “We have

had to be in reactive mode. But, as the owner of the business I must look beyond that. It has to be my job to look down the road and it should be the for every courier company owner who wants to succeed in 2021. Yes, the industry will still need people looking 24 hours out. But all of us have to make it our business to think three to five years ahead. We recently spent money on an outside research company to help us do that. We asked them to pinpoint the places the economy will grow and the changes that will affect our industry. Not just in our business, but in the verticals we serve. Will growth happen in medical? In pharma? In long-term care facilities? What do we have to do to take advantage of that? What changes do we have to start putting in place today to take advantage of that tomorrow?”

WHAT’S AHEAD

Schwalbach is optimistic about the next 12 months for our industry, citing the ability of those involved in it to adapt. “I am so excited for our industry in 2021. While we have all been challenged in 2020, and we are unclear as to what our nation will look like next year, I know one thing for certain: the customized delivery and logistics industry is primed for an explosive year,” he says. “The opportunities will be there. You just have to prepare your company now for success.”

Quoting from a recent article by industry guru Jim Tompkins he said that the pandemic has made three things clear to those in the industry:

- **Our path will be accelerated because of the crisis**
- **We will change because of the crisis**
- **We must be ready for the next normal because of the crisis.**

“These words resonated with me,” he says. “It’s up to us to adapt and evolve to ensure a healthy future for our companies and our industry.” **CLDA**



A SAFER, MORE EFFICIENT LAST MILE LIFESTYLE

Imagine a delivery vehicle that helps keep your people safe and maximizes efficiencies on their delivery routes. A vehicle that minimizes the steps a driver takes in and out the vehicle while delivering the same number of packages, faster, with less fatigue.

Adrian Steel can help you drive more profits with our complete upfit solution for the delivery industry.

www.adriansteel.com/parcel-delivery/
Visit AdrianSteel.com/Parcel-Delivery to learn more.

OR

Contact your local distributor to get your upfit today.

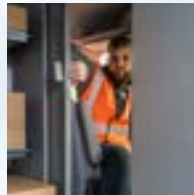
Go to AdrianSteel.com/Distributors
www.adriansteel.com/distributors

VIDEO



Scan to watch a video of the upfit solution in action.

Sliding Partition



Folding Shelves



Grab Handles



Rear & Side Steps



ADRIAN STEEL®

Cargo Management Solutions for Commercial Vehicles



THE INDUSTRY'S SMARTEST DELIVERY MANAGEMENT SYSTEM

- Win more business
- Increase your margins.
- Offer your customers and drivers a flawless experience.



CONTACT US FOR A DEMO

1.844.558.2011

info@dispatchscience.com

info@dispatchscience.com

By Paul Marron, Esq. &
Paul B. Arenas, Esq., Marron Lawyers



Operating in the Age of COVID-19

COVID-19 ushered in unprecedented uncertainties for most businesses. Businesses are faced with trying to maintain operations during stay-at-home orders, while also keeping their workers and customers safe. Many businesses are faced with challenging decisions, including whether to lay off workers, reduce pay or other benefits in order to keep the business operating. Critical infrastructure or essential businesses, like courier, delivery and other logistics have been required to come up-to-speed on the constantly changing CDC, state and local requirements and guidelines to keep their essential workers, customers and the public safe from contracting the virus. The number of COVID-19 related issues affecting business are broad and rapidly

changing. This article provides a snapshot of the issues that can be foremost in mind, including a federal legislation update, OSHA and CDC safety guidelines, and new workers compensation presumptions.

Legislative Update

The CARES Act was signed into law on March 27, 2020 and intended to provide relief to individuals and businesses who have been impacted by COVID-19. For businesses, the CARES Act allowed businesses to take out loans so that they could continue operating their business with minimal interruption. These loans are part of the Paycheck Protection Program (PPP)

designed to keep businesses afloat as their operations were impacted. The CARES Act initially authorized \$349 Billion in PPP loans to be dispersed to businesses. The deadline to apply for these loans was June 30th, later extended to August 8th, as \$130 Billion was still left in the program and available to businesses.

The PPP provides loan forgiveness up to 100% including interest, under certain circumstances. The loan forgiveness requirements include that the business must spend 75% of the borrowed amount on payroll, retain or rehire all employees, and provide written verification of these payments.

As part of a second round of stimulus packages, the House introduced the HEROES act, and the Senate introduced the HEALS Act. Both Acts were meant to expand the CARES Act provisions as well as introduce additional protections for businesses. The HEALS Act lessened the documentation required to apply for loan forgiveness. The HEROES Act would have eliminated the 75% payroll requirement, and eliminate the requirement to rehire an employee if it is demonstrated that it would not have been feasible to do so. Neither Act has been approved or finalized in their current form. At the time of press, the President shut-down negotiations and then immediately proposed stand-alone legislation for individuals, airlines and businesses which has not been received favorably by the House. It is very likely no further progress will be made until after the election.

OSHA and CDC Guidelines

It is vitally important for businesses to become familiar with COVID-19 guidelines set out by OSHA, the CDC, state and local OSHA guidelines. By October 2020, OSHA has issued 37 citations totaling \$484,069 in fines for COVID-19 violations. These violations include failure to report an injury, illness or fatality; failure to record an injury or illness on OSHA record keeping

forms; and failure to comply with the General Duty Clause of the OSHA Act. While most of these violations were within the healthcare industry, the number of citations increased substantially from September 9 to October 28 suggesting that OSHA is ramping up to continue to cite many additional businesses as the pandemic continues.

Some states may have their own specific state OSHA guidelines. For example, Nevada OSHA does not accept face shields as a replacement for face masks, whereas Oregon OSHA does accept face shields. California OSHA allows face shields only when a worker's medical condition prohibits the wearing of a cloth face mask. Alabama recommends employees wear cloth face coverings. Arizona requires face masks, but also provides free face masks to individuals. While some states may have their own state OSHA division, others simply follow the federal OSHA requirements, such as Arizona, New Mexico, and Indiana. It is, therefore, vital to know what guidelines apply in the jurisdictions you operate.

Further, many states, counties and cities have implemented their own specific protocols. One county introduced their own business-training programs which would designate businesses as fully trained in safety protocols. This type of designation, while seemingly burdensome, could allow customers to feel safer in these establishments and potentially provide the business an argument against claims they have not been diligent enough in adhering to COVID-19 safety protocols.

Finally, the CDC issues and updates their guidelines frequently. Most recently, the CDC lifted strict closure and quarantine requirements when workers test positive for the virus. Because the CDC updates their guidelines frequently, it is vital to keep up-to-date on the CDC guidelines published on their website to safeguard your business.

Workers' Compensation Presumptions

In addition to the increased absenteeism that COVID-19 is causing, some states are enacting laws to provide workers with a presumption that if they contracted COVID-19, they must have contracted it at their work-place, making them eligible for workers' compensation (WC) benefits. Some states limit coverage to particular industries or require conditions before the presumption can arise. While most states limit this legislation to healthcare workers, some extend the presumption to all workers.

For example:

- In California, an employee is eligible for WC if they test positive for COVID-19 within 14 days from when they last worked and there was an outbreak at their workplace regardless of whether they may have contracted COVID-19 elsewhere. Legislation extended through 2022.
- In Alaska, the presumption is applicable to first responders or health care workers only and expires on either November 15, 2020, or when the governor declares that the public health emergency is over, whichever is earliest.
- Arkansas' presumption is limited to a worker who can establish that they received COVID-19 as a result of their job and expires when the emergency is terminated.
- Connecticut provides a presumption for all essential workers who contracted COVID-19 between March 10 and May 20, 2020.
- Florida allows a presumption for first responders

and correction officers, but thus far Florida's Workers' Compensation Board has rejected over 50% of all COVID-19 claims.

- In Minnesota, the presumption is limited to healthcare workers, firefighters and paramedics, and expires May 1, 2021.
- Illinois provides the presumption for healthcare workers, first responders, and essential workers, and is applicable to any COVID-19 diagnosis made between March 9, 2020 and December 31, 2020.
- Kentucky, Michigan, New Jersey, New Hampshire, New Mexico, North Dakota, Utah, Vermont, Washington, Wisconsin, and Wyoming have also enacted various COVID-19 WC presumptions.

Unfortunately, the increasing number of states adopting COVID-19 WC presumptions is resulting in increased premiums and insurers leaving the market. Not all states have enacted these WC presumptions. For example, Colorado, Kansas, Louisiana and Tennessee attempted to enact various COVID-19 worker compensation presumptions, but these failed to be enacted into law, thus far. Legislation on this issue remains pending in New York, North Carolina, Ohio, Pennsylvania, Rhode Island, and South Carolina.

With so many states creating this presumption legislation, it is important to become familiar with all COVID-19 regulations and guidelines applicable to each of your locations and to document how your business is complying with applicable safety guidelines and protecting your workforce, so that, if necessary, you CAN defend against unfounded workers' compensation claims. [CLDA](#)



Paul Marron



Paul B. Arenas, Esq.

Paul Marron, Esq. is the Principal of Marron Lawyers. Paul Arenas is a Senior Attorney with the firm. Marron Lawyers, APC. Marron Lawyers is a Long Beach, California based Employment-Misclassification law firm with extensive knowledge of Courier, Final Mile and other transportation industries using independent contractors. The Firm has tried and won court and regulatory misclassification cases for groups as large as 1500 drivers representing clients in CA, OR, AZ, HI, CO, TX, MO, AL, TN, MI, MN, NY & FL. Paul Marron was a speaker at the 2019 CLDA Annual Meeting & Expo in Phoenix, AZ. For more information see <https://marronlaw.com/>



YEARS OF

INNOVATION

(732) 409-6068 | sales@keysoftwaresystems.com | www.keysoftwaresystems.com
sales@keysoftwaresystems.com | www.keysoftwaresystems.com

Air Cargo Trends That Will Impact 2021

By Andrea Obston
CLDA Director of Public Relations

C OVID's effect will have a marked impact on air cargo trends throughout 2021 no matter when a vaccine is developed. That was one of several business drivers pinpointed by Steve Bossi, Senior Manager of Cargo Business Development for Southwest Airlines.

The Customized Logistics & Delivery magazine asked Steve to dust off his crystal ball and look into the future for our industry in 2021. Here's what he told us:

CLDA Mag: *Do you expect the air cargo sector to grow, shrink or stay the same in 2021?*

Bossi:

I actually believe it will stay about the same as 2020. While the pandemic did substantially decrease different segments that traditionally require air freight transportation, it was offset by increased demand to transport medical supplies like PPE and testing kits. In addition, we foresee no end to the increase in the need to respond to consumers' growing dependence on ecommerce delivery. We forecast that to continue indefinitely.

CLDA Mag: *What do you expect to be the biggest trends that will impact the air cargo sector in 2021?*

Bossi:

We see three:

1. Development and distribution of a vaccine for COVID-19
2. Societal adjustment to life during and after the COVID-19 pandemic
3. How certain industry sectors tied to consumerism evolve.

These drivers will be important because trends for freight transportation, regardless of mode around the world, inevitably materialize from certain developments related to the COVID-19 pandemic. Freight transportation across the board will certainly be needed for the distribution and administration of the COVID-19 vaccine per the guidelines provided with the U.S. Federal Government's "Operation Warp Speed" program. Although a definitive timeline for the program remains unknown, a successfully developed vaccine can ultimately help determine how society adjusts. In turn, it will define the need for consumer products that require air freight transportation. Hence, predicting the upcoming trends is unfortunately rather difficult until certain advancements come to pass.

On the other hand, some business trends have already started. These are projected to continue through at least early 2021 unless the aforementioned drivers solidify before the end of 2020. For example, the transportation demand for medical supplies such as PPE and COVID-19 testing kits will surge until a vaccine is widely available. At the same time, numerous restaurant closures mean that there will continue to be a dramatic decline in the demand for certain specialty food items.

CLDA Mag: *What sectors do you expect to grow in 2021 and which do you expect to decline?*

Bossi:

We expect these to grow:

- Medical equipment and supplies such as PPE, testing kits, laboratory equipment, vaccines/pharmaceuticals
- Business-to-consumer ecommerce retail products

We expect these to shrink

- Trade show equipment and products, which is a continuation of the trends started in 2020
- Business-to-business ecommerce, which is another downturn that we saw in 2020 expected to continue
- Auto manufacturing, which is a third sector that experienced a decrease in 2020.

CLDA Mag: *Leave us with a few concluding thoughts about the future of the air cargo sector in 2021?*

Bossi:

The ecommerce industry is evolving. More and more people are buying items online that they normally would have purchased in person from retail stores before the pandemic. The ecommerce progression has led to a booming demand for delivering products from businesses directly to consumers. This is a market which is still mostly cornered by integrators (FedEx, UPS), the United States Postal Service, and Amazon. These products range from traditional department store retail merchandise, such as clothing and cosmetics, to more unconventional items like specialty foods and tropical fish. This will have an enormous impact on the air cargo sector and ultimately on last mile providers in 2021 and beyond.



Steve Bossi is a Senior Manager of Cargo Business Development at Southwest Airlines. Southwest Airlines Cargo provides expedited airport-to-airport freight service for over 80 markets across North America, Central America, and the Caribbean. For more information, go to: swacargo.com.

Winning the Future in Customized Logistics and Delivery Requires Getting *Upstream*

By *Spencer Tenney*,
President & CEO of *Tenney Group*

According to the Bureau of Labor Statistics, American courier and messenger jobs are up 100,000 year over year. Walmart's ecommerce is up nearly 100% and the growth of other big box retailer's ecommerce is surpassing 200%. The U.S. final mile delivery market is expected to grow by 20% in 2020 – reaching nearly \$40B in total revenue. With unprecedented demand, comes incredible disruption. With disruption, comes tremendous opportunity. To fully capitalize on the available opportunities, companies can't expect to do business the same way. Winning the future will require systematic changes in the way we currently do business. For some, change is exhilarating. For others, not so much. Through our M&A advisory work, we are colliding with the brightest minds in the industry daily. When we discuss the future of this space and how to win it, three major themes emerge: upstream thinking, leveraging data and obtaining scale.

UPSTREAM THINKING

No matter how well we respond to the seemingly unrealistic expectations around real time visibility and IT integration among others, we are destined to fail our customers if we are always operating from a reactive posture. In his book, [Upstream – The Quest to Solve Problems Before They Happen](#), author Dan Heath states that every system is perfectly designed to get the results it gets. So, the question is, are our systems solving the problem or perpetuating the problem? Scott Ramsey, Chairman of 98 Ventures and UST logistics, addresses the issue this way, "In the future, winning leadership teams in customized logistics and delivery will stop responding to retailer requests for innovation and instead innovate

in advance of the request. The results will become the competitive advantages needed for themselves and the clients they serve." Peter Rentschler, CEO of Carrier Direct, adds "The number one factor to winning business in the customized logistics and delivery space in the next 5-10 years is who can provide the most frictionless experience to both customers and capacity providers." To remove friction, we must innovate systems at the source of the problem. If we don't, we can't expect to compete at the highest level.

LEVERAGING DATA

Winning the future will also require leveraging data and technology within risk management solutions and careful navigation through a myriad of regulatory issues. When asked about what to expect around risk management solutions in the next 5-10 years, Dan Cook, Practice Leader and Principle at True North, shared, "Those that can harness the new and expanding data sources to provide rapid and relevant risk related KPIs will be able to drive down their total cost of risk faster and further. Much of the data exists today, but isn't captured, integrated and put to use in real time. Systems that integrate, analyze and learn from data in real time, such as self-driving platforms, will transform transportation." What business leaders do with the information right in front of them is key. What we do with information we

The number one factor to winning business in the customized logistics and delivery space in the next 5-10 years is who can provide the most frictionless experience to both customers and capacity providers.

Winning the future...will still be determined by who most effectively addresses the major issues of going upstream, leveraging data, and obtaining scale.

can't control is also key. When asked what potential regulations could impact the industry most in the coming years, Greg Feary, Partner at Scopelitis, shared "I believe regulations that amend the federal leasing regulations (49 CFR 376 et seq) that allow gig economy package/freight delivery to be conducted via independent businesses, all without looking through the lens of a more traditional contract structure, but instead account for more sporadic or occasional delivery drivers to function within multiple businesses is certainly impactful. Additionally, Proposition 22 passed in California might create a new work status approach to delivery business in the US."

