

# Four of Your Most Pressing Questions Answered About Auto Transport Brokering



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Congratulations, you made it this far. You have been researching whether or not you want to launch your very own auto transport business. However, you hit a wall, you need questions answered and do not know where or who to turn to. Somehow, you found our website and much of the information you had been looking for. Yet there are still unanswered questions.

Look no further because your answers lie within the pages of this free report. Many of you submitted your questions to help us develop this report and many thanks go out to you. Many other information seekers will enjoy and use this information because you took the time to help.

Without further delay let me share with you a little bit about my history, how I got started in Auto Transport, and my background. My name is Carla Gardiner; I am the owner of Bullseye Auto Transport. It is a division of Carla's Transport Services. You can read more about us at <http://CarlasTransportServices.com>.

## **Carla's Story**

Prior to getting started in auto transport, banking was my focus and career. Having worked my way up in the ranks, I loved working with people. Each job that I learned and then promoted up from helped develop not only my skills but it helped develop me as a person.

After a few years and our two babies came along, I started wanting to do like many moms do, I wanted to be home, watch them grow up and, be more active with them. However, our family finances really depended on my banking income; and the fact was that I really liked working with people. I was not too sure that being at home was really, what I wanted to do.

Then, the worse thing, and what a lot is happening these days with many people is the whole banking industry changed and they started to centralize departments. Overnight, departments in the bank would just disappear. People that I had been working with for

years were no longer there. In addition, it was really a scary time; it is kind of, as today is.

One day I found the department that I supervised gone, too. With of 23 women looking to me for guidance what was I to do. I found myself back on the teller line, which is an entry-level position at the bank, which it is not a demeaning position but it certainly was not where I saw myself being after ten years with them. That is when hubby and I looked at the pay, the hours, versus what was going out, the income taxes and the childcare. There was nothing left for our family so what was the point.

I left banking at that point. It was about the same time that I found a way to supplement income working from home and that was network marketing. The problem with that I found was the income was not fast enough to replace the salary that I had lost. I continued working the business though.

It was at one of those trainings that I ran into a friend. She was not inside the training. She actually was sitting in the lobby while we were inside the training working on her laptop. At one of the breaks I asked what she was doing, she was missing all the training. She said she had just made \$1,000.00 that day.

Well, as you can imagine that got my interest. The next break I asked her, "How did you make \$1,000.00?" That was my introduction to auto transport brokering.

A few weeks later, I scheduled an appointment with her. We sat down and went over what the reality of the business and if it was possible that I could get into it. I wondered what costs were involved in getting started, how to get started and more. That began my lesson in auto transport brokering.

Six years later, our auto transport brokerage and dispatch center is in full swing. Now it's time to answer your most pressing questions, give you some history of the industry, share what instigated me to help other people. Some of my friends think I am absolutely nuts

for doing this because they think that I am training up my competition.

Well, they look at competition in the negative light; I look at it in the positive light. Competition helps each one of us to come into work every single day just like a professional athlete fully prepared and ready to play the game. It helps you stay sharp it means you are there to serve your clients every single day without a self-serving attitude.

## **History of the Auto Transport Industry**

Our research found that that brokering for transporting actually started somewhere back in the early 1920's. It actually started as a joint venture between two companies that pulled their fleet resources or their trucking, their trucks. They pulled that together along with their customer base, and combined their years of experience; both of them brought different strengths to the deal in transportation and logistics. I found it interesting that it has been around that long, since I thought people just used U-Haul trailers behind their own pick up trucks. I had no clue that people would pay their hard-earned dollars to let someone else move their car. Call me naïve but I am finding more people feel the same way so I am not alone.

Now, as far as the industry today, the research again showed that the industry itself peaked somewhere between the year 2000 and 2009. That was like at the very tip-top of the market. Because of natural disasters, the failing economy, when all that hit the US, auto transport brokering and not just the brokering but, the auto transport industry as a whole sort of hit a plateau for a little while. Companies nation wide, curtailed transferring their corporate, their executives. They promoted within to cut those expenses. If the corporate executives were moving for promotions and such, they started to bear the burden of their own moving expenses. No longer did those companies pay them back. Therefore, that made people more aware of what they were spending.

