

*Start Your Own*

# TRUCKING COMPANY



 **Apex**<sup>®</sup>  
America's Favorite Factor

# Start Your Own TRUCKING COMPANY

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# Start Your Own TRUCKING COMPANY

***There has never been a better time to start a trucking company.***

Trucking is one of the largest industries in the United States. Nearly 70% of all domestic freight tonnage moved in the U.S. is transported on trucks. It takes over 1.7 million heavy-duty truck drivers to move \$10 trillion worth of freight annually. Without trucking companies and drivers, our economy would come to a standstill.

Trucks dominate the overall freight transportation landscape. The American Trucking Association (ATA) estimates that the trucking industry will still hold 66.4% of the total primary tonnage in 2027. The need for trucking companies isn't going away anytime soon. It's clear that there has never been a better time to start a trucking company.

### ***What is the FMCSA?***

Under the U.S. Department of Transportation, the Federal Motor Carrier Safety Administration (FMCSA) was established to prevent commercial motor vehicle-related fatalities and injuries. The FMCSA contributes to ensuring safety in the trucking industry through creation and enforcement of safety regulations.

## **GETTING STARTED**

Starting your trucking company and getting motor carrier operating authority can be complicated and frustrating. Before getting started, you need to know the basics: what do you need to get started?

### ***A good place to start . . .***

Apex Capital and the Apex Startup Program can simplify the process of starting your trucking company. Our highly-experienced transportation specialists can save you time, money, and help you get started quickly. The Apex Startup Program gets all the information from you, forms your company as a limited liability company (LLC) in your home state, and completes the appropriate registration applications with the Internal Revenue Service (IRS) and the Federal Motor Carrier Safety Administration (FMCSA).

Apex Capital is one of the few companies that helps you form your trucking company, applies for motor carrier authority for you, offers you freight bill factoring, a free load board, and a fuel card with great fuel discounts to help you keep your business running smoothly.



### ***New Entrant***

When a new USDOT Number is assigned, the carrier becomes a “new entrant” and will be monitored during an initial 18-month period.

#### ***A new entrant must:***

- Operate safely
- Maintain up-to-date records
- Conduct periodic inspections and perform maintenance on Commercial Motor Vehicles (CMVs)
- Pass the Safety Audit

### ***Getting Authority***

#### ***How long will it take?***

According to the FMCSA, an ultimate grant of active operating authority may take approximately one month, including a ten day protest period that begins when the authority grant letter is issued and mailed.

## **LICENSES AND REGISTRATIONS**

### ***Commercial Driver’s License***

If you don’t already have a Commercial Driver’s License (CDL), you will need one if you plan to drive for your company. Although there are federal guidelines in place for obtaining a CDL, each state has its own set of requirements and training regulations. To learn more, contact your state’s Department of Motor Vehicles (DMV) and request a copy of its CDL manual.

### ***Register as a Limited Liability Company***

Setting up a business entity is a step some choose to skip when starting a trucking company. While there are many entity types to choose from, we recommend setting up a Limited Liability Company (LLC). An LLC provides the limited liability features of a corporation and the tax efficiencies and operational flexibility of a partnership. Formation documents must be filed with the Secretary of State in your home state.

#### ***Required Formation Form:***

- State Specific Formation Document

### ***Employee Identification Number***

An Employee Identification Number (EIN) is a nine-digit number assigned to various business entities for federal tax filing and reporting purposes.

#### ***Required Internal Revenue Service (IRS) Form:***

- SS-4

Register online at: [www.irs.gov.business](http://www.irs.gov.business)

### ***United States Department of Transportation Number & Motor Carrier Number***

Companies that operate commercial motor vehicles that haul cargo in interstate commerce must be registered with the Federal Motor Carrier Safety Administration (FMCSA) and are required to have a United States Department of Transportation Number (USDOT).

