

TransDigest

Volume XXX, Issue No. 325, March 2025



George Carl Pezold, Executive Director

Raymond A. Selvaggio, General Counsel

Stephen W. Beyer, Editor

Diane Smid, Executive Secretary

2025 Annual Conference Report!

- **2024 Cargo Theft Report**
- **Cargo Crime Laws**
- **Freight Claims Statistics**
- **U.S. Shipbuilding and Jones Act Challenge**
- **Canal Updates**
- **Changes at USPS**
- **Carrier Fees and Surcharges**
- **NMFC Classification Changes**

SOFT COVER EDITION!

FREIGHT CLAIMS IN PLAIN ENGLISH (4TH ED.)

Published by the [TRANSPORTATION & LOGISTICS COUNCIL, INC.](https://www.TLCouncil.org)

120 Main Street • Huntington, NY 11743-8001 • P 631.549.8984 • F 631.549.8962

www.TLCouncil.org • tlc@transportlaw.com

Table of Contents

ASSOCIATION NEWS	2	RAIL.....	18
INTERNATIONAL	7	CLASSIFICATION.....	18
MOTOR	8	CCPAC NEWS.....	20
OCEAN	11	ADVERTISE IN THE TRANSDIGEST.....	22
PARCEL EXPRESS.....	15		

ASSOCIATION NEWS

PRESIDENT'S REPORT ON THE 51ST ANNUAL CONFERENCE FOR THE TRANSPORTATION & LOGISTICS COUNCIL

by Jeffrey L. Meyer, Sr. Manager Transportation
Nestle Purina PetCare Company

It is with immense pleasure and pride that I present the President's Report on the 51st Annual Conference for the Transportation & Logistics Council. This year's conference, held at the Hilton Houston Post Oak Convention Center from March 17-19th, was a resounding success, marked by insightful presentations, great audience participation, and numerous networking opportunities. The event brought together industry subject matter experts, practitioners, and stakeholders from across our supply chain industry. The common goal was to advance our knowledge of this ever-changing field.

CONFERENCE OVERVIEW

The 51st Annual Conference was timely with current discussions on Tariffs, Economic and Political Challenges, Fighting Cargo Theft & Fraud, Transportation Law and Legal concepts, Risk & Insurance, Technology, Sustainability & AI, LTL & the NMFC changes, and through sharing of managing cargo claims. The general sessions, workshops, and panel discussions were meticulously designed to address the myriad challenges and opportunities that we deal with daily and those that still lie ahead.

GUEST SPEAKER ADDRESSES

Gary Thomas, a Crime Analyst with CargoNet, was our Monday luncheon speaker. Gary shared his 24+ years' experience of being in the trenches fighting cargo theft. Insightful advice was shared with our packed room of attendees. It was obvious that Gary is on the leading edge of understanding the ever-rapid evolving landscape of fraud and theft. From his discussion, sometimes humorous, I left with fresh ideas on how my organization can strengthen its practices.

On Tuesday, we took a different direction with our guest speaker Charlie Jenkins, CEO of Port Houston. What a riveting story of what Port Houston has accomplished and how they accomplish growth. Today this port is a \$1 trillion annual economic engine. Charlie shared repeated stories and examples on how the port managed its growth in a "Texas" style of doing it first, then working with the Federal Government to catch up to them with economic funds and policies. Had the port taken the first step of waiting for the Feds to green-light these projects, the port would not have ever met its needs and timelines.

NETWORKING OPPORTUNITIES

One of the hallmarks of our conference is the networking opportunities it offers. We appreciate the support from our exhibitors and sponsors that make this possible. This year, we facilitated several networking events, including an exhibitors' reception on Monday evening and the President's Reception on Tuesday. These events provided attendees with the chance to forge new connections, exchange ideas, and explore potential collaborations.

FEEDBACK AND FUTURE DIRECTIONS

Feedback from the conference attendees has been positive. Participants praised the quality of the presentations, the diversity of topics covered, and the opportunities for professional development. We also took note on some ideas to enhance next year's program.

As we look to the future, the Transportation & Logistics Council remains committed to being on the leading edge of identifying emerging topics and collaboration within the industry. Plans are already underway for the 52nd Annual Conference, which will be hosted at the Franklin Marriott Cool Springs, Franklin, TN. The conference will be March 16, 2026, thru the 18th, and our optional Seminars are on the preceding Sunday. I am also happy to announce that this event will start in the afternoon of the 16th, giving more flexibility for travel. To ensure we provide adequate coverage of our topics, the conference will now end at 5 PM on Wednesday.

In conclusion, the 51st Annual Conference was a success and that was only possible because of the panelists, moderators, exhibitors, sponsors, and our Board. A lot of hard work along with some sacrifices occurred to make this conference a success and I am grateful for all. I cannot dismiss the value of our attendees as well. The fresh faces, the level of engagement, and the curiosity are significant. Together, we are paving the way for a sustainable and prosperous future in transportation and logistics.

Thank you, and I look forward to seeing you all at next year's conference.

51ST CONFERENCE PHOTOS





**Luncheon Speaker
Charles Jenkins with
Jeff Meyer and
George Pezold**



T&LC President Jeff Meyer



Diane Smid & Shelby Williams



Diane Smid at the Rodeo

It should be noted that Shelby Williams, daughter of Ron Williams and granddaughter of Gil Williams of Williams & Associates, is a third-generation attendee of the conference.



There are lots more photos from the Annual Conference in Houston available online at the T&LC website, visit <https://tlcouncil.org/2025-conference-photos/> to view and download.

THANKS TO OUR SUPPORTERS – EXHIBITORS, DONORS AND SPONSORS

A special thank you to **FedEx Custom Critical** for donating the Grand Prize, a Solo Stove, which was won by Michel Taylor.

A special thank you to **Trans Audit** for donating the Lanyards and Microsite App.

And thank you to our Door Prize donors:

CCPAC
Trans Audit
Jarrett Logistics

Wooster Brush Company
Nestle Purina Petcare
Prospensive Logistics



Thanks to our Conference Sponsors

Platinum Sponsor:

Trans Audit, Inc.

