

Dear TCLA Members, Prospective Members, & Logistics Industry Principals:

I hope that everyone has returned from a safe and enjoyable Thanksgiving Holiday. As I sat with family and friends over the weekend, I reflected on all of the positive feedback and terrific information we received at our first TCLA meetings held in Houston and Dallas earlier in the month. For those of you that could not join us, and for those that would like copies, we will have the Power Point presentations from each of our speakers posted to our website www.texascla.com

William Grimsinger of Chamberlain Hrdlicka, www.chamberlainlaw.com gave us a thorough description and some great examples of what we are facing with the new State Margin Tax which severely impact couriers in Texas if not revised in the next session of the state legislature. Scott Grandys of CMS www.ictherightway.com followed with examples of how and what other state associations have done to steer legislation in their favor. Also, we were shown examples of what other states have done that directly impact our industry. The bottom line of our meetings was simply this, if we fail to come together now, we will either constantly play defense, or get rolled over. I don't think anyone disagrees that House Bill 3 (Margin Tax) caught all of us off guard.

I am thankful that we have met and teamed up with Bob Voltmann of the TIA (Transportation Intermediaries Association) and Ed Emmett of The Emmett Company to lobby in Austin towards correcting the inadequacies in the Margin Tax. Right now our best efforts will be to get the recognition of pass through costs and get lawmakers to recognize that in our industry our gross revenue is really not a true indication of our revenue.

This effort and fight we will require fiscal resources beyond what an individual company can afford to put forth, therefore, the TCLA along with our coalition will be asking for monetary donations to be used to defray the costs of our legal and lobby team to make our case before lawmakers and agency administrators. The independent owner operator business model has historically been the backbone of the delivery industry and to expose it to such extreme taxation is detrimental to the entire transportation industry in Texas.

We will request that every new TLCA member company contribute to our dedicated Advocacy Fund. The monies placed in the reserve will only be used for legal, lobby and public relations expenses concerning the margin tax issue. If each of our members pledged \$2, \$5, or whatever they can afford per driver per month, we will have an excellent chance of making a difference and helping protect your bottom line. Based on estimates, our coalition has a goal of raising \$250,000 for this effort. I feel confident that the TCLA members can raise \$50,000-\$80,000. Also, please share this message with any other logistics companies that you know of. You do not have to be a member to donate to the Advocacy Fund. As a matter of fact, we have already received donations of \$1,000 to \$2,000 per company from many members and a couple of nonmembers. Please give, the new session begins in January and we have to be there.

Thank You,
Eric Donaldson