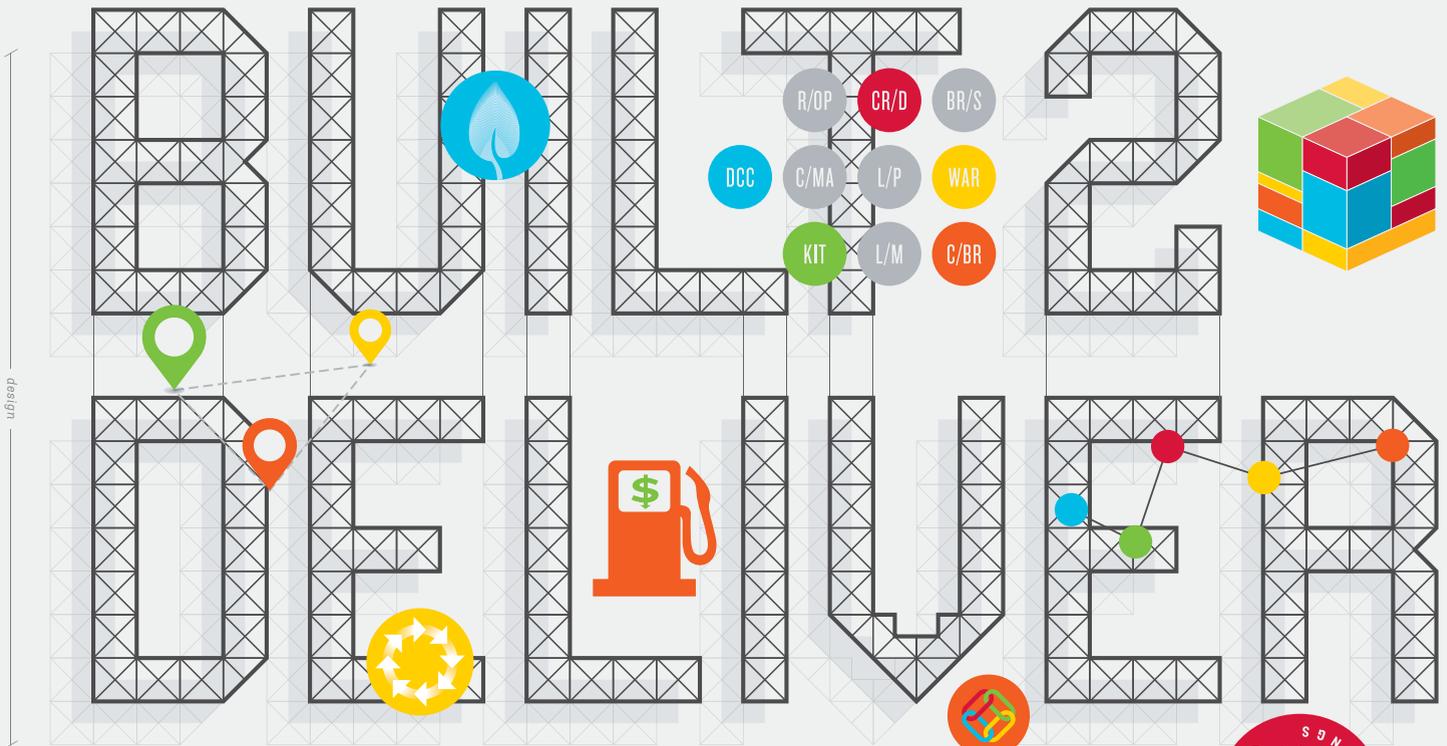


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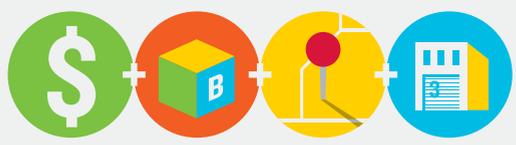
The **RUAN** Magazine

Number 10 Spring 2014



➔ HOW RUAN UTILIZES  
**PRICING & DESIGN**  
TO CREATE THE  
OPTIMAL SOLUTION.

*'what if?'* ➔



OWN VS LEASE



customer's  
closely  
schedules.



diesel counterparts, the low—and stable  
—cost of natural gas can offset the  
equipment cost within the first 18 months.



the most efficient way  
stops and varying sizes  
trailer with 3D load

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## A MESSAGE FROM STEVE CHAPMAN, PRESIDENT AND CEO



In this issue, we cover the significant challenges we are facing as an industry, including increasing government regulations, the current and future driver shortage and the lack of commitment and funds to improve infrastructure (*see page 12*).

The new HOS regulations do not allow driving more than eight hours since the last break of 30 minutes or more. Additionally, the new regulations require that the once a week “restart” period of 34 hours includes two night rest periods between 1 a.m. and 5 a.m. Industrywide, carriers and associations feel that the new HOS rules do not enhance safety as intended.

The Federal Compliance, Safety, Accountability (CSA) program also continues to be a challenge for our industry. There are data accuracy issues, regional discrepancies in data and too many carriers with no data. CSA is also contributing to the driver shortage. The limited driver capacity will drive up the cost of wages, and the increases will likely be passed onto shippers.

Another ongoing challenge is that America’s freight system is in need of substantial investment. The decreased funding for highways, railroads, ports and waterways has caused a near-term infrastructure crisis. The amount of available funding is well below the level needed to maintain — let alone improve — the freight system.

Out of challenge comes opportunity. I think that statement applies to those who find ways to overcome the challenges to create opportunity, rather than not

being able to see beyond it. Two areas of significant opportunity where we have capitalized are the tremendous advances in technology and alternative fuels.

Ruan has invested heavily in updating our technology. We know our investment is making our team members more efficient and effective, helping to serve our customers better and ensuring competitiveness in the marketplace.

At the beginning of 2013, Ruan elected to implement PeopleNet electronic onboard recorders or EOBRs in our fleet (*see page 20*). The EOBRs have many benefits, and they are accurate down to the second. The technology is used to maximize performance of the drivers and equipment.

Alternative fuels are also gaining traction and offer an unprecedented opportunity for our industry (*see page 4*). As a result of the high and inconsistent cost of diesel, we continue to grow our compressed natural gas (CNG) fleet.

Beyond the challenges and opportunities, we strive each and every day to provide greater value to our customers by partnering to evaluate, optimize and deliver an integrated, one-source transportation solution. We offer our customers the flexibility of our non-asset and asset-based capabilities along with optimal technology and superior service focused on providing continuous improvement, cost savings and supply chain efficiency.

Have a happy and safe summer!

Respectfully,

Steve Chapman

METHANE WASTE FROM COWS POWER AN ENTIRE FLEET OF CNG TRUCKS AT FAIR OAKS FARMS IN INDIANA.

MORE POWERFUL I2L ENGINES WILL EXPAND THE FLEET'S DELIVERY RADIUS AND THE CAPACITY IT CAN HAUL.

INVESTMENT IN INFRASTRUCTURE DEVELOPMENT IS ON THE RISE. THERE ARE NOW MORE THAN 700 FUELING STATIONS THROUGHOUT THE U.S.

COMPRESSED NATURAL GAS (CNG) IS THE BIGGEST CHANGE TO TRANSPORTATION FUEL IN 50 YEARS



IN 2010, RUAN WORKED WITH FAIR OAKS FARMS IN INDIANA TO CREATE A TRULY REVOLUTIONARY TRANSPORTATION PROGRAM. THE TWO COMPANIES CLOSED THE FUEL LOOP. FROM GRASS TO COWS TO MANURE TO FUEL TO TRUCKS. IN A PROCESS CALLED ANAEROBIC DIGESTION, MICROORGANISMS FEED ON MANURE FROM THE FARM'S 32,000 COWS AND EXCRETE METHANE, WHICH THE FARM TRAPS AND PROCESSES.

This unique 42-truck compressed natural gas (CNG) system, which started as a collaboration between Fair Oaks Farms, Ruan and the State of Indiana, has been incredibly successful and continues to be a model of how alternative fuels can be both economical and environmental.

The project has been such a success, in fact, that it helped Ruan commit to CNG. And Fair Oaks Farms is once again leading the way as all of the trucks used at this operation have switched from 9L engines to the latest 12L engines.

"When we started the project, 9L CNG trucks were all that was available," said Steve Larsen, Ruan's director of procurement and fuel. "Since then, however, manufacturers have introduced more powerful 12L CNG engines. We have converted all 42 trucks."

Ruan's professional drivers say that the 12L engines drive like a diesel truck — with enough power to pull a tanker full of milk — without the noise or the smell of a diesel.

The success of the new 12L trucks is helping drive adoption across many of Ruan's customers, and the benefits of CNG are becoming more and more apparent every day.

## WHY ARE SHIPPERS CHOOSING CNG?

**Sustainability.** Natural gas burns cleaner and emits fewer greenhouse gases than diesel fuel, which allows companies to meet stricter Environmental Protection Agency (EPA) standards and the tough California carbon requirements. In addition, CNG trucks do not need to use DEF fluids or other exhaust treatments.

**Energy independence.** Relying on the Middle East for fuel is a recipe for uncertainty. Especially when there is an abundant source of natural gas in the United States, and the ability to make more, as Fair Oaks Farms does with a little help from their cows.

**Lower cost.** The instability of oil is one of the greatest drivers in favor of CNG. Natural gas is typically \$1 to \$2 cheaper than diesel fuel — but that doesn't tell the whole story.

Because CNG is a newer fuel, companies are paying for the cost of the new infrastructure with every gallon of fuel. With diesel prices, however, the infrastructure is largely established; most of the cost per gallon is the fuel.

So increasing raw fuel costs affects diesel prices far more than CNG. In fact, CNG is such a stable commodity, CNG prices can often be locked in for five or six years. Because of that, shippers and transporters can use CNG as a hedge against the volatility of oil prices. Consider this example:

CNG PRICE STABILITY:	
\$ 0.50 (natural gas)	+ 1.50 (infrastructure, taxes and fees)
<b>\$ 2.00 per gallon CNG</b>	
\$ 3.00 (diesel)	+ 0.85 (infrastructure, taxes and fees)
<b>\$ 3.85 per gallon diesel</b>	
But if the cost of the fuel increases 50%:	
<b>Cost of CNG</b>	
\$ 0.75 (natural gas)	+ 1.50 (infrastructure, taxes and fees)
<b>\$ 2.25 per gallon CNG</b>	
<b>Cost of diesel</b>	
\$ 4.50 (diesel)	+ 0.85 (infrastructure, taxes and fees)
<b>\$ 5.35 per gallon diesel</b>	

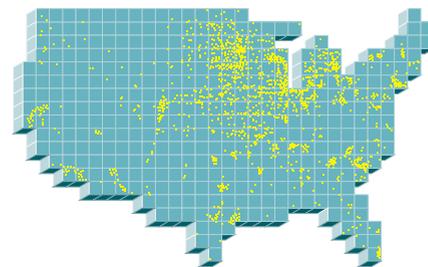
## "IT MIGHT HAPPEN" IS BECOMING "IT'S GOING TO HAPPEN"

For a long time, CNG was a technology that looked great ... in theory. Sure, it offered lower cost per gallon, but it wasn't readily available for commercial use. Which meant there was a chicken and the egg situation: which comes first?