<https://transaudit.com/>

Gold Sponsor:

Nestle Purina Pet Care Co.
FreightClaims.com

<https://www.purina.com/>
<https://freightclaims.com/>

Silver Sponsors:

McCarter & English, LLP
Freight Trac Services
Benesch Friedlander Coplan &
Aronoff LLP

<https://www.mccarter.com/>
<https://www.freighttracservices.com/>
<https://www.beneschlaw.com/>

Bronze Sponsors:

Law Office of David G. Ballard
Virtual Freight Inspections
Jarrett Logistics
Infios a Körber Company
OpSec Intel
Ballard Spahr LLP
Diversified Transportation
Services
Pezold, Smith, Hirschmann &
Selvaggio LLC

<https://www.lawballard.biz/>
<https://vfindpections.com/>
<https://www.gojarrett.com/>
<https://mercurysgate.com/>
<https://www.opsecintel.com/>
<https://www.ballardspahr.com/>
<https://www.dtsone.com/>
<https://www.transportlaw.com/>

Exhibitors:

Certified Claims Professional Accreditation
Council (CCPAC)
FreightClaims.com
Trans Audit, Inc.
WireBee
Infios a Körber Company

<https://ccpac.com/>
<https://freightclaims.com/>
<https://transaudit.com/>
<https://www.wirebee.com/>
<https://mercurysgate.com/>

NEW MEMBERS

REGULAR MEMBERS

Christine Gramse
Land O'Lakes, Inc.
clgramse@landolakes.com

Benjamin Crawford
Superior Essex
Ben.crawford@essexsolutions.com

Jayne Burke-Plange
Burke Warren MacKay Serritella PC
Jbart-plange@burkelaw.com

Elyse Eisenbrook
CEVA Logistics
Elyse.Eisenbrook@cevalogistics.com

Srijan Kumar
Lighthouz AI
srijan@lighthouz.ai

INTERNATIONAL

TARIFF TIME? WHAT A RIDE IT IS!

Wow – there's no riding this critter. They're on, they're off, they're changed. The tariff situation remains so fluid that making plans is like chasing phantoms. One of the top general sessions at the Annual

Conference was “Tariffs and Trade Wars”. Look for updates and an upcoming TLC Virtual Workshop on Tariffs and Trade Wars in the next few months as things develop.

MOTOR

ANNUAL CARGO THEFT REPORT 2024

Overhaul has released its “U.S. & Canada: Annual Cargo Theft Report 2024”.*

From the Executive Summary, the

Report is meant to highlight the ways in which cargo theft events in the United States and Canada are evolving. This understanding is critical in order to help shippers and drivers prepare for and avoid risks.

To that end, Overhaul actively compiles data regarding cargo theft activity, categorizing stolen loads by product type, and tracking by date, location, Modus Operandi (M.O.), value, and specific product. This report summarizes the United States and Canada theft data collected in 2024 and analyzes trends derived from database content, law enforcement information, and industry associates. It also draws on observations by personnel in the field to provide an overview of national cargo theft activity as well as a deep dive into specific focus areas based on our findings. Specifically, we highlighted cargo theft activity involving Rail and Train Yards.

Overhaul has visibility into more than 13,500 significant cargo theft incidents in the US and Canada. We compile this data from various sources, including public records, private companies, law enforcement, and related organizations. Our methodology involves assessing theft reports provided by national law enforcement agencies to estimate the total volume of cargo theft.

While the exact details of these theft events are not always fully available, our collaborations with law enforcement and related entities enable us to confidently assert that the actual number of major theft incidents exceeds 13,500 for the year 2024.

The bulk of this report is dedicated to analyzing the incidents for which we have comprehensive details. This allows us to conduct a thorough comparison with previous years using a consistent analytical approach.

Cargo theft in the United States continues to show higher incidence near freight hubs and large cities, leading to hot spots in states such as California (32%) and Texas (19%), which ranked 1st and 2nd in terms of cargo theft risk. Electronics (24%) were especially at risk, followed by Miscellaneous (15%), Home & Garden (10%), and Food & Drink (10%).

In 2025, cargo theft events in the United States are expected to show a major increase from 2,217 to 2,705. These numbers show definitively that cargo theft is an ongoing risk that must be taken seriously, and the range of affected industries and times in which an attack may occur highlight how important it is to have the right tools and technology to keep your shipments safe.

* <https://over-haul.com/wp-content/uploads/2025/02/US-and-Canada-Annual-Cargo-Theft-Report-2024.pdf>

CARGO CRIME LAWS

With cargo crime on the increase, there has been a push to enact stricter laws with increased penalties.

Arkansas recently enacted a package of bills targeting organized retail crime, including cargo theft. On March 18, 2025, Gov. Sarah Huckabee signed SB 301 into law. It enhances the penalty for those convicted of “organized theft of cargo” by adding up to 10 years to the sentence, and denying those convicted under the new law of eligibility to receive earned release credits for the enhanced portion of the sentence.*

Previously, on December 1, 2023, a new North Carolina law imposing stiffer penalties went into effect. Prior to the new law, all cargo theft convictions resulted in a Class I felony with up to 24 months incarceration, regardless of value of goods stolen. Under the new law, offenses occurring over a period of 90 days can be combined and the period of incarceration increased as follows, according to a November 28, 2023, *Land Line* article:†

- Stolen cargo valued between \$1,501 and \$20,000 would be a Class H felony. Offenders would face up to 39 months in prison.
- Stolen cargo valued between \$20,001 and \$50,000 would be a Class G felony. Offenders would face up to 47 months in prison.
- Stolen cargo valued between \$50,001 and \$100,000 would be a Class F felony. Offenders would face up to 59 months in prison.
- Stolen cargo valued beyond \$100,000 would be a Class C felony. Offenders would face up to 231 months in prison.

Theft of goods valued at \$1,500 or less would remain a Class I offense.

Additionally, any conveyance that is used in the commission of the crime could be seized and forfeited.

On the federal level, on February 27, 2025, Senate Surface Transportation, Freight, Pipelines, and Safety Subcommittee held a hearing titled “*Grand Theft Cargo: Examining the Costly Threat to Consumers and the U.S. Supply Chain.*” Lawmakers and industry experts gathered to discuss why cargo theft is rising and what can be done to stop it.

Information on the hearing, transcripts of the testimony, and a playback of the hearing are available online.‡ Amongst the highlights, it was pointed out that cargo theft has increased 1,500% since 2021 with estimates that these crimes cost the economy up to \$35 billion a year.

Industry leaders urged Congress to take action, recommending the following key steps:

- Make FMCSA remove fake trucking companies from its website.
- Pass the Safeguarding Our Supply Chains Act. This law would create a federal task force to fight cargo theft.
- Pass the Household Goods Shipping Consumer Protection Act. This law would increase penalties for fraud.

* <https://arkleg.state.ar.us/Home/FTPDocument?path=%2FACTS%2F2025R%2FPublic%2FACT322.pdf>

† <https://landline.media/north-carolina-law-boosts-punishment-for-cargo-theft/>

‡ https://www.commerce.senate.gov/2025/2/grand-theft-cargo-examining-a-costly-threat-to-consumers-and-the-u-s-supply-chain_2_2

There appears to be bipartisan support and Congress is expected to include cargo theft prevention in the next federal transportation bill.

