



## Key Concepts Review

This study guide focuses on the "One Truck, One Deal" model for building a passive income stream in the freight industry, as presented by Freight University and Logistical Forwarding Solutions (LFS). Key concepts include:

**The "One Truck, One Deal" Principle:** The idea that a single truck secured with a consistent freight contract (a "deal") can be more profitable and manageable than chasing numerous individual loads with multiple trucks.

**Passive Income Generation:** Utilizing a management company like LFS to handle the day-to-day operations of a trucking business (driver recruitment, dispatch, compliance, maintenance) while the investor collects weekly profits.

**The Importance of the "Deal":** Recognizing that a consistent freight contract with a reliable shipper is the foundation of a successful and predictable trucking venture.

**Strategic Equipment Selection:** Choosing the right type and age of truck (ideally no older than 2018, Class 8) that aligns with high-volume, consistent freight lanes (Dry Van, Reefer, Power-only).

**The LFS Management Model:** Understanding how LFS provides a comprehensive backend solution, allowing investors without CDLs or trucking experience to participate in the industry.

**Weekly Profit Payouts:** The mechanism through which investors receive their earnings after operational costs (driver pay, fuel, insurance, maintenance) are covered.

**Lane Building vs. Load Hunting:** Emphasizing the value of securing consistent, repeat freight opportunities over searching for individual, often unpredictable, spot market loads.

Scaling Strategies: How to expand from one profitable truck to a small fleet by adding trucks to existing successful lanes or partnering within the LFS network.

Essential Questions for Shippers/Brokers: Knowing the critical inquiries to make to identify a viable and consistent freight "deal."

The Role of Freight University: Understanding how their Logistical Developmental Program provides the education and strategies necessary to implement the "One Truck, One Deal" model.

### Quiz

Answer the following questions in 2-3 sentences each.

Explain the core principle of the "One Truck, One Deal" model. Why is it emphasized over owning multiple trucks with sporadic loads?

Describe the role of Logistical Forwarding Solutions (LFS) in the passive income model presented. What key responsibilities do they handle for the truck investor?

According to the source material, what are the recommended characteristics of the truck an investor should purchase, and why are these characteristics important?

What is meant by "The Art of the Deal" in the context of this material? Why is securing a consistent lane considered more powerful than relying on numerous random loads?

Outline the process by which an investor in the "One Truck, One Deal" model receives weekly profit payouts. What costs are typically covered before the investor receives their share?

The material states, "A license is not a business. A deal is." Explain what this statement means in the context of building a successful trucking venture.

Identify three of the five key questions that a potential passive truck investor should ask a freight partner or management company to assess the viability of a "deal."

Describe the concept of "fleet pairing" as a strategy for scaling a trucking business based on the "One Truck, One Deal" model.

What is the purpose of Freight University's Logistical Developmental Program, and what are some of the key areas it covers related to the "One Truck, One Deal" strategy?

According to Michael Thomas, what is the fundamental difference between simply "moving freight" and successfully building a business in the logistics industry?

### Quiz Answer Key

The "One Truck, One Deal" model centers on securing a single truck with a consistent, repeat freight contract. This approach prioritizes predictable revenue and simplifies operations compared to managing multiple trucks and constantly searching for new, potentially inconsistent loads.

Logistical Forwarding Solutions (LFS) acts as a management company that handles the operational backend of the trucking business for the investor. Their responsibilities include driver recruitment, dispatch, compliance, maintenance, and ensuring weekly profit payouts to the truck owner.

The source recommends purchasing a truck no older than 2018, preferably a Class 8 sleeper or day cab suitable for high-volume lanes like Dry Van or Reefer. This focus on newer equipment and appropriate types minimizes maintenance issues and aligns with consistent freight demands.

"The Art of the Deal" refers to the strategic importance of securing a consistent freight contract with a reliable shipper. This single, dependable lane provides predictable revenue and stability, making it more valuable than the uncertainty of numerous one-off loads.

Investors receive weekly profit payouts after LFS manages the truck's operations and covers expenses such as driver pay, fuel, insurance, and maintenance. Detailed breakdowns of earnings and costs are typically provided to ensure transparency for the investor.