OBTAINING SCALE

Even if we get upstream, leverage technology and data to mitigate risks, and receive a few regulatory wins, we still need scale to meet the rapidly growing demands of our customers and to win the future. Scale is what allows companies to fully extract the value from their talent, technology, network, etc. It is also a key ingredient to providing a total solution for ecommerce and large retailers. Dave Dunek, Vice President of Quality and Business Expansion at Forward Air, states, "Part of the solution inherently demands local brick and mortar on a large scale. Companies are racing to develop these networks which has created consolidation of final mile services." In the last 18 months, Forward Air has acquired the final mile operations of FSA Logistix, Linn Star Transfer and recently CLW Delivery. In addition to publicly traded logistics companies like Forward Air, private equity groups are also affecting how companies grow, innovate systems, and meet the needs of customers. New Spring Holdings acquired Freight Rite this year to bolt-on to their platform, USPack's Managing Partner, Skip Maner,

addressed the need for scale, "The scale created by larger firms should create cost advantages and service advantages that help end customers compete with the tidal wave Amazon has created. However, technology should be the standard that larger firms bring to their customers to create transparency and service levels which meet the expectations that consumers now have." Obtaining scale through acquisition is not just about gaining volume. It is also about talent acquisition. Large companies are recognizing that in many cases they can't solve extremely complex problems with home grown talent. They need proven specialists to protect their capital investment and lead all stakeholders to the next level.

CONCLUSION

This article in no way encapsulates all the factors that influence how we will compete and differentiate ourselves in the future. Artificial intelligence, the development of green fleets, and the permanent impact COVID-19 has had on e-commerce will certainly influence strategy. Winning the future, in my humble opinion, will still be determined by who most effectively addresses the major issues of going upstream, leveraging data, and obtaining scale. [CLDA](#)



Spencer Tenney is President and CEO of Tenney Group, a merger and acquisition advisory firm that has been dedicated to transportation and logistics since 1973. Tenney Group has advised sellers on three final mile transactions in 2020 alone, including the Freight Rite and Linn Star Transfer transactions mentioned above. For more information, go to: [TheTenneyGroup.com](https://www.tenneygroup.com)



About Us

24/7 Enterprises, LLC has been in business for 20+ years and is continually striving every day to become the most reliable and successful management and transportation service nationwide. We understand that prompt pick-up and on time delivery is critical to any company's successful operation as well as to someone's personal needs. With our extensive experience we can ensure that all items are handled with the highest standards, delivered on time and always with a sense of urgency.

24/7 Enterprises has been steadily expanding and improving its services to meet all your courier needs. We are based in the center of New Jersey and within 10 miles from Newark Intl. Airport. Our location makes it easy for us to also serve all the surrounding areas: NJ, NY, PA, CT & MD.

Technology and techniques we currently use to enhance our service:

- Live updates & notifications
- Always live customer service and dispatch. We can guarantee that you will never get an answering service
- On demand, scheduled and dedicated delivery service 24 hours a day, 365 days a year
- GPS real-time map tracking of all drivers by cell phone and by vehicle
- Drivers are HIPAA/OSHA compliant
- Drivers are TSA certified

Our Services

Sick of unreliable and dishonest courier companies? Let us show you how we are different! If a daily or weekly delivery is required to maintain your personal, medical or laboratory needs, let 24/7 Enterprises work with you to design a delivery circuit that meets the needs of yourself, your facility and/or those you may serve.

We specialize in:

- Blood Banks
- Surgical Delivery
- Laboratory Delivery
- Medical Supply Delivery
- Pharmaceutical Delivery
- Emergency, STAT and routine delivery service
- Temperature-Controlled Specimen & Pharmaceutical Storage
- Small & Medium sized parcels

As well as:

- Warehousing
- Same Day Delivery
- Rush Delivery
- Scheduled Route Delivery
- Mail Pickup

Contact Us

24/7 Enterprises, LLC
187 Mill Lane, Suite# 104
Mountainside, NJ 07092
(908) 232-7223
dispatch@247csl.com
<http://247csl.com/>

By Josh Dinneen, Chief Commercial Officer, LaserShip

Ecommerce Trends and Shopping Behaviors That Will Influence Delivery in 2021

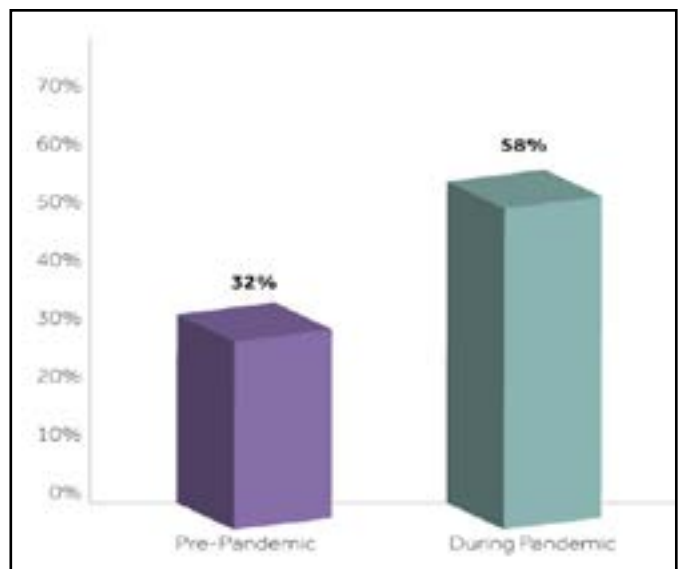
COVID-19 has forced consumers to change their behaviors in many ways, and how they shop is no exception. Today, consumers make over half of their purchases online since the pandemic began compared to just 32% pre-pandemic. Is the significant increase in online purchases a short-term spike, or an indicator of a permanent change to the way they shop into 2021 and beyond?

Exhibit 1 – Pre-Pandemic vs During Pandemic Purchases Made Online

The data suggests that the change is permanent. Here are key takeaways on ecommerce trends and how it will impact the logistics and delivery industry in 2021 and beyond based on LaserShip's research:

Takeaway #1 - Shipping costs still influence online shopping decisions

Low cost remains the most important shipping consideration for consumers when shopping online. Despite the increase in online purchases during COVID-19, 26% of surveyed consumers cite expensive shipping as one of the main reasons not to shop more online. Also, 19% of consumers stop shopping at an online retailer due to expensive shipping costs.



While expensive shipping may deter consumers from making online purchases, 73% of consumers are more likely to purchase from a new online retailer that offers some type of free shipping. Twenty-eight percent of survey respondents are more likely to shop at new retailers with expedited same-day, next-day, or 2-day shipping and are willing to pay for it.

Exhibit 2 – Likelihood to Shop at New Retailers During Pandemic

While traditionally considered a cost driver, free shipping should be viewed as a value creator and part of a retailer’s customer acquisition strategy as consumers’ expectations have evolved.

Takeaway #2 - Delivery Satisfaction Has Decreased During the Pandemic

Only 67% of consumers surveyed are satisfied with the shipping experience during COVID-19 compared with 80% of consumers before the pandemic. The top three reasons that cause consumers’ dissatisfaction with their shipping experience are late deliveries (32%), followed by slow delivery time/lack of options (27%), and expensive shipping costs (19%). Also, consumers put more value in deliveries arriving on time during the pandemic as they are shopping online at a higher rate.



Exhibit 3 – Online Shipping Satisfaction

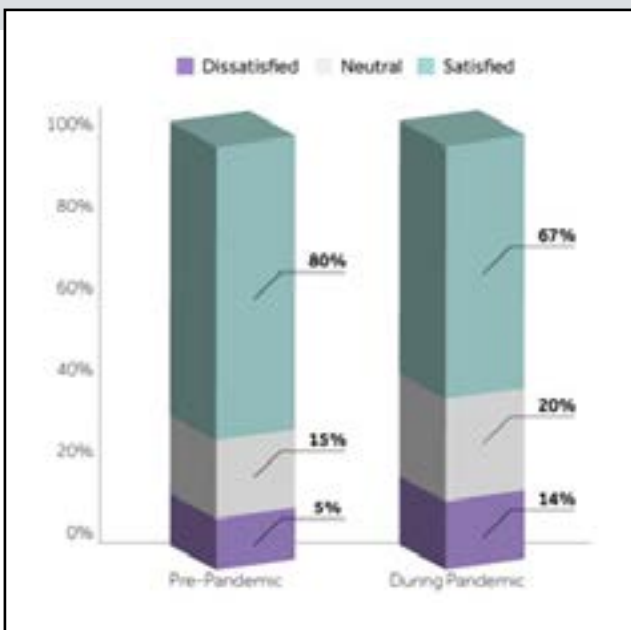
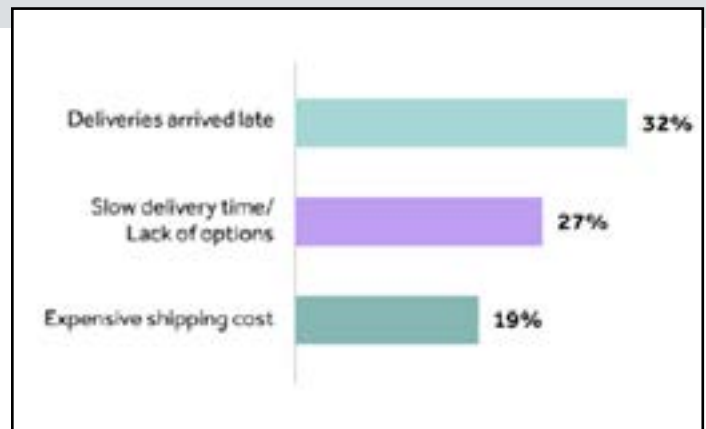


Exhibit 4 – Reasons For Shipping Dissatisfaction During COVID-19



While Amazon has commoditized and set consumers expectations with standard 2-day, 1-day and same-day delivery with Prime, retailers who can provide low-cost or free shipping and increase delivery speed to keep up with consumer expectations are poised to take advantage of ecommerce growth during the pandemic and beyond.

Ninety-eight percent of consumers also believe that shipping impacts brand loyalty. Poor on-time delivery experiences have negative impacts on customer retention and lifetime value, as almost 84% of consumers are unlikely to purchase from a retailer after just one negative shipping experience. For those shoppers who make over 50% of their purchase online, 78% would not return after one negative shipping experience. In the current retail environment, consumers demand a superior, end-to-end online shopping experience from purchasing to delivery to earn their trust and share of wallet.

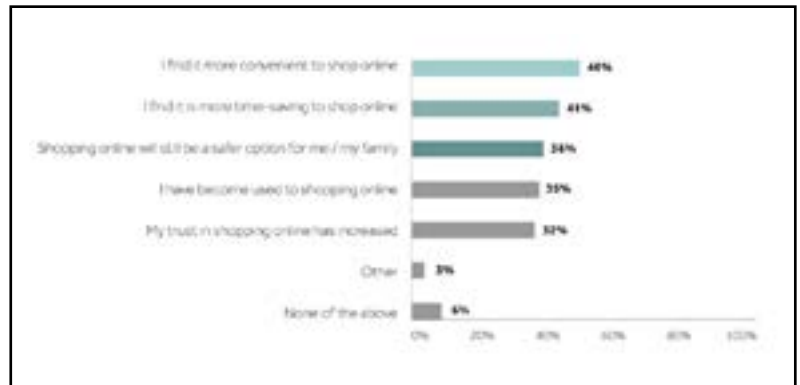
Takeaway #3 - Baby Boomers Are Embracing Ecommerce

The coronavirus has forced consumers to adapt many aspects of their lives, including adopting more digital channels. Of the consumers who planned to increase online purchases after the coronavirus has ended and restrictions have been lifted, 46% indicated that it is more convenient to shop online, 41% find online shopping saves more time, 36% believe it is a safe option, and 35% have become used to it.

Exhibit 5 – Reasons for Increasing Online Shopping After the Pandemic

Forty-seven percent of Baby Boomers surveyed plan to increase their online purchases after the pandemic has ended, citing their increased trust in online shopping. Boomers control about 70% of all disposable income in the US while making up just 23% of the population .

This represents a significant shift given that pre-pandemic 82% of Boomers made less than half of their purchases online and may be the most significant change that has accelerated the conversion from offline to online retail due to COVID-19.



Takeaway #4 - The Continued Need For Speed

Gen Z and Millennials have come of age in the digital era and are accustomed to speed and convenience as part of their daily lives. Younger generations are more likely to shop at new retailers if expedited shipping is provided when compared to older generations. Forty percent of Gen Z consumers and 37% of Millennials surveyed would increase their probability of shopping at a new retailer if they offered next day delivery service at an additional cost, a stark contrast to their parents and older generations.

Exhibit 6 – Likelihood of Shopping at New Retailers by Generation & Shipping Preferences

While most older generations have not paid for faster delivery during the pandemic, 39% of Gen Z consumers have paid for 2-day delivery, 31% have paid for next-day delivery, and 32% for same-day delivery. Furthermore, 21% to 25% of Millennials have also paid for faster delivery during the pandemic. According to Fast Company, Gen Z makes up about a quarter of the total US population and accounts for 40% of all consumers. Retailers that can create a seamless, mobile-first purchasing experience and provide Gen Z and Millennial consumers with expedited delivery will position themselves to take advantage of their growing purchasing power and desire for instant gratification.



Exhibit 7 – Percentage of Gen Z and Millennials Paying for Faster Delivery During COVID-19

Faster delivery also has a direct impact on sales for online retailers. Eighteen percent of shoppers abandon carts during checkout because of slow delivery, which is the fourth highest option behind cost, account creation, and complex checkout process. Sixty-three percent of consumers say offering faster delivery would influence signing up for a loyalty program. As acquisition costs rise, retailers can reduce cart abandonment and improve online sales by offering faster delivery options that create meaningful value to consumers and incentivizes them to join loyalty programs.



How Can Retailers Respond to Changing E-Commerce and Delivery Trends in 2021?

Acquire New Customers By Offering Free Shipping and Returns

Free shipping and returns are the two most important online shopping criteria for shoppers of all ages, regardless of purchase frequency. Offering these options is key to customer acquisition, many of whom choose an ecommerce seller based on the cost of shipping. As the data indicates, free shipping has become table stakes for retailers to acquire new customers and should be part of an easy, seamless shipping, delivery and return experience.

Build Loyalty and Lifetime Value With Expedited Delivery Options

Delivery speed will increasingly drive purchase decisions, especially as younger generations make up a larger share of the market and increase their spending power. These consumers have shown they are willing to pay for faster delivery. Retailers that can provide faster delivery options will differentiate themselves as the behavior of Gen Z and Millennials shapes the future of ecommerce. Retailers can also leverage faster delivery to reduce cart abandonment and increase brand loyalty, especially in a highly competitive environment.

Diversify Carrier Mix to Improve the Delivery Experience

While consumers are demanding free and faster shipping, they are also experiencing a lower level of satisfaction with their shipping experience, citing delays and slow delivery options as the primary reasons. Retailers should look to diversify their carrier mix and add regional carriers to meet consumer expectations around next-day service and faster delivery times while also improving their margins. Retailers have experienced higher on-time performance from regional carriers versus national carriers during the pandemic. A single source delivery provider is no longer able to maintain the reliability and speed that consumers, especially younger generations with growing purchasing power, are demanding.

A large gap still exists between consumer expectations around free and fast shipping, and the reality of what retailers are providing. Since online purchases have increased and show no signs of returning to pre-pandemic levels, retailers cannot afford to ignore the opportunity to offer faster, more reliable shipping options with proven delivery service providers to acquire new customers, build brand loyalty, and improve the overall customer experience. [CLDA](#)



Josh Dinneen is the Chief Commercial Officer of LaserShip, the largest regional e-commerce parcel carrier in the US and leader in last-mile delivery. For more information go to: lasership.com

DASH
COURIER & LOGISTICS

DashCourier.com

*Rush Delivery throughout the Carolinas
and Beyond...since 1999!*

**We're
ready to
Dash for
you!**



THIS SEASON GIVE YOUR COMPANY THE GIFT OF CLDA **MEMBERSHIP**

It's the gift that lasts all year!

- » Network and develop new business connections.
- » Take a seat at the table to shape federal policy.
- » Access exclusive products and services.
- » Sharpen your leadership skills.
- » Save with the CLDA Member Benefits Program

JOIN TODAY! www.clda.org
202.591.2460

The Customized Logistics and Delivery Association (CLDA) promotes advocacy and education and provides networking and direct access to business opportunities for first and final mile carriers, freight forwarders, shippers, brokers and vendors.



CLDA Members Forecast The Trends That Will Drive Our Industry in 2021



We asked CLDA members to predict what factors will impact our industry next year. Here's what they told us:

Mitchell Miller
Director of Sales, Hot Shot Final Mile

- Ecommerce because people are not going out shopping
 - Warehouse/VAS because people are not going to have brick and mortar buildings. They will be online.
 - More touchless delivery will lead to on-demand deliveries



Kenya Guess
President & CEO,
Bonnie Speed Logistics

- Remote working will continue to trend upwards, reducing the need for office space.
- Cost savings will be on the radar of our customers due to the new normal. In some cases, they may even elect to go in-house and manage their own transportation needs. Despite this trend there will still be some growth potential in our market particularly on the freight side.
- Increased focus on technology optimization which will be partially driven by the uptick in remote work.