NEW FMCSA ADMINISTRATOR STEPS DOWN

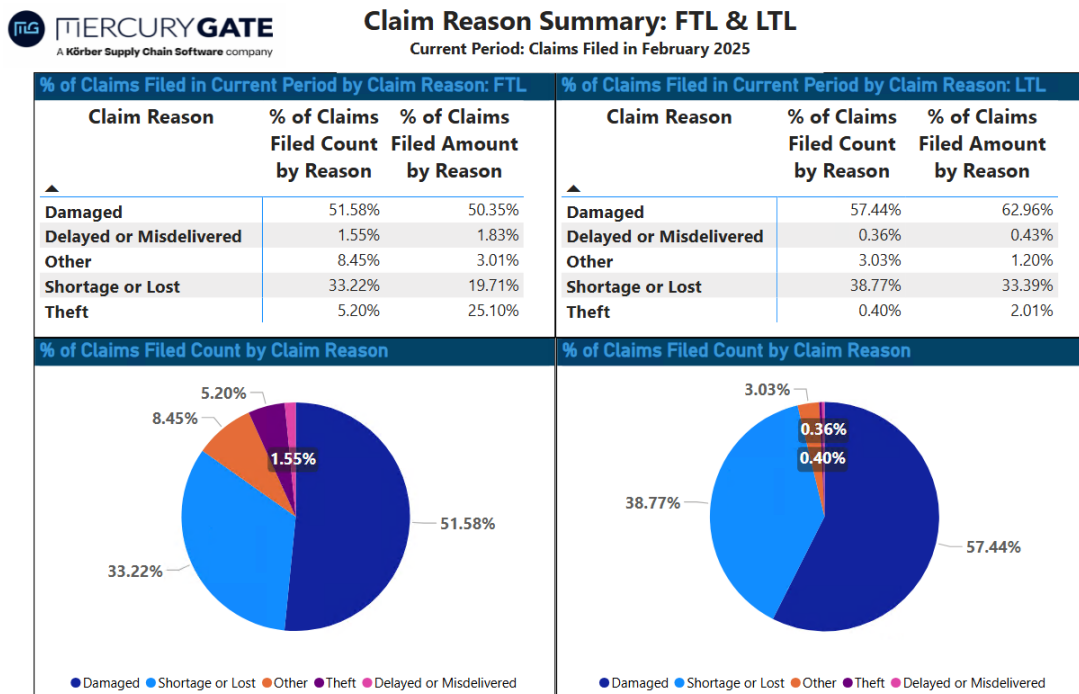
Just two weeks after being appointed as Acting Administrator of the Federal Motor Carrier Safety Administration (“FMCSA”), Adrienne Camire has stepped down. The FMCSA Leadership page now shows Sue Lawless as the top Executive Director and Chief Safety Officer, and Jesse Elison as Chief Counsel.* Acting administrators at the FMCSA are not uncommon and there have been only two full-time administrators at the agency since the end of the Obama administration, along with three acting administrators.

It is not clear why Camire left this role. Previously Camire had served as Chief Counsel for the Federal Highway Administration (“FHWA”) during President Trump’s first term, where she oversaw all legal services related to FHWA’s management of the federal-aid highway program.

FREIGHT CLAIMS – CLAIMS FILED IN FEBRUARY 2025

Following is a statistical breakdown of freight claims by reasons, amounts and modes, etc. for the month of February. These figures are not easy to come by as there is no central clearinghouse for the data. Various sources of data include police reports, insurance claims and industry reports. They all have their limitations. That being said, we want to thank Transportation and Logistics Council, Inc. member Pete Celestina at Mercury Gate for providing the following data based on users of their popular software “MYEZClaim”.

The pie charts are for full-truck-load (“FTL”) and less-than-truckload (“LTL”) by the type or reason for the claim. The percentages are for the count (number) of claims and for the amount (dollar size) of the claims.



* <https://www.fmcsa.dot.gov/mission/leadership>

The tables below show a breakdown by transportation mode (type of carrier) and the range of dollar amounts (size) of the claims – the top chart is for percentage of claims filed by dollar amount and the bottom chart is the percentage of claims by number of claims in each dollar category.



% of Claims by Range: All Transportation Modes

Current Period: Claims Filed in February 2025

% of Claim Amount by Filed Amount Range for Each Transportation Mode						
Transportation Mode	Under 5,000	5,000 to 10,000	10,000 to 50,000	50,000 to 100,000	Over 100,000	% by Transportation Mode
Air	10.66%	3.12%	20.82%	18.92%	46.49%	2.10%
FTL	5.63%	3.80%	25.30%	17.17%	48.09%	54.38%
Intermodal	4.29%	0.82%	32.83%	32.25%	29.81%	1.63%
LTL	35.59%	15.54%	27.76%	5.32%	15.78%	25.46%
Ocean	2.49%	1.67%	12.24%	9.06%	74.54%	5.35%
Parcel	31.62%	9.81%	28.35%	8.61%	21.60%	10.54%
Rail	26.54%	18.94%	27.99%	26.54%		0.54%
Total % by Filed Amount Range	16.03%	7.33%	25.59%	13.15%	37.90%	100.00%

% of Claim Count by Filed Amount Range For Each Transportation Mode						
Transportation Mode	Under 5,000	5,000 to 10,000	10,000 to 50,000	50,000 to 100,000	Over 100,000	% by Transportation Mode
Air	82.41%	3.70%	8.33%	2.78%	2.78%	0.92%
FTL	76.19%	6.60%	12.41%	2.80%	2.00%	17.11%
Intermodal	73.33%	1.67%	16.67%	5.00%	3.33%	0.51%
LTL	91.23%	4.94%	3.45%	0.16%	0.22%	43.15%
Ocean	84.21%	3.29%	7.89%	1.97%	2.63%	1.30%
Parcel	96.71%	1.61%	1.46%	0.14%	0.07%	35.67%
Rail	94.19%	3.23%	1.94%	0.65%		1.33%
Total % by Filed Amount Range	90.39%	3.96%	4.42%	0.68%	0.54%	100.00%

Please reach out to Kendra.paul@mercurygate.com if you have questions.

OCEAN

RED SEA AND SUEZ CANAL

With a ceasefire declared in Gaza on January 19, 2025, the Houthi complied and stopped attacking shipping in the Red Sea, Arabian Sea and the Bab al-Mandeb Strait. However, with the end of the ceasefire in mid-March, their attacks have resumed.