Truck stops didn't want to put in CNG capability until enough CNG trucks were on the road. And carriers didn't want to transition to CNG until there were enough fuel stations for it to make sense economically.

Today, the infrastructure is rapidly expanding, and the promise of CNG is becoming very clear. Stations across the country are putting in CNG capability — sometimes at the request of shippers, sometimes when they identify the need.

State incentives and grants are encouraging more and more companies to investigate the fuel. And when they do, the economics almost always win.



CNG FUELING STATIONS THROUGHOUT THE U.S. BY 2017, EXPERTS ESTIMATE GROWTH OF 130 PERCENT.

## RUAN IS ALL IN

Ruan team members recognize CNG for what it is: potentially the single biggest transformation to happen to trucking fuel in the last 50 years.

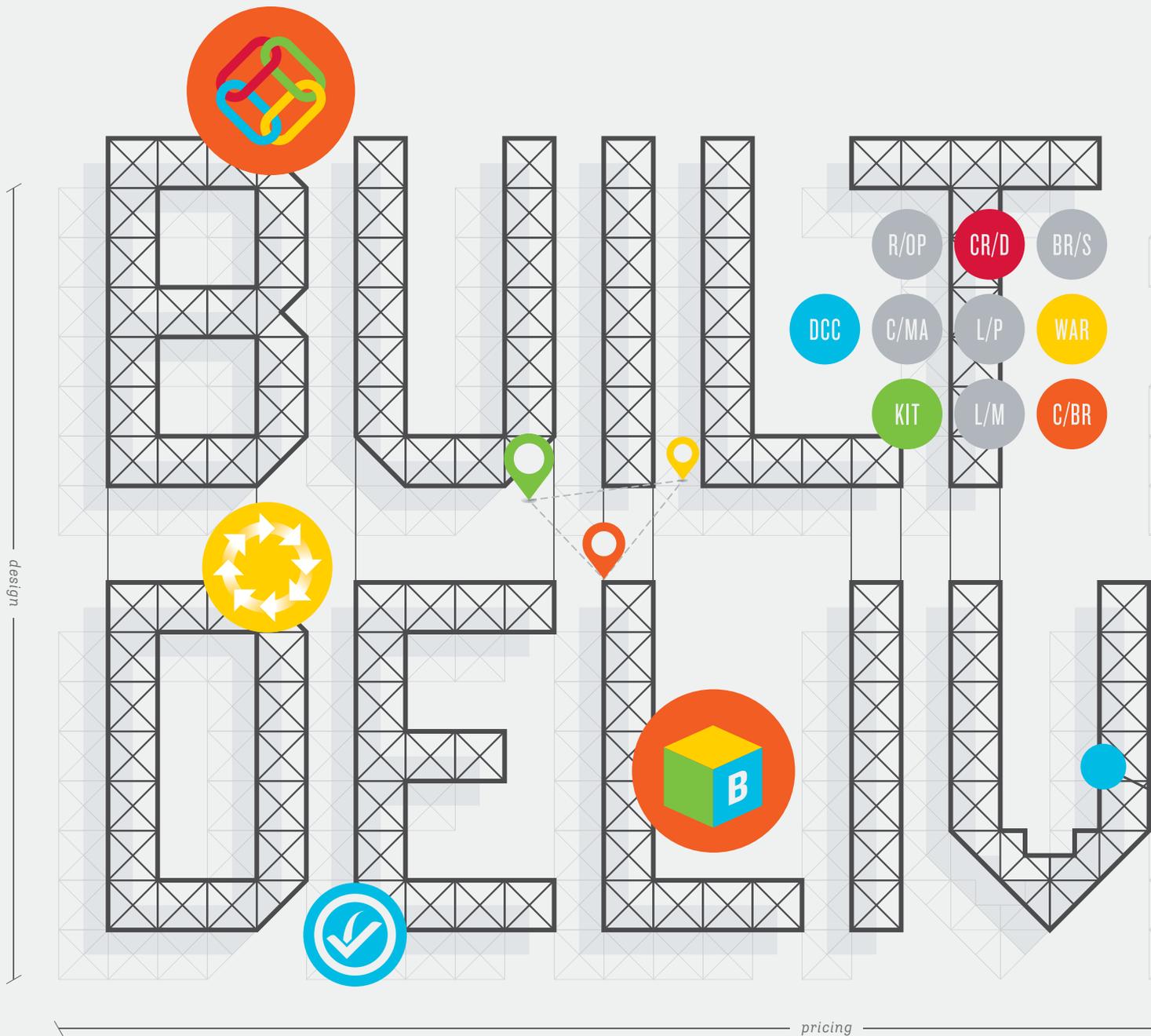
"Any company that is not utilizing natural gas powered equipment is going to be at a competitive disadvantage," Larsen said.

That's why Ruan is completely committed to the fuel and the savings and environmental benefits it can offer customers. Almost every new business or contract renewal quote — as long as it makes economic and logistical sense — is quoted with both conventional diesel and CNG options. Ruan is even approaching current customers — mid-contract — and offering to transition them to a CNG fleet at lower prices.

Think your phone company would step in mid-contract to lower your rates? Probably not.

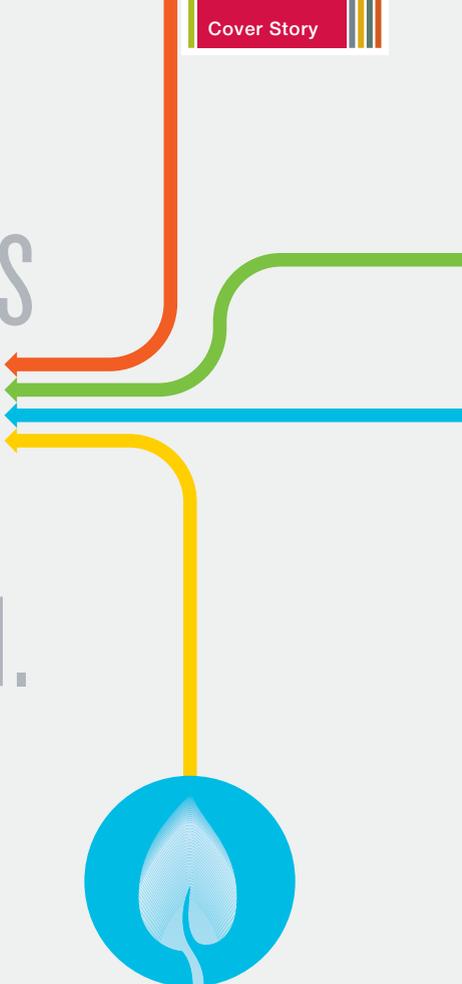
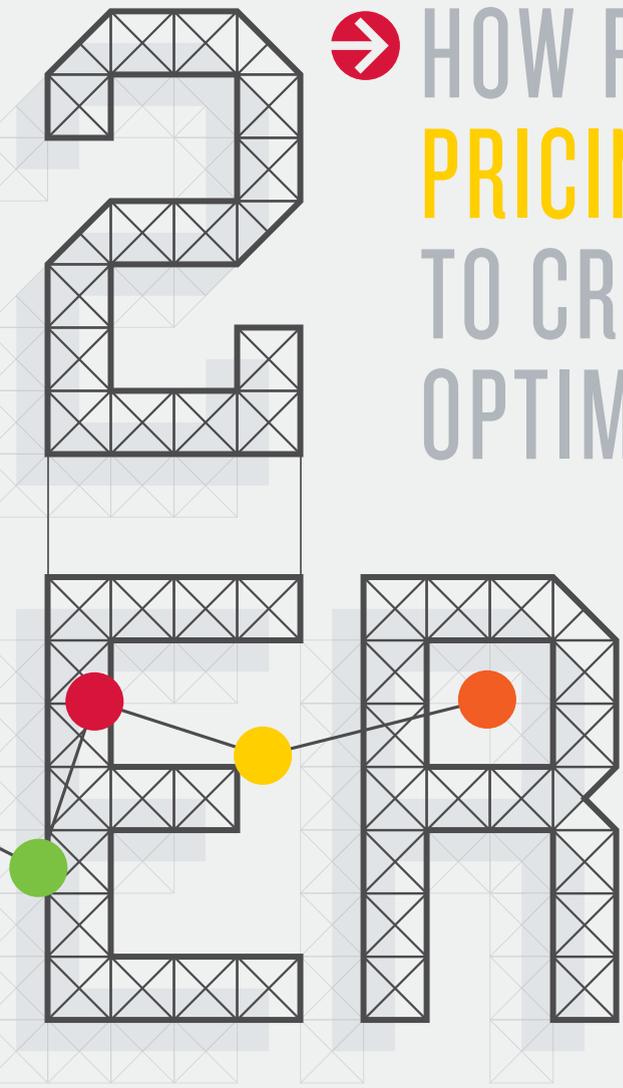
But for Ruan, it simply makes sense. The company has always looked for ways in which it can add value to shippers, and CNG is just one more tool in its belt. A very exciting tool. Ruan is already in the process of expanding its CNG fleet to manufacturing, food and beverage and grocery industry customers.

"It is fun to be involved in something so powerful, so impactful," Larsen said. "It sells itself. This is a win-win opportunity for us and for our customers."



*Ruan's Integrated Solutions offering encompasses all aspects of the transportation supply chain, giving customers their ideal combination of asset- and non-asset-based solutions that get goods from point A to point B safely and efficiently. Dedicated Contract Carriage. Logistics Management. Warehouse Management. And more. Combining these services allows Ruan to create custom solutions that guarantee capacity and give our customers exactly what they need—nothing more, nothing less.*

# ➔ HOW RUAN UTILIZES PRICING & DESIGN TO CREATE THE OPTIMAL SOLUTION.



*Above all, Ruan offers a consultative approach to prospective customers, and it begins with our design and pricing process.*

Our design and pricing analysts work closely with our sales and operations staff and utilize our industry leading technology suite to look at a prospective client's transportation system and offer an optimized solution. We consult with clients to design a solution that makes the most sense for their company. Sometimes that means using many of our services; sometimes that means using only a few. But it always results in a solution that ensures the customer's supply chain operates safely and smoothly.

