

# Auto hauler aims to make inroads in new market

By SUSAN BOYKEWICH



Myron Levine  
Benefited greatly

Jersey City-based Autolog Corp. is determined to increase its market share of an industry that appears to have much room for growth — transporting the automobiles of people who move.

When the company first applied for operating authority in 1976, it met with initial opposition from the Interstate Commerce Commission (ICC), which said the company had no established business, according to Myron Levine, president.

Now having recently obtained nationwide ICC operating authority, the privately-held concern will begin a large expansion of its terminals this summer, Levine said.

In its busy season, the company has as many as 40 truckers under permanent lease to the company, he noted.

For a fee, Autolog will transport your car to Florida, or to other points in the country, on a truck that carries new cars, while you fly to your destination and wait for its arrival.

It costs about \$406 and takes four to five days for a car to travel from Newark to Miami, Levine said, while a Newark-Los Angeles run would cost about \$920 and take 10 to 14 days.

For that reason, the service is impractical for vacationers, and is really geared toward permanent relocators and those taking extended trips. "It would be ridiculous for us to compete" for the vacationer market, noted Levine.

After an initial rejection from the ICC Autolog was granted limited operating authority in 1976 between New York and Florida. Autolog got the authority to operate in the Midwest in 1978, and received nationwide operating authority six months ago he said.

Autolog's revenues in its first year of operation totaled \$900,000.

In 1980, the company had revenues of \$3.5 million, and transported between 15,000 and 20,000 automobiles.

"I'm in an immature business," Levine contended, "(it's) not really at the saturation point where the market is subject to peaks and valleys in the economy."

The industry is in fact so small that no one seems to know its exact size. The ICC estimates that in 1979 there were 33 truck carriers of motor vehicles with revenues exceeding \$1 million in the United States. These 33 carriers represented total revenues of \$1.6 billion.

However, a spokesman for the National Automobile Transporters Association noted that the vast majority of motor vehicle carriers are hauling new cars for automobile manufacturers.

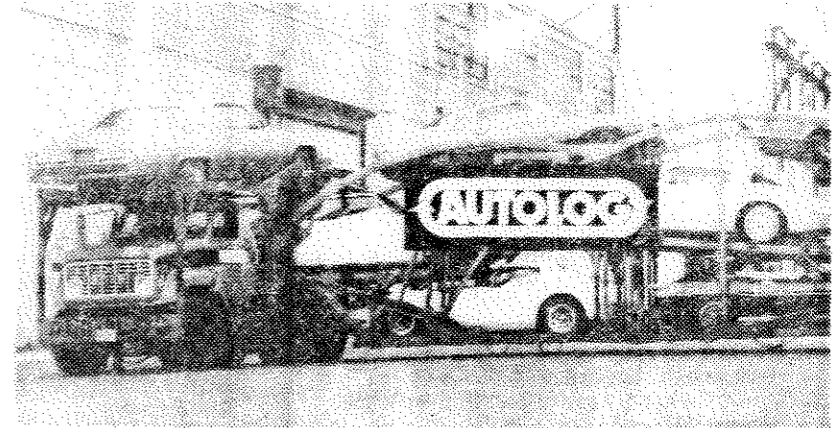
He said the percentage hauling privately-owned cars was "very small" but did not have an exact breakdown.

This small industry became even smaller in April with the demise of AutoTrain Corp., a rail carrier of passengers and their cars between terminals in Lorton, Va. (15 miles south of Washington) and Sanford, Fla. (about 20 miles north of Orlando).

Levine admitted that Autolog's Florida market, consisting largely of older customers in semi-retirement, "benefited enormously" from AutoTrain's bankruptcy. He estimated that the volume of his business increased over 100 per cent at the time. Levine saw AutoTrain as his chief competitor.

AutoTrain's fare was \$80 less than Autolog's, Levine said. "AutoTrain had the ability to get the same kind of customers we got, and more," he pointed out.

But one of AutoTrain's problems was that it was never able to reach its



One of the trucks used by Autolog Corp. in Jersey City prepares to transport cars to their destination

top market in New York because the tunnels north of Washington were too low for their auto-carrying rail cars, according to one report.

Levine said Autolog's busy season for southbound traffic starts in September, peaking in mid-October and dropping in January. Northbound traffic runs from mid-March to June, he added.

"In the summer months, when the kids are out of school, much of the traffic is (eastbound and westbound) permanent moves," Levine said. "We do a lot of business for companies relocating employees."

Autolog's terminals are car rental agencies which serve as pick-up and drop-off points for cars, Levine noted.

All it takes is a phone call to a car rental agency, Levine said. "We could open up 100 terminals in a week," he said, and in fact, the company will double its 24 terminals by October.

"We don't do business with the majors (they are) too bureaucratic," he said, but the company does use Ajax Rent-A-Car, Dollar Rent-A-Car, American International Rent-A-Car and others.

However, Autolog will drop a car almost anywhere, Levine maintained, even at your front door.

Autolog also has ICC authority to move new cars, and the company has a contract to ship DeLoreans, now starting to arrive from Northern Ireland to six southern states. The contract will add a quarter of a million to the company's revenues this year, Levine said.

Levine claims the company has no competitors now, but at least one other company doesn't see it that way.

Truck N'Transport (TNT), based in Port Newark, is a privately-held freight forwarder of automobiles that does the bulk of its business in permanent relocations, according to Frank Riccio, manager. He said the 15-year-old company has also seen a pickup in its business since the bankruptcy of AutoTrain and does consider Autolog a competitor.

He said the company does not own its own equipment but will contract out to other common carriers.

A car shipped from Port Newark to Miami costs about \$415, Riccio said, and takes a week. Port Newark to Los Angeles costs \$950 and takes two weeks.

Driveway companies will match up those who want a car to drive with those looking for someone to drive their car to a desired destination. These companies are ICC licensed and generally charge much less than car haulers.

And moving companies, will in some instances, load a customer's car right on the moving van with the rest of his belongings.

"We cannot haul a car unless we are hauling furniture with it," said Manny Prito of Apollo Moving and Storage in Newark, noting that "it's a small percentage that move their cars with their furniture."

The company charges by weight, and the more pounds the lower the rate per pound. Six thousand pounds of furniture and a 4,000-pound car would cost \$1,600 to move from Newark to Miami, he said. With that amount of furniture and no car, the cost would be \$1,900.