Almost 15 percent of global trade transits the Red Sea, and the attacks have forced much of that trade to take the longer, more expensive route around the southern coast of Africa. Travelling around the tip of Africa can double the time it takes a ship to travel between Asia and Europe, and add nearly a million dollars in costs.*

* <https://www.straitstimes.com/world/united-states/houthi-attacks-force-ships-to-make-costly-detour-around-africa-us>

On March 15, 2025 the U.S. President ordered the U.S. military to take action against the Houthi terrorists in Yemen that have been attacking shipping with the goal of restoring freedom of navigation in the Red Sea. Unfortunately, until there is a clear and enduring cessation of attacks on shipping, ocean carriers are likely to continue to avoid this route.

U.S. SHIPBUILDING

It appears that an industry that has almost all but disappeared is about to be revived. On March 4, 2025, President Trump announced the creation of a shipbuilding office within the White House, centered on the revitalization of the nation's commercial and naval shipbuilding industry.*

There numerous reasons for the decline of the U.S. Merchant Marine, with the final result being the only merchant ships being built in the U.S. are for Jones Act trade (goods moving between ports of the U.S.).

In a March 7, 2025 video, Sal Mercogliano — a maritime historian at Campbell University and former merchant mariner — discusses the top 10 reasons for the decline of the U.S. maritime sector after World War II. They include:†

- Ship Sales Act of 1946
- Open Registries
- Marshall Plan 1948
- Military Sea Transportation Service (Military Sealift Command)
- Interstate Highway Act 1956
- DC8 & Boeing 707 1958
- Colonial Pipeline 1962
- Vietnam War 1965
- Merchant Marine Act of 1970
- End of CDS/ODS 1981

Between the decline of construction of U.S. merchant vessels and the Jones Act (Merchant Marine Act of 1920) requirements there has been an argument that U.S. businesses are disadvantaged by higher costs. Particularly impacted are businesses in non-contiguous states and U.S. territories.‡

This issue is being brought to a head by a lawsuit filed in the U.S. District Court for the District of Columbia on February 25, 2025 by the Kōloa Rum Company based on Hawaii's island of Kauai.§ The suit asserts that the Jones Act violates the Constitution's Port Preference Clause,** which requires the ports of each

* <https://breakingdefense.com/2025/03/trump-announces-new-white-house-shipbuilding-office/>

† https://www.youtube.com/watch?v=mGr0MR1_6n4

‡ The Jones Act requires goods transported between U.S. ports to be carried on ships that are built, owned, and operated by U.S. citizens or permanent residents (at least 75% of the crew). Its goal was to support the American maritime industry and ensure national security, but critics argue it raises shipping costs and negatively impacts trade, especially for non-contiguous states like Hawaii, Alaska and U.S. territories like Puerto Rico, American Samoa, Guam, Northern Marianas Islands and the U.S. Virgin Islands. The Jones Act has been expanded to include goods transported through air travel. Waivers can be obtained, but securing one is rare.

§ https://pacificlegal.org/wp-content/uploads/2025/02/Koloa-Rum-Company-v.-Noem_PLF-Complaint_2.25.25.pdf

** Port Preference Clause of the U.S. Constitution, Article I, Section 9, Clause 6.

state be treated equally, by disproportionately disadvantaging businesses in non-contiguous states like Hawaii and Alaska. The Port Preference Clause is a largely overlooked provision of the Constitution that prohibits Congress from favoring the ports of one state over those of another, ensuring equal treatment in interstate commerce.

The lawsuit contends that the Jones Act's restrictions force Hawaiian businesses to rely on a limited fleet of U.S.-flagged vessels, leading to higher shipping costs and logistical challenges by creating a monopoly for the small number of U.S. shipping companies that operate on the U.S. mainland to Hawaii trade.

The suit alleges, for example, that the cost of shipping a container from the U.S. West Coast to Hawaii is two to three times higher than the cost of shipping the same container from the West Coast to Asia despite the latter being a much longer route. Kōloa also contends that a foreign-built ship operating without Jones Act restrictions could transport goods between Hawaii and California at ~50% lower costs than a Jones Act-compliant vessel.

Kōloa is represented by the Pacific Legal Foundation, and seeks a declaratory judgment that the Jones Act's cabotage provisions are unconstitutional as applied to interstate commerce between Hawaii and the mainland United States. Additionally, the lawsuit requests a permanent injunction to prevent federal officials from enforcing these provisions against Kōloa Rum Company.

The legal challenge has the potential to reshape maritime commerce regulations and could set a precedent for other businesses adversely affected by the Jones Act. As the case progresses, it will undoubtedly draw significant attention from industries reliant on maritime shipping, policymakers, and legal experts nationwide.

PANAMA CANAL UPDATE

In an effort to avoid future disruptions to canal operations due to lack of water, the Panama Canal Board of Directors approved critical funding for the construction of a reservoir that would ensure water security for both the canal and citizens.

According to the February 21, 2025 press release:*

The Panama Canal Board of Directors has approved —under Resolution No. ACP-JD-RM 25-1542— the necessary resources for the construction of a new lake in the middle course of the Indio River Watershed. This is part of the Water Projects Program, created to guarantee water supply for over 50% of the country's population, nearby communities, and Canal operations, as well as to foster other productive activities across the country.

This project is a key element in Panama's comprehensive solution for the water challenge, significantly increasing the storage capacity of this vital resource. It serves as a safety measure against future droughts, such as those experienced during 2023-2024. Furthermore, it represents a significant step towards Canal sustainability, reliability, and competitiveness, for the benefit of all Panamanians and global trade.

The resolution includes fund allocation for compensation, resettlement, and support for families and property owners who may be affected by the project. Following the best worldwide social and environmental practices, this process will be carried out in a fair and timely manner, while guaranteeing informed community participation.

* <https://pancanal.com/en/rio-indio-lake-project-established-as-a-top-priority-for-national-water-security/>

Planned to be built in approximately six years, the project will become one of the decade's most significant public investments, generating substantial nationwide employment and contributing to the country's economic growth and prosperity.

Also, the Resettlement and Livelihood Restoration Plan will be developed with a focus on respecting the rights, culture, and traditions of the families involved, promoting their sustainable well-being. A crucial element of the resettlement plan is the detailed survey of all families living in the area, for which a census was initiated in August 2024 and set to be completed by April 30, 2025. This baseline survey allows the Panama Canal to better identify resident families and develop compensation processes.