# BUILDING A BETTER SUPPLY CHAIN THROUGH PRICING & DESIGN

## 2 OWN VS LEASE

Benefits of owning the fleet versus leasing.

*'what if?'* →



3 Ask 'what if' questions. Our design team can find 5 to 10 percent savings by asking these questions. In 10 to 20 truck fleets, for example, Ruan can usually optimize and cut costs by removing one to two trucks.

— THE —  
PROCESS  
BEGINS

1 The account is assigned to one of our design analysts.



4 Determine what type of equipment, if we are taking over assets or using our own. Ongoing investments in tractors and trailers means our customers' goods ship in late-model equipment.



17 Our drivers are dedicated solely to the customer's products and routes. Dispatchers work closely with professional drivers to coordinate schedules.



15 Consider alternative fuel use. While the CNG trucks are more expensive than their diesel counterparts, the low—and stable—cost of natural gas can offset the equipment cost within the first 18 months.



19 Our safety team monitors safety trends and our Compliance, Safety, Accountability (CSA) scores, assuring all of our drivers are in compliance.

18 We operate on-site with our customer to ensure full integration.



20 We have the flexibility to change and evolve with our customers if need be.



16 Assign experienced, professional drivers who provide on-time performance, exceptional customer service and have impeccable safety records. Our driver retention rate is five times the industry average.

5X



21 LeanSigma techniques eliminate variation and waste from business processes. Quarterly and annual reviews improve customer satisfaction. Action plans are developed based on outcomes of those.

## The Design Process

Whenever a new business opportunity comes through Ruan's doors, we take it very seriously. Our sales professionals go through a series of questions in an internal system to determine how well an operation fits our business—we want to focus time on those prospective customers that can benefit from our unique Integrated Solutions offering with optimization and cost savings. Then, a team of pricing, design and operations personnel meet weekly to further evaluate new opportunities.

When this business development team determines we can make a difference for prospective customers, the account is assigned to one of our design analysts. Each has many years of supply chain and analytical design experience. The analyst uses the customer-provided data to design the solution as it is currently operated, whether as a private fleet or by another carrier.

"Once we have the baseline operation in our system, we start asking some 'what if' questions," said Senior Vice President of Supply Chain Solutions Marty Wadle. "What if we get more product on the load by stacking or using a different trailer configuration? Can we slip seat the trucks and deliver loads at different times during the day and night? We're basically looking for anything we can do to get more products across those assets."

Typically through our "what if" process, our design team can find 5 to 10 percent savings. In 10 to 20 truck fleets, for example, Ruan can usually optimize and cut costs by removing one to two trucks, plus other resources that can be replaced with transportation management technology.

**6** Ruan can handle all labor issues, manage all regulatory and safety requirements and assume the risk from our client.



**7** Determine what services make the most sense for the client.

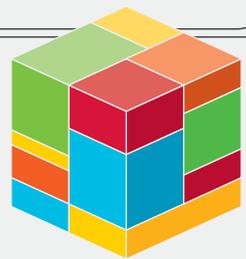
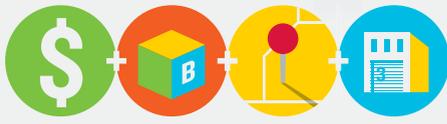


**9** Select appropriate modes of transportation to reduce costs and meet service requirements.

**11** Develop Key Performance Indicators (KPIs).



**5** Determine the appropriate driver pay and benefits package for the location and type of operation.

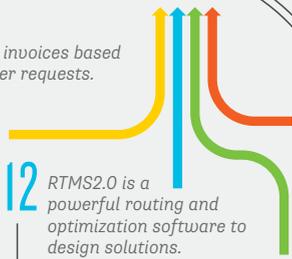


**8** Multi-load consolidation and look at the most efficient way to load multiple stops and varying sizes of freight on a trailer with 3D load configuration.

**10** Customize invoices based on customer requests.



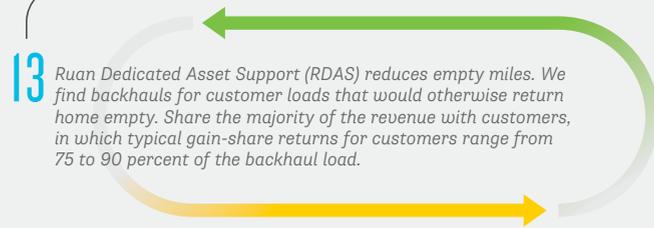
**12** RTMS2.0 is a powerful routing and optimization software to design solutions.



**14** Our team of fuel experts fosters partnerships with suppliers across the country to get the best prices for our trucks and our customers' trucks.



**13** Ruan Dedicated Asset Support (RDAS) reduces empty miles. We find backhauls for customer loads that would otherwise return home empty. Share the majority of the revenue with customers, in which typical gain-share returns for customers range from 75 to 90 percent of the backhaul load.



**22** The end product is a custom solution based on what makes the most sense for the customer's supply chain.



## The Pricing Process

Once the design analyst establishes what the new design looks like and our operations and sales teams sign off, a pricing analyst gets involved. The pricing team collectively has nearly 25 years of Ruan experience in both operations and finance. The pricing analyst begins working with our assets team to establish the type of equipment needed and to weigh the benefits of owning the fleet versus leasing. Our driver recruiting team is consulted to determine the appropriate driver pay and benefits package for the location and type of operation. Human resources helps identify the number of office staff needed for the operation and the appropriate management pay. Our maintenance team gets involved to devise the best strategy for maintaining the tractors and trailers—whether that be managing a shop or outsourcing. Our IT teams provide input on the type of in-cab technology to use and how best to implement and utilize RTMS2.0, our transportation management technology.

“From there, we put together the first year’s operating expense for the operation,” said Director of Pricing David Pecenka. “While we have a few pre-set standards, our rule is to visit various departments to get the correct information for what the operation needs. We tie it all together and come up with the first year economics.”

When we present our solutions to the prospective customer, we have a full disclosure policy. We want customers to know exactly what each service costs, including equipment, drivers, technology, overheads, risk, technology, management—everything. No surprises.



## Creating the Right Solution

When customers work with Ruan, they get more than just a final price tag. Our goal is to help our customers do business more efficiently—and improve their bottom line. We do this by providing numerous value-added services. With our Dedicated Contract Carriage (DCC) service, Ruan provides complete door-to-door shipping solutions; handles all labor issues; manages all regulatory and safety requirements; and assumes the risk. Our ongoing investments in tractors and trailers mean our customers' goods ship in late-model equipment. And, in addition to freeing up capital, some customers benefit from an improved tax position.

But for some customers, DCC doesn't make sense. That's fine with us. Our Supply Chain Solutions division covers everything from Certified Brokerage Services to carrier management, logistics management, kitting and subassembly, route optimization and warehouse management. We pick only the services that make sense for each customer's business. And we make sure the final package is as safe and as efficient as possible.

"Our goal is to provide an all-encompassing transportation solution," Pecenka said.

So why should shippers pick Ruan?

## Supply Chain Optimization

When our operations and design teams look at a transportation system, their goal is to eliminate waste. The key to eliminating waste is our best-in-class technology, RTMS2.0, which includes software from TMW Systems and custom programming from Ruan, as well as Oracle Transportation Management (OTM).

### OUR TECHNOLOGY SUITE HAS THE ABILITY TO:

- + Identify and plan continuous move opportunities for multi-load consolidation
- + Identify the most efficient way to load multiple stops and varying sizes of freight on a trailer with 3D load configuration
- + Automate decision making of order management based on configurable business tools
- + Select appropriate modes of transportation to reduce costs and meet service requirements
- + Customize invoices based on customer requests
- + Provide reports in a variety of formats with KPIs

Our design analysts use powerful routing and optimization software to design solutions. Sometimes, when shippers bid out business, they are simply looking for a different carrier to do the same thing as the private fleet or another carrier. But at Ruan, we take a deeper look.

"Many times, our competitors just say, 'here it is,'" Wadle said. "We say, 'here's what you asked for, but here are some other options.' We provide the optimal solution that could reduce the number of resources while continuing to operate safely and efficiently."



## Gain Share Programs

One of our most important supply chain optimization avenues is the Ruan Dedicated Asset Support (RDAS) department. The sole objective of RDAS is to reduce our customers' transportation spend by reducing empty miles. The team works

to find backhauls for customer loads that would otherwise return home empty. And we share the majority of the revenue with customers. Typical gain-share returns for customers range from 75 to 90 percent of the backhaul load.



## Extensive Fuel Network

Ruan's fuel system is a significant value for customers as well. Our team of fuel experts fosters partnerships with suppliers across the country to get the best prices for our trucks and our customers' trucks. With our preferred fuel pass through method, customers can receive the local fuel savings immediately on invoices.

"We leverage our fuel connections to pass savings through to the customer," Wadle said. "And we will work with any shipper-designed fuel programs and take our buying power to see where we can reduce costs."

In addition, Ruan is an industry leader in alternative fuel use. Several of our fleets are powered with low cost and cleaner burning compressed natural gas (CNG). Now that 12L engines are available and the refueling infrastructure is expanding, CNG trucks can lower transportation costs in high mileage operations and help companies meet their sustainability goals. While the trucks are more expensive than their diesel counterparts, the low—and stable—cost of natural gas can offset the equipment cost within the first 18 months.

As a result, we generally price a diesel and a CNG option for prospective customers, unless the infrastructure isn't available in the location or the type of operation does not lend itself to high miles and usage. And, we pass the CNG fuel saving onto our customers. Our flexibility and how we design a program around a shipper allows us to give the customer the maximized savings from CNG.



## Our Team

When customers choose Ruan, they receive the commitment of the entire team. For DCC customers, it starts with professional drivers who are dedicated solely to the customers' products and routes. And we only hire experienced, professional drivers with the finest safety records who are committed to providing on-time performance and exceptional customer service. Our safety team provides quarterly and industry-specific training for our professional drivers, and certification programs — when appropriate — ensure compliance with the regulations and safety requirements unique to our customers' products or industry.

