

# Working together to reduce transportation costs

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The fuel surcharge (FSC) has been accepted practice in the transportation industry for decades. In the 1980's and 1990's FSC was typically a short-term measure to help carriers through a temporary spike in the cost of fuel. A typical FSC in those days was 1-2%. Today the FSC is a fixed strategy, resulting in a substantial increase in the cost of transportation. The effect on the price of goods is now of material significance.


As both a purchaser and seller of transportation services, Barrett is developing strategies to reduce transportation expenses for our clients. These strategies include:

- partnering with a smaller group of select carriers so that we have the scale to make stra-



tegic decisions together

- helping our partner carriers fill their deficient lanes, to take advantage of lower pricing based on excess capacity to that destination for that particular carrier
- working with these carriers on continuous runs—to bring loads into our locations and then load them back out with shipments so they are more efficient and cost less for our clients
- faster turns for their equipment at our docks to ensure that Barrett is considered to be easy to do business with—in a tight market for transportation resources we will be able to secure transportation capacity when others cannot

Our goal is to decrease transportation costs in these times of increasing fuel costs by exploring new opportunities, and passing these savings on to our clients. 

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