Following this approval, Canal teams have begun informative meetings with watershed communities to explain the resolution's content, the importance of census participation before the set deadline, and the residents' involvement and contribution priorities in developing the Resettlement and Livelihood Restoration Plan. These meetings include house visits and gatherings with the entire community, with ongoing assistance provided at the six Community Relations Offices strategically located in the territory.

The Resolution has been made available to the public at <https://pancanal.com/registros-del-canal/>.

PANAMA CANAL PORT PURCHASE

In early March, it was announced that BlackRock would purchase control of the CK Hutchison Holdings Ltd. Units that operate ports near the Panama Canal as part of a larger deal. According to a March 4, 2025 Bloomberg article:*

A consortium including BlackRock Inc., Global Infrastructure Partners, and Terminal Investment Ltd. reached a deal in principle to acquire units that hold 80% of the Hutchison Ports group, which operates 43 ports in 23 countries. The consortium will also acquire 90% of Panama Ports Co., which operates the two ports in Balboa and Cristobal. The transactions will deliver cash proceeds of \$19 billion to CK Hutchison, the company said Tuesday in a statement.

Trump has said he wants the US to regain control of the Panama Canal, which was handed over to the local government in 1999, arguing without evidence that China has taken over the waterway. Panama's government had been weighing whether to cancel its contract with CK Hutchison to operate the ports, Bloomberg reported last month.

Hutchison has run the ports in Panama's Balboa and Cristobal under a concession that was first signed in 1997 and, in 2021, extended until 2047.

* <https://www.bloomberg.com/news/articles/2025-03-04/ck-hutchison-sells-panama-ports-to-blackrock-amid-trump-pressure>

PARCEL EXPRESS

CHANGES AT THE USPS

On Monday, March 24, 2025, Postmaster General Louis DeJoy formally announced that he was retiring, effective immediately, from his role at the United States Postal Service (“USPS”). This comes while the agency has been under scrutiny with talks of possible privatization or disbanding the governing board and moving it into the Commerce Department.

President Trump is making plans to disband the governing board that oversees the U.S. Postal Service and absorb the agency into his administration, throwing the future of the mail provider’s quasigovernmental status into doubt.

According to a February 20, 2025 Wall Street Journal article, the 250-year-old Postal Service has been struggling financially for years:*

The Postal Service has been hemorrhaging money for years because of declining mail volumes, limits on what it can charge customers and a costly mandate to deliver to 168 million delivery addresses six days a week. Until 2022, it was also required to pre-fund its retiree health benefits.

The mail provider is a critical service that employs more than 600,000 people to staff post offices in every zip code, delivering medications, parcels and letters, as well as millions of e-commerce packages every day.

In 2024, the agency reported a net loss of \$9.5 billion, which, after adjusting for workers’ compensation and retirement liabilities, resulted in a controllable loss of \$1.8 billion. With almost no funding from the federal government, the Postal Service relies on the sale of postage, products and other services to fund its operations.

Any drastic changes to the Postal Service would likely be met with widespread opposition. According to a 2024 study by the Pew Research Center, Americans consistently rank the Postal Service among their most-beloved government agencies, second only to the National Park Service, finding that more than 70 percent of Americans had a favorable view of the agency, a view that was similar among Democrats and Republicans.†

As with so many moves under the new administration, it is not at all clear what will actually happen.

UPS & FEDEX FUEL SURCHARGES: A GROWING PROFIT STRATEGY

by Timothy Binkis, ICC Logistics Services, Inc.

Parcel Carrier Fuel Surcharges were introduced in the early 2000s to address the volatile nature of fuel prices as global oil prices saw significant spikes. These ‘new’ surcharges were initially meant to offset the rising fuel costs carriers faced.

It appears that UPS and FedEx have been using Fuel Surcharges as a tool to boost profit margins for some time now, and the trend is only accelerating.

* <https://archive.is/hBKan#selection-5763.0-5969.336>

† <https://archive.is/byc06>

Fuel Surcharges Expanding Into More Fees

UPS recently announced that their Fuel Surcharges will now apply to Pick-up charges, effective March 24, 2025.

Originally, Fuel Surcharges were mostly tied to base transportation charges. But over the years, both UPS and FedEx have gradually expanded these charges to apply to more and more accessorial charges as well, further driving up total shipping costs.

Fuel Surcharge Calculations: More Than Meets the Eye

Both carriers base their weekly Fuel Surcharges on the National U.S. Average On-Highway Diesel Fuel Price, as reported by the U.S. Energy Information Agency (US EIA).

UPS and FedEx also publish Fuel Index charts that list their weekly Fuel Surcharges based on the Diesel Fuel Price fluctuations – which do fluctuate weekly. But in reality, the numbers tell a different story.

The Numbers Don't Add Up

Both carriers continuously make frequent adjustments to their Index Charts, which have caused Fuel Surcharge percentages and costs to increase substantially over time. There appears to be little correlation between the increase in Fuel Costs and the increases that UPS and FedEx have put in place for Fuel Surcharges.

Case in point:

In March 2020, when the National U.S. Average On-Highway Diesel Fuel Price was \$3.85 per gallon, (based on the Fuel Index chart that UPS had in place at the time), the UPS Ground Fuel Surcharge was 9.25%.

Today, at the same fuel price of \$3.85 per gallon, UPS's Fuel Surcharge is 18.5% – DOUBLE THE COST!

Not to be outdone, FedEx has been utilizing the same practices as well.

In November 2021, when the National U.S. Average On-Highway Diesel Fuel Price was at \$3.85 per gallon, the FedEx Ground Fuel Surcharge was 12.5%.

Using today's FedEx Fuel Surcharge Index Chart, at the same \$3.85 per gallon Diesel cost, the FedEx Ground Fuel Surcharge would be 18.75% – a 50% increase!

Fuel Surcharges or Fool Surcharges?

Both carriers appear to be increasing their Fuel Surcharges more frequently, regardless of the price of fuel going up or down. At this point, it's fair to ask: Are these really Fuel Surcharges, or should we start calling them Fool Surcharges? You decide!

It gets worse, it's not just these fuel surcharges.

BEWARE OF THOSE SHIPPING FEES AND SURCHARGES!

By Timothy Binkis, ICC Logistics Services, Inc.

Signed, Sealed... Slaughtered: The Hidden Fees Killing Your Profits

You thought the contract was solid. You thought the invoice made sense. You thought you were safe. But just like in every great horror film...the real threat was lurking in plain sight the whole time.

Hidden fees. Surcharges. Creeping adjustments.

They don't knock. They don't warn.

They just show up – invoice after invoice – bleeding your bottom line dry... The True Horror of Hidden Fees

Let's be honest, today's shipping contracts read like horror scripts. They're filled with vague language, shifting charges and recurring nightmares disguised as "standard fees."

