

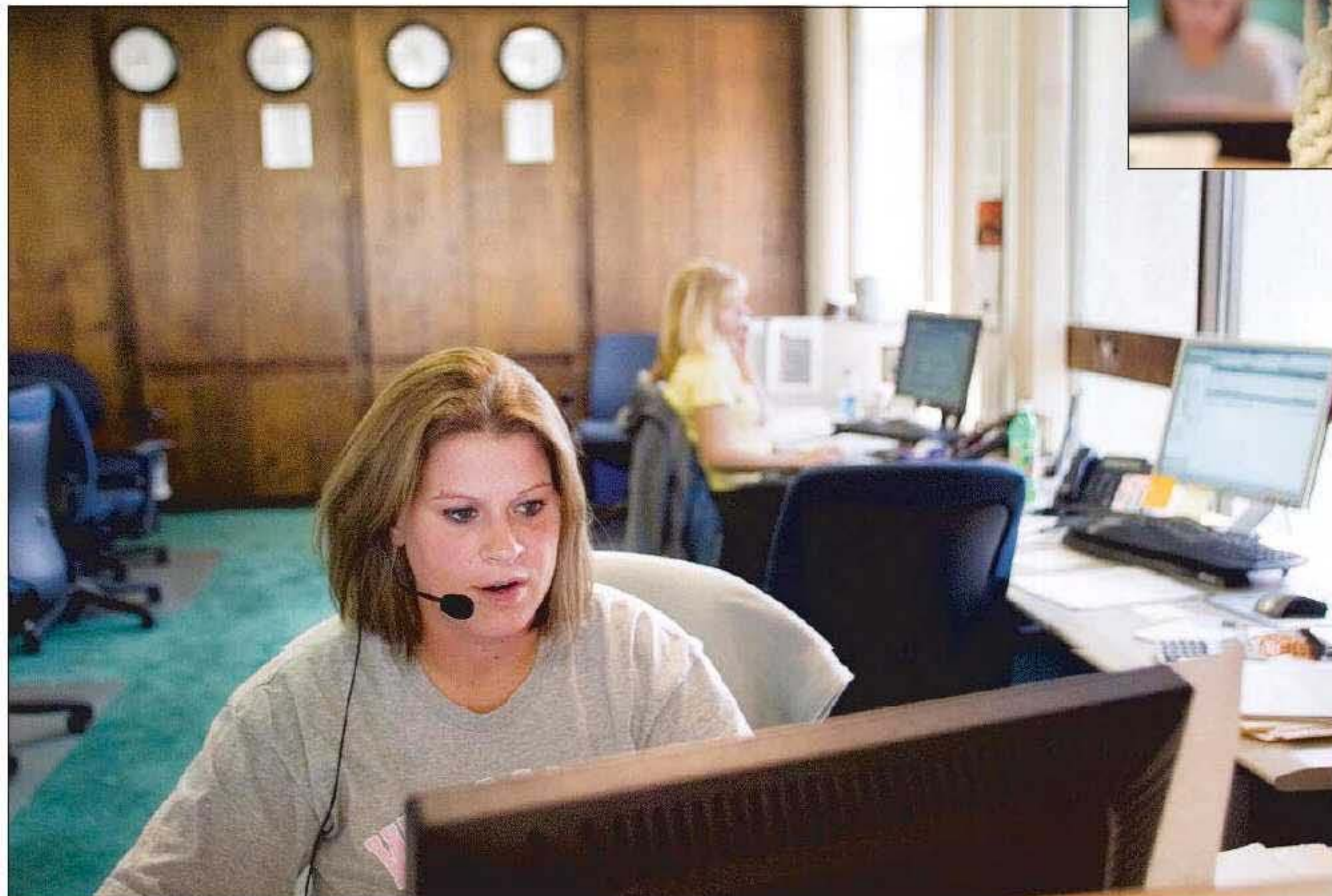
Fast-tracking freight

C.R. company works to keep it moving



ABOVE: A bell hangs from the wall at Hybrid Transit Systems. Employees ring the bell when they bring in a good order. The company handles logistics for companies shipping freight by truck, railroad, airfreight and oceangoing ships. The company employs about 25.

LEFT: Hybrid Transit Systems broker Kendra Olson of Cedar Rapids talks to a driver as she works to connect the driver with a load of cargo at the company's southwest Cedar Rapids location Sept. 19. The company will move next month to a larger location.



Jim Slosiarek photos/The Gazette

By George C. Ford
The Gazette

CEDAR RAPIDS — With diesel fuel at \$4 a gallon, no one wants to haul even a partially empty trailer.

That keeps the folks at Hybrid Transit Systems Inc., 2525 18th St. SW, searching to find loads for trucks and trains moving freight across the nation, as well as airfreight operators and oceangoing ships handling international transportation.

