

Freight Broker Software

In addition to booking loads and managing customers, freight brokers have additional financial responsibilities that agents do not have. Such responsibilities consist of managing accounts payable and accounts receivable. Agents typically use a remote/web-based system provided by their broker.

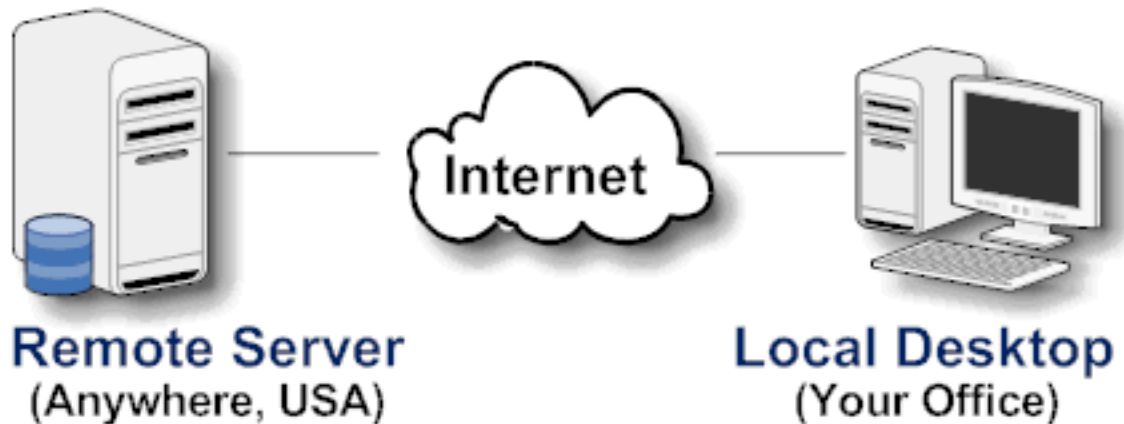
If you're only managing a few customers, you may choose to manage them manually without broker software assistance. But as your business increases and becomes more demanding, freight broker software not only helps you leverage your time but manage your entire operation from dispatching loads and invoicing, to financial reporting and cash flow management.

First, let's discuss the two methods in which most freight broker software is deployed.

Remote Web-based Management Service (runs remotely on a third-party server and operable from any internet connection).

Local Software Application (runs locally on your computer or an in-house server).

Web Based Software



Web-based software runs on a remote server, outside of your office. Data is stored on the remote server, NOT within your local office. You can access the software from anywhere with an Internet connection.

Determine Your Requirements

For the small business consisting of just one or two people, I recommend starting with an online freight broker software service. This is an internet-based web service that can help you manage your customers, accounts payable, accounts receivable, and simplify invoicing.

Typically, web-based freight broker software services ranges from \$100 a month to \$500 a month depending on your needs. But I assure you, paying a nominal monthly fee for a complete management system is a small price to pay for the time it will save you.

Recommended Resources for Remote Freight Broker Software

- www.StrategyLive.com
- www.Aljex.com

StrategyLive.com offers a simple and affordable web-based management system with the ability to add additional users (agents) if necessary. Their system is simple, effective and most of all, affordable. This is a great way to get you started with minimal investment. And it is especially important for brokers who wish to hire independent agents to build their business. It gives you an inexpensive way to hire agents. As long as your agents have an internet connection, you can establish satellite offices anywhere in the country whereby your agents can access your system and work independently from their home office.

Aljex Software also offers an affordable web-based software. In fact, they have partnered with Getloaded.com and have grown to become an industry leader in the world of Freight Management Software Systems. Aljex can be integrated with other services such as carrier monitoring and mass load posting. In addition to fantastic features and usability, they provide safe storage, automatic data back-ups and integrated Google mapping.

Recommended Resources for Local Freight Broker Software

- PCSSoft.com
- Mile.com

Actual software applications can get rather pricey and normally range between \$2,500 - \$6,500 and up, for more complex versions. In addition to the software, you'll need a local (in-house) web server to handle this type of software application.

Depending on the software application requirements, a web server can cost as little as \$1,200 up to \$20,000 or more. Do your homework here! If you decide to invest in freight

broker software and go through the hassle of setting up a web server to handle your data, you will definitely want to do your homework, and research your options diligently.

PCSSoft.com is a smaller and more personal company that offers affordable, but "feature packed" software for both carriers and brokers. They offer a number of additional modules such as mileage & mapping, document imaging and a complete accounting system, all under one roof.

Mile.com offers a software designed by "Prophesy" and also tailored for both carriers and brokers. They offer in-house training in their office, or telephone support that will get you up-to-speed quickly on how to use their software. Although it is not the least expensive, it may have more features than necessary for the beginner.