Carriers like [UPS](#) and [FedEx](#) have been slowly turning up the pressure:

- Fuel Surcharges that apply to more than just fuel
- Fuel Surcharge Index Changes that have caused Fuel Surcharges to double since 2020
- Delivery Area Surcharges expanding zip-by-zip
- Oversize and Additional Handling Fees that doubled in some cases since 2020
- And much more...

Like any good villain, these charges evolve – each year, they get smarter, sneakier and harder to escape!

2025 brought another round of rate hikes and fee inflation, with oversized shippers and e-commerce brands taking the biggest hit. But here's the real twist...most of the damage? It's not in the base rate. It's in everything else.

The Fees You Didn't See Coming

Like any classic slasher villain, these charges don't come at you head-on. They hide in the shadows.

- **Additional Handling** — quietly increased by **20–30%**
- **Residential Delivery Fees** — up nearly **7%**
- **Zone Changes** — reclassifications that reroute your shipments straight into higher-cost tiers
- **Volume Minimum Penalties** — enforced without warning when thresholds aren't met

And they always come back for the sequel.

How to Survive the Invoice Nightmare

Here's the part where you grab the flashlight and start making your escape:

- **Audit your invoices:** Most businesses don't realize what they're really paying until it's too late.
- **Analyze your carrier contract:** If it's filled with gray areas, outdated terms, or "industry standard" language, you're in trouble.
- **Reevaluate your fulfillment strategy:** A shift in packaging, carrier mix, or zone planning could help avoid the next ambush.

Know the Killer's Pattern

The logistics industry has entered its horror era, and unfortunately, your invoice is the script.

But knowledge is power. And just like in every final scene: **The ones who pay attention to the signs survive.**

Don't wait for the next invoice to deliver the final blow.

RAIL

TRAIN ROBBERIES

Recently the stuff of history and western movies, train robberies appear to be making a comeback. According to a L.A. Times article* criminals have been targeting BNSF trains in California and Arizona with a string of at least 10 heists resulting in the theft of about \$2 million worth of Nike sneakers.

The thieves stealthily board eastbound freight trains, hiding out until they reach lonely stretches of the Mojave Desert or high plains far from towns. They slash an air brake hose, causing the mile-long line of railcars to screech to an emergency stop.

Then, they go shopping.

That's the modus operandi described by investigators in a string of at least 10 heists targeting BNSF trains in California and Arizona since last March. All but one resulted in the theft of Nike sneakers, their combined value approaching \$2 million, according to investigators.

* * *

There were at least 65,000 railroad cargo thefts last year, a 40% increase from 2023, according to industry estimates compiled by the Assn. of American Railroads. The thefts — which are typically classified as burglaries because they don't involve directly confronting victims, as with robberies — are believed to have cost the nation's largest rail companies more than \$100 million, according to the trade group.

Those figures may be an undercount, because railroads don't publicize all thefts, Lewis said. Details typically emerge publicly only when arrests are made and criminal complaints are filed.

CLASSIFICATION

UPCOMING NMFC CHANGES

By Marli Hall, NMFTA Director of Public Relations

As the [National Motor Freight Classification \(NMFC\)](#)® undergoes significant updates set to take effect on July 19, 2025, the National Motor Freight Traffic Association (NMFTA) Classification Interpretations team stands ready to assist shippers, carriers, and third-party logistics providers (3PLs) in navigating these changes. Accurate freight classification is crucial for minimizing unexpected costs, mitigating liability risks, and ensuring seamless transportation operations.

Understanding the Upcoming NMFC Changes

The NMFTA has embarked on a comprehensive initiative, "Classification Reimagined," to modernize and simplify the NMFC system. This effort addresses the evolving nature of less-than-truckload (LTL) freight transportation, influenced by changing products, technological advancements, and new industry practices.

* <https://www.latimes.com/california/story/2025-02-23/freight-train-heists-targeting-nike-merchandise-are-probed-as-related>

The forthcoming changes aim to create a more intuitive and efficient classification system that benefits all stakeholders.

Key Aspects of the NMFC Updates

- **Standardized Density-Based Classification:** The revised NMFC will implement a standardized approach to freight classification, focusing on density, handling, stowability, and liability. This shift aims to simplify the classification process and enhance user experience.
- **Enhanced User Experience:** By adopting a more intuitive classification system, users will find it easier to navigate and apply the NMFC, reducing confusion and errors.
- **Increased Efficiency:** The new system is designed to provide more accurate classifications on the first attempt, reducing disputes, reclassifications, and administrative overhead for shippers and carriers.

Role of the NMFTA Classification Interpretations Team

With these substantial changes on the horizon, the NMFTA Classification Interpretations team is prepared to offer expert guidance to ensure accurate freight classification. Proper classification not only safeguards shippers from liability risks in the event of damage but also prevents situations where an item is correctly classified yet poses liability risks due to inappropriate packaging.

Pricing Structure for Interpretation Requests

As of July 1, 2024, NMFTA implemented a new pricing structure for interpretation requests:

- **Block of Five Inquiries:** \$225.00 (\$45.00 per request)
- **Single Inquiry:** \$50 per request

This adjustment reflects the increased demand for interpretation assistance and ensures the sustainability of the service. Notably, this change impacts only companies not currently participating in the NMFC.

How to Submit an Interpretation Request

To request an interpretation:

- **Access the Online Store:** Visit the NMFTA's online store at <https://store.nmfta.org/category/interpretations>.
- **Submit Detailed Information:** Provide comprehensive details about the article in question, including a link to a website detailing the exact article and its purpose or function. If a website is unavailable, include photographs or sales literature and a detailed explanation of the article's intended purpose and function.
- **One Article per Inquiry:** Each request must pertain to a single article. Additional inquiries should be submitted under separate orders.

Upcoming Educational Opportunities

To further assist industry professionals in adapting to the NMFC changes, NMFTA offers educational resources:

- **[Freight Classification Webinar Series](#):** An in-depth, four-part webinar series, designed to enhance understanding of the LTL classification system. All carriers, shippers, 3PLs, and packaging professionals are encouraged to attend.

Staying Informed

NMFTA encourages all stakeholders to stay informed about the upcoming changes:

- [Review Docket 2025-1](#): The 2025-1 Docket contains significant changes to the NMFC. Industry professionals should review the docket to prepare for these proposed changes by the go-live date: July 19, 2025. Incorrectly classifying freight can result in higher costs, making it essential to stay informed.
- [Review Listening Sessions](#): NMFTA has hosted NMFC Listening Sessions to gather feedback and provide information about the upcoming changes.