Another group who really started watching their purse strings was parents. Parents of kids who were going off to college no longer did they just flip out the credit card, now they started really thinking about, well do we want our kids to drive cross country and we'll pay for the fuel and the hotel bills and worry about them or would we rather cough up another \$500.00 and ship it?

We have seen that crew come back. They are just not willing to put their kids on the road like that. Whether people look at whether or not their car was valuable enough to ship it that is another deal. In light of rising costs of purchasing new cars, people are holding onto their cars longer. The values are going down, and many, many times, we will provide customers with quotes and they respond with, "Whoa that quote is going to cost me as much to ship it as the car is worth". They may sell the car in place of shipping it.

As a smart business owner, I am not going to talk them into shipping a car that is not worth it, they will just go buy another used car. That builds credibility with your clients and it's smart business because they'll remember you when they do want to ship or they have a friend that wants to ship, and multiple sales are better than a single sale today.

Now in the last year, it seems like the whole picture truly is coming around. More people are moving to find jobs, they are moving out of state, car shipping we found has increased. It is not back to the level of the peak in 2009, but it is on the rise. More and more owner/operators or the truck drivers who own their own rigs, they are looking to get off the road. They are looking to be home with their families, they are tired of the long days, weeks, and hours. The federal regulations are creeping in, taking away the ability for them to do their jobs. This is actually increasing jobs out there for the younger generation who want to be truck drivers. Therefore, it is good for the whole generation, and the whole economy really.

## **Results of our survey**

We asked our readers, you what your most pressing questions were about getting started in an auto transport business. It was surprising because many, many, many answers came in. I have to say it was shocking because some of these questions, I had not even remembered. I probably had them way back when I got started but you tend to forget, you rise to the level where you are today and forget how it was when you started.

Because of the limited space we have, we went through and thought about every single question that you submitted. Following are the top three of the most pressing questions submitted.

### **Question # 1 - Is the market saturated as far as being an auto transport broker.**

That is an excellent, excellent question. It was one of the first questions I had before opening my doors. It is really relative to the number of cars that there are to move during a shipping season at any given season. Now what does that mean?

What that means is that I have found during the last six years of being in business, you will work online with hundreds of others brokers and auto transport carriers owner/operators. You will watch and learn, because you collaborate with each other, you help each other out.

Ask each driver whom he or she knows that runs this route. I am having trouble moving this car from this route to this route. Can you help me out? Have you done one like that?

By collaborating with other industry professionals, it builds credibility for each business owner. It also strengthens your relationship with your client because you are able to provide a better level of service compared to the brokers out there who simply post it to the load board and wait for a truck to call them; that is not customer service. That is simply working for the money and whatever happens, happens.

Therefore, we have seen brokers...now I hope you are all sitting down and you have all had a cup of green tea, because this is going to come as a shock to you. Brokers come, and brokers go. Brokers start and brokers quit every single month.

There were - I will give you an example. The year that I started within a three-month span, there were 20 people that I knew personally knew from different areas around the United States, but we were all friends because we were associated with our vitamin company. We all started within that three-month period. Well there are now two of us left after six years.

We all invested the same amount of money, the same amount in training. I cannot say we all invested the same amount of blood sweat and tears into the business. Due to personal choices in making business decisions one way or the other, that can make or break you.

Choosing to listen to the wrong people can make or break you. It just depends on what you do. That was a huge revelation for me personally. Coming from corporate America, I was never responsible for the decisions made I just followed orders. The policies and procedures were already in place, I just followed them.

Nobody taught me how to make smart business decisions. I had no schooling in Business 101; I just jumped in and did it. I either sank or swam. The reality was not to give myself an option there was no turning back. I burned my bridges in corporate America in my mind, not literally but in my mind. I was not going back. I would succeed at all costs. Some of my friends were not the case. They caved, they could not do it, and they could not put that pressure on themselves.

Now am I saying does it take that today? Maybe, maybe not. I do not know. However, what I can tell you is this, it is work, it is not a game, and it takes dedication. Are you going to get wealthy overnight? Nope, it is going to take time. It is just like any business. If you go up to your main street and open a brick and

mortar store, you are not going to turn profits right away. You have got overhead, you have startup costs, and it is a true viable business.

I hope that helps everybody with the question about market saturation. It really it is not saturated because the turnover is high.

## **Question # 2 - What is the surety bond for and how much is it?**

Lets start out with how much is it and then we will answer why is it, what is it for? The Federal Department of Transportation requires that all brokers carry a \$10,000.00 cash bond.

