

PICK A BUSINESS SERVICES PROVIDER

There's more than tax preparation involved in this financial lifeline.

As an independent business owner, your primary goal is to make more money. That's why you made the decision to purchase or lease your own truck. The challenge lies in holding on to more of the money you make, especially as expenses increase. You have to pay for your own plates, permits, state fuel taxes, federal highway use taxes, maintenance, insurance and more. Keeping track of it all takes a substantial amount of time. Some owner-operators are fortunate enough to have a spouse or partner on whom they can offload the paperwork. But even if this is the case, your spouse probably does not have the resources or experience necessary to help you maximize your profit or to warn you when your operating costs are out of line.

It's not surprising that many owner-operators, like most small business owners, fail within the first few years. That's why new owner-operators and experienced operators who need help should choose a business services provider who understands the owner-operator business model. A good business



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services provider that specializes in trucking often can save you money that more than covers its annual fee.

Such a provider should be able to give you all the tools necessary for running a profitable trucking business. These include:

BUDGETING. A budget helps you oversee your business and control your future. It is the most important part of your business plan. Your business services provider can help you develop a budget that takes into account not only your business revenue and expenses, but also your personal and family expenses. Additionally, a budget can help you make informed decisions about potential purchases and changes to your operation.

BOOKKEEPING. Sorting and tallying receipts and settlements can take up to several hours a week. A good business services company that does your bookkeeping can, in effect, give you that time to focus on running miles, gaining needed rest and spending quality time with family and friends.

PROFIT AND LOSS STATEMENTS. These tools provide a real-world snapshot of the health of your business. A profit and loss statement for your business shows your revenue, fixed costs, variable costs and net income. A good business services provider will do this for you monthly.

BENCHMARKING. This is the tool you use to compare your business to the rest of the industry and decide what changes may be needed to maximize your profitability.

TAX COMPLIANCE. Many of the federal and state income tax rules regarding trucking are complex and constantly chang-

ing. You need a business services provider with tax expertise in trucking, as well as a Certified Public Accountant who can support you in the event of an audit.

BUSINESS CONSULTING. To help you better understand the essential tools of business and use them effectively, a good business services company also provides continual support through business consulting.

FINDING THE RIGHT MATCH

Choosing a business services provider is something that should be done carefully. Here are some criteria that should be considered:

- How many years has the provider been in business?
- How many years of experience does the provider have in the trucking industry?
- Is the provider active in trucking industry trade groups and associations?
- Do they understand the inner workings of and the trucking industry as a whole, especially from an operations perspective?
- How many employees does the provider have?
- Is the company large enough to invest in and provide the best resources, people, systems, products and services?
- What is the size and composition of the provider's customer base?
- Is the customer base large enough to provide benchmarking and comparison data, as well as meaningful analysis of industry segments and trends?
- Is the customer base comprised of recognized and successful owner-operators and fleets?
- Does the tax department staff hold professional tax

credentials and have trucking-specific expertise?

- Does the provider have a trucking-specific tax research department to ensure that it stays current with tax changes?
- Does the provider and its tax department provide audit support in the event that an owner-operator client is audited? Only a firm with CPAs or enrolled agents can represent you before the IRS.
- Do the provider's consultants take an active role in your success?
- Does the business services provider offer an assigned personal consultant, or do you typically speak with a different person every time you call?
- How does the business services provider charge for its products and services?
- Is there one up-front fee that covers everything? Does it include unlimited consulting time or are there limits and additional fees or costs?

PROFESSIONAL ASSISTANCE

ATBS, co-author of this manual and presenter at the Partners in Business seminars, is the nation's largest owner-operator financial services provider. It has years of experience in the trucking industry and partnerships with most major owner-operator fleets in the country. The Denver-based firm provides bookkeeping, budgeting, profit and loss statements, tax compliance and consulting services for more than 30,000 owner-operators. Because it serves so many clients, it can use its extensive database to pinpoint dozens of owner-operator benchmarks – measurements of key operations – that are not available elsewhere.