Conclusion

The NMFTA Classification Interpretations team remains committed to supporting the industry through these transformative changes. By providing accurate classification guidance, the team helps reduce risks and promote efficiency in freight transportation. Engaging with NMFTA's resources and services will be instrumental in navigating the ever-evolving landscape of LTL freight classification.

Access resources and learn more at www.nmfcchanges.com.

CCPAC NEWS

CCPAC ANNUAL MEETING AND CONFERENCE

The Certified Claims Professional Accreditation Council, Inc. ("CCPAC") had its annual board meeting on March 17, 2025 in Houston, TX, which was fantastic. It was held in conjunction with the outstanding Transportation & Logistics Council's 51st Annual Conference.



CCPAC 2025 Board of Directors



We also had a Certified Claims Professional (“CCP”) primer class and exam. We are proud to announce the following two new CCPs, pictured with David Nordt and Robyn Connelly. From left to right:

Michael Dagiasis, CCP - Phalanx Logistics Solutions, Lakewood, Ohio.

David Nordt, CCP - Executive Director of CCPAC - Geodis. Keasbey, NJ

Daryl Rhodes, CCP - Stoltzfus Truck Brokerage. Gordonville, PA.

Robyn Connelly, CCP - Director, Certifications Membership - Syfan Logistics- Gainesville, GA

For those who cannot travel, the on-line version of the CCP Exam Primer Class and the CCP Exam are both available on-line to all who qualify 24/7. Applicants wishing to take the new on-line version of the CCP Primer Class and/or the CCP Exam must complete a pre-qualification application and score a minimum of 100 points. Once the application is completed, it will be reviewed and approved by CCPAC. When approved, candidates can pre-register by clicking on the Exam Portal link on the home page of the website and create an account with their name and email address. Once the account has been created, the candidate can enter the CCP Exam Portal.

Reminder to Renew Your 2025 CCPAC Membership

Each certified member must renew their membership each calendar year and pay the annual membership dues to remain in good standing with CCPAC. Once certified, 30 hours of continuing education credits are required every three years to maintain certification. Associate members also must renew each year and pay membership dues to remain an active associate member in good standing with CCPAC.

New applicants and members can join or renew membership easily and pay on-line with a major credit card by clicking on the “Join Now” or “Renew Membership” tab.

Members can also download the renewal application from the on-line renewal page and mail the completed form with your check made payable to **CCPAC at:**

**Renewal Dept.
CCPAC Inc.
P O Box 724
Barnegat, NJ 08005**

Who Do You Know that would benefit by membership in CCPAC?

For information on becoming an Associate or Certified Member of CCPAC, contact any Officer, Board Member or Council Headquarters at www.ccpac.com. Also follow us on Facebook, LinkedIn, and X at:

FaceBook: www.facebook.com/certifiedclaimsprofessional

FaceBook Blog: www.facebook.com/groups/410414592821010/

LinkedIn Group: www.linkedin.com/groups/4883719/

X (Twitter): twitter.com/ccpac_1

ADVERTISE IN THE TRANSDIGEST

TRANSDIGEST ADVERTISING

Full page and one-half page ads are now being accepted for the TransDigest. Reach a highly selective audience with information on your products and/or services at a reasonable cost. Rates are available for 3, 6 and 12 monthly issues, and include both print and electronic issues. For information contact Diane Smid at (631) 549-8984.



Awarded By
Logistics
Tech Outlook

This award is in recognition of Trans Audit, Inc.'s stellar reputation and trust among customers and industry peers, evident in the numerous nominations we received from our subscribers. Trans Audit, Inc. emerged as a Transportation Post Audit Specialist of the Year after an exhaustive evaluation by an expert panel of C-level executives, industry thought leaders, and our editorial board.

~ Logistics Tech Outlook

Claims Management Made Easy

Manage any type of claim with integrated systems that centralize data.

Save Time and Reduce Administrative Costs

- Schedule and automate labor-intensive activities.
- Upload and store all documents in one centralized platform.
- Streamline communications and maintain a paper trail.
- Eliminate manual data errors, postage, paper, fax and file management.

Automate Management for All Claim Types

- Loss and damage claims.
- Overcharge claims.
- Return authorization claims.
- Vendor claims.

Gain Insight to Correct Claim Causes

- Gather, analyze, and apply business data reporting.
- Use focused data to identify claim trends and address problems.
- Integrate with existing systems to use information company-wide.

Freight Claim Processing • Return Authorization • Incident Reporting & Tracking

Visit [Mercurygate.com](https://mercurygate.com) to Simplify Your Claims Management Today!



627,573

Claims Filed
in 2023



120,248

Companies



\$1.4B+

Filed in Claims
in 2023



7,900+

Active Users
Worldwide

The Transportation & Logistics Council, Inc.

Phone: (631) 549-8984

120 Main Street, Huntington, NY 11743

Fax: (631) 549-8962

E-Mail: diane@transportlaw.com

APPLICATION FOR ANNUAL MEMBERSHIP

Membership in the Council is open to anyone having a role in transportation, distribution or logistics. Membership categories include:

- **Regular Member** (shippers, brokers, third party logistics and their representatives);
- **Multiple Subscriber** (non-voting additional representatives of a **Regular Member** firm); and
- **Associate Member** (non-voting members – carriers and freight forwarders).

All members receive:

- An email subscription to **TRANSDIGEST** (TLC's monthly newsletter). NOTE: To receive the printed version of the **TRANSDIGEST** by First Class Mail a fee of \$50, in addition to applicable membership fee, will apply.*
- **Reduced rates** for **ALL** educational programs, texts and materials.
- Access to the **Members Only** section of the website.

New Members also receive:

- A complimentary copy of "**Shipping & Receiving in Plain English, A Best Practices Guide**"

If you are not presently interested in becoming a member, but would like to subscribe to the **TRANSDIGEST**, you can opt for a 1-Year/Non-member subscription to the newsletter by making the appropriate choice below.

How did you hear about TLC?

- ☐ **Internet** ☐ **Email**
- ☐ Seminar/Meeting. Please specify location _____
- ☐ Referred by _____
- ☐ Other _____

*Please return completed Membership Application Form along with your payment to:
TLC, 120 Main Street, Huntington, NY 11743*

Membership Application Form

Name:		Title:	
Company Name:			
Address: (STREET ADDRESS ONLY - UPS DOES NOT SHIP TO P.O. BOXES)			
City:	State:	Zip:	
Phone: ()	Email:		
Description / Type of Membership	Quantity	Fee	Total
Regular Member [includes email subscription to TransDigest]		\$395.00	\$
Multiple Subscriber [includes email subscription to TransDigest]		\$200.00	\$
Associate Member [includes email subscription to TransDigest]		\$345.00	\$
Non-Member Introductory Subscriber [email subscription to TRANSDIGEST only]		\$150.00	\$
* <i>Optional</i> : Printed version of TRANSDIGEST by USPS [added to membership fee]		\$50.00	\$
TOTAL PAID (Make Checks Payable to "TLC"):			\$
Credit Card Information			
MasterCard VISA AmEx Discover	Credit Card No.	Exp:	(/)
Billing Zip Code of Card :	Email for Receipt:	CVV:	

The Transportation & Logistics Council, Inc.