Many companies provide that service. They are call trust companies, surety bond companies. Some are better than others are; some are the very reason why some of my friends went out of business.

Ultimately it is your personal decision because it your business, it is up to you to do your own research. We have done ours, we can give our recommendations, but as any smart business owner would tell you, we are not responsible for your choices, they are your business, and it is your choice.

What does the surety bond do? The surety bond protects you and it protects the owner/operator carrier that hauls the loads for you. What that means is for the most part, your customers shipping the cars are going to be the ones paying the truck driver for the transport.

It seems that more and more these days because of the way the economy is again, customers are using their credit cards to pay for the entire transport up front. Therefore, this puts the responsibility on you the broker to pay that carrier when they deliver the car. What that bond does is protect the carrier in case you as a broker decide you are going to be a shyster, and run away with the money.



The bond is your protection in case something happens where the customer was actually the shyster. If they file a chargeback on a credit card and the credit card backs, the customer instead of the broker regardless of the signed documentation you could be on the line for a large amount of money.

This happened to one of my friends who lost her business due to a client like this. She had to fall back on the money, the cash money in her bond to give her the capital she needed to pay her trucker so that then she could then repay that bond. It is like an insurance policy that you can fall back on just in case. The surety bond protects you and your truck drivers.

### **Question # 3 - How long does it take to secure all the licenses prior to starting the business? How much money do you need to get started?**

From the first minute that you start filing your papers to when you can expect to open your doors is anywhere from 45 to 60 days. It has all related to how fast, and how backlogged the Department of Transportation gets with your paperwork, getting your quoting software/website up and running.

To put an exact dollar figure on how much it takes to get started, is relevant to your circumstances. A general idea assuming you have no office setup, therefore, you need all of the equipment that it takes to run an office. You will need the whole kit and caboodle; you can probably get your licensing, quoting software, website, hosting, office set up for around \$8,000.00 or under.

That does not include the bond. The bonding companies, many of them will set you up with payment options, if you do not have \$10,000.00 up front to start your bond. Many of them have different plans that you can do and they go over that with you.

## **Question # 4 - Is there a need for brokers out there in the marketplace?**

What I wanted to do here was give you a little peek inside why the industry need brokers, what is the very purpose and who benefits other than you, the business owner?

In today's economy, the average truck driver who owns his own equipment needs to run a fully loaded, maximized profit load every single trip. He cannot afford to run empty, and he cannot afford to take loads at minimal pay. He just cannot.

Contrary to popular belief by the average Joe out there and by some untrained brokers, they seem to think that the truck drivers will operate and take a car for the price of fuel. Let me ask you this question. Would you get in your car every single morning and drive to your job if your boss only paid you for fuel to get there? No, I do not think you would. Not one sane person walking this planet would do that. Well, neither will a driver.

I refuse to quote my clients transports that way. I refuse to book a load for my dispatch clients that way, too. Do we give up business? Sure we do. We have brokers that call us for our dispatch services that know what we charge, but they know the service they get. They know we are fully licensed and bonded we do what we say. They cannot say that with other customers.

Now that being said, it is an art to work with customers to get their car scheduled. Drivers truly do not have time to mess with that. The driver does not have the patience or the resources to be able to be on the phone scheduling customers and their specific needs, they are flying out at this time or I am leaving my car with Aunt Sally. They do not have time for that. They just need to know where the car is, when they can pick it up, and when they can deliver it. That is what will maximize the driver's load.

If the driver cannot do it and the driver's wives cannot either, because they are raising the family or working a job, who does that leave to do it? That leaves auto transport brokers.

That is why there is a need for brokers in the market. The broker then serves as a middleman; it is like a secretary for the CEO of a company. We contract with the customer, we collect all of the pickup and delivery information, we get the payment information.

However, that is not all we do. We educate the customer on how a transport works; the real transport, how it really, really works, not some fly by night explanation. An auto transport broker serves three different sectors of the marketplace. We serve the customer, we serve the driver, and we serve other brokers. It is a very, very viable business to run.

**Now, what crazy thing prompted me to write this report for you?** Because I remember, what it was like and where I was six and a half years ago. I wish I had had somebody to help me walk through this stuff. Instead, I hit my head, bumped my toe, broke my leg, crashed and burned, spent so much money needlessly, and it was ridiculous. Had someone just provided the service that I am able to provide you, it would have saved me thousands of dollars, I could have been into profit much sooner.

