



Investing in the Intangible to Survive the Long Run

Nearly two decades ago I had the occasion to attend a small claims court case between an Owner Operator and a carrier. My client's case (the Owner Operator) was straight forward. The carrier refused to pay the operator for miles as well as an insurance claim that clearly belonged to him (the Owner Operator). The details of the case are available in story form in the first chapter of my second book "Making Your Miles Count: Choosing A Trucking Company".

The plaintiff (the Owner Operator) began his argument by outlining the operator carrier contract and then over-viewing the documents regarding missing pay and the insurance claim issue. About 45 minutes into the presentation, half way through the insurance claim story, the magistrate held up his hand and asked for clarification. "... this truck you keep talking about, it's not a half ton truck?"

Both the plaintiff and the defendant looked at each other in stunned disbelief. After a few minutes of back and forth explanation, it was clear that the magistrate had little to no understanding about the transportation industry. Both the plaintiff and defendant

came together in a rather comical dance trying to educate the magistrate on carriers, highway tractors and freight movement. He had no clue how store shelves were restocked. He had never even considered that freight, other than that which he had seen on trains, needed to be moved. He had always wondered what those big, rolling boxy things on the highway were. After five minutes he thanked them both for their information.

The details of the conflict were then further articulated, and it appeared from the magistrate's responses that he understood the conflict that the contract presented. In his final questions he nailed down the issues in what I thought was a clear, logical and simple form. After the presentation, both parties left and were scheduled to return to hear the verdict.

Two weeks later the parties were again standing together before the magistrate. The verdict was read, outlining the steps of logic the magistrate used. The problem was, the verdict's logic was indescribably irrelevant and read like it was the summary of a completely different case. It referred

to things that weren't even testified to and was clearly baffling to both parties. As the informal setting of small claims court sometimes allows, both the plaintiff and defendant asked for clarification on points during the summary, trying to determine if he was even reading the right case. However, once the verdict in favor of the defendant (the carrier) was stated, the plaintiff was left alone asking for assistance. He was soon shut down.

In the hall, after dismissal, the defendants were openly laughing as they left. They certainly won that battle.

The case was then appealed under a different magistrate and was settled in favor of the plaintiff about nine months later. The experience taught me a clear lesson about justice; sometimes, there are incredibly strange events and outcomes. To be successful on your day in court, it may very well take two... or more.

The carrier in this case is no longer in business. The President declared bankruptcy less than two years after these events and neither he nor the Vice-President are even in the transportation industry (to my knowledge). They may have won that battle, but they lost the war.

Unethical business practices can sometimes pay in the short term but eventually, will be paid for many times

over in the long run. Investing in your business and in your life is more than just asset purchases. Sometimes they are intangible investments. Ensuring your suppliers and customers know they deal with an ethical company requires an occasional check as well.

Persistence and patience, which are sisters, are indispensable in building a long term profitable venture.

About the Author:

Robert D. Scheper is a leading Accountant and Consultant to the Lease/Owner operator industry in Canada. His first book in the Making Your Miles Count series "taxes, taxes, taxes" was released in 2007. His firm exclusively serves Lease/Owner Operators across Canada. His second book "Choosing a Trucking company" is the most in-depth analysis of the operator industry available today. He has a Master degree (MBA) in financial management and has been serving the industry since he and his wife came off the road in 1993. His dedication, commitment and strong opinions can be read and heard in many articles and seminars.

You can find him at www.makingyourmilescount.com or 1-877-987-9787.