Steve Howard – President, Esquire Express, Inc.

- *The impact of a COVID vaccine* - The big question is where the global economy will be in 2021 with COVID hopefully exiting with a vaccine. That will have an important financial impact that none of us can truly understand at this time.
 - *Changes in consumer confidence* - People purchase things when they feel confident, and consumer confidence will be hard to gauge in the short term.
 - *Shifts in the political winds* - In addition, with the political winds changing again we all need to be ready for an interesting ride over the next year.
- *Expansion of home delivery* - This includes many of the delivery sub-components such as food and groceries that have increased dramatically over the past year because the virus has been changing peoples' shopping habits.

Tim Cocchia COO, Xcel Delivery Services, Inc.

- Remote working
- Gig workforce
- IC model clarification

We do not fully know the effects of the migration to a more remote work force. I think many companies will find it more profitable and more advantageous to their employees to continue the remote working option indefinitely. Traffic has changed, home delivery has boomed, and those are just the immediate effects. Secondly, I think that successful delivery companies will find ways to tap into the gig workforce to supplement their driver pools and will find ways to work with those drivers in a mutually beneficial way. Those that do not tap into that driver pool will struggle more and more to find traditional drivers. Lastly, I think there will be more clarity on the IC model in 2021 now that voters in California voted for Proposition 22 and the US Department of Labor proposes new rules to clarify the Independent Contractor classification. No matter which way the “cookie crumbles” on this issue, it will have a major impact.



Nkosi Khumalo CEO, Central Courier LLC

- More online shopping even for businesses
- Half of all administrative staff will work from home which will mean there will be less of a need for companies to have large office space.
- Freight delivery will increase.



Jason Burns Director Corporate Development, dropoff.com

- More industry consolidation (M&A) - Larger customers want fewer carriers covering more territory plus regional companies typically have more advanced/better technology with customer dashboards.
- Digitization of Freight - Automation is more efficient and needed to extract the inefficiencies in today's supply chains (i.e. better utilization/matching of demand to capacity)
- More B2C shipments - COVID-19 has forced everyone to work, live and shop from a computer.

Ruth C Ospino Owner, Tempo Transportation LLC

• Ecommerce is at an all-time high and retail stores are closing daily. This trend will continue to impact our industry in 2021 as more and more people buy online. This will mean the final mile space will continue to be inundated with orders.

- The need to distribute healthcare to a large mass of population will be an important trend for those in our industry. With the spread of COVID the need for medical deliveries has increased. That applies to deliveries directly to patients, hospitals and pharmacies. In 2021 that need will be higher than ever. And soon the distribution of vaccines to the entire population will be an opportunity for final mile companies.



TECHNOLOGY 2021

A YEAR OF GROWTH AND CHANGE

By Andrea Obston
CLDA Director of Public Relations

The impact of COVID has increased demand for last-mile deliveries which experts believe will have a long-term positive impact on our industry. And that demand will put increasing pressure on providers to use technology to the fullest to succeed in 2021 and beyond.

That was the consensus of three veteran technology executives with long histories working with those who keep the supply chain running. They are:

- Danny Barfield, EVP of Business Development, [Datatrac](#) Corporation
- Krishna Khandelwal, Chief Business Officer, [Locus](#)
- Shaun Richardson, SVP Admin Operations, [CXT Software](#)
- Patrick Scardilli, VP Sales & Marketing, [Key Software Systems, LLC](#)

The *Customized Logistics & Delivery Magazine* asked each of them for their predictions about the technology trends that will shape our industry next year. All of them expect the last-mile sector to grow in 2021. Here's what they told us:

CLDA MAG *Why are you so optimistic about the growth of the last-mile industry in 2021?*

SCARDILLI

Last-mile delivery of all variations quickly evolved into more than convenience once COVID-19 exposed how much we can depend on it. It now represents a necessity that delivers safety and comfort to businesses and consumers. Last-mile delivery has become a lifeline to most people, raising their expectations. This pandemic has meant that folks who never thought about delivery are now relying upon it.

BARFIELD

Final-mile volumes have been increasing year-over-year. COVID has accelerated those trends, increasing demand. Much of the demand created by COVID will stay. Capacity is short with the Big Three forcing shippers and logistics companies to look at local and regional delivery options.



RICHARDSON The shutdown due to COVID was temporary. But, the effects of an entire economy moving to online ordering, remote work and increased demand for in-home delivery will continue. Many companies have already decided to make remote work permanent. Employees have begun the process of locating to where they want to live rather than where they thought they needed to live to be close to their work. That will mean the surge for everything online will continue to expand in 2021.

KHANDELWAL There is increasing reliance on ecommerce as a channel of fulfillment, especially for home deliveries. Also, with a lot of people staying at home, there is also increased demand for home services. Together, these mega trends will lead to growth in the last-mile sector. Also, a lot of brands are jumping in with their Direct-to-Consumer (D2C) offerings. With consumers experiencing the luxury of getting services and orders delivered to their doorstep, they will only start depending more on these going forward.


CLDA MAG *What are the three biggest technology trends you believe will impact the industry in 2021?*

KHANDELWAL

1. Expanded integration capabilities and relationships for shipper-to-carrier and carrier-to-carrier partnerships.
2. Full-scale automation and visibility tools impacting ops teams, executive teams, drivers, shippers and consignees alike.
3. Enforced mandatory shipper app usage.

BARFIELD

1. Technology that improves access to, and sharing of, capacity (integration technology, networks, mobile applications, general automation of communication and the like)
2. Technology that provides maximum visibility to consumers (vehicle location, appointment scheduling, complete tracking data, delay notifications, unattended delivery confirmation images)
3. Technology that improves operational efficiency (optimization technology, planning systems, automated appointment systems)

- 
- RICHARDSON**
1. Route optimization and efficiency
 2. Home delivery growth and the technology that supports consumer communications such as notifications
 3. Logistics metadata to support provable, on-time delivery and efficiency analytics

- KHANDELWAL**
1. AI in dynamic supply chain decision making
 2. Usage of electric vehicles in transportation and logistics
 3. Exponential growth in omni-channel for brands and retailers alike

CLDA MAG *Why are these important?*

KHANDELWAL Integrations are being leveraged now more than ever. That is due to the thinning of human resources and virtual work environments, along with the sheer volume of delivery requests. Shippers have been requesting more granular data from the carriers. That stems from the need to satisfy customer needs and to get a handle on carrier performance. They are looking for ways to minimize gaps across the country.

Also, over the last six to eight months, we've seen a noticeable increase in carrier-to-carrier integrations. Final-mile carriers are partnering with each other to handle opportunities that take them out of their natural geographic footprints, while still providing one point of contact for their customers. Full-scale automation and visibility don't begin and end at the dispatch level. They must be embraced at the driver level to increase on-time performance, minimize mistakes and improve driver compliance with customer requirements. They are also being applied at the executive level with automated reporting and live dashboards. Leveraging this level of automation and visibility empowers carriers with the ability to scale with limited overhead and to be able to deliver laser beam focus on time-consuming exceptions.

Shipper enforced, mandatory app usage is a big one these days and carriers are still working through the effects it's having on their businesses. When shippers mandate that a carrier use their mobile app and/or backend application, it applies pressure on the carrier to train employees and drivers on multiple systems. That means asking drivers to bounce in and out of several apps throughout the day. It creates a real challenge to bring everything back to the system of record, so ops teams and customer service reps have the visibility they need to answer questions, settle with drivers, and reconcile with customers. It also means that carriers end up taking on the risk of losing shipment visibility, the potential to decrease carrier/driver performance, and the likelihood that their costs will go up.

BARFIELD 2021 will bring extreme capacity issues. Demand is up and, if unemployment continues to decline, access to driver resources will tighten. Networking and operational efficiencies will be the keys to maximizing existing capacity. Much of the new demand generated from residential deliveries is dynamic in nature and more difficult to plan for. In addition, a push for shorter delivery times will continue reducing the amount of planning time available to final-mile companies.

RICHARDSON Remote work and online ordering will continue to push more goods into the logistics network for delivery to consumers and businesses.



KHANDELWAL AI is important because the various legs of the supply chain are now more interconnected than ever. The volatility is increasing. Customers are more demanding than ever. Artificial intelligence can factor in various constraints and help in dynamic supply chain decision making.

As to the issue of electric vehicles, we believe this is an important trend because the environmental impact of logistics is huge. Companies across the globe have already realized the need to move towards electric transportation. The move will become more pronounced in 2021.

The growth in omni-channel is important because customers have become very demanding. They decide when, where, and how they want to shop and also when and where they want to receive their orders. Brands and retailers have no other option except putting frameworks in place to address the customers' requirements. Omni-channel is the way forward.

CLDA MAG *What sectors do you expect to grow in 2021?*

SCARDILLI Pharmaceutical, office supply, ecommerce, food delivery, warehousing, next-day distribution and white glove.

BARFIELD Ecommerce will continue to lead the way in both big and bulky and parcels. However, all sectors including B2B are being impacted by changing expectations. This offers opportunities for final-mile companies that were not considered a few short years ago. 3PLs are very aggressive in putting together solutions to offer Amazon-like services.

RICHARDSON Pharmaceutical, ecommerce, laboratories.

KHANDELWAL We noticed a lot of volatility in the market, these are still uncertain times, but there are some clear emerging trends: healthcare diagnostics and SaaS will grow in 2021.

CLDA MAG *What sectors do you expect to shrink in 2021?*

BARFIELD For final mile providers some traditional services have been replaced by technology. That trend will continue, but the new opportunities available as companies change their supply chains to meet new expectations will more than make up for it.

We also expect that LTL will go through substantial changes as shippers' supply chains evolve to service customer expectations.

RICHARDSON Messenger, legal and title.

KHANDELWAL Any sector that is associated with discretionary spending will shrink in 2021.

CLDA MAG *What are some of the new technology solutions you expect to introduce in 2021?*

- SCARDILLI**
- White glove delivery - Built-in scheduling delivery/installation/assembly with automated voice-assistant, text-message and email message methods that will allow both customers and technicians to schedule delivery.
 - Recipient/shipper engagement – Expansion of push notifications with triggers such as driver-

assignment, ETA-change, proximity (“Driver is on your street” “Driver is 150 meters away”). To round out the engagement, our customers have asked for post-service follow-up texts or emails. These will encourage driver performance and overall experience ratings for those carriers that want to apply it to their businesses.

- Live CSR chat - This will allow online client portal users to reach out to the carriers’ CSRs if any questions arise during the order creation, tracking or reporting process.
- Machine Learning / AI – We have a continuous focus to improve system decision making and trend exposure, improving performance and the carrier-customer relationship.

BARFIELD

Datatrak is committed to providing final-mile companies with the best possible operational and back office solutions. Datatrak is also focused on technology that makes it easy for shippers and logistics providers to work with local and regional final-mile providers.

RICHARDSON

We will be introducing a suite of optimization technologies for planning and shipment work. These will include dispatching assistance technology to help them make difficult logistics decisions. We’re also working on features to power the scheduled delivery business with more notification methods, ETAs and predictive B2C communication.

KHANDELWAL

Logistics orchestration and SaaS application for network optimization.

CLDA MAG

How will these innovations change or impact the industry?

SCARDILLI

Our company’s newest technology solutions are designed to provide carriers with a full stack of features that helps them welcome new lines of business. They are also aimed at minimizing third-party software costs and maximizing driving performance. Our goal is to let carriers enrich their existing and new customer relationships.

BARFIELD

These tools will help make maximum use of capacity for final mile companies. They will do that by making local operations more efficient and by making it easier to use existing services from local and regional providers in a networked manner.

RICHARDSON

Many of our customers are striving to pick up lucrative home delivery work for large online retailers. These retailers want flawless delivery powered by a tightly integrated solution that is seamless to their customers.

KHANDELWAL

Logistics orchestration will impact the industry significantly because as channels of fulfillment increase, so will the methods to fulfill. As companies use multiple transportation channels to fulfill orders these days, they also need an orchestration layer to manage the entire operations.

The SaaS application for network optimization will impact the industry because a lot of companies want to optimize their whole logistics network more dynamically than ever. A SaaS platform can help address the various challenges and needs of the market.

CLDA MAG

What final thoughts do you have about the upcoming changes in technology in our sector in 2021?



SCARDILLI

Technology is evolving at a brisk pace in this industry. That has software providers like us expanding development teams to meet current demands. At the same time, we feel it is critical to prepare customers for the future.

Having more technology to apply sounds great. And it is. But it also poses challenges to the carriers to review, test and adopt that technology. Some tech advancement can be on-boarded quickly and easily. Other features will need a collaborative effort from multiple teams to vet the technology, review the impact and project plan to put technology into production. Carriers should work towards a process they apply to bring in new technology, and of course to work closely with their current provider to do so when needed.

BARFIELD

Working together will allow local and regional companies to compete with larger national delivery options. Technologies that make communication, visibility, and sharing of resources are extremely important components for success.

RICHARDSON

2021 could end up being a bull market. The economy is stacked to rebound as soon as COVID is safely behind us. The future will be challenging which is why it's important to look at your technical and human capital to ensure you've got the right tools and minds to take advantage of strong growth.

It's not just about technology. The people who use it must be effective and creative. Investments in training and hiring technically skilled people will always have a large impact on an organization. At the end of the day, companies are made up of great people and without them they don't exist. **CLDA**

Successful logistics businesses don't just happen.



- Vehicle & Operation Compliance
- User-Friendly Technology
- EasyPay Workers Comp
- LightSpeed Enrollment
- Payment Processing
- Driver Benefits
- HR Support
- Onboarding

For Employees & Owner Operators

They need a team that is focused on their success.

<https://adaptpayroll.com/>



adaptpayroll.com

833.362.3278

<https://sciadmin.com/>



sciadmin.com

800.821.5344

By Brian Jungeberg, Vice President,
Risk Strategies Company



What Insurance/Risk Trends Will Impact the Industry in 2021?

As we turn an eye towards 2021 and planning for it, I believe there are four trends that will have an impact on the delivery and logistics industry throughout 2021. In no particular order, they are:

AUTO AND EXCESS/UMBRELLA RATE INCREASES WILL CONTINUE

The Commercial Auto insurance market, specifically in the transportation sector, was already ceded in a hard market before COVID-19 hit. For the past 10 years running, insured auto losses for transportation and logistics companies have surpassed the premiums collected by the insurers. Consequently, insurers have been steadily raising rates over this same period to try to return the market to profitability. This negative trend in the market, coupled with the increased demand on the transportation sector during COVID-19, will likely continue to drive rate increases into 2021. Our expectation is that we'll see another 10-15% increase on both auto liability and auto physical damage coverage in 2021.

With respects to auto physical damage coverage, it should be noted that the rising cost of new vehicles and the continual upgrades in onboard technology and safety equipment are also impacting the rates insurers are charging. In this day and age, even a small fender bender can cost thousands of dollars to repair given safety sensors and technology on trucks and private passenger vehicles. If insurance industry results don't start improving, we wouldn't be surprised to see insurers mandating higher physical damage deductibles on transportation and logistics vehicles.

Another factor we are seeing adversely impact auto rates is the “Gig Economy.” If we look back to the pre-Uber and Lyft days, the use of independent contractors was an issue that those of us in this space paid close attention to, but the general population, for the most part, did not focus on. As the Gig Economy and shared-use platforms have grown and allowed almost any person to participate as an independent contractor, the public, and more importantly, the broader legal community, have taken note. The result? More attorneys understand the IC model and more attorneys have found ways to tie liability for an IC’s actions back to the company that IC is contracting with. That means more hired/non-owned auto liability claims and settlements each year; all of which are continuing to drive insurance market rates upward and will contribute to the 2021 increases we’re projecting.

Much like the auto insurance market, the umbrella/excess insurance market has taken its fair share of claims over the past decade, specific to the transportation and logistics sector. Increased claims, coupled with nuclear verdicts, continue to push rate increases for this line of coverage. These rates skyrocketed in late 2019 and have continued into 2020 and we expect they will continue to climb in 2021. Further to that, fewer and fewer umbrella/excess liability insurers are showing an appetite for freight brokering operations, leaving those insurers who do have an appetite for it to raise rates significantly.

SAFETY PROGRAMS AND TELEMATICS

Based on all of the insurance industry increases projected above, we are expecting to see the newer trend of insurance carriers demanding active safety programs/training and the use of telematics in vehicles or on driver phones to continue. The use of safety programs and telematics by transportation and logistics companies has traditionally been viewed as a bonus to underwriters, but is fast becoming an expectation.