Prior to purchasing a freight broker software application, have the software company send you the platform requirements and take them to your local computer store or meet with a network administrator. If you are inexperienced in web-server applications, it is highly advisable that you seek a professional. Due to the various factors involved, they can help you purchase and set-up the web server with minimal difficulty.

The benefit to housing your own broker software is that you are in more control of the data. Although it may be a little costly, you must remember that your data is your business. Everything you do financially will be held on your server.

Software Application Server

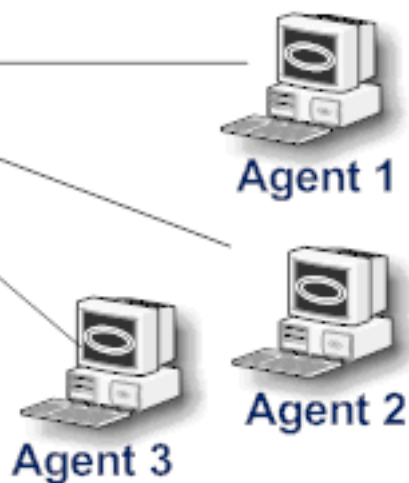
Software Application runs on a local server in your office



All data is stored locally on your server



Agents can access the software system remotely, from anywhere with an Internet connection.



Automating Insurance Inquiries and Expiration Notifications

As the freight broker, you need to know that the motor carriers you hire to haul your freight are insured. This is where software really pays for itself - by automating tasks that can slow you down. When you're set-up with a carrier, you'll input their insurance expiration date into the software. When that date approaches, the broker software notifies you of the motor carrier's insurance expiration date.

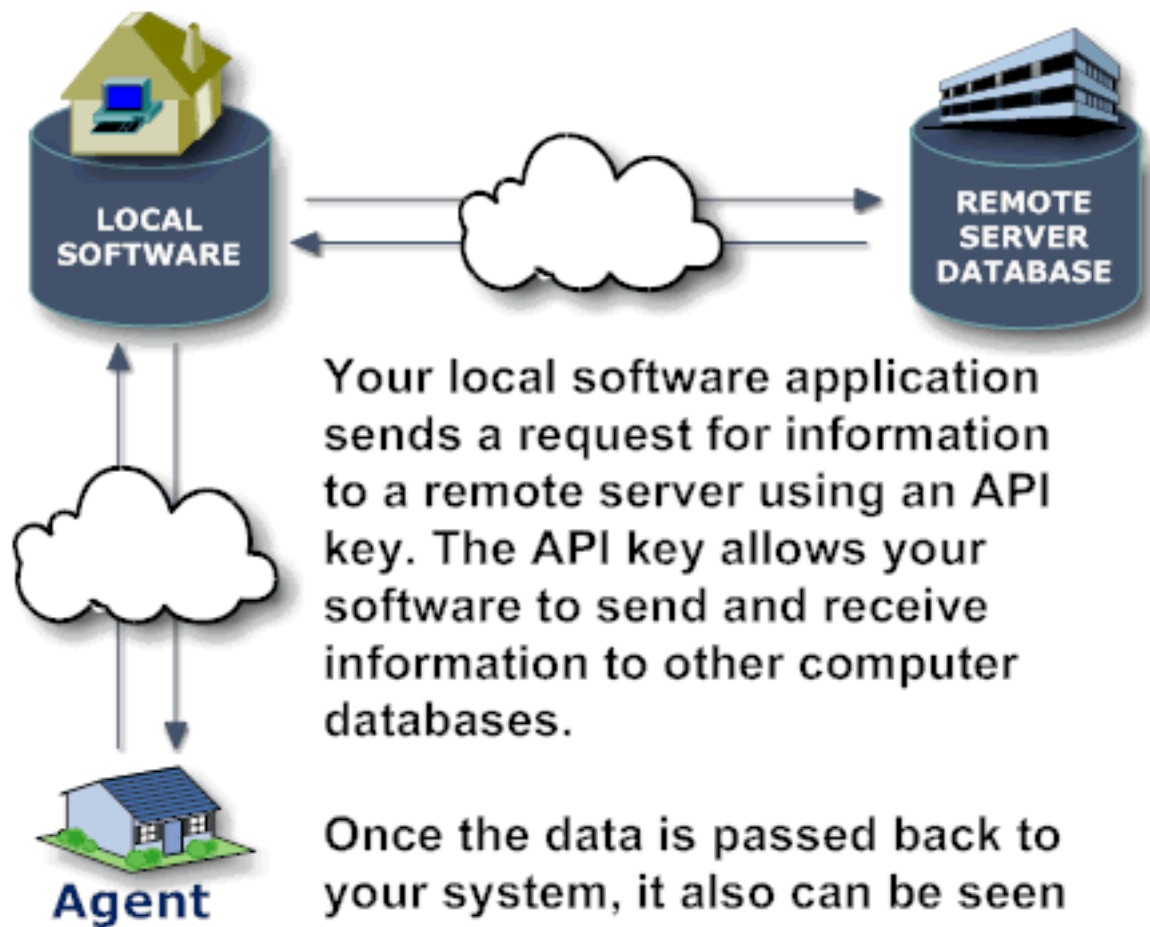
If motor carrier inquiries about a load you have posted, and you proceed to dispatch them on that load, the system will notify you that the carrier's insurance is "expired." At that point you'll need to get an updated copy faxed or emailed to your office before you can dispatch them on that load.

