



The Wheel

The Transportation Club of Houston Newsletter



October 2004

Communications: Richard Stubblefield

Executive Secretary: Russell Powell

Our Luncheon on Tuesday, October 5th features Grady Hopper UPS Vice President – Strategic Accounts.

His topic is; "Synchronizing the Global Supply Chain: the 21st Century Imperative". Don't miss it.

TCH Fall Golf Classic - scheduled for a 12-noon shotgun start at **Longwood Golf Club** - 13300 Longwood Trace - Cypress, TX 77429 on November 11th. A good time is slated for this event. A box lunch will be served preceding golf. A buffet dinner following the golf tournament. Deadline for signup is November 8 and there are a limited number of spots, so sign up early. See the website for forms and registration for this event.

Members: The Transportation Club of Houston website is pleased to offer an area of our site to post job openings for its' member companies. If you have a listing for this area, please contact the TCH Executive Secretary. This page can be found at: <http://www.transclubhou.org/Employment.htm>

Reminder: TCH now accepts all credit cards for reservations. The luncheon "mail-in" forms now have spaces for credit card information. These forms may be faxed to the club.

Detroit Diesel is offering a retrofit kit to owners of Series 60 Diesel engines produced between October 2002 and Nov. 31, 2003, Freightliner LLC President and CEO Rainer E. Schmueckle announced recently. Chris Backeberg, Detroit Diesel's vice president of marketing, said the retrofit kit replaces exhaust piping coming out of the manifold, the EGR cooler and the EGR cold pipe. "These things do not affect engine performance at all," he said. Also not ever one of the Series 60 Detroit's manufactured from October 2002 to Nov. 31, 2003, have the problem. "But, if a driver does experience a problem we encourage them to contact a dealer or distributor in their area to schedule to have the retrofit kit installed." The retrofit kit will be installed as a warranty repair to engines meeting the manufacture date criteria and takes about five hours to conduct the installation.

"Customer Service In The Transportation Industry"

It's Not What It Used To Be!

By Robert M. Pryor

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For those of you who are young enough not to know how customer service in the transportation industry used to be, from the mouth of a veteran who has been in the transportation field longer than he cares to admit, I'll give you some historical perspective on what the relationship between a transportation service provider and a customer *used to be*. This was before the days of automatic answering machines, menus, and in most cases, high-speed computers. As far as most firms were concerned, if the rates were comparable, many times the carrier, which provided the superior customer service, would get the business. In those days it was a pleasure to be able to call a carrier and actually talk to a human being to get up to date rate information, someone who knew the little secrets in the tariff that only an experienced rate professional would know, and possessing unyielding dedication to ensure that your needs as the customer were met. Those were the days!

Bringing us to the present-day, things have changed dramatically, but for the better? It is now a rarity that when you call a carrier or virtually any company involved in the transportation process that a person actually answers the telephone. This of course has been done in the sake of efficiency and to increase the company's bottom line by not having to hire personnel to answer the initial call. The resulting maze of menus, options, etc. puts an electronic wall between you and the individual you need to talk to. It is not because firms no longer have SOME personnel who know the answer you are seeking, they have figured out that if calls are intensely screened, their high-priced personnel will be more productive if they are not answering calls. Makes sense, doesn't it? In reality is this method doing a disservice to the client who may have an emergency, or does not have the time to go through triple tiered menus attempting to get to the person they need to contact. Sadly, even after a client does navigate the treacherous landscape of menus in many cases the person they finally get is ill equipped to solve the problem and you find yourself transferred back to the electronic menu system!

In the last 10 years, most firms in the transportation industry have changed the profile of its staffing dramatically. Now computer capability and software expertise is preferred in many cases over transportation skills and knowledge required to move freight in the most expeditious manner. Also, the personnel with the industry savvy to make the customer feel special are all but gone. (continued)

Customer Service (continued from page 1)

Why is this happened? Well, the transportation industry is not alone. This is the national trend. Part of the reason is consumer's insatiable appetite for lower and lower prices and rates. In many cases companies, in order to provide products and services at the prices the consumers demand, have no choice but to cut down on the employment of experienced personnel. These personnel not only had the depth of knowledge in the transportation industry that I was used to when I started in the field, but sadly, the ability and attitude they demonstrated to form relationships with customers that brought back repeat business is becoming more and more rare in today's environment.

So whether or not this diminished customer service and lower rates have been good for the transportation industry remains a controversial subject. In many cases, the opinions vary depending on your firm's leverage with the company you are communicating with. If your firm provides a product or service that the public needs and they *must come to you*, automation rules and customer service often goes "out the window". If you are trying to obtain someone's business, you will stress that somehow, someday; you will provide the *now rare skills* of customer service with the "personal touch".

Unfortunately it's a question that probably will only be answered only in terms of dollars and cents. With decreasing profit margins, firms will always take the solutions which increases it's bottom line, and satisfies their stockholders. Also in his day at day and age of rising health insurance costs, most firms are now treating employees as an expense instead of a resource to be valued and nurtured. Companies simply cannot afford to offer the type of service that we valued so greatly in my generation.

If we, as transportation service users continue to place priority on unreasonable rate discounts, even if we know deep down that no one can offer the types of rates we are requesting without "cutting corners", we must understand that we are caught in a loop and are quickly going down a "slippery slope. Good service and good personnel are expensive and with the emphasis on the almighty dollar, good customer service I'm afraid will be the exception, not the rule.

I would imagine, after being in this industry almost 30 years, that any firm, which is able to provide good customer service and still offer products and services at a low price, will undoubtedly rule the market for the next 100 years. That will be the continuing challenge for companies into the 21st-century.

I know, I haven't answered the question, which was better the old or the new? You tell me... ■

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Homepage:

<http://www.transclubhou.org/>

Itinerary:

<http://www.transclubhou.org/Itinerary.htm>

Luncheons:

<http://www.transclubhou.org/luncheons.htm>

Fall golf page: http://www.transclubhou.org/Golf_Fall_2004.htm

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The TCI Scholarship Trustees are proud to announce the scholarship recipients for 2004:

HOOPER MEMORIAL AWARD

Wendi Sellers
Emery Riddle Aeronautical Univ.
Daytona, FL

WOODS MEMORIAL AWARD

Nicolas Manuel
Canadian Inst. of Traffic & Trans
Dieppe, New Brunswick
Trans. Club of Moncton

DEINES CANADA AWARD

Debbie Roy
New Brunswick Comm. College
Dieppe, New Brunswick
Trans. Club of Moncton

DEINES MEXICO AWARD

Ivonne Torres
University of Houston
Houston, TX

TEXAS SCHOLARSHIP AWARD

Romani Gobran
University of Houston
Houston, TX

DENNY LYDIC AWARD

Michelle Jreige
Univ. of Wisconsin Superior
Superior, WI

ALICE WARFIELD AWARD

Rebecca Kizior
Southern Illinois University
Carbondale, IL

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