Simply put, if you aren’t actively engaging with your driver population on safety training and safety programs, you should begin planning on doing so in 2021. Along the same lines, if you can look to engage telematics platforms within your operation and keep a hard line on driver performance and safety, you’ll be well prepared for the insurance market criteria that we are projecting on the horizon.

LABOR LAW(S)

To those of us involved in this space, it’ll come as no surprise that labor law issues will continue to impact the industry in 2021. As the legal challenges mount, transportation and logistics companies need to keep in mind that these outcomes directly impact insurance market underwriting and rates. Hired and Non-Owned Auto Liability, Employment Practices Liability, availability of Wage and Hour coverage, Employers Liability lawsuits, and Workers Compensation audit potential could all be adversely affected by legal outcomes negative to the IC model. Conversely, legal outcomes that support a strong IC model can positively impact coverage availability and rates in the market. It’s too early to tell, but we know the insurance market is watching these legal developments and will react to outcomes as they see fit along the way.

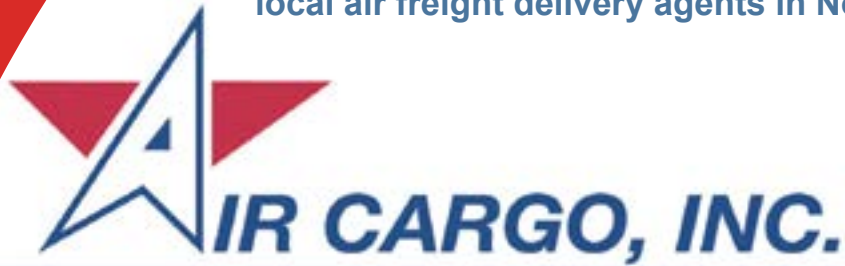
THE COVID-19 EFFECT ON OTHER RATES

At current time, there is a lot of predictive modeling being done to look at the effect of COVID-19 on the rates for health insurance, workers’ compensation and unemployment insurance for 2021. Much is unknown still and the rate effects are likely to be dependent on the population symptomatic infection (PSI) rates through the end of 2020. Adding to the uncertainty in the insurance market are active and pending state legislations, like California’s recently codified SB 1159 which created a disputable workers’ compensation presumption that illness or death related to COVID-19 is an occupational injury and therefore eligible for benefits. Other states are likely to follow this lead and pending claims results the impact on workers’ compensation rates into the future could be massive. The same holds true for health insurance where we have heard of some insurance providers levying an automatic 5% rate increase on benefits renewals for all clients to counteract COVID-19 claims and costs. I’d encourage everyone to keep an eye on the national and state PSI rates and, if need be, plan accordingly in your budgeting for 2021. **CLDA**

Brian Jungeberg provides customized insurance placement and risk management advice to delivery and logistics companies for Risk Strategies, a leading national insurance brokerage, where he serves as Vice President. Brian has focused on this sector for 17+ years and has a Certified Insurance Counselor (CIC) designation. For more information, go to: risk-strategies.com



Become a part of the oldest and largest network of local air freight delivery agents in North America.



APPROVED MEMBER

BENEFITS OF MEMBERSHIP

⊕ ACI Guide - Online Listing

Get listed in the ACI Search and ACI AutoRouter Online Routing tool. Subscribers search by airport codes or zip codes to find agents in shipping area they need.

⊕ Color Listing in and Copy of Air Freight Directory (annual)

The ACI Air Freight Directory has been published for more than 60 years. Gain a competitive edge by being listed in what is well known as the bible of the air freight community.

⊕ AutoRouter Listing

Your companies will be listed in your areas of service. When subscribers search by airport or zip code, your company will appear along with your published rates and points and schedules you have

⊕ Load Board

Receive emailed alerts for loads in your area posted by ACI Subscribers. Respond directly to the subscribers.

⊕ ACI Compliance Gateway

Connect with IACs and securely share your STA information. Save time by sharing rates, points, assessorial charges and schedules with IACs you connect with. Increase your business by meeting new IACs on the ACI Compliance Gateway.

✉ sales@aircargoinc.com

☎ 650-952-9050

www.aircargoinc.com



GET MORE FOR YOUR WORKERS COMP PREMIUMS

WHETHER NEW TO THE
PARCEL DELIVERY
INDUSTRY OR A SEASONED
VETERAN, OUR TEAM OF
LOSS CONTROL
PROFESSIONALS IS
COMMITTED TO ASSISTING
POLICYHOLDERS
STRENGTHEN THEIR
CURRENT SAFETY
MANAGEMENT EFFORTS
AND ACHIEVE RESULTS.



MUCH MORE THAN *just* WORKERS COMP



YOUR PARTNER
IN INJURY PREVENTION

 502.992.6151

FREE SAFETY RESOURCES

- Dedicated safety professional assigned to each parcel delivery contractor
- Unlimited use of online training platform
- Unlimited use of streaming safety video library
- Bi-weekly parcel delivery safety meeting resource
- Slip-safety shoe program (discounts for policyholders)
- Editable safety and OSHA compliance programs
- Health and wellness resources
- Incident recordkeeping and tracking application
- Massive human resource library / resource
- Handbook builder application
- Weekly safety and human resources webinars
- Fall hazard delivery truck decals

Most resources available in both English and Spanish

Free safety resources are limited to workers compensation policyholders

Midwestern Insurance Alliance, LLC
DBA MWIA Insurance Services in NY and CA, CA license 0H86807

parceldeliveryworkerscomp.com
parceldeliveryworkerscomp.com

HOW DIVERSITY & INCLUSION WILL IMPACT THE LOGISTICS INDUSTRY IN 2021



By *Djoly Souffrant, Ph.D.*,
President of Djoly Souffrant

On January 1, 2021, the transportation industry will arrive at the finish line of the peak delivery season. The rapid growth in e-commerce that we have been experiencing today and anticipating for peak will have finally arrived in full force.

The huge surplus of residential packages experienced currently is brought to you by the forced consumer mindset change of the 2020 Coronavirus (COVID-19) pandemic. Before the pandemic, the vast majority of consumers who purchased groceries, household supplies, clothes, and other goods made these transactions in person at brick and mortar stores. The pandemic forced consumers to shift their mindset and opened the gates of e-commerce further with online shopping sky rocketing.

This mindset shift built the foundation for the transportation industry and e-commerce to increase customer comfort with online shopping by appealing to consumers' expectations of free, fast, and flexible shipping options by retailers. Everything from housewares to cleaning supplies is now being purchased online. The impact this created in the transportation industry pertaining to Business to Consumer (B2C) residential deliveries has never been seen before. All existing delivery networks are strained. That's because businesses, historically have only prepared for residential delivery to grow based on previous peak season trends. With residential delivery growing to its current magnitude during this pandemic; networks will not be able to handle the added surplus of volume from holiday purchases.

The War for Drivers and Frontline Employees Begins

The larger conglomerate transportation organizations that we are all familiar with are an easy and natural partnership for retailers because they meet the consumers expectation of regular notification of their product, fast delivery, and easy return processes. However, while retail foot traffic has diminished as a result of COVID, that traffic has moved to big transportation warehouses that can support the influx of volume from the retailers. This creates a significant demand for third party logistics (3PL) and global fulfillment services. In a world where retailers are looking for solutions, they will find, for the first time, in a long time, that the big conglomerate transportation organizations will not be able to fulfill their expectations without partnerships among smaller 3PLs.

The resources required to meet this new customer demand will create a full-fledged war for drivers and frontline employees. Smaller 3PLs will need to adjust their operations and partner with the larger transportation companies.

With a shrinking talent pipeline, organizations must adapt in order to win the war. Organizations will not be able to sustain the necessary talents required for their inbound and outbound logistics operations. The delivery and pickup driver resources required to meet this demand do not exist within these organizations. They will have to tap into every partnership option available. The biggest opportunity for organizations is to tap into the second largest generation after the Baby Boomers, the millennial generation. By 2025, Millennials will make up 75% of the US workforce, so dealing with their expectations will be critical for organizations that want to be successful.

The millennial generation has different expectations of their employers and many of those revolve around diversity and inclusion. Organizations that are not currently equipped to meet those expectations will suffer. It will not be an option to treat millennial employees like previous generations. The millennial generation is looking for an organization with a vision, culture, and policies that fit their needs, not

the other way around. And a key part of those expectations revolves around inclusivity.

How to Build an Inclusive Workforce

As a millennial and a minority who previously worked for a Fortune 50 company, I have had personal experience looking for characteristics and behaviors of an employer that were not present. My personal experiences ignited a passion for creating an inclusive workforce for those currently working and those yet to enter the workforce. As a doctoral researcher, I developed a set of best practices for organizations to follow and implement to achieve an inclusive workforce for millennials:

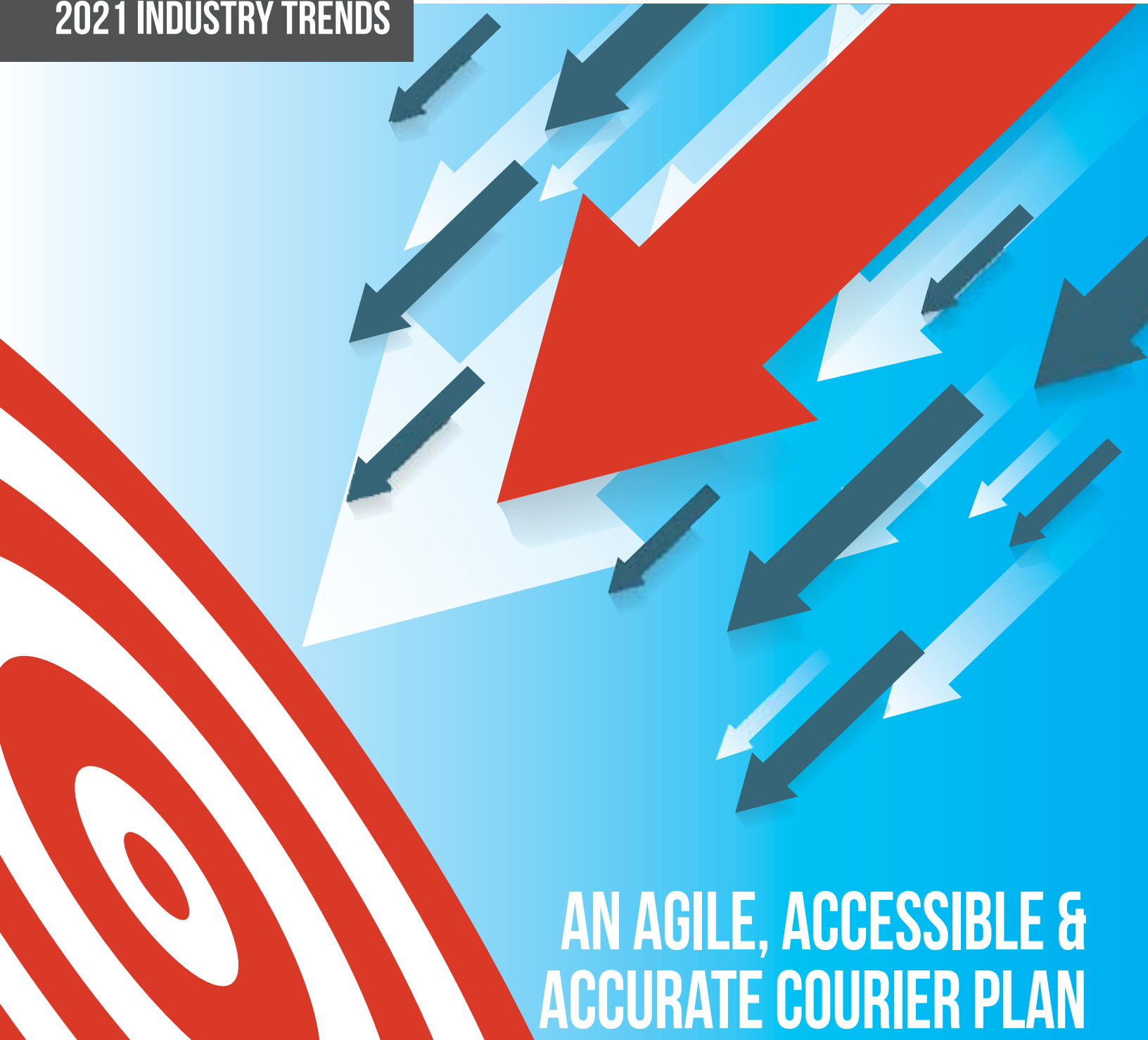
1. Review and assess organizational policies and procedures for inclusivity. Ensure that your performance reviews are fair and unbiased, your promotional procedures are fair and equitable, and your policies are family friendly.
2. Update hiring practices to include information regarding the service and value proposition of the organization in the job posting documents. Millennials look for an organization with values that align with theirs and senior leaders who walk and talk the organizational values.
3. Enhance professional accountability and development; train management within the organization on topics such as diversity and inclusion, biases. After training your senior leadership and managers, create a plan to train your organization on how to leverage the benefits of diversity and inclusion to have an inclusive culture.

Inclusivity = Ability To Meet Demand

In 2021, the transportation industry can expect to face increased demand and staffing shortages. The answer is adjusting operations, participating in partnerships that have not been present before and the attraction and retention of the millennial generation as a result of creating an inclusive environment. **CLDA**



Djoly Souffrant, Ph.D. is President of Djoly Souffrant, LLC. He was presenter at the Executive Leadership Summit with a session called "Leading Inclusively." His consulting practice has helped clients identify and execute the vision they have for their organization: grow successful organizations, start new businesses, and find alignment for their teams. Souffrant spent nearly fifteen years in management roles at FedEx. For more information go to: www.djolysouffrant.com/



**AN AGILE, ACCESSIBLE &
ACCURATE COURIER PLAN
IS MORE IMPORTANT NOW
THAN EVER BEFORE**

By *Stephanie Gerard, Vice President of
Business Development, Michael's Messenger
Service (MMS)*

A global pandemic. Increasing numbers of people working remotely. Heightened need for fast and accurate sharing of vital medical and health care information. Escalating e-commerce activity. Rising need for sharing documents and equipment between remote or multiple working sites. Transforming retail business models as local stores increasingly function as fulfillment centers. There is no doubt recent events and changing consumer perceptions and behaviors are illuminating and amplifying the importance a strategically designed courier and messenger program has on the performance and ultimate success of your organization.

Clearly the impact of business lockdowns and varying shelter-in-place orders is having a huge impact on how people work, live and interact. Yet the truth is these recent challenges intensify and accelerate continuously evolving trends and patterns of consumer behavior rather than create them. Here are three results-oriented mechanisms for managing and optimizing current and anticipated market conditions and proactively developing strategic messenger and courier plans that transform change into opportunity.

MARKET OVERVIEW OF THE MESSENGER AND COURIER SERVICES INDUSTRY

Research and Markets reports “the global courier and messenger market reached a value of nearly \$541.6 Billion in 2019, having grown at a Compound Annual Growth Rate (CAGR) of 9.3% Since 2015, and is expected to grow at a CAGR of 11.1% to nearly \$824.9 Billion by 2023.” The report examined two distinct four-year periods, 2015 to 2019, identified as the historic period, and 2019 through 2023, termed the forecast period.

Overall the sector earned a 9.3% CAGR between 2015—2019 resulting primarily from heightened demand in the medical and health care industries, a continued rise in e-commerce, increased consumer spending and further expansion of emerging markets. Growth was marginally inhibited by escalating crude oil prices at the beginning of the historic period coupled with limitations in supply chain visibility.

The study segmented courier and messenger services into two types: domestic and international. The domestic market segment accounted for just over 80% of all revenues generated in 2019, or \$437.92 billion. Despite its lower volume, the international market is experiencing a faster rate of growth with a CAGR of 11.5%.

Research and Markets further distinguishes the market by coverage type: local messengers and delivery over against global express delivery services (FedEx, DHL, UPS, USPS). The express delivery services market is the larger of the two cohorts cornering just shy of 94% of the \$541.6 billion revenue stream, or \$507.5 billion. That being said, the local messenger and delivery market is projected as the fastest-growing segment going forward with an impressive 14.9% CAGR. The industry experiences near equal shares of B2B and B2C activity. Although B2B end-users slightly eclipsed B2C with a 58% share of the market (\$314.2 billion) B2C shows greater growth potential as restaurants, retailers, pharmacies, health care providers, intra-business logistics and other consumer-focused services gain steam and consumer confidence. As a result, the study forecasts a 16% CAGR for the B2C market.

