



TIA Annual Meeting

Plenary Session: *Who Is Growing And How?*

**Mike Williams, COO; Sunteck Transport Group
April 4, 2009**



Discussion Topic:

Brokerage Agency Model As a Means of Growth

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Definition of Agency-Based Brokerage

- “Agent” has the authority to act on behalf of another (“principal”), including contractual relationships with others
- Agent is under the control of the principal, and binds the principal with his or her acts
- Broker acts as Principal
- Sales / Operations Professional acts as Agent
- Principal is responsible for the “back office”; Agent is responsible for the “front office”
- Cohesively working together, Broker and Sales / Operations Professional represent the organization

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The Broker Provides...

- Financial strength and working capital relationships
- Operating and information systems capable of managing independent branch offices / agents with control over visibility and reporting
- Carrier relations and development program
- Strong operations, administrative and financial staff
- Reputable and recognizable brand
- Limited or no company sales as direct competition, creating need for agents

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The Agent Is...

- Entrepreneur business owner type with track record of success in transportation industry
- Confident leader as operator and sales person
- Expertise in one or more particular service lines
- Desires the value of partnership type relationships
- Recognizes that he / she cannot provide for self more efficiently than what Broker provides

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Broker and Agent As One – The Dynamics That Make It Work

- Core administrative business processes and support functions are centralized at the Broker's corporate location
 - These functions can be performed in service to many agents more effectively (measured by cost and time)
- Sales and operations services (freight coordination and capacity dispatch) are de-centralized and performed throughout the agent locations
 - These functions are the province of the agents and gain leverage from centralized broker functions
- Each is an indispensable party to the organization
- The Agent represents the Broker, which is a larger, deeper, more stable organization than the Agent on his/her own

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Broker and Agent As One – The Dynamics That Make It Work (cont)

- Variable compensation structure (unlimited upside)
- Leadership and compelling vision of Broker
- Entrepreneurs empowered to do what they do best
- Stability of financial resources and support processes
- Shared ownership of success (and failure)
- Diversification of opportunity and ideas
- Capital risk allocated between Broker and Agents
- “The whole is greater than the sum of the parts”

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Dynamics (cont)

In a nutshell, the successful synergy of a brokerage agency model is rooted in a simple ABC principle:

Agent is the **B**roker's **C**ustomer

As with any customer / provider relationship, the parties trade value for value.

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Case Study:

Sunteck Transport Group

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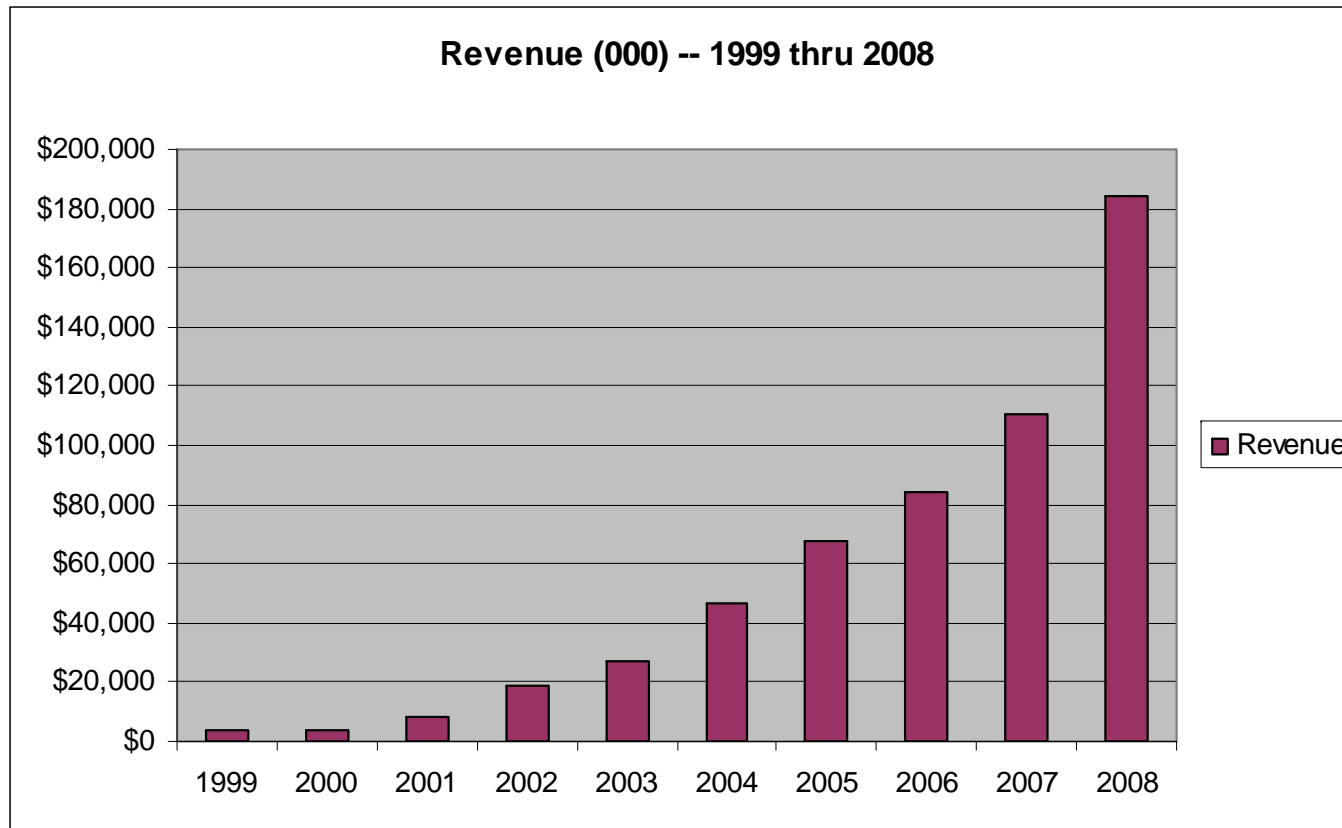
Sunteck Transport Group (Boca Raton, Fla.)

- Broker and non-asset motor carrier
- Operates exclusively via agent network
- Agent network connected via web-based proprietary software
- Diversified service and customer mix (all modes and freight types)
- Deep financial strength
- Subsidiary of public company, AutoInfo, Inc. (AUTO:BB)
- Growing brand and reputation
- Adding successful agent offices each year
- Sunteck adheres to the **ABC** principle

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Sunteck's Track Record of Growth



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Sunteck's Agency Model Is Successful Because...

- We have successfully recruited / developed talented entrepreneurs
- We have made the agent's individual success our first priority
- We have developed business policies, processes and systems that are responsive to the needs of our agents
- Our variable compensation approach creates a motivated sales organization and operations environment
- We approach our job with enthusiasm and promote an organizational culture of "*Together Everyone Achieves More*"
- We have established a Leadership Board comprised of Sunteck executives and agents, which
 - Creates effective and efficient communications platform
 - Ensures regular face-to-face interaction
 - Allows agent network to collaborate in structured environment

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Sunteck's Agency Model Will Continue to Be Successful Because...

- We recognize that joining Sunteck is a significant, strategic decision
- We provide a safety net during tight credit markets
- We employ a full-time recruiting and marketing staff
- We are selective about who we recruit
- We remain exclusively focused on the agency model
- We recognize and reward the talent
- We have many geographic markets under development
- We promote diversity
- We adhere to the **ABC** principle

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Thank You



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