This feature (offered by nearly all applications, both local and web-based) should not be construed as current information. This is simply an automated notification method to remind you to obtain an updated insurance policy. If the carrier's insurance lapses, your software has no way of knowing, unless you are using a service such as Carrier411, which can be accessed with your local software application using Automated Programming Integration (API).

Automated Programming Integration (API)

In its simplest explanation, API is a method used to send and receive data between computer systems via the web. It is a source code interface that supports requests made by software programs that allows them to send and receive data from other websites and databases.

API Data Flow



Your local software application sends a request for information to a remote server using an API key. The API key allows your software to send and receive information to other computer databases.

Once the data is passed back to your system, it also can be seen by agents, providing of course that you have a network in which they can access this data.

NOTE: The use of API is not limited to just one system. It can be employed on multiple systems such as Fuel pricing, Motor Carrier insurance, Safety ratings, and Payment integration, etc.

API can be used to integrate and automate tasks directly within your freight broker software. For instance, you might choose to employ API to pass motor carrier insurance and safety data from [Carrier411.com](https://www.carrier411.com) back to your broker software. Similarly, it can be used to pass payment data to and from your electronic payment system. However, API is powerful enough to integrate with your customers inventory management system which can be extremely useful to Freight Forwarders and 3PL providers who might assume total control of their customers logistic needs.

Motor carriers, among other reasons, use API to update national fuel prices to assist them in fuel surcharge rate negotiations. They use this data for smart fueling technologies whereby the software assists their dispatch efforts by placing the driver's fuel stops in areas along their trip route for maximum fuel savings for that particular load. Typically, API is executed using a method known as Simple Object Access Protocol (SOAP).

Think of API as an interstate freeway. Think of SOAP as the vehicle that does the transporting.

Simple Object Access Protocol (SOAP)

SOAP is an XML communication protocol. It is a format used for sending messages via the internet that operates independently regardless of the programming language used for the software or the platform in which the software resides. SOAP can also get around computer firewalls to make systems communicate smoothly without intervention.

- **API is the method in which these communications are made possible.**
- **SOAP is the protocol used to execute them.**

Electronic Data Interchange (EDI)

Electronic Data Interchange (EDI) is used for all sorts of things but in the transportation industry, EDI is most widely used to integrate transportation software applications with satellite communication systems. Today, nearly all medium to large carriers are equipped with satellite tracking and communication which is accomplished via on-board satellite receivers/transmitters. EDI provides a means for communication and load tracking which is essential to a carrier's schedule.

Due to the fact that most freight brokers work with a large number of small to medium sized fleets, it is unlikely that you'll need to employ the use of EDI. Typically, it is used by carriers, freight forwarders and 3PL companies whereby the customer and carrier must know precisely where each load is at all times.

Conclusion

In this business, time is money. Therefore, employing a nearly automated broker software system that employs API may be out of reach financially, especially in the beginning. However, it should be something that you consider as your demands increase, particularly if you plan to expand by hiring independent freight agents. Obviously, the more automated you need your freight broker software to be, the more expensive it will be to setup. In contrast, the less automated your software is for your agents, the more time you'll spend taking care of loose ends and chasing paperwork.

For the serious entrepreneur who can forecast rapid customer acquisition and a network of independent freight agents, it is strongly advised that you consider utilizing the power of API to automate as much as possible, as soon as possible. For the small to medium freight broker, a web-based remote management service should offer more than enough features to justify the cost and keep you organized.

With new technology surfacing daily, web-based freight broker software systems can offer more features for less money, without having to hire a network IT department. Most web-based software systems can be integrated with your other tools such as carrier monitoring, load posting, factoring and electronic payment systems. These added features might cost a little more to setup, but the time you'll save will be immeasurable. And finally, web-based broker software systems can be used from

anywhere. So even if you outgrow your current workspace and have no choice but to move your office, you can do so easily with minimal downtime.