

# MODULE 2: GETTING CARRIERS APPROVED

In **Module 2**, we go in to how to establish and build a **“vetted”** carrier base of owner operators of different equipment types, what equipment types to focus on, what types of trucking companies to look at, the carrier packet, and the other documents needed for carriers to be approved.

## EQUIPMENT TYPES

The equipment types starting out as a new freight broker or freight agent under a brokerage that you should target are the **53’ Dry Vans**, **53’ Reefers** (Refrigerated trailers), and the **48’/53’ Flatbed** trailers. Flatbeds are the easiest to start.



## TYPES OF COMPANIES TO TARGET

Starting out as a new freight brokerage it is a good idea to research trucking companies who are local to where you are based, as you did when you researched customers (shippers) who were local to you. Focus on the smaller companies first (**1 – 10 assets or truck/trailers**) in order to build good and lasting relationships. Get those carriers signed up and begin booking loads with them in order to become consistent and grow. Again, focus on the local Dry Van, Flatbed, and Reefer companies locally. A good resource to use in searching for local trucking companies is "[Quick Transport Solutions](https://www.quicktransportsolutions.com/index.php)" at <https://www.quicktransportsolutions.com/index.php>

The screenshot shows the Quick Transport Solutions website. The navigation bar includes: Home, Load Board, Trucking Companies, Truck Driving Jobs, Medical Examiners, Freight Brokers, Trucking Blog, Resources, and About. The 'Resources' link is highlighted with a red arrow. Below the navigation bar is the heading 'Trucking & Freight Logistics Industry Resources'. The main content area is titled 'Freight & Trucking Resources' and features a dropdown menu for 'U.S. Departments of Transportation (DOT) by State' set to 'Alabama'. Below this is a section for 'AIST Safety Consulting' with contact information and a description of their services. To the right of the main content is a red sidebar with a list of resources: Add Your Trucking Company, Add Freight Broker Company, Find Loads/Trucks, Search Trucking Companies, Refrigerated Trucking Companies, FMCSA Certified Medical Examiners, CDL Physical Exam Locations, Freight Factoring Companies, Need Cash Now?, Ready to grow your Business?, and Truck Driving Schools. A red arrow points to the 'Search Trucking Companies' link in the sidebar.

## VETTING THE CARRIERS

"Vetting" a potential carrier to be approved for your freight brokerage involves checking to make sure that various criteria (in accordance to what your particular customer requires for running their loads) are met and are in compliance. Some of these criteria can include, but is not limited to, CSA (Compatibility, Safety, and Accountability) scores <https://csa.fmcsa.dot.gov/>, licensing and insurance information (via SAFER FMCSA website) <https://safer.fmcsa.dot.gov/CompanySnapshot.aspx>, etc. It also includes making sure that the carrier is not connected to another brokerage (double brokering). Get the "MC" or "DOT" number from the carrier when they call you and ask about an available load. Here is where you look up their information (a matter of public record) based off of MC or DOT to determine if you will proceed further. If the information is in compliance with your customer's criteria for running their loads, now you send them a carrier packet to complete and return for approval.

The screenshot shows the FMCSA website. The header includes the FMCSA logo and the text 'Federal Motor Carrier Safety Administration'. Below the header is the CSA logo and the slogan 'Working Together for Safety'. The navigation bar includes: HOME, ABOUT CSA, YOUR ROLE, HELP CENTER, WHAT'S NEW, and SMS RESULTS. The main content area features a large announcement: 'New Entrant Website Launched' with the subtext 'Site helps carriers understand safety responsibilities during first 18 months on the road.' Below this is a smaller image of the website interface. To the right of the main content is a call to action: 'Visit the New Entrant Program Website' with a right-pointing arrow icon.



# U.S. Department of Transportation Federal Motor Carrier Safety Administration Safety and Fitness Electronic Records (SAFER) System

## Company Snapshot

The Company Snapshot is a concise electronic record of a company's identification, size, commodity information, and safety record, including the safety rating (if any), a roadside out-of-service inspection summary, and crash information, available via an ad-hoc query (one carrier at a time) free of charge.

### Search Criteria

Users can search by DOT Number, MCMX Number or Company Name.

\*  USDOT Number    MCMX Number    Name  
Enter Value:

## CARRIER PACKET

Once the initial **“vetting”** process has been completed, it is now time to get the carrier set up and approved under your brokerage to run loads for your customer(s). A **Carrier Packet** is a Broker/Carrier agreement and it lays out the terms and conditions both parties need to adhere to in order to be legal and in compliance with one another as well as satisfy the shipper. It goes over insurance requirements, payment options (quick pay, ACH, standard or factoring), detention pay, etc. Carrier here needs to be sure they have read and understood the contract before signing and returning. Questions need to be asked and answered satisfactorily prior to signing and returning the carrier packet.

## OTHER DOCUMENTS NEEDED TO APPROVE CARRIERS

In addition to signing the carrier packet and returning it to the brokerage, most freight brokers also require at least 3 other documents in order to officially set up an approved carrier. These include the **carrier's W9, carrier's Certificate of Insurance and the carrier's MC Authority Letter from FMCSA/DOT. If carrier has a factoring company, then an NOA is also needed.**

- **Carrier's W9**, showing that they have a Federal ID# or EIN (Employee Identification Number) # and business name.
- **Carrier's MC AUTHORITY** letter, issued from **FMCSA** (Federal Motor Carrier's Safety Administration) in conjunction with **DOT** (Department of Transportation), showing the carrier as having a unique **DOT#** and **MC#**. The most common type of authority for owner operators, carriers, or truck drivers is a **common carrier authority**. Other types of authority include: **Contract, Passenger, and Household Goods (HHG)**.
- **Carrier's Certificate of Insurance (COI)**, showing the carrier having minimums of \$100,000 cargo insurance and \$1,000,000 liability insurance.
- **Carrier's Notice of Assignment (NOA)**. This is a form that a carrier's **“factoring company”** presents to the broker or shipper in order to run their credit to see if they pay on time.

Once these documents are returned and approved by the brokerage, they are entered into a **TMS (Transportation Management System)** system and that data is used for future loads.