"We have a federal license to be an arranger of freight," said John Miller, vice president of Hybrid Transit Systems. "We have shipping customers in Eastern Iowa that are heavily into agriprocessing and bagged products and we charge them a shipping rate.

"We negotiate freight rates with local and regional truck carriers to haul the freight. We live on the margin between those rates."

Miller said about 5,000 active truck lines do business with Hybrid

Transit Systems. He said deregulation of the trucking industry led to the development of federal licenses to broker freight.

"The economics of running a truck line require that you have to load every truck every day," Miller said. "If someone has two extra trucks out there that need loads, they look to brokerages like ours to find loads for them."

If a relationship matures with a brokerage, the carrier is able to depend on it to fill loads, Miller said. He said there's also some private dedicated fleets owned by companies like HON and Target looking to avoid partially empty trailers.

"A lot of their overall strategy is to fill their trucks with loads coming back into Eastern Iowa," he said. "They may primarily deliver HON furniture around the Midwest, but they have to put some revenue on that truck after they make those deliveries to make the numbers work."

Miller said the brokerages need to find freight that is acceptable to truck lines, whether they haul for any shipper or are private dedicated fleets. Usually that means the freight must be clean and fit well with other freight being transport-

ed.

Robert Halgens, president of Hybrid Transit Systems, said the brokerage or agency system has a long history in the United States.

"In the very early days of the stage coach, there were agents handling shipments across the country," Halgens said. "They would book freight on a stage coach traveling across the country."

"The agency or brokerage base has grown in recent years as deregulation and technology lowered the barriers to entry. With our many years of experience in the industry working for carriers, we have built up trust with carriers and shippers."

The senior management team and owners of Hybrid Transit Systems offer a wealth of industry experience.

• Helgens has worked in the transportation industry since 1982, handling truck load sales and account management for CRST International and RFK Transportation. He served in executive management at Cedar Rapids Transportation and Providence Transportation Group.

• Miller, also a 26-year industry veteran, worked in truckload sales, account management and opera-

tions with CRST International, KAT Refrigerated and RFK Transportation. He later was vice president of Cedar Rapids Transportation and Providence Transportation Group.

• Gerald Moore, vice president of operations, is an 18-year veteran of the transportation industry. He was manager of fleet operations for Cedar Rapids Transportation and operations manager at Providence Transportation Group.

Moore also managed several key accounts, including Deere & Co. and Penford Products.

• Brian Helgens, controller and vice president of aviation services, worked in the aviation transportation industry from 1987 through 2005 in both military and civilian roles. Helgens brings to the table global expertise in a number of key aviation markets.

Moore said Hybrid Transit Systems differs from many of its competitors in Eastern Iowa and across



John Miller
Hybrid Transit
Systems Inc.



Gerald Moore
Hybrid Transit
Systems Inc.



Jim Slosiarek/The Gazette

Two of Hybrid Transit Systems' owners, Robert Helgens (left) and Gerald Moore, clean off a desk at the company's new location at 818 Dows Rd. SE on Sept. 19. The company handles logistics for companies shipping freight by truck, railroad, air and ships.

Freight/Internet, GPS playing larger roles

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the nation.

"Many of these logistics units were added by carriers to support their trucking company," he said. "It's a situation where they need help today, but don't need it tomorrow. That's why many have not grown to be as profitable as they could be.

"Our sole focus is logistics. It's all we do every day."

Miller said technology — specifically the Internet — plays a key role for logistics brokers like Hybrid Transit Systems.

"There are bulletin boards and subscription boards where we can find known entities that have space available on their trucks," he said. "There are hundreds of e-mails daily that get downloaded with shipping requests.

"We rely very heavily on electronic filing systems because our work generates a lot of paperwork. We need to check insurance, issue spot contracts and keep track of everything.

"You have to be really comfortable working with computers. We use a lot of sorting tools to determine who's in the lane today and who have we used in the past to get the job done."

Eric Heskje, director of marketing and operations, said the company is beta testing the use of global positioning system technology available on most new cellular phones to track drivers and shipments.



Eric Heskje
Hybrid Transit
Systems Inc.

"It enables you to act like an owner-operator because you can tell your client where their load is at any time," Heskje said. "Where

you don't control the truck, you still need to know where it is at any time.

"Five years ago, GPS was very expensive to purchase and install in a fleet of trucks. Today, that technology exists where a company our size can expand business at an attractive price."

Hybrid Transit Systems recently signed a lease to move to a larger building at 818 Dows Rd. SE next month, creating space for anticipated growth. The company employs about 25 people and expects 50 percent growth over the next year, adding about 15 associates.

■ Contact the writer: (319) 398-8366 or george.ford@gazcomm.com