"We have a higher driver requirement than a lot of companies, which allows us to bring more mature, veteran drivers into the fleet," Pecenka said. "You're going to get the service you expect."

And, our driver retention rate is five times the industry average—because we keep professional drivers in mind when we design operations.

"We want to create driver friendly schedules," said Matt Tiedens, director of logistics design. As a result, most of our professional drivers are home with their families daily or weekly.

We also prefer to be on site with our customer to ensure full integration. We want to understand their business needs at all times. Many other carriers, however, prefer to operate business out of a central hub.

But customers still have the support of the entire Ruan team. Dispatchers at Ruan headquarters in Des Moines and terminal locations nationwide work closely with professional drivers to coordinate schedules, ensuring enough manpower is always available to transport products while complying with complex federal and state regulations like hours of service. Our safety team monitors safety trends and our Compliance, Safety, Accountability (CSA) scores—and intervenes when drivers display poor habits. Our IT teams work to deliver custom reports and KPIs. They also analyze data from our PeopleNet onboard recorders, which

ensure regulatory compliance and record unsafe driving trends that our terminal staff can then rectify with our drivers.

Our accounting teams work with customers to provide customized invoices. They can be delivered weekly or monthly and in a variety of formats. For customers that utilize both DCC and Supply Chain Solutions services, the costs can be delivered as one invoice or divided by division and service.



## Continuous Improvement

We know that businesses and business needs evolve. That's why we partner with customers over the course of the transportation agreement and flex up or down to ensure needs are met—without penalty.

*"We are flexible and will work with the customer if they have a change in their business," Pecenka said. "We will work with them to go up and down on equipment needs, driver needs, etc., as their business changes and evolves."*

And, our customers' transportation solutions are never finished at Ruan. We are continually trying out new ideas and working with suppliers

to identify new technologies that can benefit customers. Once operations are up and running, we want to ensure that our customers are getting the best possible value. So, we review the supply chain based on Key Performance Indicators (KPIs) and make adjustments accordingly to improve operational performance.

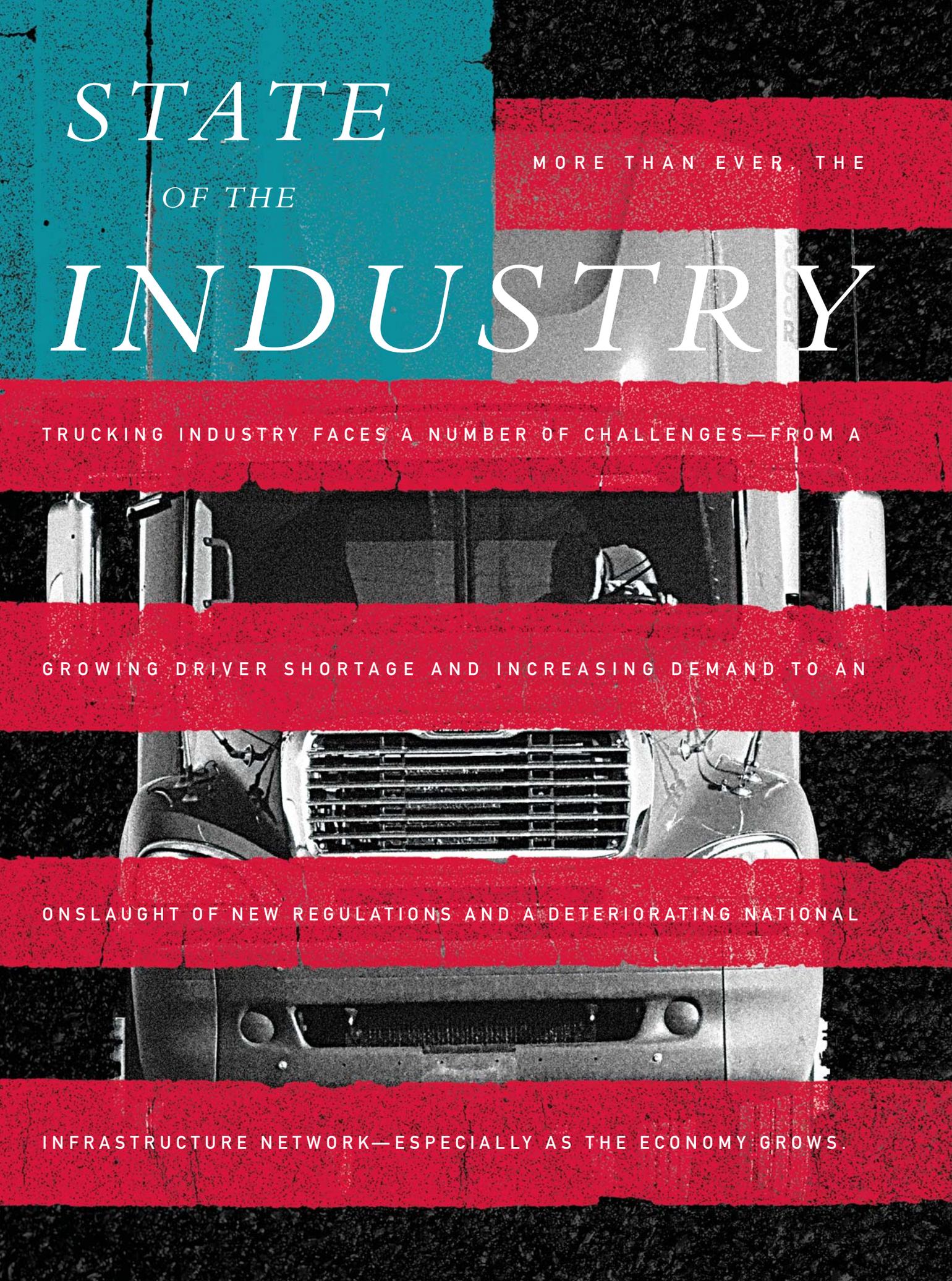
"We're constantly looking at the customer activity to see where we can gain better utility," Wadle said.

In addition, we use LeanSigma techniques regularly to eliminate variation and waste from business processes. Projects analyzed with this methodology sometimes achieve large cost savings or, in other cases, result in a significant increase in customer satisfaction. We conduct quarterly reviews and annual customer satisfaction surveys to gauge our performance and then create action plans to serve our customers better.

## Custom Solutions

When customers ask Ruan to price their business, the final product is a transportation solution built around the customers' business—not ours. We will never attempt to make a customer's business fit into a particular mold that's best for Ruan. Our goal is to support clients in whatever way makes the most sense for their supply chains.





*STATE*  
*OF THE*  
*INDUSTRY*

MORE THAN EVER, THE

TRUCKING INDUSTRY FACES A NUMBER OF CHALLENGES—FROM A

GROWING DRIVER SHORTAGE AND INCREASING DEMAND TO AN

ONSLAUGHT OF NEW REGULATIONS AND A DETERIORATING NATIONAL

INFRASTRUCTURE NETWORK—ESPECIALLY AS THE ECONOMY GROWS.

# FOR THE PAST SEVERAL YEARS,

economic growth has been slow but steady, and this trend is expected to continue through 2014. Some experts expect gross domestic product (GDP) to grow at an annualized rate of 2.4 percent, up only slightly from 2013's 2.2 percent increase, according to *Transport Topics*. As a result of an improving economy, more freight must be hauled. This article briefly highlights a few of the challenges that all transportation companies must address as economic growth continues and capacity tightens.

## INDUSTRY TRENDS

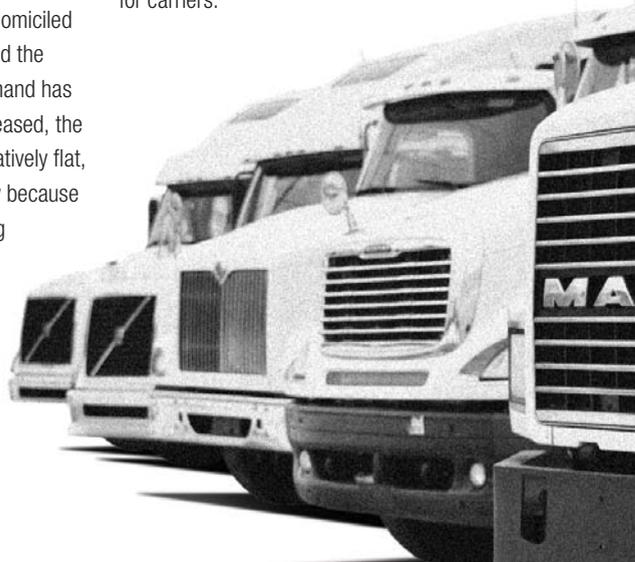
### DEMAND & CAPACITY

The trucking industry continues to recover from the Great Recession of 2009. Since demand for freight services tanked almost 24 percent, according to the American Trucking Associations (ATA), it is slowly rising. And, truck tonnage continues to increase, albeit gradually. Trucking as a form of freight transportation continues to beat all other modes. In 2013, the trucking industry hauled 69.1 percent of all the tons of freight transported

in the U.S., which represented 81.2 percent of all transportation revenue, according to the ATA. The ATA expects total freight tonnage to grow 21 percent in the next nine years as demand increases.

During the recession, many trucks were domiciled because of decreased freight demand, and the industry has yet to catch up now that demand has increased. Even though demand has increased, the number of trucks on the road remains relatively flat, according to *Logistics Management*, likely because carriers are slowly removing and replacing their oldest trucks in the fleet — without adding much new capacity. Now, supply and demand of trucking services are in equilibrium,

and as equipment continues to age and the demand for freight services increases, carriers may face capacity constraints, according to *Transport Topics*. These constraints could lead to higher prices for shippers and higher operating costs for carriers.



---

## DRIVER SHORTAGE

The driver shortage is a significant threat for the trucking industry as demand increases. The ATA estimates that the trucking industry is short between 20,000 and 30,000 drivers. The Council of Supply Chain Management Professionals (CSCMP) estimates that one in six drivers is at least 55 years old and approaching retirement, and few young people are entering the industry that often requires long hours away from home.

Regulations and safety requirements are inflating the shortage. The Federal Motor Carrier Safety Association's (FMCSA) safety initiative, Compliance, Safety, Accountability (CSA), is putting unfit drivers out of service, contributing to the driver shortage. Even some carriers with deficient CSA scores are exiting the industry, further tightening capacity. As carriers lose unfit

drivers, drivers with good CSA scores are in high demand—and for a high price. The limited driver capacity could force carriers to pay higher driver wages, and the increase will likely be passed on to shippers. In addition, the lack of drivers could tighten the supply end of trucking, costing carriers more to operate in general. Changes to the federal hours-of-service (HOS) rules are increasing driver demand as well because drivers are sometimes unable to spend as many hours a day on the road due to required breaks.