The Unified Registration System (URS) is the electronic system that allows carriers, freight forwarders, and brokers to register and update information with the FMCSA online. You’ll need

### **Other Federal Requirements:**

- Alcohol and Drug Testing Program
- Safety Audit within 12 Months
- Hours-of-Service Compliance
- Electronic On Board Recorder Requirements
- FMCSA Commercial Motor Vehicle Marking Rules
- Preventative Maintenance and Inspection Procedures
- Maintenance of an Accident Register
- Biennial Updates of MCSA-1
- Liability Insurance (bodily injury/ property damage and/or cargo insurance)

to use the URS system portal to register and receive your USDOT and MC Numbers to file a MCSA-1 Form. This form has combined the two forms previously used to get a USDOT Number and MC Number. Filing the MCSA-1 Form costs \$300.

#### **Required FMCSA Form:**

- MCSA-1:  
Register online at: [www.fmcsa.dot.gov](http://www.fmcsa.dot.gov)

### **Designate Process Agents**

A process agent is a representative that can receive legal documents in proceedings that may be brought against your company. Operating authority will not be activated by the FMCSA unless a process agent is designated in every state of operation. Most carriers obtain blanket coverage for designating a process agent, listing agents in all 50 states and the District of Columbia.

#### **Required FMCSA Form:**

- BOC-3

### **Unified Carrier Registration (UCR)**

The Unified Carrier Registration (UCR) was established by federal law to replace the Single State Registration System (SSRS). The UCR Act consolidated numerous motor carrier databases maintained by the FMCSA into a single online system.

Fees due under the UCR are based on fleet size and must be renewed annually. The UCR registration fees collected provides funds to states to enforce motor carrier safety laws.

#### **Required UCR Form:**

- UCR Filing  
Register Online at: [www.ucr.in.gov](http://www.ucr.in.gov)

### **International Registration Plan (IRP)**

The International Registration Plan (IRP) is a registration reciprocity agreement among the United States, Washington D.C., and Canadian Provinces providing for payment of fees based on an interstate carrier's annual mileage in participating jurisdictions.



## CSA Scores

The FMCSA created the Compliance, Safety, Accountability (CSA) program to measure and evaluate safety on the road to prevent crashes, injuries, and fatalities. To enforce safety and compliance the FMCSA assigns a CSA safety score to each trucking company.

The CSA program measures these 7 areas to determine safety scores, each area is known as a Behavior Analysis and Safety Improvement Category, or BASIC:

- Crash Indicator BASIC
- Driver Fitness BASIC
- Unsafe Driving BASIC
- Hours-of-Service (HOS) Compliance BASIC
- Vehicle Maintenance BASIC
  - Cargo-Related
  - Inspection-Repair-Maintenance
- Controlled Substances/Alcohol BASIC
- Hazardous Materials (HM) Compliance BASIC

Knowing your CSA score is important. A poor CSA score may prevent you from finding customers, lose insurance coverage, or pay very high insurance premiums.

**Learn more about the FMCSA and its CSA program at [csa.fmcса.gov/about/basic](https://www.fmcса.gov/about/basic)**



To operate in multiple states or Canadian provinces, motor carriers must register in their base jurisdiction.

To register your vehicle and receive IRP apportioned license plates, you must contact your base jurisdiction for specific information and requirements.

### **Required IRP Form:**

- State Specific IRP Form

Register Online at: [www.irponline.org](https://www.irponline.org)

## INSURANCE

The FMCSA must receive proof of liability and/or cargo insurance within approximately 90 days of your MCSA-1 filing, making it a good idea to have an insurance plan in place before filing for authority. Proof of insurance must be submitted to the FMCSA directly from the insurance company before it activates ultimate operating authority.

[www.fmcса.gov/registration/insurance-requirements](https://www.fmcса.gov/registration/insurance-requirements)

Apex is not an insurance company. However, we may be able to refer you to a reputable insurance brokerage offering start-up trucking companies a quick and easy way to get competitive quotes on all motor carrier insurance needs. ***If you are interested in learning more, please call us at 855-973-1573.***

## TAXES

There are various **federal and state taxes** for trucking companies that can be confusing. Additionally, motor carriers who own a vehicle with a gross weight of 55,000 pounds or more are required to file a **Heavy Vehicle Use Tax (HVUT)** return (Form 2290) with the IRS annually. In relation to fuel purchases, interstate motor carriers are also required to file **IFTA (International Fuel Tax Agreement)** taxes on a quarterly basis through the taxing authority the carrier's base state. If you don't stay on top of your company's tax obligations, the government could attach a lien to your property and delay, stop, or even redirect payment from your customers.