This statement emphasizes that simply owning a truck or having the licenses to operate doesn't guarantee a viable business. A true business in trucking is built upon securing consistent freight "deals" that generate predictable and recurring revenue.

Three of the five key questions are: "What type of freight will my truck haul?", "Are lanes consistent or spot-based?", and "What's the average weekly net payout to the investor?". These questions help assess the nature of the freight, the reliability of the work, and the potential profitability of the deal.

Fleet pairing is a scaling strategy where, once a single truck is profitable on a consistent lane, additional trucks are added to the same successful lane or to service the same repeat customer. This ensures that new trucks have guaranteed freight opportunities, rather than being deployed speculatively.

Freight University's Logistical Developmental Program aims to educate individuals on how to implement the "One Truck, One Deal" model to create passive income streams in freight. It covers topics such as truck selection, freight matching through LFS, back-office operations, driver recruitment, and the principles of securing profitable freight deals.

Michael Thomas suggests that simply "moving freight" is transactional, focusing on individual loads. In contrast, successfully building a business in logistics involves creating strategic "deals"—consistent, long-term relationships with shippers that generate reliable and scalable income.

### Essay Format Questions

Analyze the advantages and potential challenges of the "One Truck, One Deal" model for individuals seeking to enter the trucking industry as passive investors. Consider factors such as initial investment, risk mitigation, and reliance on a management company.

Compare and contrast the "lane building" approach advocated in the source material with the traditional "load hunting" method in freight brokering. Discuss the potential benefits and drawbacks of each strategy for long-term profitability and business stability.

Evaluate the significance of the five "deal-making questions" presented in the text for individuals aiming to secure consistent freight contracts. How can these questions help differentiate a potentially profitable "deal" from a less desirable opportunity?

Discuss the role of partnerships and networks, such as Logistical Forwarding Solutions (LFS), in facilitating the "One Truck, One Deal"

model. How does this collaborative approach potentially benefit both new investors and experienced freight professionals?

Critically assess the claim that "one good deal beats a hundred loads every time." Under what circumstances might this statement hold true, and are there situations where pursuing multiple individual loads could be a more advantageous strategy?

## Glossary of Key Terms

**Class 8 Truck:** The heaviest weight class of commercial vehicles, typically including tractor-trailers used for long-haul freight transport.

**CDL-A:** Commercial Driver's License Class A, required to operate vehicles with a gross vehicle weight rating (GVWR) over 26,000 pounds, including most tractor-trailers.

**Dedicated Contract:** An agreement with a shipper to provide consistent transportation services for a specific lane or freight volume over a defined period.

**DOT Compliance:** Adherence to the regulations and safety standards set forth by the Department of Transportation (DOT) and the Federal Motor Carrier Safety Administration (FMCSA).

**Dry Van:** An enclosed trailer used to transport general freight that does not require temperature control.

**FMCSA:** Federal Motor Carrier Safety Administration, the US government agency that regulates the trucking industry.

**Freight Broker:** An intermediary who connects shippers with carriers to move freight; they do not own trucks but arrange transportation.

**IFTA:** International Fuel Tax Agreement, an agreement among US states and Canadian provinces to simplify the reporting and payment of fuel taxes for interstate/inter-provincial carriers.

**Lane:** A specific route or pairing of origin and destination points for freight transportation.

**Load Board:** An online marketplace where brokers and shippers post available freight loads, and carriers can find and bid on them.

**Load Hunting:** The process of constantly searching load boards or contacting brokers to find individual freight loads for transportation.

**Logistical Forwarding Solutions (LFS):** The management company mentioned in the source that provides backend operational support for truck investors in the "One Truck, One Deal" model.

**Owner-Operator:** A truck driver who owns and operates their own trucking business, either as an independent entity or leased to a larger carrier.

**Passive Income:** Earnings derived from an asset or business activity in which the recipient is not actively involved in the day-to-day operations.

**Power-Only:** A trucking configuration where the tractor (power unit) is provided, but it is used to haul trailers owned by someone else.

**Reefer:** A refrigerated trailer used to transport temperature-sensitive freight.

**Shipper:** The company or individual that needs to transport goods.

**Spot Market:** The market for immediate or short-term freight transportation needs, often characterized by fluctuating rates and less predictability than contracted freight.