In the last several years what I have seen, it used to be fun serving this industry but it has gone right into the tank for me. The reason is it is the lack of integrity in such a big number of brokers out there, that it drives me nuts. They do things illegally; they totally break the rules on all venues, on the load boards. They lie, they cheat, and they coerce the customers. I have had customers who call me crying. I am appalled at how people treat others -- and these people are in business, I do not get it.

Therefore, that is what drove me to write this report for you today. Because we can complain about the industry and about the job or we can be part of the solution. We can work with other people to help turn the industry around.

Learn together how to map out the routes right, now to price the transports right. If we do our homework, serve the customer right, serve our truck drivers right, it drives up the fair market value within the whole industry which serves everybody, yet we are not price gouging the customer either. We end up with happy customers, happy truckers who gladly do business with us and that makes, in the end, in the grand scheme of things, that makes for you and a profitable business that will serve many others for many decades to come, it's as simple as that.

There is plenty of business out there, we do not have to be greedy, dishonest, backbiting, backstabbing business people that try to control and coerce the people. We do not have to do it that way. If we all do our part, what will happen is the customer will force the bad ones to rise up and do business right or they will fall by the wayside automatically.

**What can you expect your life to look like in the first six months of your business?** Having been a banker, everybody gave me a bad time about having banker's hours. Well they did not know back then I left the house at 7:15 a.m. and I did not get home until 5:45; those are not banker's hours, those are long hours.

Although I hate to be the bearer of bad news, your life is going to look about the same as mine did with banker's hours. Owning your own business is work. Yes, you can set your own hours, your own days, you can have flexibility, that is true.

However, when push comes to shove and you have family depending on you to put bread and butter on the table, you will find that all of a sudden the clock is not going to dictate the hours that you work.

Because you will have set hours, you will want to serve the clients the right way. When you post on your website, on the dispatch, board that you are office is open Monday to Friday, eight to five, answer the phone. That is key, answering the phone is key.

You will miss a sale, you can miss is a transport if you do not answer the phone. Just like a job, working for you is just like working at a job. You have to show up, you have to be on top of your game to succeed whether you feel like it or not.

I do not mean to sound that negative. I am not a negative person. The whole point of this report is to help you succeed. Part of helping you succeed is to be honest. To know what it really took to do this business, if someone had been honest with me it would have helped tremendously. Would I have still done it? Absolutely, I would have. I still wish I would have known in advance because then I could have prepared for it.

Unlike many home-based businesses, you are not going to be crawling out of bed at nine or ten o'clock and strolling into the office when you feel like it. You need to treat it like a business, and even though you are working at home, let me tell you, you are going to have to overcome some struggles there, I did. My family including my husband because I was home thought I could do laundry, he thought I could do the laundry, run errands, shop and more.

When you are talking on the phone with a transport client, you need to focus on serving that client or they are not going to become your client. You deserve to succeed, but it is going to be work, plain and simple.

This is what it is going to take to start and run your own business. Now it is time for you to make a decision. It is the time either to say yes, I want to design my own life as Carla has or to decide no, this is not what I thought it would be, and right now, I am not ready for this, it is just not the right time.

Either way, you will be making a decision that is going to affect you and your family's livelihood. It is a serious consideration. It is not something that you should just jump into; you do need to think about it. It takes courage to step up and out, into business ownership, it is the not the same as a job. However, the rewards way outdo the risks.

This report is my gift to you, the person out there researching the auto transport broker business. After six and a half years of serving, our clients my husband and I are looking forward to building our retirement income with our new online business, while working our auto transport business right beside you.

If you would like to build a retirement income part time while working your job, auto transport business or have been one of the many who have been affected by corporate downsizing, join us by visiting <http://CarlaJGardiner.com/other-job>



*© John Hays* **Carla J Gardiner** is an ex-banker turned entrepreneur who built an auto transport brokerage and dispatch center from the ground up. With half a days training and little else Carla learned the business inside and out the hard way...by doing it. Her passion and purpose lies with the people she works with daily; the client, dispatcher, broker and truck driver. Her frustration within the industry has birthed a new division of her company; one to properly train, encourage and mentor other professionals in regaining their health while working in auto transport.