However, many carriers are using technology to get the very most out of the drivers and equipment they currently have. They are redesigning and shortening lengths of haul as a result of tightening driver and equipment capacity. Dedicated

Contract Carriage allows for customized solutions and provides guaranteed capacity to shippers at known rates, which is important as a modest economic recovery and driver shortage may result in increases in truckload spot rates.



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## INFRASTRUCTURE

Several studies indicate that America's freight system is in trouble. Decreased and limited funding has left highways, railroads, ports, waterways and airports in a debilitated state, according to the American Association of State Highway and Transportation Officials (AASHTO). The amount of available funding, AASHTO reports, is well below the level needed to maintain—let alone improve—the freight system. AASHTO estimates that freight demand will double to 30 billion tons by 2050 because the population is expected to grow from 308 million in 2010 to 420 million in 40 years, thus increasing the amount of food, clothing and other goods that need to be shipped.

The U.S. government is tasked with funding infrastructure spending. After previously extending the last highway bill nine times for three-month periods, at the end of June 2012, Congress passed the Moving Ahead for Progress in the 21st Century bill, which funds transportation programs through September 2014. The bill maintained previous transportation funding levels at \$101.3 billion for highways and transit systems for 27 months. By September 2014, Congress will need to either renew or redo the existing highway bill.

Recently, another means of increasing infrastructure funding was introduced in the House of Representatives: an increase in the federal fuel tax. The proposal called for a gradual increase of gasoline and diesel taxes by 15 cents over three years, according to *Heavy Duty Trucking*. Many industry organizations, including the ATA, support an increase in this infrastructure funding source, which has not been raised since 1993. But in a divided Congress, the issue faces an uphill battle. Some states are also considering increasing the fuel tax.



## FUEL

Fuel costs continue to be a challenge for carriers because diesel prices have been high and somewhat volatile for several years. Inconsistent prices make it difficult for carriers to properly budget for fuel costs. The Energy Information Administration forecasts diesel fuel prices—which averaged \$3.97 per gallon in 2012 and \$3.92 per gallon in 2013—will be \$3.82 per gallon in 2014.

As a result of the inconsistent cost of diesel, alternative fuel use—mainly compressed natural gas (CNG) and liquefied natural gas (LNG)—is expected to continue to grow in popularity, even for heavy-duty trucks. The significantly lower cost of natural gas, in particular, is attractive, and natural gas is produced domestically and is abundantly available. Many environmental groups champion natural gas because it is cleaner-burning and

emits fewer greenhouse gases than diesel. Truck suppliers are quickly developing natural gas technology for Class 8 trucks, and refueling infrastructure is finally being expanded across America's freight corridors to accommodate increased demand.



Despite the benefits of natural gas, several barriers to its widespread use still exist. Natural gas powered trucks are much more expensive than diesel powered trucks, so many carriers are barred from entry due to cost—even though the lower fuel cost will eventually offset the higher equipment costs. The maintenance specifications for natural gas engines and fueling systems differ from diesel trucks, and regulations could require costly upgrades to shops that maintain natural gas trucks. Also, because the nation's natural gas fueling infrastructure is somewhat limited, fleets lack flexibility to serve customers using natural gas trucks.

## REGULATIONS

### HOURS OF SERVICE

Several months after the July 1, 2013, hours-of-service rule changes went into effect, carriers of all shapes and sizes are feeling the impact. The three most significant rule changes included the 34-hour restart provision requiring that it include two periods between 1 a.m. and 5 a.m.; the stipulation that the restart may only be used once in a seven-day period; and the requirement that drivers not be allowed to drive for more than eight hours without taking a 30-minute break.

Toward the end of 2013, many large carriers indicated that the productivity-limiting HOS rules have resulted in lower miles per tractor—and

thus a lower payload, according to *Fleet Owner*.

Drivers can drive fewer hours in a day because of the 30-minute break requirement, and they often must wait longer to begin a new work week due to the 34-hour restart provisions. In an American Transportation Research Institute (ATRI) survey, 80 percent of truckload carriers said they were experiencing a loss of productivity due to the rules. And in the same survey, 66 percent of the commercial drivers who responded said they are experiencing higher levels of fatigue. The rules were intended to improve safety, but opponents argue that the rules do not enhance safety, especially if drivers tend to feel more fatigued.



Ultimately, some carriers need more drivers and assets to do the same amount of work as they did under the previous HOS rules. As a result, the HOS rules are compounding the existing driver shortage, especially as demand for transportation services continues to increase. Congress has called for studies about the rules, particularly the 34-hour restart provisions.

## COMPLIANCE, SAFETY, ACCOUNTABILITY

In 2011, the FMCSA implemented CSA, a safety initiative designed to reduce the number of highway crashes, injuries and fatalities. CSA re-engineered the previous enforcement and compliance framework in an effort to offer a better view into how well large commercial motor vehicle carriers and drivers are complying with safety rules, and to intervene earlier with those who are not, according to the Department of Transportation (DOT).

FMCSA conducts inspections and reviews crash reports, then measures the results using the Safety Measurement System (SMS), which replaced the former industry tracking system, SafeStat. Each month, the Safety Measurement System measures a carrier's previous two years of violations and crash data to calculate a score in seven safety behavior areas called BASICs: unsafe driving, hours-of-service compliance, driver fitness, controlled substances and alcohol, vehicle maintenance, hazardous materials compliance and crash indicator, according to the FMCSA.

If carriers receive CSA alerts for compliance issues, CSA investigators assess why safety problems are occurring within a carrier's operations, recommend solutions, encourage remedial actions and invoke

penalties. Individual drivers also have their own scores through the Pre-employment Screening Program, and incidents stay with them for up to three years. If a driver's score remains low, a carrier may be forced to terminate him or her, and that driver could find it difficult to secure employment elsewhere.

Since its creation, CSA has undergone many updates and improvements — and more are yet to come. A number of concerns from the trucking industry still exist, including: enforcement inconsistencies between states; reporting inconsistencies between states; relative rankings between carriers; measuring compliance instead of safety; safety fitness determinations; and the overuse of alerts, among others. It remains to be seen what CSA will look like as it continues to evolve after ongoing studies about data usage and the rating systems.

While most carriers and associations support CSA, it could — and has — resulted in penalties, suspended operations and loss of drivers.



Vehicles must be well-maintained, carriers must extensively pre-screen potential drivers, and drivers may have to go through additional training to avoid compliance issues. CSA is also causing some carriers to increase driver pay to keep qualified drivers as others are forced to leave the industry as a result of violations that did not previously disqualify them from service. CSA, therefore, enhances the already existing driver shortage.

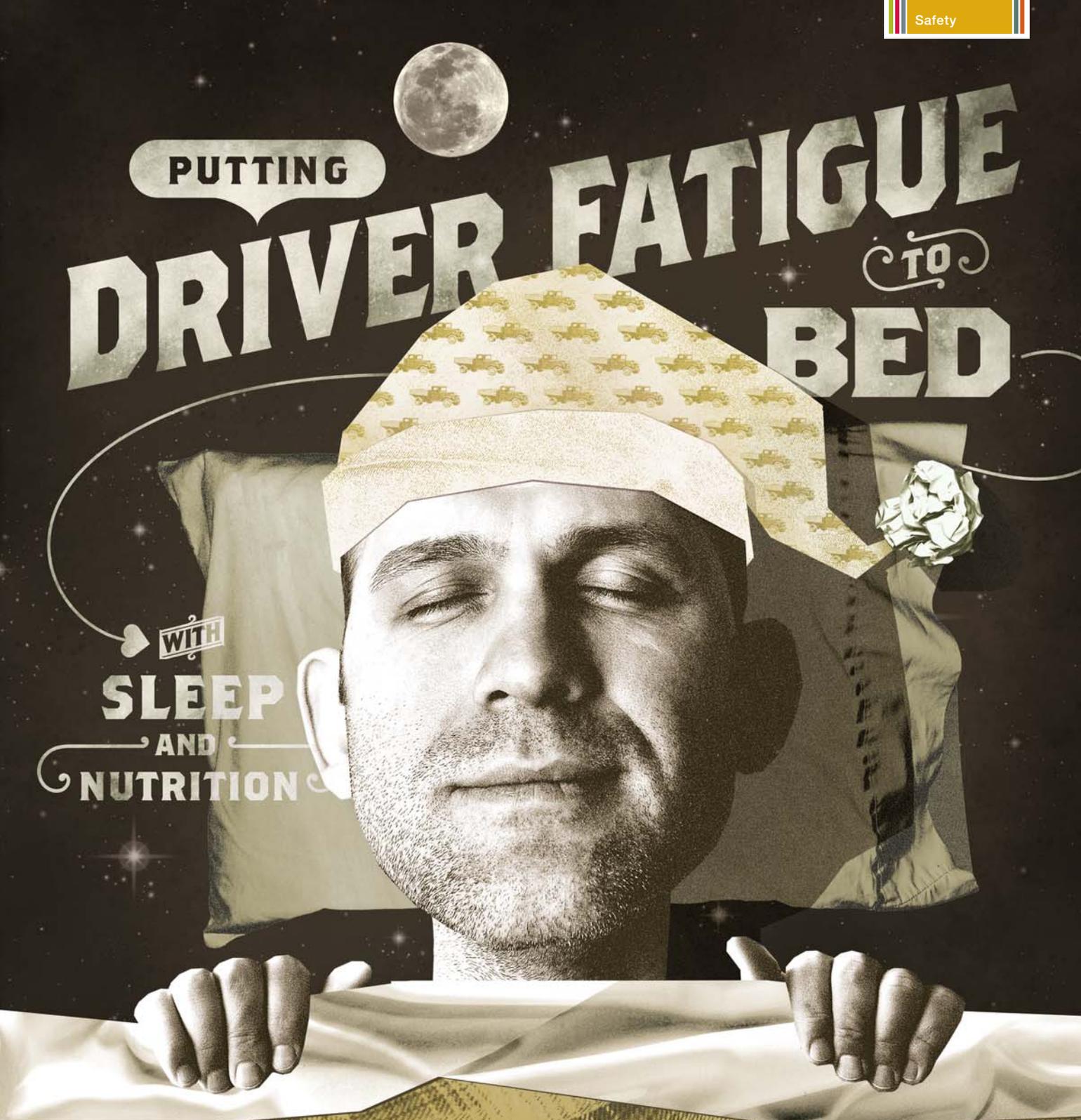
## ELECTRONIC STABILITY CONTROLS

In 2012, the National Highway Transportation Safety Administration (NHTSA) released proposed rules that would mandate electronic stability control technology on new commercial vehicles. The proposed electronic stability rule would help to curb rollovers and accidents involving loss of control, according to *Transport Topics*. The agency says it thoroughly evaluated new technologies, conducted a cost and benefit analysis and reviewed manufacturers' production plans before releasing the proposed rules. NHTSA estimates that these

systems could prevent 40 to 56 percent of rollover crashes and 14 percent of loss-of-control crashes. The proposal has not moved to final stages yet.