To make sure you stay on top of your income, employment, state use tax, and/or vehicle taxes, you should seek the advice of a reliable and experienced tax consultant.

### *Example of Business Expenses*

#### **Fixed Costs:**

Truck Lease Payment  
Trailer  
Tolls and Scales  
Plates / FHUT  
Physical Damage Insurance  
Cargo Insurance  
Liability Insurance  
Payroll

#### **Variable Costs:**

Fuel  
Fuel Tax  
Maintenance / Repairs  
Reefer Fuel  
Outside Labor  
Communication  
Meals  
Lodging Expenses  
Office Expenses  
Supplies  
Misc. Expenses

## **BUSINESS EXPENSES**

To ensure the profitability of your business, you need to know the costs. There are two types of costs: fixed and variable. A fixed cost stays the same each month while a variable cost changes. You need a solid understanding of what your costs are to determine the revenue you need to turn a profit. This also means determining your cost-per-mile. You can use the cost-per-mile figure to find best freight rate for your trucking company.

## **FACTORING / CASH FLOW**

As a start-up business, you may be unable to obtain a line of credit with a traditional bank. As an alternative to bank financing, factoring companies can provide you with operating cash flow by buying your freight bills. Freight bill factoring is an easy way for small to medium-sized trucking companies to manage their cash flow and keep their trucks on the road.

## **SUPPORT**

If you are a small carrier or owner-operator, it's vital to have accounting support in place. Having a partner to help with your accounting needs and collection efforts allows you to focus on other parts of your trucking company.

### ***A good place to start . . .***

Apex Capital is the leading freight factoring company in the trucking industry. In addition to offering reliable cash flow, Apex Capital provides extra services to help truckers and business owners run their businesses efficiently. You'll get 24/7 access to an exclusive Account Management Portal (AMP) that allows Apex clients to manage accounts online. AMP help you perform free credit checks, create and send invoices, store documents, run reports, fund your fuel card accounts, and so much more. When you choose the Apex Startup Program to help start your trucking company, you may already be approved to factor with us.





The Apex Fuel Card Program has saved Apex clients over \$175 million in fuel discounts since 2008.

Apex Capital passes on discounts from our fuel partners directly to our clients, resulting in huge savings and benefits.

Apex clients using the fuel card & Fuel Finder save an average of 49 cents per gallon!

## FUEL

Fuel makes up approximately 21% of a trucking company's total operating expenses. To better control and manage fuel costs, trucking companies use fuel cards. The main benefit of most fuel cards is the discounts offered at select truck stops. You should absolutely take advantage of this money saving tool to reduce your fuel costs.

### *A good place to start . . .*

Apex Capital offers its clients huge discounts off fuel at most major truck stops including: TA®, Petro Stopping Centers®, TA Express®, AMBEST, PWI, Road Ranger, Roady's, Sapp Bros and more. Apex clients using the fuel card & Fuel Finder save an average of 49 cents per gallon. In fact, the fuel savings trucking companies can achieve by using Apex's Fuel Card program can outweigh any fees paid for factoring!

## CREDIT

Choosing the right customers is extremely important. Reviewing credit information for shippers, brokers, and freight forwarders helps trucking companies mitigate risks, including non-payment. Did you know that it can take eight to ten paying loads to make up for non-payment of just one load? Subscriptions to credit services are available, but they can be costly and hard to interpret.

### *A good place to start . . .*

Apex factoring clients benefit from readily available credit information. Apex's experienced Credit department uses the latest credit information from multiple major credit reporting agencies, as well as its own collections experience with thousands of brokers, shippers, and freight forwarders, to determine recommended credit lines for its clients' customers. Apex offers this service to allow clients an easy way to verify brokers, shippers, and freight forwarders 24/7, helping them confidently book loads and reduce risk of non-payment.