This data impact your business in three ways:

- 1) Increased consumer demand and expectations in both B2B and B2C channels requires maximum agility in serving your clients, customers, and/or patients;
- 2) Urgency, unexpected spikes in demand and customer expectations of getting what they want when they want it mean you must be accessible when and where need arises;
- 3) Accuracy in cost, pick-up and delivery timing and value chain visibility necessitate leading edge technology that automates the delivery process, from order entry through comprehensive reporting, budgeting and planning.

DEVELOPING AND OPTIMIZING YOUR AGILE BUSINESS MODEL

According to published reports from Accenture there is a direct correlation between escalating ecommerce activity and the duration and limitations of shelter in place orders. Some behaviors will be permanent as people become more comfortable and trusting of transacting business online. Which means consumers, who rarely - if ever - purchased goods or services via the Internet, are now doing so out of necessity. And they are growing accustomed to doing so. The Accenture study found consumers who used online channels for less than 25% of purchases prior to the pandemic went from 1 in 20 of their purchases being online to 1 in 6 – a 160% increase in online activity. In May of this year e-commerce sales in the U.S. leaped by almost 93%, making up 22% of all retail sales—double the percentage from the prior year.

Things move at break-neck speeds these days. Urgency is no longer a special circumstance. It's standard operating procedure. Of course, that doesn't

mean costs and capital expenditures can be ignored. Rather, they must be precisely budgeted and meticulously managed. I-need-it-now, on-demand service and just-in-time are not fads. They are phrases that define the way things are. But they don't have to lead to increased pressure or stress.

Accenture estimates that 50% of all deliveries will be local by the end of 2020. One trend supporting this conclusion is the limited or spotty access to physical stores since March. Retailers are responding by using couriers for fulfilling orders directly from the nearest store with the product in stock. Retailers saw a 195% increase in click and collect order dollars, according to Accenture research, and demand for small, local warehouse space is surging. Both trends indicate retailers are hastening the transformation of brick-and-mortar facilities into localized fulfillment centers. At the same time, there is stepped up activity around moving laptops, computers and other office equipment between branches or to remote workers at home and messengering important legal or organization documents. All of which accentuate the imperative that your operating model include an agile courier and messenger program.

END-TO-END VISIBILITY GIVES YOU GREATER CONTROL AND ACCURACY

While the speed and urgency of business demands agility, they also call for elevated levels of transparency and accuracy. Especially given the uncertain economic climate and unique challenges you now face. For example, even in situations where scheduled pick-up and deliveries are in place, no two days are the same. Each delivery most likely involves different people with varying expectations. That means the highest levels of consistency and professionalism are imperative.



Know your risk in the new age of independent contracting

New legislation is making it harder to classify workers as independent contractors.

Find out where you stand and how to mitigate your risks—today and tomorrow.



Schedule your free risk assessment today at www.oforce.com/risk



Compliance, minus the headache
Processes that reduce your misclassification risks.



Powered by technology
Our platform tackles the thorniest issues.



Industry-leading legal support
Our industry experience gives you a true strategic partner.

Automating your end-to-end workflow addresses this challenge. This ensures your delivery route or on-demand shipment request is handled in the most efficient, time-sensitive fashion possible. Which pretty much defines accuracy.

DEVELOPING AND SUSTAINING END-TO-END VISIBILITY

“A ‘never normal’ has arrived for ecommerce sales—and consequently, for post and parcel organizations,” writes Accenture Managing Director Brody Buhler. “Simply put, more packages need to be delivered. But while retailers have accelerated transformation, most post and parcel organizations have not. I see many new opportunities to catch up with the market and become ready to outmaneuver uncertainty. Seize this moment and you could take market share to set your business up for years of future growth.”

As a result, your local courier and messenger program is more important than ever in continuously improving operational performance and satisfying the business outcomes your organization needs to succeed. At a time when people are relying on your agility, accuracy, and accessibility more than ever before, making sure you can deliver is of paramount importance. **CLDA**



Stephanie Gerard is the Vice-President Business Development at Michael's Messenger Service (MMS). MMS is a Pacific Northwest courier company that started in 2010. MMS contracted couriers cover over 20,000 miles servicing more than 200 established routes throughout Oregon, Washington, and Idaho. For more information go to: michaelsmessengerservice.com.

Business Toolkit



Zoom With Confidence

By Andrea Obston
CLDA Director of Public Relations

“I’m really better looking than this!”

If that’s the way you want to start every Zoom meeting, you’re not alone. The video conferencing app seems to amplify every flaw you’ve ever worried about. I, for one, often look like a pasty waif who hasn’t slept since quarantine went into effect.

So, as a public service to every businessperson who’s wanted to throw up their business portrait instead of facing the Zoom camera, I offer these tips:

Camera Placement – You want to simulate a face-to-face meeting as closely as possible in a video call. After all, isn’t that why you decided on it instead of a phone call? And what makes a live conversation work? Eye contact. On Zoom, eye contact is achieved by getting the camera at eye level and your face close enough to mimic an in-person conversation

Remember, cameras on laptops are at the top of the screen. If you put the laptop on your desk, you’ll be looking at (and probably talking to) the middle of the screen. If you put the laptop on a couch, you’ll be looking down on the screen. That gives you the Nostril Shot that is not attractive. If you can see the ceiling in the shot, your camera is too low.

I put the laptop on my desk and put it on a stand that raises it. Then I angle the screen down, so the camera is eye level. By the way, if you use this set-up, you’ll need a separate keyboard that’s on the desk in case you need to share your screen or run a PowerPoint.

Eye Contact – And speaking of eye contact, this is the toughest part of achieving a personal connection on Zoom. We’ve all been trained to look at the eyes of those we speak to in normal conversation. But if you’re looking into the eyes of those on-screen during a Zoom call, you’ll appear to be looking down. To appear to be looking into their eyes look directly into the “eye” of your camera.

Lighting – Most people on Zoom conference look like they are auditioning for a horror movie. While I have a good set-up in my office, when I must move to the conference room, the overhead light in there gives me a “Sleepless in Hartford” look.

What you want is for the primary light source to be behind the screen. I purchased an adjustable ring light. It has a variable intensity and color setting. Set the light on the brightest warm tone setting.

If you are lucky enough to have natural light coming from the side, that also helps. But make sure you don’t sit in front of a bright, sunny window. The last person to successfully pull off the back-lit, silhouette look on screen was Alfred Hitchcock. And he was going for that. You should not.

Background – Declutter your background. A plain, not bright-white wall is best. The viewer’s eye should be drawn to your face. Not the bookshelf displaying your favorite tchotchkes. I know for many of us news junkies a favorite past time is checking out the offices and kitchens that our favorite news sources inhabit, but that’s not for you. Have your Zoom meeting in an office-like space, even it means finding a quiet spot with a neutral background in the basement.

Dress – Yes, you’re home. We get it. But you’re also in a business meeting so dress like it. Good for you that you can wear a hoodie to work from home. That doesn’t mean you should wear it on camera. Put on business attire, and we’ll all believe you’re there to do business. If you’re Trevor Noah, you can rock a sweatshirt. If you’re a businessperson, you can’t. PS: It will also make you feel a lot more like you’re doing business if you dress like it.

Final Random Tips

Here are some miscellaneous tips I also want to share:

- Prop any notes you need right up against the screen. As long as you don’t block the camera, having them there makes it easier to refer to them without taking your eyes too far from the camera
- Get there early. If you are the host of a meeting, you can start it anytime. That lets you fiddle with the technology, adjust your lighting (and hair!) and test your audio
- Avoid eating or drinking. Doing either one of these on-camera is both distracting and disrespectful. Would you slurp a Slurpee in a live business meeting? Then don’t do it on camera.

Zoom is Here to Stay

The video conference business meeting is here to stay. Whether or not we ever return to our offices or in-person meetings, I suspect the role of the humble business phone call will decrease. Seeing someone’s face, even for the most mundane meetings, seems like a better way to connect.

It’s time to do what we can to look the best we can on-camera. *And, by the way, I AM better looking than this!*

CLDA



Saves You Money

IT'S AS EASY AS 1 2 3

1

JOIN

Become a member of the Customized Logistics and Delivery Association

2

SAVE

Receive special discounts on services from key providers in the industry

3

PROFIT

The potential cost savings more than pay for CLDA membership, plus you'll benefit from CLDA's advocacy, networking and education

CLDA MEMBER BENEFITS PROGRAM PARTNERS



Join today!
clda.org



THANK YOU TO THE CLDA ADVOCACY FUND DONORS!

- Absolute Delivery
- ADL Delivery
- American Expediting
- Avant Business Services
- Blaze Express Courier Services
- Blue Streak Expediting
- Capital Express, Inc.
- City Express, Inc.
- Courier Express
- CourierLogistix, Inc.
- Delivery Express Inc.
- Eddy Messenger Service, Inc.
- Esquire Express, Inc.
- eTrac Final Mile Gateway
- Eveready Express
- Expedited Courier Group
- Express Carriers Associatoin
- Global Messenger
- Hackbarth Delivery Service Inc.
- Jet X Courier & Delivery Service
- Lasership
- Lightspeed Express Delivery Systems
- On The Cargo, Inc.
- Ontrac
- PearlTrans Logistics
- Priority Courier Experts
- Priority Dispatch, Inc.
- Priority Express Courier, Inc.
- QCS Logistics
- Quick Delivery Service, Inc.
- Rightaway Delivery & Inventory Management
- Select Express & Logistics
- Sleek Home Delivery
- Sonic Courier Inc.
- Street Fleet
- Tempo Transportation LLC
- Tforce
- Valley Courier Delivery Service
- Washington Express, LLC
- Xcel Delivery Services

Interested in contributing to our advocacy efforts?

Contact Hana Watkins,
hana@clda.org

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!



CLDA Finds Its Voice. Protecting the Industry



By *Andrea Obston*
CLDA Director of Public Relations

A

dvocacy has been part of the DNA of the CLDA since its beginnings as the Messenger & Courier Association in 1987. “The whole reason for the formation of the MCAA was to create a group that could help safeguard the industry itself,” says Chris MacKrell, former president and former long-time chair of the Government Affairs Committee. “In the early days of the association, we helped champion members against misclassification claims throughout the country. Funds to support those efforts were taken out of the association’s general budget because we knew how critical each of those cases were to all of our successes.”

In 2006 the board made the decision to create an advocacy fund to support the association’s Government Affairs Committee. “It was time to move from being passive about defending this industry to stepping up to create an active and robust advocacy program,” recalls MacKrell. “In pooling our funds, we would be able to support an expanded Government Affairs effort. We searched for and hired a lobbying firm. We brought on a Government Affairs director. We inaugurated an aggressive public relations program and we actively encouraged member activism.”

Today, CLDA’s Advocacy Fund is supported with donations from over 60 member companies that contribute yearly to defend the industry. Over the years, the fund has supported members who have faced threats to their businesses. From California to Massachusetts, the fund has provided financial support to help individual members defend their businesses in misclassification cases. Our efforts have set precedent

and broken ground. The Fund supports the association’s ability to weigh in on national regulatory issues that impact our industry. It helps support CLDA’s work with members of Congress, encouraging them to support and advocate for specific standards for independent contractors.

The association has also established productive working relationships with the TSA, Homeland Security, the Department of Labor and other agencies that impact the work of our members.

The association’s annual Lobby Day brings CLDA members from throughout the country to Capitol Hill to advocate for legislative issues affecting our industry and meet with their representatives in Congress.

One of the major results of the hundreds of meetings on Capitol Hill was a request for a representative of the association to testify before the Senate Committee on Health, Education, Labor and Pensions in defense of the I/C model. “It was a coup for an association of CLDA’s size to get a seat at the witness table and an acknowledgement of the hard work members have done to raise their profile with legislators,” says Rich Meade, Vice Chairman of CLDA’s lobbying firm, Prime Policy Group. “The request to provide testimony was an outcome of the engagement of CLDA members with members of Congress on Lobby Day and the association’s year-round efforts to present a compelling message about their industry’s reliance on the I/C model. CLDA was selected to provide testimony on the I/C model over many larger associations. That is an impressive accomplishment for the association and one they should be proud of.”

“Together we represent hundreds of thousands of businesses from every segment of the economy intent on correcting this misguided ruling by the IRS”

Through connections with Congressional Representatives and with the aid of Prime Policy, CLDA was able to introduce language into the house version of the 2016 Tax Bill which would have clarified and eased the utilization of I/Cs by members. Although the text was pulled at the 11th hour in the Senate, it was a historic accomplishment to get so close. We retain our Senate and House connections from that effort and look to push similar assistance for our members at the next possible opportunity.

CLDA’s influence today is a far cry from the early efforts when the association was formed in 1987. What started as individual members doing their best to protect the industry on their own has become a unified and powerful voice in defense of our work. Today’s Government Affairs Committee is able to magnify and amplify the voices of individual members for the good of all and to earn a seat at the table at the highest levels of government. Two of our recent efforts show just how powerful we have become: 1) We are now viewed as trusted advisors by the Department of Labor and 2) we are important defenders of the rights of small businesses regarding the tax treatment of funds dispersed through the Paycheck Protection Program (PPP).

Connections at the Highest Level of the DOL

“In this administration, we have developed connections at the Department of Labor at the highest

levels and raised the profile of the CLDA,” says Michael Taylor, CLDA’s Director of Government Affairs. “Through regular engagement with the DOL at a high level we have become appreciated and influential. Associations like ours need to have that kind of awareness of who they are. These relationships give us the opportunity to provide our perspective; to be seen as a valuable industry partner. Today, our relationship with the DOL is not adversarial. They hear us. They value our input. They seek our advice about regulations that affect all of our members.”

This kind of relationship has further allowed us to provide meaningful assistance to our members suffering under unduly prolonged local audits not following current Federal guidance. We also recently submitted time-critical and extremely impactful suggested changes to a proposed DOL Rule which affects how workers are classified. To see a copy of our comments, see this [link](#).

Righting the PPP

CLDA has added its voice to the hundreds of thousands of small businesses for a correction to the way PPP funds are treated by the IRS. In authorizing these funds, Congressional intent was to support small businesses struggling due to the pandemic. But the IRS dealt that intent a blow by ruling that expenses covered by PPP loans could not be deducted.

CLDA put together a coalition with 29 other associations dedicated to correcting this ruling by the IRS and Treasury. “Together we represent hundreds of thousands of businesses from every segment of the economy intent on correcting this misguided ruling by the IRS,” says Taylor.

Here's the background: When Congress authorized the Paycheck Protection Program in April, the intent was to throw a lifeline to businesses struggling due to the pandemic. As of June, 4.8 million such loans have been granted, 66.8% of which were for small businesses which requested \$50,000 and under to help keep their operations going, according to the U.S. Small Business Administration. The agency says that as of June, PPP funds had supported 51.1 million jobs, as much as 84% of all small business employees.

Clearly, the intent of Congress was to help businesses weather the pandemic storm. What they did not intend was for the funds to have negative tax consequence to those very same businesses. In April, the IRS and the Department of the Treasury ruled that businesses could not deduct the expenses these funds supported as normal business expenses. This ruling came after many of the funds had been disbursed, opening the door to unanticipated tax bills of up to 40% for these businesses.

"We are continuing to reach out to all members of Congress along with the other members of the coalition, to keep the need for this correction on the front burner, no matter what the outcome of the election," says Taylor. "Most Members of Congress are in favor of this correction. There is a clear bipartisan majority in both chambers that totally supports this effort. Members of our coalition are cautiously optimistic that this correction will be passed. We will keep pushing, though, to make sure this happens." This critical GAC effort will protect all CLDA members who participated in the current PPP and any future additional loans.

A Time for Change. A Time to Get Involved

From its beginnings by a small and dogged group of members, the CLDA's advocacy for this industry has clearly gained traction and influence. The work continues because of the support of CLDA members.

Mark Cossack, the current chair of the association's Government Affairs Committee puts it this way: "Our company was one of the early supporters of the Advocacy Fund because we realized we were not big enough to protect ourselves from big legislative issues. Many of our members are small to mid-sized companies that, on their own, can't make a difference in the governmental decisions that affect their business. None of us individually should be a lone voice crying in the wilderness. That doesn't do enough good. But together, we can be that voice for the industry."

Interested in magnifying your voice and protecting your business? Contribute to CLDA's Advocacy Fund today through the website or by contacting Hana Watkins at hana@clda.org. Together our voices will be heard.





WELCOME

New Members

We are proud to welcome our newest members to the CLDA family. These companies have decided to invest in themselves by joining us.

We encourage our current CLDA members to reach out and offer a warm welcome to these new members. There is no better time to build new connections and find opportunities to work together.