With an improving economy and an increase in demand for freight services, now is an exciting time of growth for transportation companies. But in order to capitalize on that growth, carriers must be able to overcome a host of capacity issues and a challenging regulatory environment.





PUTTING  
**DRIVER FATIGUE**  
 TO  
**BED**

WITH  
**SLEEP**  
 AND  
**NUTRITION**

**WHAT HAPPENS WHEN SLEEP PATTERNS ARE INTERRUPTED?**

BODIES ACHE. SIMPLE TASKS BECOME DIFFICULT. AND, MOST IMPORTANTLY, CONCENTRATION SUFFERS.

IT'S CALLED FATIGUE. YOU EXPERIENCE IT ON A LONG DRIVE TO GRANDMA'S HOUSE OR AFTER TAKING AN EARLY MORNING FLIGHT ACROSS SEVERAL TIME ZONES. TO COMBAT IT, YOU TAKE A NAP OR GO TO BED EARLY, AND YOU RECOVER.

BUT FOR PEOPLE WHO WORK WHEN MOST OF US ARE SLEEPING OR HAVE INCONSISTANT SCHEDULES—LIKE SOME TRUCK DRIVERS—GETTING THE NECESSARY SLEEP IS SOMETHING THAT MUST BE PLANNED. OTHERWISE ACCIDENTS HAPPEN.

THAT'S WHY RUAN IS MAKING FIGHTING FATIGUE A PRIORITY FOR THE ENTIRE ORGANIZATION.

## THE EXXON VALDEZ

MARCH 24, 1989



AFTER RUNNING AGROUND IN PRINCE WILLIAM SOUND, THE SHIP SPILLED ANYWHERE FROM 260,000 TO 750,000 BARRELS OF CRUDE OIL INTO THE OCEAN. FATIGUE WAS DEEMED TO BE A CONTRIBUTING FACTOR IN THE ACCIDENT.

## HEALTH, WELLNESS AND SLEEP

It's not just sleep that's responsible for fatigue. Overall health and well-being are very important factors. Physical fitness, regular exercise and good nutrition all have a role to play. Without eating well and exercising, people are much more prone to obesity. Obese people are at greater risk for sleep apnea, a condition that causes shallow or intermittent breathing that disrupts sleep. And, some studies have shown an increase in obesity due to lack of sleep.

This feedback loop — poor health, poor sleep; poor sleep, worse health — is hardest of all on workers in the transportation industry. Long hours sitting in one spot. Poor nutrition choices at truck stops and gas stations. Disrupted sleep. Little opportunity for exercise.

It's no wonder fatigue is such a safety hazard.

That's why Ruan's drivers are encouraged, trained and authorized to stop driving anytime they experience the symptoms. Ruan's drivers are the "Captain of the Ship." If they feel weather conditions are unsafe, they stop driving. If they have compliance concerns, they stop driving. And if they feel they are physically unable to drive, they stop driving. Drivers that don't recognize the signs can be a danger to other motorists and to themselves.

In fact, 74 percent of fatal truck driver crashes caused by fatigue are single-vehicle crashes that occur when drivers drift out of their lanes and depart the roadway at a low angle.

## THE INDUSTRY RESPONSE

The federal government has known the danger of fatigue to drivers for decades. And they acted. More than 70 years ago, the government introduced hours-of-service (HOS) regulations in an attempt to ensure drivers got enough rest. Then, in 2005, and again in 2013, the rules were updated.

The old rules let drivers break up their on- and off-duty time according to their own discretion. When the regulations were re-written, they required drivers to take off 10 consecutive hours between driving shifts. And once the driver reaches the 70-hour limit per week, he or she must also take a 34-hour period restart of off-duty time.

"The rules are a great start," said Lisa Gonnerman, Ruan's vice president of safety, "but companies need to realize that drivers can still be within the law and experience fatigue. That's why Ruan is committed to taking a company-wide approach to driver fatigue and driver health."

A commitment to driver health has the benefit of reducing injuries, sick days and accidents. But to be effective, this effort must be embraced by everyone. Even shippers.

# A RECIPE OF THREE FOR BETTER SLEEP

QUANTITY

IT VARIES FOR EVERYONE, BUT LEARNING HOW LONG YOU MUST SLEEP TO FUNCTION IS KEY TO REDUCING FATIGUE.

QUALITY

WHEN PEOPLE ARE RELAXED, TIRED AND READY TO SLEEP, THEY EXPERIENCE THE BEST SLEEP.

UNDERSTAND  
CIRCADIAN  
RHYTHM

WE EXPERIENCE TWO LULLS PER DAY — BETWEEN 2 P.M. AND 5 P.M. AND 2 A.M. AND 6 A.M. IF YOU WORK ODD HOURS, USE THOSE PERIODS FOR REST WHENEVER POSSIBLE.

## RUAN'S APPROACH

The number one message that Ruan imparts to drivers is that they are in charge of their own safety. No one but a driver can determine whether he or she feels safe, which means each Ruan driver has the responsibility and the authority to decide for themselves.

No load is ever worth a life. This is the company's attitude from leadership on down.

**To foster and facilitate this attitude toward safety, Ruan employs an entire team dedicated to safety and a host of initiatives and training. In fact, Ruan's Megasafe7 Rules of Safe Driving place an emphasis on fatigue in Rule 1: Prepare to Drive.**

"One of the most important factors in ensuring preparation and readiness is you. Your health and fitness are critical to guaranteeing you are focused and engaged in driving at all times. Getting a good night's sleep and feeling well are things only you can determine and control," the Megasafe training reads.

Fatigue education is always ongoing at Ruan. The company regularly posts safety bulletins and safety alerts, writes articles for the company newsletter, hangs posters and conducts quarterly training that emphasize the dangers of fatigue. What's more, Ruan devotes the first quarter of each year to a review of the Megasafe7 Rules of Safe Driving, and in 2014, more fatigue management material was added.

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## FATIGUE IS A CONTRIBUTING FACTOR IN 13 PERCENT OF ALL INJURY AND FATALITY LARGE TRUCK CRASHES

*(FMCSA report to Congress, November 2005)*

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## BETTER HEALTH. BETTER PERFORMANCE.

Trucking is a physically and mentally challenging job. When a trucker's concentration slips, accidents happen. Sometimes very serious accidents.

Companies that understand the twin costs of driver fatigue and poor driver health are a step ahead of the competition—because driver health and wellness are major contributors to carrier excellence.

Ruan believes it is a conquerable problem. "We're putting the best interests of our drivers first," Gonnerman said. "We know the healthier they are, the more alert they are, the safer they are. My goal is always zero accidents, and tackling health and fatigue is essential in getting us as close to zero accidents as possible."

# COMBATING FATIGUE IT'S A TEAM EFFORT

### DRIVERS

- + IF YOU MUST CHANGE YOUR WORK PATTERN, GET PLENTY OF REST AHEAD OF TIME AND WATCH FOR YOUR SIGNS OF FATIGUE. KNOW YOUR LIMITS AND WHEN TO STOP AND GET OFF THE ROAD
- + NAPS ARE YOUR FRIENDS! LEARN HOW TO USE THEM PROPERLY AND AT THE RIGHT TIME
- + COMMUNICATE WITH YOUR TERMINAL MANAGEMENT

### DISPATCHERS

- + UNDERSTAND CIRCADIAN RHYTHMS AND OTHER PRINCIPLES OF FATIGUE MANAGEMENT
- + THEN TRY TO SET YOUR DRIVERS' SCHEDULES ACCORDINGLY

### FLEET MANAGERS

- + PROVIDE GOOD DRIVER TRAINING AND A GOOD SLEEPING ENVIRONMENT
- + ALERT SHIPPERS AND RECEIVERS THAT THE FLEET IS ADHERING TO A DRIVER FATIGUE MANAGEMENT PROGRAM AND ASK THEM TO BE FLEXIBLE

### SAFETY MANAGERS

- + MONITOR THE TOTAL HEALTH OF DRIVERS
- + IMPLEMENT PROGRAMS TO ADDRESS OBESITY, POOR NUTRITION AND SLEEP APNEA
- + RANK THE PROBABILITY OF A DRIVER HAVING A FATIGUE-RELATED ACCIDENT, AND THEN USE THAT TO TARGET TRAINING AND MEASURE IMPROVEMENT

### EXECUTIVES

- + FOSTER A CULTURE OF TOTAL HEALTH AND WELLNESS
- + REWARD DRIVERS AND MANAGERS FOR PROGRESSIVE IMPROVEMENT

# KEEPING TRACK, MAKING PROGRESS.

In March, the Federal Motor Carrier Safety Administration (FMCSA) released long-awaited proposed rules mandating electronic logging devices (ELDs) in all interstate commercial trucks and buses to help ensure compliance with hours-of-service rules.

The proposal includes: minimum performance and design standards for ELDs; requirements for the mandatory use of these devices by drivers currently required to prepare HOS records of duty status; requirements concerning HOS supporting documents; and measures to address concerns about harassment resulting from the mandatory use of ELDs, according to the FMCSA.

The new proposed rules follow an initial February 2011 proposal, which was put on hold because a federal court ruled that the mandate needs to address a concern that the devices could be used by carriers to harass drivers, according to *Transport Topics*.

According to an FMCSA press release, the rulemaking includes “explicit prohibition on harassment by a motor carrier owner toward a driver using information from an ELD.” In addition, a carrier could be fined up to \$11,000 if the carrier “engages in harassment of a driver that leads to an hours-of-service violation or the driver operating a vehicle when they are so fatigued or ill it compromises safety.”

The FMCSA argues that ELDs will reduce the paperwork burden on both professional drivers and carriers now required by paper logs. And, ELDs may make it more difficult for drivers to misrepresent their on-duty and driving time, therefore reducing the number of hours-of-service violations.