**The FREE Load Board built for truckers:**

- New loads posted and updated in near real-time (for FREE).
- Smarter search features make finding freight easier.
- See the most relevant freight matches.
- Expired loads are removed daily.
- Create unlimited user accounts.
- See freight that is similar to the load you're viewing.
- Receive notifications when new load postings match your criteria.
- Find freight from the convenience of your smart phone.

**Create your FREE account today!**

[www.NextLOAD.com](http://www.NextLOAD.com)

**Apex Clients who use NextLOAD also receive:**

- Free and unlimited credit checks
- Apex Fuel Finder

## LOADS

Many trucking companies rely on load boards to locate freight. Be sure to research load boards to find that are reliable and accurate. For best results and accurate credit information, you should consider using an independent source of credit information.

### ***A good place to start . . .***

NextLOAD.com is a free load board built by Apex, designed for truckers. Anyone can create a free account and start searching for loads by city or state, equipment type, load size, and date. With a near real-time refresh rate to help you find the best loads fast, other load boards might charge you to receive loads faster. NextLOAD users can save searches with alerts letting them know when specific loads are available.

Apex clients have access to exclusive features on NextLOAD, like the Apex Fuel Finder and automatic credit checks. The Apex Fuel Finder is an interactive map that locates the best prices for fuel in your location or along a route. The Fuel Finder is both mobile and desktop friendly, making saving money easy.

## MAINTENANCE

Establishing a system of preventive maintenance for compliant, safe, and efficient fleet operations, including a schedule for periodic maintenance, inspection, and recordkeeping, can make a huge difference in your bottom line. The system should be consistent with the manufacturer's recommendations, actual experience, and regulatory requirements. Proper maintenance of trucking equipment can save you thousands of dollars in repairs and help you avoid poor Compliance, Safety, Accountability (CSA) scores as well. Correct use of equipment and maintenance can add years to equipment life.



# Start Your Own Trucking Company

## **Apex Startup Program standard services:**

- Formation documents with the Secretary of State in your home state
- Form SS-4 with the IRS
- Form MCSA-1 with the FMCSA
- Form BOC-3 with the FMCSA
- UCR Form with the United Carrier Registration System
- Plus, Renewal Filings on all the above to keep your trucking company complaint!
- Additional services provided depending on your location:
  - IFTA Registration
  - State specific fuel permits (KY, NM, NY)
  - Intrastate Authority
  - Form 2290 Heavy Vehicle Use Tax Return (HVUT) Filing

## **Apex ... a good place to start!**

You can see for yourself that starting your trucking company and getting operating authority can be complicated. Luckily the Apex Startup Program can help! Our highly-experienced transportation specialists work with you every step of the way. Services include forming a business entity in your home state, as well as completing and filing the appropriate registration applications to get active authority. We even send you all your important documents filed neatly in a Record Book to make sure you have all you need to start hauling.

Once your authority is active, you may factor your freight bills, and gain access to Apex's full-service factoring, getting you cash fast. When you factor with Apex, you have FREE access to all of these additional services.

## **Account Management Portal**

Apex clients receive 24/7 access to an online Account Management Portal (AMP). This portal acts as freight factoring command center where client can perform free credit checks, use the Fuel Finder, create and send invoices, fund fuel accounts, and store important documents for easy access.

## **Fuel Discounts**

Who doesn't want to save money on one of the biggest expenses in trucking? Apex clients save an average of 30 cents per gallon on fuel with the Apex Fuel Card. The Apex fuel card is accepted at thousands of truck stops nationwide with discounts at: TA and Petro, AMBEST, Speedway, Sapp Bros, and more.

## **Fuel Finder**

The Apex Fuel Finder makes finding the best price on fuel easy. The Fuel Finder is an interactive map that helps find the best prices on fuel along your route or in your area. Using the Fuel Finder on the road is convenient with a smartphone with the Apex Mobile Factoring™ app or even when you're planning your route on a desktop too.