5 String Solutions – Wilmington, DE

5 String Solutions connects intermediaries and shippers to last mile carriers.

- Point of Contact: [Paul Steffes](#)
- Find us on [Facebook](#)
- Find us on [LinkedIn](#)
- Find us on Twitter

24/7 Express Logistics, Inc. – Kansas City, MO

24/7 Express Logistics is an asset-based 3rd party logistics provider founded in 2001 with the goal of providing the highest levels of customer service in the industry.

- Point of Contact: [Rick Gilbert](#)
- Find us on [LinkedIn](#)

A Kickin Logistics, Inc. – Axle, TX

From local delivery to expedited, statewide delivery and everything in between, A Kickin' Logistics, Inc.'s has a solution for your shipping needs.

- Point of Contact: [Frank Robinson](#)

Consolidated Terminals & Logistics Company – Covington, LA

CTLC possesses one of the largest and most sophisticated networks of assets and manpower in the U.S. It has become one of the major logistics providers and handlers of bulk commodities and products throughout the middle and lower United States. In addition, CTLC now serves the global marketplace; capable of moving customers' products from anywhere in the world to its final destination in the United States, and vice versa.

- Point of Contact: [Benjamin Daniels](#)

eGate Egypt – Cairo, Egypt

I have been in logistics industry for more than 28 years, we just established this new company recently with a lot of experience, resources and investment. eGate Egypt provides on-demand logistics for couriers all over Egypt, with plans to go cross border as well.

- Point of Contact: [Essam Nasr](#)

Fast Exact – South San Francisco, CA

Time critical and guaranteed expedited air and ground services in US and Canada

- Point of Contact: info@fastexact.com

CLDA Discount Program Keeps On Growing

The options for members to save money are growing courtesy of the CLDA Discount Program. T&K Apparel and Momentum Groups recently joined the expanding list of companies helping CLDA Members save thousands of dollars. In addition, Shoes for Crews will be offering CLDA members discounts in the near future



[T&K Apparel](#) provides screen-printing, embroidery, and promotional items. No matter the need, T&K will help CLDA members find the perfect products. They have a seasoned team of professional designers who will work with CLDA members to put together a design and their production team that will produce members' orders accurately and to industry standards. CLDA members will save 10% on pricing for their first year of working with T&K.



[Momentum Groups](#) offer CLDA members access to discounted fleet services with a variety of solutions to increase vehicle productivity and reduce costs. Members can enjoy personal service nationwide with delivery right to their businesses' doorsteps. Discounts vary by solution and may include vehicle purchasing and leasing, financing, electric vehicles, fleet fuel cards, upfitting, maintenance, and safety.



[Shoes for Crews](#) provides slip-resistant footwear with an eye toward comfort and safety. Since 1984, Shoes For Crews has had one of the best slip-resistant outsoles in the business. The company has spent more than 30 years studying the science of safety, and the past two years innovating their entire product collection to bring wearers upgraded comfort, technology and design to ensure they get home safely.

The CLDA Discount Program helps members save on everything from cell phone service, to truck rentals, background screenings and entertainment. And the list of participating providers increases every day based on what members have told us they need to operate their businesses more efficiently.

Other providers include:

- ADP
- BizChoice Transportation
- Budget Truck Rental
- Cat@ phones
- Front
- National Facewear
- Penske Truck Rental
- Premier Background Screening
- Sprint
- Tickets at Work
- UPS

For more information, click [here](#)

New Diversity & Inclusion Task Force



“As the industry’s leading association, it is important that we ensure all current and prospective members are equally represented and have an opportunity to share their ideas/best practices to improve our value proposition.”

With those words Jason Burns, co-chair of CLDA’s new Diversity and Inclusion Task Force framed the mission of the new task force. He is joined in leadership by Kelly Picard.

“This task force will become a resource for members who want to better understand the bottom-line benefits resulting from a more inclusive organization,” said Burns. “The CLDA has always welcomed members from all walks of life. However, in light of the recent social and racial justice protests, the CLDA board of directors thought it was important that we formally address this issue within our industry and our association.”

The Task Force wants to take the pulse of members about these issues. Let us know what you think by taking a quick survey. Click [here](#) to take part.

Want to take part in shaping the association’s work on these important issues? Join the committee by contacting Hana Watkins at hana@clda.org. **CLDA**

Coronavirus Superhero Hector Ramirez Needs No Cape

Hector Ramirez is a superhero who will not let a little thing like a pandemic stop him from delivering lifesaving medications and food. He is an owner-operator providing services to Avant Business Services in Stamford, CT who services the needs of Rite Aid customers in Connecticut through iOmni, LLC.

Here’s how Mark Chiusano, Avant’s president and owner, describes him: “Hector, is a lifeline connecting self-isolated and quarantined homeowners with the outside world. In recognition of his fine work, he has been awarded the coveted WOW Medal of Honor by a grateful and appreciative Rite Aid customer for going above and beyond!”

Chiusano compares Hector to a Marvel Superhero for his dedication to delivering for Avant’s customers. “Hector is speedier than the fastest bullet,” he said. “Using his wits, he always observes a safe, six-foot social distance, calls the recipients ahead of time and places their groceries and medications outside their front doors. He waits to ensure his customers take possession before flying off to his next stop with a smile and a wave!”

Dubbing him “The Commander of Compassion” Chiusano ended his nomination of Hector as a Coronavirus Hero with this endorsement: “Hector joins the pantheon of Superheroes. Our sincerest thanks for your big heart, big smile and great service!” **CLDA**



DDI
delivery drivers, inc.

LAST-MILE LABOR SOLUTIONS

RECRUITING & MANPOWER
SCREENING & ENROLLMENT
ACCOUNTING & TAXES

COMPLIANCE & REGULATORY
INSURANCE & MANAGEMENT

1099 HR COMPLIANCE SOLUTION!
CALL US: (949) 398-0489
 ✉ afranklin@ddiwork.com 🌐 ddiwork.com

CUSTOMIZED LOGISTICS & DELIVERY MAGAZINE

EDITORIAL

Editor/Content

Andrea Obston

CLDA Director of Public Relations

aobston@aomc.com

Editorial Advisory Panel

Lorena Camargo, PearlTrans

Kenya Guess, BonnieSpeed Logistics

Ruth Ospino, Tempo Transportation, LLC

ART & PRODUCTION

Adele Yeager Design

yeagerdesign@comcast.net

ADVERTISING CONTACTS

Tim Cocchia, Xcel Delivery Services,

tim@xceldelivery.com

Jon Rydel, Priority Express,

JonRydel@priorityexpress.com

Ruth Ospino, Tempo Transportation, LLC,

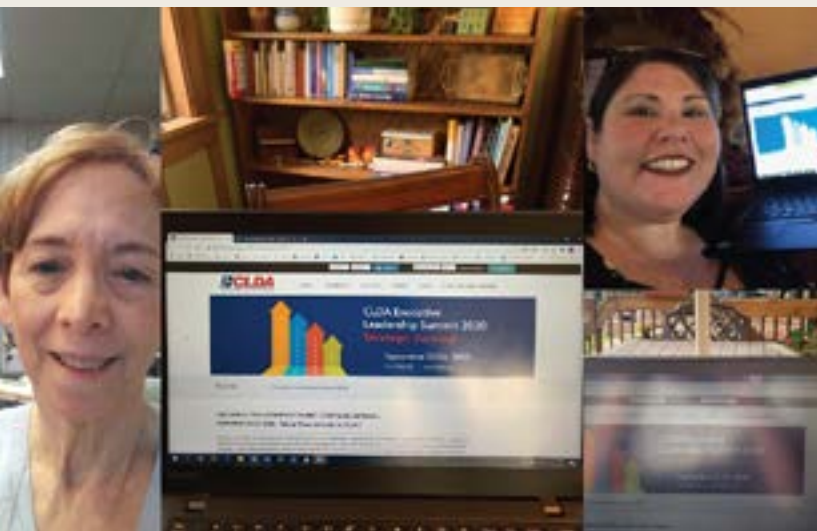
ruth@tempotransportation.com

The Customized Logistics & Delivery Magazine is a quarterly publication by the Customized Logistics & Delivery Association (CLDA).

To subscribe, email Hana Watkins, hana@clda.org

To advertise, email Jon Rydel,

JonRydel@priorityexpress.com



Agility, Adaptability and Advice

Showcased at the Third Executive Leadership Summit

By *Andrea Obston*
CLDA Director of Public Relations



“In today’s environment you’ll have to be more agile and come up with new strategies on the fly. Like a quarterback running a read option, you’ll need to be nimble enough to come up with another direction based on what you see when you come out of the huddle.”

With that advice sales trainer Lance Tyson set the stage for the first working session at the CLDA’s 2020 Executive Leadership Summit. Some 125 leaders in the logistics industry from 26 states gathered virtually for two-days for the CLDA’s third leadership development conference. The annual event included interactive workshops and a virtual networking Happy Hour at the end of the first day sponsored by [Wise Systems](#). Other conference sponsors included: [Optym](#) and [Key Systems](#).

The Sessions Included:

- *Sales Leadership in Times of Uncertainty* presented by Lance Tyson, President and CEO, Tyson Group
- *Strategic Thinking: Why Strategic Planning is No Longer Enough, and What to do About It*, presented by Wes Gipe, Business Advisor, Aileron
- *Leading Inclusively*, presented by Dr. Djoly Souffrant, President of Djoly Souffrant, LLC.
- *Updates on COVID-19’s Impact on the Industry* by Dr. Jim Tompkins, founder and chairman of Tompkins International

For the second year the Summit was led by management trainer, consultant and author Ed Eppley, Founder of the Eppley Group. He provided context for each session and encouraged participants to apply the knowledge they gathered in the sessions to their own businesses.



“Today’s sales environment is more like chess than checkers. You need to have multiple strategies. You can’t just have one move”

Selling in Uncertain Times

Tyson’s two sessions - “Sales Leadership in Times of Uncertainty” - charged participants to think creatively and to be as fluid as they could to energize their sales teams in today’s unique environment. “It’s a new reality,” he said. “People are uncertain. The landscape has changed. That means managers will need to become coaches for their salespeople and help them create multiple strategies to deal with the new normal. Salespeople in today’s environment will have to be agile. They will have to be chameleons, based on the situation.”

He urged managers to coach their salespeople to approach the process like chess players. “Today’s sales environment is more like chess than checkers. You need to have multiple strategies. You can’t just have one move,” he said.

He also told participants that some salespeople will not make it in a COVID-impacted environment. “Your salespeople will be spending a lot of time outside their comfort zones in today’s environment,” he said. “High performers will adapt. But not all salespeople work well that way. Leaders need to look at their people and figure out who will be able to make it.”

Tyson pointed out that the mindset of the buyer has changed and that they require more touches to reach them. “Your salespeople will need to increase their outbound efforts by 30%,” he said. “In the past, we figured on six to eight touches to get in contact with someone,” he said. “Today, it requires nine to 12 touches, so your salespeople will need the patience of fishermen. And they will need to use every opportunity to reach out to the buyers, whether that means leaving voice mails, sending emails, reaching out on LinkedIn or even by text.”

Leaders as Coaches

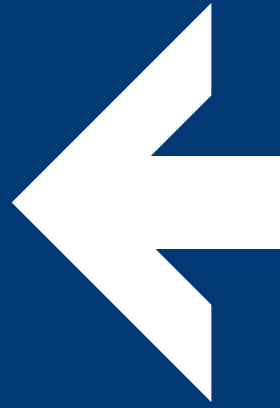
On Day Two, Tyson urged leaders to coach their sales team to talk the language of the buyer. “The hardest thing to teach new salespeople is to get them to speak the language of the buyer. Most companies teach them the language of the product,” he said. “To do that you have to get the prospect to admit what they are buying; what they really want; what need they are trying to fill. Salespeople must know the difference between what your company thinks it does and what the customer wants to buy. People who are buying a quarter-inch drill bit are doing it because they have a quarter-inch

hole; not because they want to buy a quarter-inch drill bit. Your sales team needs to adjust how they talk to the customer, so that the prospect understands your company’s value proposition. Salespeople must talk the buyers’ language not your language. They have to understand the buyer’s business.”

Tyson urged Summit participants to look inside themselves to understand how they lead in today’s environment. “Think about how you manage the sales process,” he said. “Do you have a formal sales process? How do you hold your salespeople accountable? Do you know what it looks like from the time a lead comes in until you close the deal? Mature businesses define that. They know how every lead is followed up; how their people engage with a lead and where that lead ends up.”

He also talked about the changes brought about by COVID. “You’re going to have to teach your salespeople how to slow things down. The mindset of buyers has changed. They are working at home. It’s harder to contact folks. How many people are in the office? Phones aren’t ringing at desks. People are working remotely. Our recommendation is that you track the cold outreaches your salespeople make

“You’re going to have to teach your salespeople how to slow things down. The mindset of buyers has changed.”



and look for them to make multiple touches. Such as leaving a voicemail and then emailing them to say you’ve left that voicemail. COVID has become very personal. It’s affected how people look at the world. Buyers are being conservative with their buying. Everything is last minute. That’s going to affect how you’re doing business. You must see things from the buyer’s point of view. For salespeople in the time of COVID, it’s harder to do their job. That means as a leader you’ll have to do more coaching. You’ll have to look at and formalize your sales methodology.”

He concluded by emphasizing the role of the leader in developing their salespeople. “Salespeople are built. They aren’t born,” he said, urging them to look for raw talent and encouraging them to hire people at the beginning of their careers. “They don’t have bad habits. They don’t mind doing the unsexy things, like prospecting. They don’t mind getting dirty. Find that talent and start them at the bottom. Groom those salespeople by having them do the tough part of selling - prospecting. Outbound outreach (prospecting) is the hardest part of the sales process. Once they are com-

fortable with this part, they can be groomed to become successful salespeople.”

Strategic Thinking and Picking the Unfair Fight

Business advisor and former business owner Wes Gipe brought his hard-won lessons to the group in two sessions called “Why Strategic Planning is No Longer Enough, and What to do About It.” He advocated for participants to “pick an unfair fight” with competitors that sets the stage for companies to win the battle for business. In his definition, an unfair fight in business is one for which their company is uniquely qualified to win.

“If you pick an unfair fight and you plan for it, you will succeed,” he said. “If you want to find ways to pinpoint that unfair fight, look for the mystery. So many people are fighting in a crowded ring when there’s a better ring that they are unwilling to step into.”

Gipe suggested that participants find that “better ring” by looking into the mind of the customer. “Look at the customers. Look at what those customers need to get the gains they are looking for. Find out how your cus-

tomers describe success and you’ll be able to present the solutions that make them want to buy from you.”

He pointed out that most companies build their sales strategies around what they want to sell; not what the customer wants to buy. “Most entrepreneurs sell what they do best no matter what the customer wants because it’s what they know,” he pointed out. Their sales strategies are built around finding customers who need what they sell. They start with what they have and go in search of customers who need it. The most expensive and most risky way to scale a business is to create something and look for people who need it. If you don’t know the customer’s mindset – where their pain is – it’s tough to win.”

At the end of the first day, Gipe gave the group “homework.” He asked them to put themselves in the shoes of a primary buyer in one important vertical for their business. He then charged them with considering that buyer’s pains and gain and the solutions the participants could offer to speak to these issues. “Pick a specific customer and make a series of intentional deci-



“If you chase every opportunity, you suboptimize what you do. You need to know when to say no to business.”

sions that puts you in an advantageous position with them. As a resource-constrained company, it helps you put your money, time and talent into building a strategy that delivers the right message to the right customers,” he advised.

On Day Two, participants broke out into work groups to follow up on their “homework.” Gipe asked them to make decisions about the “unfair fights” that would lead to company growth by matching their company’s unique competencies that match their buyer’s issue. He asked them to discuss the answer to the question: “What is the fight your company is uniquely qualified to win?” and to apply this to one specific market. He told them that these decisions would, “open new opportunities” and lead them to “the value you can unlock for your customers.”

Companies that know where they fit for their customers and how they can add value can construct sales strategies that will resonate with the customers. “If you know where you fit and what value you deliver to these customers, they will sell themselves,” he said. “Use that information with specific clients and you’ll win them.”

He urged Summit participants to “Look for your advantage in a crowded

space. You’ll find that advantage if you look back over the past years to find the unfair fights you’ve picked and won. If you just pinpoint these and scale based on that, you can build a sales strategy that will help you grow,” he said.

Gipe cautioned against pursuing volume for the sake of volume. “Volume is vanity. Profit is sanity and cash is reality,” he said, pointing out that just getting bigger should not be the goal. He acknowledged that many companies build their strategies on just bringing in more business. “If you chase every opportunity, you suboptimize what you do. You need to know when to say no to business.”