Phone: (631) 549-8984

120 Main Street, Huntington, NY 11743

Fax: (631) 549-8962

EDUCATIONAL MATERIALS

Item		Item#	Price
<i>Freight Claims in Plain English (4th Ed. 2009) – 2 volume set</i> By George Carl Pezold and William J. Augello Reprint in Soft Cover	Member	597	\$199.00
	Non-Member	597-NM	\$229.00
<i>Transportation & Logistics - Q&A in Plain English – Book XI (2018)</i> by George Carl Pezold and Raymond Selvaggio	Member	595	\$60.00
	Non-Member	595-NM	\$70.00
<i>Shipping & Receiving in Plain English, A Best Practices Guide (2009),</i> by George Carl Pezold	Member	586	\$60.00
	Non-Member	586-NM	\$80.00
<i>Contracting for Transportation & Logistics Services (rev. 2001),</i> by George Carl Pezold	Member	576	\$40.00
	Non-Member	576-NM	\$60.00
<i>Transportation & Logistics - Q&A in Plain English – Book X (2014)</i> by George Carl Pezold and Raymond Selvaggio	Member	592	\$50.00
	Non-Member	592-NM	\$70.00

FREE SHIPPING in the 48 Contiguous U.S States
(Call for shipping costs outside the US)

Order Form

Fill out the information below, detach and send with your payment to: **TLC, 120 Main St., Huntington, NY 11743**
Fax to: 631-549-8962 Email to: diane@transportlaw.com

Name:		Position:		
Company Name:				
Address: (STREET ADDRESS ONLY – UPS DOES NOT SHIP TO P.O.BOXES)				
City:		State:	Zip:	
Phone: ()		Email:		
Item #	Description	Qty	Price	Total
			\$	\$
			\$	\$
			\$	\$
CREDIT CARD INFORMATION				
Credit Card #			MC - VISA - AE - DISC - CHECK	
Name on Card:			Exp. Date:	
Billing Zip :			CVV Code :	

It's Back Again! Now in Soft Cover

Freight Claims in Plain English (4th Ed.)

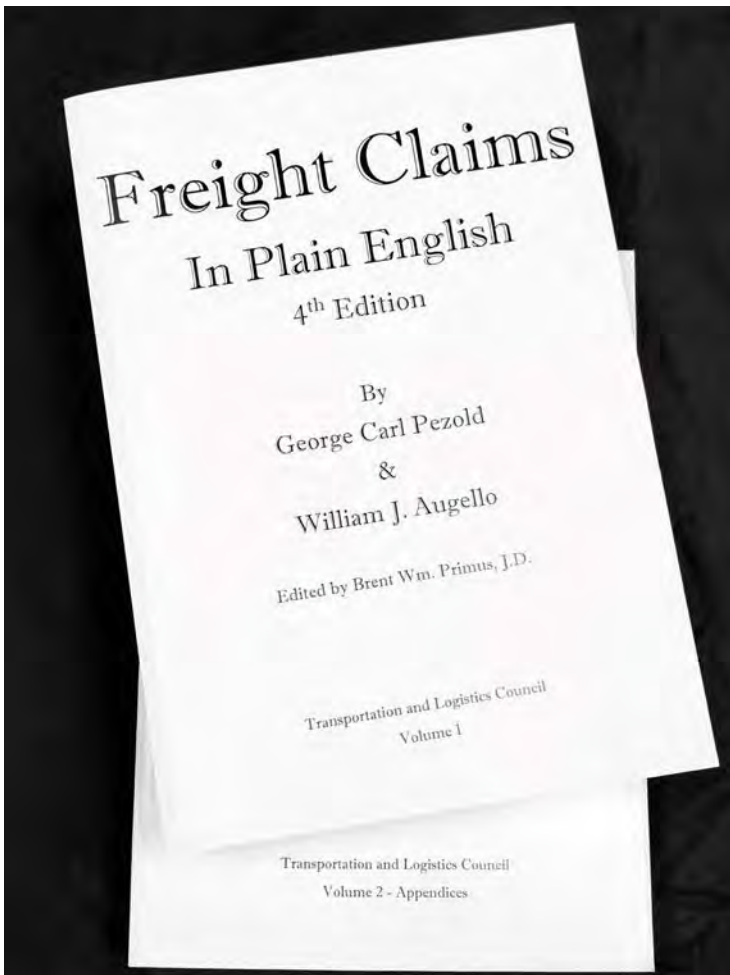
The hard-cover edition of Freight Claims in Plain English (4th Ed.) was out of stock, so the Council has arranged to have it reprinted in a soft-cover edition.

Often referred to as "the Bible" on freight claims, as the title suggests it remains the most readable and useful reference on this subject for students, claims professionals and transportation attorneys.

The new soft-cover edition comes in two volumes in a handy 7" x 10" format. Volume 1 consists of 592 pages including full text, a detailed table of contents, topical index and table of authorities. Volume 2 consists of 705 pages with 161 useful appendices – statutes, regulations, forms and other valuable reference materials.

Best of all, the soft-cover edition is reasonably priced only \$199 for T&LC members and \$229 for non-members. Free shipping in the contiguous U.S.

New York State residents sales tax applies.



Order Form

Fill out the information below, detach and send with your payment to: **TLC, 120 Main St., Huntington, NY 11743**
Or email diane@transportlaw.com

Name:		Position:		
Company Name:				
Address: (STREET ADDRESS ONLY – UPS DOES NOT SHIP TO P.O.BOXES)				
City:		State:	Zip:	
Phone: ()		Email:		
Item #	Description	Qty	Price	Total
597	Freight Claims in Plain English 4 th Ed. Soft Cover		\$199.00	\$
597 – NM	Freight Claims in Plain English 4 th Ed. Soft Cover		\$229.00	
TOTAL ENCLOSED				\$
Credit Card Information				
MC – VISA – AE DISC - CHECK	Credit Card Number :		Exp:	
	Name on Card :		CVV:	
	Billing Zip Code :			