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This inaugural issue of **DBInsider Focus** will introduce you to our new industry newsletter! We hope that these monthly installments will be of great help to you as we seek to inform you of the current happenings in our faced-paced industry.

## A new year and a new industry newsletter!

As 2012 dawns upon us, we thought that it would be extremely helpful to our customers to offer something a bit different that your normal run-of-the-mill "Happy New Year" letter. How many times have you actually read or have been helped by the letter your transportation company has sent you? No knock against those efforts by our hard working industry sales reps, but DBI wanted to consistently give something more that would equip and arm you better when it comes to making your transportation decisions.

We hope that these monthly publishing's of **DBInsider** Focus will help to give you more knowledge and insight into the trends, changes and news that effect our industry and your business. Not only that but we thought it would make things even more interesting if we profiled the happenings within our own fast growing organization! Each month we will profile either an employee or a newsworthy event within DBI.

Additionally, our own Glynis Jorristma, Vice President of Operations for DBI will author a column that we will feature each month titled, "Glynis' Health Corner". Here at DBI we are focused on not only providing our customer's with top-tier service but we also strive to maintain a balanced life within our organization that includes a healthy lifestyle. With an extensive background in the nutrition/healthcare industry, Glynis Jorritsma is our resident nutritionist. As her input has been helpful to all of us here at DBI, we thought it would be helpful to you as well. Additionally, we'll add some humorous articles as well from time to time as we seek to lighten your day! So, from our family to yours, we wish you a healthy and prosperous 2012 and we hope that you not only enjoy these monthly publishing's of DBInsider but are better equipped by them as well. Enjoy the read!



Durk & Glynis Jorritsma. Founders: Direct & Beyond, Inc. Durk & Glynis and the entire DBI Family wish you a prosperous and healthy new year 2012!



## A Historical Fact

The nation's capital, along with 1 state, 31 counties and 17 cities (Maybe 18 counting the town of "George," in central Washington State) are named in his honor.

It is also a historical fact that Direct and Beyond, Inc. (DBI) was founded on October 2, 2006. You may look at the founding date and think to yourself, "Big deal, who cares! That's only 5 years." But think about it from this perspective: DBI came into existence right at the cusp of arguably the worst economic disaster to hit our country and the global economy in nearly a century. The fact that DBI not only still exists but is thriving and growing as a company is a testimony to the type of company that Direct & Beyond is. Over 90% of our business is repeat business, i.e., loyal customers who love DBI and who are in turn growing as well. Our way of doing business stems from our outlook: our customers are our partners. We see ourselves as an extension of your traffic department. That is just one of the reasons DBI has weathered this economic storm and has emerged an industry leader.



#### Turning Over In Their Seats By William B. Cassidy, The Journal of Commerce

Need proof the economy is on the mend? The driver turnover rate at large truckload carriers hit 89 percent in the third quarter of 2011, and its heading higher as trucking speeds into 2012, according to the American Trucking Associations.

That's a sure sign more freight is being shipped and drivers are in higher demand, said Bob Costello, the ATA's chief economist, who points to the rapid increase in driver turnover that accompanied the recover from the 2001-03 recession.

## MARKET WATCH

That turnover rate peaked at 136 percent in 2005, however, and today's smaller post-recession truckload sector is a long way from that level of turnover. "I don't know if we'll ever get to that high level again," Costello told The Journal of Commerce.

Still, the turnover rate rose 14 percentage points in the first nine months of 2011 and is up 50 percentage points from 39 percent in the first quarter of 2010.

"The bottom line is this: Demand for drivers is high, so driver turnover is high," Costello said. "I think it will continue to go up" as the economy slowly expands.

The driver turnover rate at truckload carriers with less than \$30 million in annual revenue also rose 10 percentage points from the second quarter to 57 percent. That means on average truckload carriers are replacing 57 to 89 percent of their drivers annually, at a cost estimated to run between \$3,000 and \$8,000 per driver. Over the first nine months of 2011,

the driver turnover rate averaged 81 percent, according to the ATA. At that rate, a truckload carrier with 500 drivers would have to hire 405 drivers a year at a cost ranging from \$1.2 million to \$2 million.

That turnover rate is the flipside of the positive freight news truckload carriers reported in the third quarter and early fourth quarter, when manufacturing demand and pre-holiday retail shipments translated to a stronger-than-expected fall peak shipping season for truck and intermodal freight in North America. Mounting costs from higher turnover will bring more pressure to bear on carrier bottom lines and truckload pricing. Rates for full truckloads that increased on average 5 to 10 percent this year according to various sources, will continue to rise. "The good news is that demand is moving up overall," Costello said. Tonnage figures show "we're not slipping into recession. The economy is doing better than people think. But carriers are under more pressure than ever before, too."



# Lower Cost vs. Service



When it comes down to deciding on a transportation company solely on the basis of lower costs, the end result is sometimes a doubling in the actual costs savings that you though you were getting. Think about it, many of the bargin basement carriers out there will take your business but not make service or worse yet, damage your product. To these carriers, volume is the key, not service. And in the market in which we exist keeping the customer happy is priority number one! That requires delivering the merchandise on time, in perfect condition and at a fair price. So the next time that you are making that crucial decision on which carrier to use to represent you to your customer, remember the old adage:



#### Glynis Jorritsma Glynis brings to DBI over 20 years of experience in the nutrition and healthcare industry. It is our pleasure to be able to offer these helpful health tips to you each month with the hope of improving the enjoyment your life.

### Your Body Needs Water -

As we age, the sense of thirst becomes dulled. At the same time, we have a lower percentage of reserve body water than we had when we were younger. This is why it is important to drink water even when you do not feel thirsty. Quality water is beneficial for virtually all disorders known to humankind. Bowel and bladder problems, as well as headaches, can be reduced by drinking water. If not enough water is consumed, toxins can build up in the system, causing headaches. Water flushes these toxins out. Anxiety attacks, food intolerances, "acid stomach" and heartburn, muscle pains, colitis pain, hot flashes, and many other discomforts and disorders can be eased quickly by drinking a full glass of water. Chronic fatigue syndrome is another disorder that necessitates consuming plenty of water daily to flush out toxins and other substances that contribute to muscle aches and extreme fatigue.

\*\*Prescription for Nutritional Healing\*\*



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