According to FMCSA analysis, the proposed mandate would reduce crashes by fatigued drivers and prevent about 20 fatalities and 434 injuries each year. The FMCSA estimates that the net benefit of the ELD mandate to the U.S. could be up to \$394.8 million annually.

“By implementing electronic logging devices, we will advance our mission to increase safety and prevent fatigued drivers from getting behind the wheel,” said FMCSA Administrator Anne Ferro in a press release. “With broad support from safety advocates, carriers and members of Congress, we are committed to achieving this important step in the commercial bus and truck industries.”

The FMCSA is now accepting comments on the rulemaking from carriers, drivers, associations, etc. Some time after the comment period, the FMCSA will publish the final rules.

According to *Transport Topics*, the ELD mandate would take effect two years after FMCSA makes it final, allowing carriers to slowly implement and install the expensive devices on their trucks. Carriers and drivers currently using compliance electronic logs will be allowed to continue using them for two more years after the rule takes effect.

## The Ruan Approach

In early 2012, Ruan began to proactively outfit all of our trucks with PeopleNet onboard recorders. The ELDs play a key role in continuing to improve our safety record, reporting and productivity.

After an extensive search process, Ruan selected the PeopleNet solution because it is a single platform that offers electronic logging and DVIRs, but also several additional capabilities, including data capture and communication, ECM integration, driver monitoring and GPS.

The PeopleNet electronic log solution automates the tracking of hours-of-service, a critical regulatory and safety concern for carriers. The system activates when drivers log in and provides automatic departure and arrival times — information that can be sent in real time to customers and to Ruan. The driver’s drive time, on-duty time and total hours worked each day and week are recorded by the PeopleNet system.



## Ruan Raises More Than \$155,000 During United Way Campaign

In November 2013, Ruan corporate team members joined forces to raise money for the United Way of Central Iowa. The Ruan team raised a record of more than \$155,000 during the 2013 campaign, surpassing the 2012 record of \$142,000. In addition, 92.7 percent of team members participated during the campaign, and many of them increased their previous giving level.

"I'm proud to be associated with a company that supports the needs of others in the community," said Ruan President and CEO Steve Chapman. Chapman said there are 600 homeless adults and 230 homeless children in the Central Iowa community, and 51,000 people live below the poverty line.

"The need in this community has grown—and so has the generosity."

The highlight of the campaign was Ruan's second annual Fall Festival. Nearly 60 preschool-aged children from five local early learning centers traveled to the Ruan Center for a fall-themed festival. Ruan departments organized activities such as coloring, a wellness race, bag toss and crafts. In addition, four clowns painted faces and made balloon animals for the kids.

"I thank each team member for reaching out to those who have little and for being part of such an important campaign," Chapman said.



## RUAN HONORS DRIVER OF THE YEAR REGION WINNERS

I am pleased to announce the names of our 2013 Driver of the Year Region Winners. These professional drivers represent our safest and most dedicated team members who have earned the respect and admiration of the entire Ruan team. We look forward to celebrating this distinguished group in July during Ruan's annual Founder's Days activities, which will be an ideal time to recognize the individuals who best embody our company's Guiding Principles of Safety Focus, People First, Customer Satisfaction, Exceptional Performance and Continuous Improvement. During this time, one of these



professional drivers will be announced as Ruan's 2013 Driver of the Year.

To the right you will find the complete list of Region Winners.

These 14 individuals are role models for our organization and our industry. We extend our sincerest gratitude for their contributions to Ruan and our customers.

Sincerely,

Steve Chapman  
President and CEO

Terminal	Region Winner	Location	Customer
T116	Bill Wright	Des Moines, IA	Multiple Customers
T206	Leare Capers	Landover, MD	Whole Foods
T510	Alexander Palnov	City of Industry, CA	Johnson Controls
T558	Brian Gerheart	Kutztown, PA	HNI
T065	Gary Meade	Salem, VA	Kroger
T427	Patrick Tyson	Brooklyn Park, MN	Bobcat
T463	Darryl Donaldson	Birmingham, AL	O'Neal Steel
T135	Chuck Carmin	Fort Wayne, IN	Linde Industrial Gases
T384	Arthur Barraza	Alhambra, CA	Multiple Customers
T317	Jason Traphagan	Manteca, CA	Baskin Robbins
T582	Brandy Cook	Phoenix, AZ	Freeport McMoRan
T545	James Schriber	McMinnville, OR	Waste Management
T302	David Kneitz	Clovis, NM	Farm Pickup
T039	John Lopresti	Rialto, CA	Target Corporation

# Ruan earns EPA 2013 SmartWay Excellence Award

For the second straight year, Ruan was honored with a SmartWay® Excellence Award from the U.S. Environmental Protection Agency (EPA) for being a true industry leader in freight supply chain environmental performance and energy efficiency. Ruan is a longstanding partner of SmartWay, a collaboration between the EPA and the freight industry designed to increase energy efficiency while significantly reducing greenhouse gases and air pollution.

“This year’s SmartWay Excellence Award recipients show that reducing carbon pollution is good for business and good for the environment,” said Gina McCarthy, administrator of the EPA. “They’re showing how SmartWay business leaders can outcompete the rest of the world while reducing costs and improving the fuel and freight efficiency of their transportation operations.”

Ruan utilizes a variety of environmentally friendly

strategies, including idle reduction and auxiliary power unit (APU) usage, low viscosity lubricants, reduced highway speeds, lightweight equipment, paperless technologies and processes and successful



driver training designed with an emphasis on maintenance and fuel consumption. The company continually investigates new, sustainable fuel options like biodiesel and compressed natural gas (CNG). In fact, Ruan currently operates one of the largest CNG fleets in the country hauling dairy products in Indiana. The use of CNG at this operation will eliminate as many as 1.8 million gallons of diesel fuel each year.

“Ruan has a long tradition of seeking and implementing strategic fuel conservation measures, which not only controls costs, but helps

protect the environment,” said Ruan President and CEO Steve Chapman. “The SmartWay Excellence Award—our second—affirms our commitment to safe, efficient business practices that benefit our customers, team members and the global community.”

Ruan was one of 55 companies to receive this distinction, representing the best environmental performers of SmartWay’s 3,000-plus partners. The Excellence awardees were honored at the Council of Supply Chain Management Professionals (CSCMP) annual conference held in Denver, CO, on October 22, 2013.

“EPA is pleased to recognize the 2013 SmartWay Excellence Award recipients. I commend Ruan for its superior environmental performance and leadership in advancing freight sector efficiency,” McCarthy said. “Their commitment is helping lead the freight industry to a more sustainable future.”

## Other Environmental Accolades

Ruan was also named to *Heavy Duty Trucking* Magazine’s list of the Top 50 Green Fleets. *Heavy Duty Trucking* asked fleets to fill out a short online survey about their vehicles, alternative fuel and other green initiatives. The magazine then chose those who were ahead of the curve in their sustainability efforts. The focus was primarily on medium- and heavy-duty trucks.

Ruan was also named to *Inbound Logistics’ 75 Green Supply Chain Partners (G75)* annual list. The G75 highlights sustainability leaders in the logistics and transportation sector. The selection process considers a company’s involvement in three areas: participation in public-private partnerships; corporate sustainability initiatives; and collaborative customer-driven projects. Within this context, four benchmarks carry weight in the decision-making, including measurable green results, sustainability innovation, continuous improvement and industry recognition.

## Gonnerman appointed to federal CSA sub-committee

Last year, Ruan’s Vice President of Safety Lisa Gonnerman was asked to serve on the Compliance, Safety, Accountability (CSA) Sub-Committee to the Motor Carrier Safety Advisory Committee (MCSAC). MCSAC was established about seven years ago per Congressional mandate to advise the Federal Motor Carrier Safety Administration (FMCSA) on commercial vehicle safety issues.

In December 2012, a sub-committee was formed to provide guidance on CSA, the federal safety enforcement program. The CSA

sub-committee is tasked with seeking refinements and enhancements to the CSA program, including the Safety Measurement System (SMS) and the interventions and investigative processes.

The sub-committee’s membership represents the trucking industry, shipping and third-party industries, law enforcement, safety advocates and organized labor. Gonnerman will join other committee members four times a year at a day-long meeting in Washington, D.C.

“My goal is to help FMCSA continue to make enhancements to CSA,” Gonnerman said. “It’s a fairly good program, but it has much room for improvement.”

The sub-committee will remain in existence as long as necessary to assist the FMCSA in keeping the CSA enforcement program relevant and accurate.



**Lisa Gonnerman** Vice President of Safety

## RUAN AND MAVENWIRE TEAM UP TO IMPLEMENT OTM TECHNOLOGY INTO IOWA STATE UNIVERSITY CURRICULUM

Ruan and MavenWire, two leaders in the supply chain and logistics industry, are joining forces to offer Iowa State University (ISU) students a real-life look at supply chain and management information systems by adding Oracle Transportation Management (OTM), the leading global transportation management software, to the school's curriculum and providing scholarship opportunities for students.

Ruan and MavenWire, a Wayne, PA-based provider of OTM services, hosting, training support and solutions, will partner to enhance ISU's Supply Chain Management and Management Information Systems programs with OTM technology beginning in the fall of 2014. This collaboration marks the first time the OTM product will be embedded into a college curriculum.

MavenWire will install and host OTM, and Ruan will provide data and real-life case study examples for classroom instruction and hands-on experience for students. Ruan executives will also provide assistance with instruction, lending their expertise in OTM and overall logistics management.

ISU's supply chain program, ranked seventh in North America by academic correspondents in Supply Chain Management Review magazine, offers comprehensive training at the undergraduate, MBA and Ph.D. levels.

Ruan's involvement in the program is based on a long-running relationship between the company and ISU. Ruan Senior Vice President of Supply Chain Solutions Marty Wadle is an ISU graduate and serves on the executive advisory council for the university's College of Business Supply Chain Management undergraduate program.

"Ruan is excited to partner with ISU and MavenWire to implement OTM software into the school's curriculum this fall," said Wadle. "Ruan is proud to hire several ISU graduates each year, and we feel that preparing these students with best-of-breed tools like OTM is a tremendous opportunity for both the students and future employers."

Ruan and MavenWire have also initiated a joint scholarship to benefit a student each year who excels in ISU's Supply Chain Management program.