### Call Apex at 855-973-1573

Apex has been turning freight bills into cash for small to medium-sized trucking companies for over two decades. We are the full-service freight factor that helps trucking companies thrive with:

- **FREE** unlimited credit checks
- **FREE** fuel card with discounts
- **FREE** unlimited access to our load board, NextLOAD.com
- **FREE** 24/7 online account access
- Low Rates
- Recourse & non-recourse options
- Same-day or next-day funding
- Fuel credit lines available
- **FREE** Apex Mobile **Factoring™** app, emails, copies, or faxes
- No long-term contracts or termination fees

### **Apex Mobile Factoring™ App**

Download the Free Apex Mobile Factoring™ app to your smart phone to access your account on-the-go. Capture images, create invoices, find fuel, check credit, store important documents, and receive important account notifications. It's the fast and easy way to factor your freight bills right from your phone.

Don't take our word for it! Download the Apex Mobile Factoring™ app today, and you'll get five free credit checks along with access to the Fuel Finder. **Start your free trial account today!**

### **Tire and Service Discounts**

Get exclusive discounts on preventative maintenance, DOT inspections, tires, and other services at TA Truck Service Facilities.

Apex clients save up to \$95 per tire on their Favorite brands, such as Goodyear, Michelin, Bridgestone, Yokohama, BF Goodrich, and many more.

### **FREE Load Board**

The Apex built free load board, called NextLOAD.com, is where you can search for loads on NextLOAD.com by city or state, equipment type, load size, and date. Clients receive additional features, including free and unlimited credit checks and accessing the best fuel prices with the Apex Fuel Finder.

### **Roadside Rescue**

The Apex 24/7 Roadside Rescue program gives clients free and easy access to truck breakdown assistance, road service, towing, accident dispatch services, and more.

### **Prescription Discounts**

A free prescription discount card through RxCut provides as much as 87% savings on generic medications and supplies at more than 63,000 pharmacies.





America's Favorite Factor

### ***Why is Apex America's Favorite Factor?***

Apex has specialized in transportation factoring for over 20 years. We only work in the trucking industry, so we know your business needs and have the industry experts that can help you grow. We continually add new and innovative programs to help our clients get their money fast, save on trucking and business expenses, and easily manage their businesses.

### ***Hotel Discounts***

Save 40% off of listed rates at thousands of hotels across the country by booking with CLC Lodging.

### ***ELD Savings Program***

The FMCSA requires most trucking companies to use an electronic logging device (ELD) to record hours-of-service. Apex is partnered with KeepTruckin to offer clients a discounted ELD solution.

### ***Insurance***

Insurance is one of the largest expenses for trucking companies, especially for new entrants. Apex refers its clients to a reputable insurance program that offers an exclusive insurance plan to qualifying Apex clients as an affordable insurance option.

### ***Why Start with Apex?***

With more than 20 years of experience, Apex Capital has helped thousands of trucking companies, just like yours, keep their businesses running successfully. Factoring with Apex is a smart and easy way to finance your invoices and turn your freight bills into cash. Fast.

Apex Capital is the leading full service freight factor that specializes in small to medium-sized trucking companies. Apex Capital offers low rates, no hidden fees, no cancellation fees, no long-term contracts, exceptional customer service, client exclusive discounts, and many other benefits designed to help you keep your trucks on the road.

**[www.ApexCapitalCorp.com](http://www.ApexCapitalCorp.com)**

**855-973-1573**



## SOURCES

[www.fmcsa.dot.gov](http://www.fmcsa.dot.gov)

[www.fmcsa.dot.gov/registration/unified-registration-system](http://www.fmcsa.dot.gov/registration/unified-registration-system)

[www.fmcsa.dot.gov/regulations](http://www.fmcsa.dot.gov/regulations)

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[www.apexcapitalcorp.com/factoring](http://www.apexcapitalcorp.com/factoring)

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[www.nextload.com](http://www.nextload.com)

[www.apexcapitalcorp.com/startup](http://www.apexcapitalcorp.com/startup)

## OTHER WHITE PAPERS

[www.apexcapitalcorp.com/whitepaper/business-of-trucking](http://www.apexcapitalcorp.com/whitepaper/business-of-trucking)

[www.apexcapitalcorp.com/whitepaper/save-thousands-on-fuel](http://www.apexcapitalcorp.com/whitepaper/save-thousands-on-fuel)

[www.apexcapitalcorp.com/whitepaper/first-year-trucking](http://www.apexcapitalcorp.com/whitepaper/first-year-trucking)