Gipe acknowledged that saying no to jobs is tough for any business to do. Speaking from his own experience he said, “We had to accept that we couldn’t accept every opportunity that presented itself. It wasn’t easy and we had to make this shift gradually over time. We had to accept that we had to go backwards and shed what wasn’t working.”

He urged participants to look at the profitability of each customer. “In my company, when we looked at profit by customer, we realized we had to shed some business. We started to really as-

sess costs to decide what we had to get rid of. Over the course of four years, we tripled the size of the company at double the net margin by making this focused move.”

He urged participants to develop specific messages and pay attention to how different segments of their customers responded to them. “Try them out with prospects,” he said. “Do some A/B testing. See which message resonates. Pay attention to what catches a prospect’s eye and make changes to your services to cater to that. Keep testing those messages over time to make sure they continue to resonate.”

He concluded his two-day sessions with some parting thoughts about planning in today’s environment. “Planning is dead,” he said. “Today, it’s all about strategic thinking – knowing how to pick the unfair fight by truly understanding your customers’ pains and the gains they seek. The traditional model of strategic planning is dead. To respond you’ve got to be teaching your people to think strategically. Strategic thinking is the art of designing your company so that everything it does produces value that a customer will part with their hard-earned money to buy.”

“For any organization, inclusion is a no-brainer. It’s something that any business that wants to succeed has to do.”



Winning the War for Talent By Embracing Diversity

ELS participants got a realistic picture of today’s workers and the competitive advantage of a diverse and inclusive workforce. Dr. Djoly Souffrant talked about how inclusion of all potential workers and drivers would allow their organizations to tap into different perspectives for growth, competitive edge, innovation and profit.

In introducing the session, moderator Ed Eppley said, “Never before has it been so difficult for people in this business. The more organizations can make themselves attractive to those who don’t look like those who run the business, the more competitive they will be. Bringing in different points of view can be the best way to grow a business and have the workforce to meet demand.”

Souffrant presented bottom-line advantages for companies that tap into a diverse workforce and make inclusion a priority. “There are financial benefits to making sure that you have a diverse and engaged workforce,” he said. “Organizations with above-average diversity on their management teams report revenue that is 19% higher than their peers. In addition, those that have inclusive organizational cultures are two times more likely to meet or exceed their financial

targets and six times more innovative and agile.”

He urged participants to think beyond diversity to inclusion to foster an inclusive environment that attracts and retains the workforce. Diversity, he explained, is about welcoming a variety of individuals into a company. But that is only the beginning. Successful organizations are all about inclusion. This, he defined as, “The degree to which an employee has a feeling of open communication, access to information, involvement in work groups and perception of being a part of the team.”

Addressing the conference theme of strategic survival, Souffrant said that “...it is vital that you look at how your internal and external customers are experiencing the world today and how inclusivity is impacting them.” He pointed out that the issue is of key importance to businesses who want to hire and retain Millennials. This group is projected to make up 75% of the workforce in 2025. Companies will need to realize that if they want to employ the younger generations they will need to find ways to meet their expectations, especially on this key issue.

Creating an environment of inclusivity starts with the leaders. He advised those at the Summit to look inside

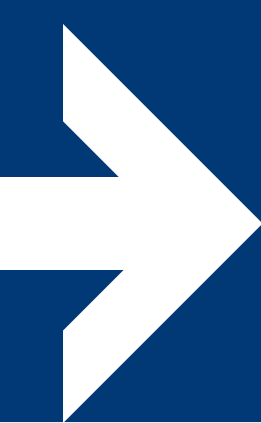
themselves as leaders (he called it “leadership of self”); to change the narrative about inclusivity in their company and to “set the thermostat to inclusion.”

He offered four personal leadership principles for those who want to lead inclusively

1. Build genuine relationships with employees of all types
2. Lead by example
3. Be accountable for “Walking and Talking the Talk” about inclusivity
4. Adapt inclusive leadership behaviors and characteristics.

Given the escalating demands on last-mile providers Souffrant charged those participating in the Summit to make the best use of the largest workforce they could by understanding the need for diversity and cultivating an organization that includes all of those in the workforce in the growth and success of the business. He sums it up this way: “For any organization, inclusion is a no-brainer. It’s something that any business that wants to succeed has to do.”

For more about the impact of the diversity and inclusion issues on success in 2021 and beyond, see Dr. Souffrant’s article on page 44 of this issue of the Customized Logistics & Delivery magazine.



“Today, we don’t have the ability to predict. Today there is no certainty. Every phone call is a surprise. We like to be able to control the variables and the outcomes.”

Updates on COVID’s Impact on the Industry

Industry guru Jim Tompkins gave Summit participants a bird’s eye view of the effect of the pandemic on today’s supply chain and forecasted its impact on the upcoming holiday delivery season.

On the Summit’s second day he offered his perspective on how the virus had changed the industry forever.

He pointed out that the virus has impacted:

- How people work, interact, have fun and live
- How people maintain health, sanity and get educated
- How companies operate, perform and create value
- How factories, offices, supply chains and data centers function.

For those in the industry, one of the most significant changes has been on the way people shop. “A major shift in shopping has occurred and it will go on into the future,” he said. “We know that it takes 66 days to establish a habit, so we can assume that they have now developed new ways of shopping that will not be changing.”

COVID, he said is “... the ultimate VUCA event.” The VUCA acronym

describes a world-changing event that is volatile, uncertain, complex and ambiguous. The U.S. Army War College introduced the concept of VUCA to describe their expectations of the changes in the world from the end of the Cold War.

“All of us want to control things, but that’s not a reality today,” he said. “Our control mindset is broken in this VUCA world. We are used to predictability; to be ready; to have a strategic plan. Today, we don’t have the ability to predict. Today there is no certainty. Every phone call is a surprise. We like to be able to control the variables and the outcomes. That’s not happening.”

In today’s VUCA world, leaders can’t lead the way they used to. “Your leadership is not relevant in a VUCA world,” Tompkins cautions. “You need to change how you think about the business you are doing. You can’t do the job the same way you did the last five years. You can’t develop one set strategic plan or budget. You need to develop several budgets and plans. It’s not about optimizing the business you have now. It’s about putting your business in a place of optionality. Put in listening devices and then shift to different options depending on what you hear.”

Long- and Short-Term Impacts

Tompkins pointed out that the short-term impact of COVID will vary by regions and the development of a vaccine. He did, however, outline a few short-term outcomes that will affect many in the supply chain:

- Broken supply chains – “Supply chains were totally dismantled for six months,” he pointed out. “First, the supply broke down from China. There was no product. Then lockdown initially threw demand off. We didn’t have the ability to synchronize demand and supply.”
- Increased digital consumer commerce – “Consumers have continued to spend on digital commerce in a big way,” said Tompkins, pointing to a 30 to 40% increase in ecommerce over last year’s spend. He projected the holiday season will top that with a 50% increase for what was spent (i.e. what will need to be delivered) over last year.
- Increased digital business spending – “Business spending had gone heavier on digital commerce than ever before, which has dramatically stretched the capacity of delivery systems because many of those deliveries are going to people’s homes.

“Much has been said about the new normal, but I propose we use a better term – the Next Normal”



That’s because that’s where many are working,” he said. “It’s blurred the lines between B to C and B to B spending and where those goods are being delivered.”

- Maxed out capacity at UPS and FedEx - “These major players are out of capacity due to the explosive growth of ecommerce,” he said. “The growth these carriers expected to happen over the next three to five years has, in fact, happened over three to five months. These big players have a major problem. They are putting constraints on shippers which I predict will result in a substantial increase in the business left over for regional carriers. In the past, regional carriers delivered four to seven percent of the total holiday volume. This year, 25% will be done by regional carriers during the holidays just because UPS and FedEx didn’t plan for this volume.”
- Major changes needed for the U.S. postal system – “The post office is broken,” Tompkins proclaimed. “Letter mail is down 50% and parcel delivery is way up. There are calls for profitability. The role of the post office has not changed from day one. Its job was to bind the nation together. Today, that’s a problem. They must deliver to every address

in the U.S. six days a week. There will need to be major changes if that promise is to be kept and that won’t happen because it’s a political football.”

- Changed holiday season – “The 2020 holiday season will start earlier than ever before,” said Tompkins. “Sales will be earlier. Black Friday may very well be in October with surcharges being put in place around the same time. Cutoffs for delivery are going to be earlier in December. Because I’m projecting regional carriers will pick up 25% of the holiday volume, I see this holiday season as offering them a huge opportunity. This is the opportunity you have been waiting for and you need to do contingency planning of several different scenarios to make this happen.”

For the long-term, Tompkins sees nothing but continued growth for regional carriers. “Final mile growth is going to have urgent shortages,” he said. “UPS and FedEx won’t be there. I project tremendous opportunity for regional carriers to take some real substantial business over the first three months of 2021.”

The Next Normal

“Much has been said about the new normal, but I propose we use a better term – the Next Normal,” said Tompkins, advocating for a new VUCA as well. “It’s time to embrace VUCA 2.0:

- V = Vision: Reinvent strategy
- U = Understanding: Prepare people, process and technology
- C = Clarity: Harness the power of VUCA and achieve profitable growth
- A = Adaptable: Embrace optionality not optimality

Tompkins concluded his remarks with four observations about the industry in the wake of the pandemic. He said:

- “COVID-19 is just one shock to our world. There are more to come.
- The virus is terrible, and the impacts are huge, but COVID-19 presents positive opportunities for those in the customized logistics and final mile sectors.
- Pondering the future is only the beginning. Taking action is required to harness the opportunities presented from VUCA.
- 2020 will end, but the impacts of 2020 will not. This can be a curse or a blessing resulting in a tomb or boom. It’s your call.”



Next Steps

Participants in the Summit left with hours of information; dozens of practical ideas and an eagerness to put it all into action. In the words of several attendees:

“You pulled off the virtual thing with near perfection... bravo! The subject matter was timely and applicable to our field and to the current environment.”

“I found the whole event very informative and I think the overall presentation was well thought-out and organized.”

“The speakers were well versed and insightful. The Happy Hour was a well-planned and fun event.”

“I thought the content was right in line with what’s going on right now. The fact that I could invite other people in the company that don’t normally get to attend CLDA functions was awesome!”

New Dates 2021 Final Mile Forum

CLDA is still planning the same great Final Mile Forum you have come to expect from us! However, due to continued concerns regarding COVID-19, the 2021 FMF has been moved from February to June. Be on the lookout for additional information on the 2021 FMF, as well as a virtual event we are planning for late February/early March.

New dates: June 23 - 25, 2021

Location: Caesars Palace, Las Vegas, Nevada



USPack Acquires Freight Rite. Tenney Group Advises.

USPack, a national leader in high speed, final-mile logistics and NewSpring Holdings portfolio company today announced the acquisition of Freight Rite, further expanding its omni-channel retail logistics capabilities and national footprint. Tenney Group, an industry specialized M&A firm, advised the seller.

The strategic acquisition of Freight Rite supports USPack's commitment to white-glove delivery and in-home installation. Since 1999, Freight Rite has been a regional home delivery leader for appliances, furniture, sporting equipment and electronics. "By partnering with an established, tech-enabled national player like USPack, we can quickly and easily expand our best-in-class operational strength to other markets and verticals," said Brian Beerbower, CEO, Freight Rite.

With this acquisition, USPack is uniquely positioned as an omni-channel Delivery Economy partner for retail and ecommerce. As a result, the firm welcomes large national retail partners to its customer roster in apparel, appliance, furniture, cosmetics, value merchandise and home improvement verticals. The company's expanded retail service capabilities include store replenishment, parcel, delivery from store, white glove services and professional in-home installation. USPack will continually focus on network growth, industry-leading technology solutions, and adding new capabilities to further strengthen its service offering.

"This acquisition ushers in a new frontier of service capabilities for USPack's retail offering, both geographically and in strategic areas of expertise," said Mark Glazman, CEO, USPack Logistics. "Both companies offer specialized services that align with USPack's commitment to customer satisfaction and will help fuel our growth as the leader of end-to-end retail solutions. We are excited to double down on our retail strengths by marrying our innovative, adaptable ADDI technology stack to their robust delivery operations to scale growth for USPack and our customers."

The Freight Rite deal is the second final mile transaction for Tenney Group in a matter of months. Earlier this year, Tenney Group advised Linn Star Transfer in their sale to Forward Air. Spencer Tenney, President and CEO, shared "In order to fully capitalize on the available opportunities in the final mile space, companies need cutting edge technology, elite operational capabilities, and scale. Acquisitions are playing a key role in piecing that puzzle together." **CLDA**

ABOUT USPACK USPack is a same-day final-mile delivery company custom-built to help brands and businesses win in the delivery economy. With a 30-year track record of success, the company has a proven ability to create delivery strategies with business impact for customers in retail, healthcare, ecommerce, manufacturing, and distribution. For more information, visit www.gouspack.com.

ABOUT TENNEY GROUP Tenney Group is a merger and acquisition advisory firm that has been dedicated to the transportation and logistics industry since 1973. Tenney Group primarily provides sale side advisory services for companies with annual revenues ranging from 20m to 300m. For more information, visit www.thetenneygroup.com.



Mantione Baby

CLDA Executive Director Matt Mantione and his wife Pamela recently welcomed little baby Monica Ann into the world. She was born weighing 7.5 pounds. Both mom and baby are doing well. **CLDA**

Richmond Express Courier Service and Warehousing Celebrates 30 Years in Business

Celebrates 30 Years in Business



Thirty years ago Richmond Express started in the industry as Richmond Riders, a bike messenger company servicing the downtown area of Richmond Virginia. The three-man team of Ralph Lincoln, Arthur McCray and Harold Bourne worked out of a 700 square foot space dispatching deliveries using 3x5 note cards to track the delivery requests. They had 10 bike riders who would make the deliveries, sometimes as far as 10-15 miles away. The employees would call from each customer's delivery location for the next order as pagers were hard to come by back then! Within one year of starting the business they determined they were ready to take on a bigger chunk of the market, so they added cars to the fleet. Realizing the name "Richmond Riders" might make people think they were only a bike delivery service they re-branded and became Richmond Express Courier Service. Also that year, after a visit from the IRS, they became a 100% employee operation, but that is another story for another time.

Richmond, Virginia has been a good home to the locally owned and operated small business and its diverse market has allowed for continued growth. After a few office moves and an expanded fleet to include vans and box trucks, Richmond Express has firmly established themselves in the Richmond market.

With Arthur McCray at the helm as President, Richmond Express has experienced measured, sustainable growth in its 30 years. "Our culture has always been very important to us," says Arthur McCray. "We have a workforce made up of dedicated individuals who really care that the job is done right – the first time! For that kind of commitment to our company, we offer a benefits package and bonuses for outstanding performance. This business model is a main factor in our success in retaining excellent employee drivers!"

Harold Bourne, who has led the dispatching office from the beginning, notes "The last thirty years have been good to me and I can think of at least 6 people still here after 20 years. It has been a wonderful profession for me and for them!"

Melanie Rodgers joined the team in 2007 as a Business Development Manager, later to become Vice President. They have continued to grow and modernize with an updated website, an office space to include warehousing, and is the only courier company in Richmond to offer refrigerated van deliveries. "A lot of our growth is customer driven. We are grateful to have client partners who trust us enough to talk about their logistical challenges. Those types of discussions have led to internal meetings where we look at other ways to help our customers. Whether that is legal deliveries like process service or frozen food deliveries, we are open to different verticals that allow us grow while helping our clients."

In 2017 they rebranded again to become Richmond Express Courier Service and Warehousing, where the owner Ralph Lincoln can be found each day on a forklift on their loading dock. "Warehousing has become a significant part of our business. The ability to store our clients' inventory in our facility and deliver it when and where they need it is a real time saver for them. We even help out-of-state customers with their cross-dock needs. It is so important, it's part of our name now!"

The newest addition to the management team is Operations Manager Jason LeBlanc. Jason has been instrumental in streamlining our human resource system, upgrading computers and phones and, most importantly, has given a real boost to employee morale. His open-door policy has produced a few "think tank" sessions resulting in important changes for Richmond Express employees. No idea is too big or too small for him to review because he knows that happy employees make a company successful, especially when they are the face of the company every day!

Although COVID has certainly changed the way they do business in 2020, the future looks bright for this enterprising group. Cheers to another 30 years [Richmond Express!](#) CLDA

SCI Adds Merchants Fleet to Growing Customer Offerings

SCI has launched a national fleet rental and leasing program for its Logistics Brokers that will enable business growth by reducing vehicle costs.

