



Setting Up Your First Carrier to make an Income Quickly

You want to be able to completely set up your first carrier without any hassles and this will allow you to generate an income quickly.

Here is what you will need from your Carrier.

- MC# Certificate
- W9 Signed by Carrier
- Acord Certificate
- Factoring Company Information (Notice Of Assignment)
- Signed Dispatch Agreement
- Email Created By Yourself (johnsmithloads@gmail.com)
- TMS (Transportation Software)
- Agreed Upon Rate for Your Dispatch Services (Your Fee)
- Exact Type Trailer That Matches Your **Freight Research**
- Truck Number
- Trailer Number
- SCAC Code (If available)
- SMS Report (see video in training portal)

Collecting these documents are critical for the reason you are setting the carrier up also with your broker firm.

What is SCAC Code?

SCAC codes are required for carriers who wish to provide shipping services to and within the United States. These codes are often mandatory, especially when doing business with U.S. government agencies and commercial shippers of various industries, including automobiles, petroleum, forest products, chemical, and others.

SCAC codes were developed by the [National Motor Freight Traffic Association \(NMFTA\)](#) in the mid-1960s to facilitate computerization in the freight industry. SCAC codes are assigned and maintained by the NMFTA, and they are primarily used by the United States Bureau of Customs and Border Protection (CBP) to monitor all shipping activities in the country.

It's also important to note that certain groups of codes are reserved to specific types of transportation:

- Codes ending with the letter "U" are reserved for the identification of freight containers.
- Codes ending with the letter "X" are reserved for the identification of privately owned railroad cars.
- Codes ending with the letter "Z" are reserved for the identification of truck chassis and trailers used in intermodal service.

Charging Your Carrier For Your Service

Charging your carrier for your dispatch fee is not the same as your broker fee. Your broker fee is the amount a shipper is willing to pay less the amount a carrier will haul for.

Example: Shipper Pays \$1200.00 for a load to be moved. Your carrier agrees to move the load for \$950.00. Your commission is \$250.00

Dispatch Fee Would be an overall percentage of the load you book thru another broker.

Example: Your fee is 7% and the total load is paying \$2200.00 Your dispatch fee would be \$154.00

Billing For Your Dispatch Fee: You would create your own invoice billing your carrier for the 7% of the \$2200.00 with an amount of \$154.00 being billed to the carrier for that specific load. You would then submit this invoice along with the load documents on the \$2200.00 load to the carriers factoring company so that the factoring company will pay you and your carrier at the same time. If the factoring company does not pay on Dispatch fees, then you would have to have an alternative method for charging the carrier for your dispatch fees.

Your Carriers Factoring Company

The factoring company of your carrier is very important for you to receive your dispatch fees paid directly. You will need to speak with the factoring company and ask:

“Do you pay on Dispatch Services from The Load Invoice”

Why You Want To Be Paid By Factoring Company:

- Quick Payment
- Less Fees to Yourself
- You don't have to ask your carrier for money
- Build relationship with factoring company and get more referrals.

Getting prepared for your carrier is critical. It is time to begin to think about onboarding your first carrier and turning your freight research into an income. Working with carrier's long term only happens from your freight research knowledge.

If you know where the freight is, then carriers will join your team.