



“Since You Asked...”

Hosted By
Transportation Leadership Services



Question: The other day, a friend of mine who owns three trucks said, “*Chasing loads is killing me. I have trouble making money on brokered loads. What can a little guy like me do to make it?*”

Answer: “Well, since you asked...” here are some things to consider.

1. **Know your costs.** It’s nearly impossible to succeed without at least covering your costs. Know your cost per mile for variable costs like fuel, repair and maintenance, driver expense, and your monthly fixed costs for equipment, and any overhead costs for office rent, salaries, and so on. It may be possible to cover your monthly fixed costs in the first couple of loads each month. Once the fixed costs are covered, profits can be realized.
2. **Secure some cornerstone business.** This might take the form of some regular, profitable outbound loads. Find a trucking firm that frequently has excess loads and needs equipment. Or connect with a trusted brokerage that will treat you consistently and fairly. Or find local shippers who might not have a lot of freight individually, but who ship regularly.
3. **Consider consolidating LTL loads.** LTL freight is typically the most profitable. By consolidating LTL loads, you can collect premium rates and then optimize your costs by running full loads.
4. **Have a return strategy before you leave the outbound dock.** You don’t get paid if your trucks don’t roll. To the best of your ability, have the backhaul lined up before you get stuck at your destination. Work Internet Truckstop’s Load Board to secure your backhaul. You have the most control over the headhaul and you should be sure that it is profitable. Your backhaul should at least pay all of the variable costs to get your equipment back home.
5. **Avoid fighting over low margin loads.** Remember that larger carriers can afford to take low margin trips to relocate their equipment. The highest margin trips are to out-of-the-way places. If you have a backhaul arranged then go there, otherwise take a little less profit with much less risk by going to more accessible locations.
6. **Treat others the way you want to be treated.** Your reputation is one of the hardest assets to acquire and one of the easiest to lose. Keep your word. Deliver your loads when you say you will. Pay your drivers what you promised. Take responsibility when things go wrong. You’re the boss, you’re in control, and you’ve made the promise to your customer to deliver on time and without mishap.
7. **Don’t cut legal corners.** BE SURE that you are fully licensed and insured. Most infractions have heavy consequences to prevent you from ignoring the rules. Your legal record is also part of your reputation (see the previous item). And news travels fast!
8. **Use tools.** The Internet Truckstop provides a very wide variety of tools that will help you find loads (Load Board), find the best value for fuel (FuelDesk® Plus and Optistop®), check credit references (Creditstop®), and even improve cash flow by factoring your receivables (D&S Factors).

Call (888) 264-0606 or write to us at Info@TransLS.com. We are ready to help!