Merchants Fleet, the nation's fastest-growing fleet company, and SCI, America's premier 3rd party administrator for delivery companies and owner-operators, recently launched a national fleet rental and leasing program for its Logistics Brokers. The program will enable business growth for the Logistics Brokers through reduced vehicle costs, the highest of all operating costs for the group.

"Fleet management is a challenge for all final-mile companies and why SCI is excited to introduce SCI's newest partner, Merchants Fleet, at a time a solution is needed most. Merchants Fleet's tailored fleet services will give SCI's clients options that can reduce operational costs while being flexible enough to respond to growth," said Peter Fidopiastis, President, Chief Operating Officer and General Counsel at SCI. "Merchants Fleet's programs have the breadth and flexibility our Logistics Brokers need to grow their businesses."

Under the partnership, Merchants will provide vehicle funding and purchase options for new and pre-owned vehicles as well as services to support the day-to-day op-

erations of the vehicles. In alignment with their core value of flexibility, Merchants will offer several funding options, to include: rentals, rent-to-lease, traditional lease terms, vehicle purchasing, and own-to-lease. Their rent-to-lease option is an exclusive offering in the fleet management industry and was developed as a way to accommodate the needs of industries like last mile that experience rapid fluctuations and need creative ways to scale. The service offerings will include managed programs for fuel, maintenance, telematics, and remarketing vehicles at the end of term/use.

"It's an honor to service the Logistics Brokers of SCI during this time of accelerated growth. With the surge of online ordering and home delivery, our program provides the flexibility to meet the Logistics Brokers' varied needs," said Marcus Luce, Director of Logistics Partnerships, Merchants Fleet.

The Merchants program will officially launch to the SCI Logistics Brokers on October 21st. **CLDA**

ABOUT SCI Subcontracting Concepts, LLC (SCI) is the premier Third-Party Administrator (3PA) servicing the logistics industry. SCI affords its customers access to competitive insurance programs through its associations with the leading insurance companies in the final-mile space, along with settlement processing, and personalized customer service for logistics brokers. SCI's focus has always been on building software and services that can keep up with the demand of the logistics industry. Everyone at SCI is dedicated to knowing more about our customers' needs and adapting to meet them. The SCI team is continually collaborating on new and exciting ways to streamline owner-operator enrollment, document management, and verification. SCI combines technology, personal customer service, and years of knowledge and experience to create a one-stop shop to ease the burden of operating a business that serves the final-mile market. For more information visit www.sciadmin.com

Does your company have news you would like to share with the readers of the Customized Logistics & Delivery magazine? Did you move? Add new services? Get an award? Become involved with a community project? Reach an important milestone? Let us know. Members of the CLDA may send their news to: Andrea Obston, CLDA Director of Public Relations, aobston@aomc.com.

Global Messenger Founder Still Going Strong at 100 and Out to Change the World



When Julian Hyman jumped into the courier business in 1990 it was all about finding a new career at age 70. He had spent over 40 years traveling the globe, searching out items for his family's importing business, and he was ready for something new.

He started his first career in his 20s by joining the family's business. He toured the world over 40 times, searching for specialty items made by small business owners. Many were in Third World and developing countries. He'd often visit the same craftspeople year after year, getting to know them and their families, sharing meals with them and learning about the issues they faced.

"Every year I'd travel on buying trips," he recalls. "I would buy a round-the world ticket and spend a month and a half on the road. I got to know the people I bought from. I began to realize that we are all the same. It just depended on what culture you were born into. That determined where you would end up. But really everyone wants the same things for their families and themselves."

As he spanned the globe, Hyman jotted down notes that became the foundation of a book that he hoped would change the world. And, although he stopped traveling and got into the courier business, the idea kept growing in his head. Ironically, the business he bought in 1990 was a logistics company called Global Messenger Service located in Baltimore, MD. That company today offers same-day delivery and warehousing for customers throughout the Baltimore/Washington Metropolitan area as well as Virginia, Delaware, Pennsylvania, New Jersey and New York.

Julian ran that company for 25 years, during which time he wrote a book titled [U Can Save The World](#). The book's premise is that one world-wide governing body is the only

way to tackle the problems of the planet and preserve it for future generations.

At the age of 95, Julian decided it was time to retire from Global Messenger. He sold the business to his son Steve, daughter-in-law Leslie Hyman and Joel Pinsky, who run it today. "For 25 years in the courier business, we delivered packages. I decided it was time to deliver an essential message to the world with the years I have left," Julian says.

Steve has been a big part of his father's effort to put the book's ideas into action. Together, they are taking the first steps, forming the first chapter of the Society of One World at Blakehurst, the senior independent living community just outside Baltimore where Julian lives. "We are starting a world movement right here," says Julian. "Then we expect it to spread to other senior communities across the globe. We're going to capture the power of those who have lived many years to inspire the young to get involved."

Julian and Steve envision chapters of the Society of One World growing up all over the planet, catering to different generations. Julian would like to see the book translated into other languages and into an audio book and he imagines a time when the concept will go viral.

In August, when Julian turned 100, he and Steve used the occasion to attract attention to his One World concept. They created a Facebook page with the goal of getting one million likes from people all around the world to bring attention to the concept. The quest for those million followers is still going on, as is Julian's hope of a time when everyone on the planet is a citizen of One World.

"We feel like we're at the beginning of a very big thing at a pivotal time in the planet's history," Julian says. "What I'm trying to do is like planting a tree that will last past my lifetime. When I go, the seeds will fall to the ground and grow into an orchard. Then a forest. It will go on that way until it blankets the world."

To support Julian's goal of getting one million followers, click on the [Facebook](#) page and like it. **CLDA**

Women's Council News:

Co-chairs: Patty Johnston, Corrigan Johnston Risk Advisors Inc. and Emily Phillips, XPO Logistics

The Women in Home Delivery Council recently presented a program that featured women business leaders discussing their journeys in the home delivery industry and the challenges they faced along the way. The presentation was moderated by Patty Johnston (Corrigan Johnston Risk Advisors, Inc.) and Natasha Cary (CODE) and featured panelists: Emily Phillips, Vice President, Advanced Solutions, XPO Logistics; Arelis Gutierrez, President & CEO, Aria Logistics LLC and Kelly Picard, CEO, Hackbarth Delivery Service and CLDA Board member.

The WHDC is looking for other presentation topics that would be of interest to Council participants. Please share your thoughts on programming and for bringing the Council members together with WHDC coordinator, [Heather Hall](#).

You can also connect with WHDC in our member's only area. [CLDA](#)

CLDA Members Recognized by Inc. Magazine for Remarkable Growth

Four members of the CLDA were recently recognized by Inc Magazine for their significant growth during 2020. The Inc 5000 rating recognizes the country's 5,000 fastest growing private companies.

We congratulate these members for their noteworthy growth:

- Need It Now Delivers, New York
- Dropoff in Austin, TX
- Banyan Technology
- Delivery Drivers Inc., Irvine, CA

[CLDA](#)

Excel Courier Celebrated Its Drivers With Recognition, Events, Daily Raffles, Prizes, And More

From September 13-19th, Excel Courier celebrated Driver Appreciation Week. It was an opportunity to recognize our drivers and how important they are. We celebrated with daily raffle prizes and giveaways for each of our drivers. Some of these essential workers were also highlighted in our spotlight interviews; they each have their own unique story.

Thank you to all drivers for giving us a reason to have a Driver Appreciation Week. We have had the pleasure to meet and work with some amazing and interesting folks. Finally, this was just one week to officially recognize drivers. Every day of every week we appreciate all the hard work and efforts drivers put forth to support our customers. Thank you for being such an important part of the Excel Team.

You are the best and we appreciate every one of you every day. [CLDA](#)

Key Software Family Adds One

Congratulations to the family of Chuck Lupo from Key Software on the birth of Gino Vincent Lupo! Key Software is a long-time sponsor and member of CLDA.

The latest addition to the Key Software family arrived on August 28, joining big sister Carmella to round out the Lupo clan. Baby Gino and his mom Maria are doing fine. Just a bit sleep deprived!

Congratulations and many sleepy returns to Chuck and Maria from the CLDA family! [CLDA](#)



Openforce appoints Wendy Greenland as CEO

Openforce, the leading provider of technology-driven and insurtech solutions for transportation companies, offering onboarding, settlement, compliance and insurance services for managing independent contractor workforces, recently



promoted Wendy Greenland to president and chief executive officer. Greenland, who previously served as Openforce's chief operating officer, assumes the role as Ryan Kelly moves on to explore other opportunities.

Greenland has more than 25 years of management experience, including almost two decades of strategic development and plan execution in technology and software organizations. Prior to her role at Openforce, she was chief operating officer of InfinityHR, an HRIS and payroll company. Greenland helped significantly grow revenues at InfinityHR, which was acquired by Arcoro in 2018. She holds a master's in business administration.

"We're thrilled to have Wendy taking over as CEO, as the passion and knowledge she brings to the business are unmatched," said Steven Kaplan, chairman of the board at Openforce and a general partner at Riverside Partners. "Wendy is already a well-respected leader at Openforce. As CEO, she will

continue to bring new ideas to the forefront while preserving the company's collaborative culture and enabling a seamless transition."

"It's a privilege to continue to serve this extraordinary organization and lead it into the future," Greenland said. "We will be taking many of the strategies Ryan helped us establish and executing on them with renewed energy and additional innovation to deliver leading edge solutions to our customers. My goal is to maintain laser-focus on those objectives."

During the past two years, Openforce has experienced unprecedented growth, expanding its client list, technical functionality and insurance offerings. Thanks to Kelly and Greenland's foresight and leadership, Openforce has persevered through the COVID-19 pandemic, building new products from Crum & Foster, Hudson, AJG and Risk Strategies into its platform. Those changes allowed Openforce to strategically position itself as a software-driven service and insurtech leader in transportation and other key industries and offer significant new benefits to customers. Greenland and her leadership team plan to continue along this path while fine-tuning the solutions and services that make Openforce the premier choice for independent contractor workforce management. For more information, go to: [OForce.com](https://www.openforce.com). **CLDA**

New York State Messenger and Courier Association Held a Legislative Workshop

The New York State Messenger and Courier Association recently held a workshop on legislative issues. Past President Mark Chiusano introduced Jonathan Bing from our New York City lobbying firm of GreenbergTraurig.

Bing gave a presentation on what lobbyist do and how the NYSMCA will benefit from a downstate lobbyist. He also spoke on why the NYSMCA retained GreenbergTraurig stating that it was important to be able to stay on top of proposed legislation and to be able to engage with New York City government officials.

He also spoke on the following topics:

- What "essential worker" bills NYSMCA is concerned about
- How has GreenbergTraurig engaged on NYSMCA's behalf with regard to these bills

- The process by which these bills may or may not move forward in the New York City Council
- How the New York City Council has operated during the pandemic
- Advocacy GreenbergTraurig performed on these bills
- Legislative successes GreenbergTraurig has had recently in New York City that are relevant to its representation of NYSMCA

In addition, Nick Spano, the association's New York State lobbyist from Empire Strategic Planning, provided attendees with an update on what is happening in Albany with the election around the corner.

The NYSMCA will be scheduling a Holiday Party for December 17th. The next NYSMCA Workshop will be January 20, 2021. **CLDA**

LaserShip Announces Time of Need Philanthropic Program

New program builds upon company's 34-year history of supporting communities in critical moments

LaserShip, the leader in last-mile delivery and largest regional e-commerce parcel carrier in the US, recently announced its new philanthropic program called Time of Need to actively support communities it serves through initiatives focused on hunger relief, health improvement and disaster response.

LaserShip has more than three decades of delivery experience and has a history of providing critical support through in-kind delivery services, logistics and transportation consulting, volunteering time, and financial contributions. Given the increased need in recent months due to the COVID-19 crisis, LaserShip decided to formalize this commitment to the community by establishing the Time of Need program.

LaserShip is uniquely positioned to leverage its infrastructure, delivery network, and expertise to support communities in the following key areas:

- **Hunger relief:** LaserShip has developed partnerships with local food banks to help through grants, volunteer events and transportation support.
- **Health improvement:** LaserShip is an official member of the Workplace Partnership For Life which works to help increase organ donation awareness. Earlier this year during the COVID-19 pandemic, the team also facilitated daily deliveries of medical supplies and PPE for Inova, a Virginia hospital system and nonprofit healthcare provider.
- **Disaster response:** Given its infrastructure and geographical network, LaserShip can help deliver

emergency goods like water, food and clothing to areas affected by natural disasters.

“We have a responsibility to serve the communities in which we operate in. From helping deliver food and medical supplies to supporting cities and towns recovering from natural disasters, LaserShip is fully committed to helping during the most critical of times,” said Josh Dinneen, Chief Commercial Officer of LaserShip. “We’re very proud to launch the Time of Need program and look forward to increasing our involvement to deliver a difference.”

LaserShip launched the program with a \$10,000 charitable donation to Food for Others, a hunger relief organization in northern Virginia. As part of the commitment, LaserShip is providing delivery services to help Food for Others transport food from its warehouse to a distribution center in Annandale, Virginia. Food for Others feeds over 2,600 local families each week.

“We’re thankful to LaserShip for their support and being there for the community during its time of need the past few months,” said Annie Turner, executive director for Food for Others. “Without companies like LaserShip, we wouldn’t be able to serve people during this time of increased demand.” **CLDA**

ABOUT LASERSHIP, INC. LaserShip is the leader in last-mile delivery for retailers and shippers that desire reduced transit times and increased flexibility within their supply chain. Founded in 1986, LaserShip has evolved into the leading provider of same-day and next-day delivery services in the Eastern and Midwest U.S. for premier e-commerce and product-supply businesses, including five of the largest retailers in the U.S. For more information, visit lasership.com

Select Express & Logistics, A LongueVue Capital Portfolio Company, Acquires Go Configure

Select Express & Logistics (“Select Express”), a LongueVue Capital portfolio company and national provider of last mile delivery and assembly services, is pleased to announce the acquisition of Go Configure (“GCI”), a consumer delivery, assembly, and installation business and division of Step2 Discovery.

With this complementary merger, Select Express expands the geographic reach, density, and capabilities of its national last mile delivery and assembly network for big and bulky products. In addition, the GCI team brings strong depth of experience in specialized assembly services for outdoor furniture, playsets, and structures to the Select Express organization.

Jay Waldman, CEO of Select Express, said, “On behalf of the entire team at Select Express, we are thrilled to be partnering with Go Configure and its management team. GCI’s expertise as the clear leader in the white glove assembly space for outdoor structures combined with our track record as a leading provider of technology-enabled last mile delivery and assembly services for big and bulky products across the U.S. further enhances our value proposition and service capabilities to the marketplace. We are confident the dedicated team at GCI and its strong technician network will bring great value to our company, customers, and employees as we embark upon our next chapter of growth.”

“The strategy behind this business deal centers on our passion to serve our consumers every step of the way, in the best way possible,” added Tony Ciepiel, CEO, Step2 Discovery, a leading manufacturer of toy, home, and backyard leisure products. “This merger allows us to bring the industry-leading assembly and installation services of Go Configure together with the best-in-class logistics and delivery services of Select Express, creating a second-to-none, fully integrated white-glove delivery, and assembly service.”

TM Capital served as the exclusive financial advisor to Step2 Discovery and GCI, and Norton Rose Fulbright served as legal counsel to Select Express.

ABOUT SELECT EXPRESS & LOGISTICS

Headquartered in New York, NY, Select Express & Logistics specializes in white glove delivery and assembly of heavy goods, leveraging a technology-enabled network of technicians to manage complex, in-home assembly requirements. Established as a New York courier business in 2001, Select Express has grown to become a national player in the third party logistics sector, providing last mile services in all fifty states and Canada along with complementary transportation and distribution capabilities. The Company serves a variety of retailers, e-commerce players, and businesses across a wide array of end markets, including furniture and home goods, sporting goods equipment, healthcare, and home improvement, among others. For more information, please visit selectexp.com.

ABOUT LONGVUE CAPITAL

Founded in 2001, LongueVue Capital is a New Orleans-based private equity firm that focuses on providing human capital, financial capital, and a skill set built upon a successful 20-year track record of partnering with entrepreneurs and management teams to drive value creation in middle market companies. Having managed over \$500 million of capital spanning three funds coupled with 150 years of combined operating and investing experience, our team is the ideal partner for middle market companies at inflection points. Our opportunistic investment strategy provides the flexibility to partner with attractive businesses across a variety of industries and situations, and we tailor transaction structures to meet the company and stakeholders’ objectives. Together with our entrepreneur and management team partners, we help create superior value for our portfolio companies and investors.

To learn more about LongueVue Capital, please visit our website at lvppartners.com or contact Charles Cox, Director, at ccox@lvppartners.com or call 504.293.3600. **CLDA**