## RUAN ANNIVERSARIES

40 Greg Compeau, East Chicago, IN | Linda Cornell, Corporate

35 Chris Craig, Corporate | Wayne Roswick, National Sales - VP

30 Jeffrey Delgado Manteca, CA

25 Dale Swalwell, Des Moines, IA | Frances Klimek, East Chicago, IN | Mark Conrad, Tulare, CA | Miguel Ramos, Tulare, CA

20 James Weier, Madison, WI | Jason Hollatz, Wisconsin Rapids, WI | Joe Capote, Tulare, CA | Joseph Baker, Rockford, IL | Nathan Schmidt, Corporate | Roger Elliott Jr., Knoxville, TN | Teresa Stewart, Cedartown, GA | Thomas Meyer, Wisconsin Rapids, WI

15 Aaron Jacobson, Tulare, CA | Alan Williams, Salem, VA | Alvin Clay Sr., Salem, VA | Anna Truman, Phoenix, AZ | Anthony Santoya, Ripon, CA | Benjamin Zamarripa, Turlock, CA | Billy Gunter Salem, VA | Buford Roberts, Salem, VA | Calvin Washington Jr. Salem, VA | Carlos Akers Jr., Salem, VA | Cecil Martin, Salem, VA | Charlie Chockley III, Salem, VA | Connie Weiss, Brooklyn Park, MN | Daniel Campbell, Salem, VA | David Dees, Foreman, AR | Dean Hadley, Geneva, IL | Donald Sines, Salem, VA | Douglas Kidd, Salem, VA | Ed McVey, Memphis, TN | Edward Payne, Muscatine, IA | Eric Wade, Salem, VA | Floyd Bain Jr., Salem, VA | Frank Bayse, Salem, VA | Glenn Hancock, Salem, VA | Glenwood Cunningham, Salem, VA | Gregory Blankenship, Salem, VA | Gregory Shaw, Salem, VA | Imeldo Gonzalez, Ripon, CA | Jack Lamie, Salem, VA | James Fernet, Salem, VA | James Moore, Salem, VA | James Roberts Jr., Salem, VA | James Schmitt, Carthage, MO | Janice Perdue, Salem, VA | Jeff Mills, Salem, VA | Jeremy Sweeney, Madison, WI | John Bradford, Salem, VA | Joseph McMillan, Salem, VA | Kenneth McCormick, Salem, VA | Lillian Daunt, Salem, VA | Luther Painter Salem, VA | Manuel Ybarra Jr., Phoenix, AZ | Mark Anderson, Salem, VA | Melvin Blankenship, Salem, VA | Michael O'Neil, Salem, VA | Michael Williams, Tulare, CA | Randall Reynolds, Salem, VA | Richard Pierce, Salem, VA | Richard Ruark, Tyler, TX | Richard Sword, Salem, VA | Rick Searcy, St. Joseph, MO | Ricky Carter, Salem, VA | Robert Frost Sr., Salem, VA | Robert Tatum Jr., Salem, VA | Rodney Birmingham, Turlock, CA | Roger Crowder, Salem, VA | Ronnie Stoots, Salem, VA | Roy Thomas, Salem, VA | Samuel Windless Jr., Memphis, TN | Stephen Linton, Salem, VA | Terry Brown, Salem, VA | Terry Lunsford, Houston, TX | Timothy Muterspaugh, Salem, VA | Timothy Treptow, Salem, VA | Timothy Underwood, Salem, VA | William Hull, Salem, VA | William Mundell, Salem, VA | William Weber, Tulare, CA

10 Adam Stuart, Foreman, AR | Benigno Cortez, Ripon, CA | Bill Connors, Canby, OR | Billy Clark, Tyler, TX | Billy Dison, Tyler, TX | Bob Miller, Wisconsin Rapids, WI | Bobby Jarrell, Cedartown, GA | Brian Fleming, Phoenix, AZ | Bruce Lemke, Fort Wayne, IN | Camerino Santos, Turlock, CA | Carlos Jaramillo, Ripon, CA | Chad Clawson, Cedar Falls, IA | Christopher Clement, Avis PR910 | Derek Talley, East Chicago, IN | Domingo Roman, Ripon, CA | Eduardo Garcia, Turlock, CA | Eli Hicks, East Chicago, IN | Eric Nelson, Phoenix, AZ | Fernando Moreno, Adelanto, CA | Gerardo Robles, Ripon, CA | James Gore, Tyler, TX | James Kegley, Foreman, AR | James Rose, Turlock, CA | Jeff Schoen, Corporate | Joe McWilliams, Muscatine, IA | John Cowan, Carthage, MO | Jorge Aguayo, Tulare, CA | Ken Busch, Canby, OR | Kenneth Smart, Madison, WI | Kevin Bolden, Corporate | Kevin Lanzendorf, Brooklyn Park, MN | Leland Hildebrandt, Muscatine, IA | Lewis Bissett, Corporate | Lewis McLead, Des Moines, IA | Manuel Salgado, Turlock, CA | Mark Hornby, Tyler, TX | Maurice Francis, Turlock, CA | Mert Wood, Amsterdam, NY | Randy Jones, Wisconsin Rapids, WI | Raymond Wesley, Tyler, TX | Rick Sperry, Knoxville, TN | Rogelio Martinez, Ripon, CA | Ron Jones, East Chicago, IN | Ronnie Robinson, Columbus, MS | Roy Rhea, Tyler, TX | Scot Morris, Dallas, TX | Serafin Amaral, Turlock, CA | Todd Lenig, Corporate | Tom Luyten Sr., Adelanto, CA

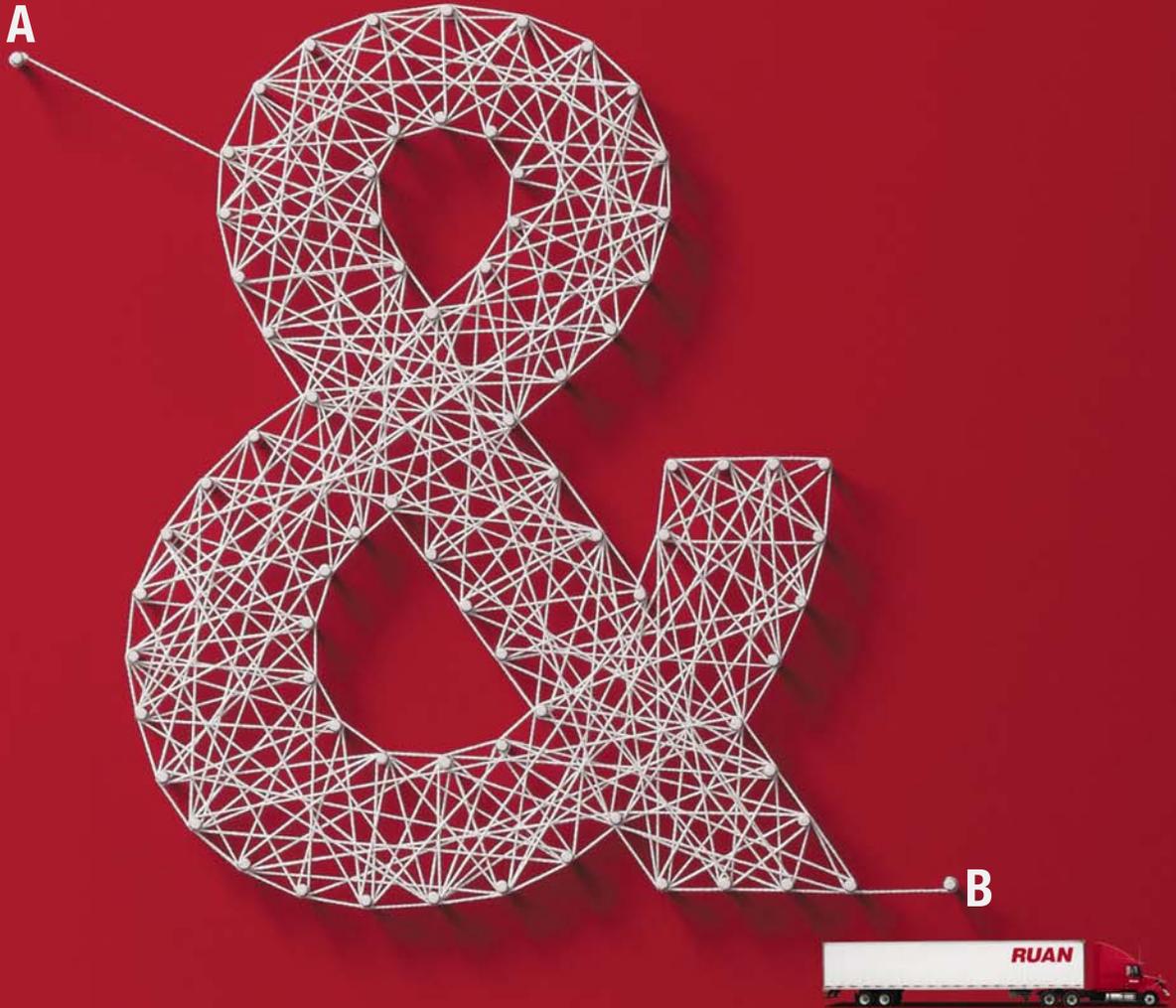
IOWA STATE  
UNIVERSITY

RUAN + MavenWire



DEDICATED CONTRACT CARRIAGE + SUPPLY CHAIN SOLUTIONS

# RUAN



## Dedicated Contract Carriage. And Logistics Management. And Warehousing. And more. That's Integrated Solutions—handled for you by Ruan.

And. That's a word you will hear a lot when you talk to Ruan about Integrated Solutions. Dedicated Contract Carriage (DCC) and Logistics. Warehouse Management and Subassembly. Supply Chain Optimization and Certified Brokerage Services. Integrated Solutions encompasses it all, providing our customers the ideal combination of asset- and non-asset-based solutions that get your products from point A to point B safely and efficiently.

Our customer partnerships are based on trust and integrity, and we use a consultative approach to design efficient supply chain solutions that create

lasting value—regardless of the solutions you choose. Ruan provides you the best of both worlds, delivering services designed to guarantee load coverage and manage carriers, mode selection and warehousing. These services are coupled with advanced technology to provide industry-leading supply chain event management and workflow, rich analytics, quarterly KPI reporting and a sophisticated transportation planning engine.

That's Integrated Solutions—creating the optimal supply chain you need to be more competitive—handled by Ruan.



TO START TAKING ADVANTAGE OF THE POWER OF AND,  
CALL (866) 782-6669 OR VISIT [WWW.RUAN.COM](http://WWW.RUAN.COM).



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