

# BUSINESS

SHIPPING SOLUTIONS

## Transplace Specializes In Efficiency

PLANO COMPANY MORE THAN TRANSPORTATION BROKER

### Transplace Facts And Figures

**Company Description:** The firm delivers industry-wide transportation logistics and procurement synergy to shipping customers, carriers and suppliers through the Dense Network Efficiency platform of services.

**Company Headquarters:** Plano, Texas, with offices in Lowell.

**Founded:** July 2000.

**Employment:** 600, with 400 employees in Lowell office.

**Shipping revenue:** \$1.2 billion in 2001, \$2 billion in 2002.

**Key Figure:** Jun-Sheng Li, chief executive officer and former president of Lowell's J.B. Hunt Transport Services.

**Equity Owners:** Covenant Transport, J.B. Hunt Transport Services, U.S. Xpress Enterprises, Swift Transportation Co. and Werner Enterprises.



TRANSPLACE

SOURCE: Transplace

GABRIEL CALZADA • TIMES RECORD

By Ethan C. Nobles  
THE MORNING NEWS • ENOBLES@NWAONLINE.NET

**LOWELL** — From shoes at J.C. Penney to supplies at Office Depot, Transplace moves products great and small for shippers throughout the United States.

Transplace of Plano, Texas, was formed in 2000 when Lowell's J.B. Hunt, Covenant Transport, M.S. Carriers, Swift Transportation Co., U.S. Xpress Enterprises and Werner Enterprises joined forces and became equity owners in a new venture.

The number of equity owners was whittled to five after M.S. Carriers merged with Swift in 2001. Transplace was set up to provide transportation logistics for shippers and trucking companies alike.

The firm is headed up by Jun-Sheng Li, who was president of

INSIDERS SAY TRANSPLACE  
HERE TO STAY PAGE 2C

J.B. Hunt prior to the formation of Transplace. Li's idea was to merge the logistics departments of its equity owners to save money by setting up a centralized system.

Li's idea centered around the theme of eliminating waste in both the budgets of six companies with individual logistics departments and in "empty miles" when trucks are between loads and traveling empty between terminals.

Transplace has about 600 employees and 400 of them work in Lowell in the firm's office at 509 Enterprise Drive — just a stone's throw away from J.B. Hunt's headquarters.

Given the history of Transplace, misconceptions suggest the com-



ZAC LEHR • THE MORNING NEWS  
**Clint Dearing**, a logistics coordinator, checks routes for a J.C. Penney account at Transplace in Lowell.

pany operates as a broker specializing in selling shipping space to the highest bidder and only utilizes trucks operated by the company's equity owners.

Chad Palmer, vice president of integration for Transplace, says nothing could be further from the truth.

SEE TRANSPLACE PAGE 7C

## ALL THAT JASMINE



4:30 p.m.

CARROL COPELAND • TIMES RECORD  
**Rebecca Brown**, owner of Rebecca's Flowers & Gifts of Fort Smith, poses with some of her favorite flowers.

## Florist Blossoms During Holidays

BROWN'S SHOP  
ALSO SELLS  
KNICKKNACKS

By Michael Ream  
TIMES RECORD • MREAM@SWTIMES.COM

Valentine's Day means extended workdays for florists like Rebecca Brown of Rebecca's Flowers in Fort Smith, who puts in long hours in the days leading up to Feb. 14.

"The most I worked was 44 hours straight," said Brown,



who estimated Valentine's Day accounts for about 8 percent of her shop's annual sales. "The problem is you're trying to do 10 times as much business with the same amount of staff."

Brown said Valentine's Day comes fast on the heels of the busy Christmas season, giving her and her staff only a brief break before they must begin thinking about heart-themed

arrangements. She has learned a few tricks in the 16 years she has had her own shop, and tries to choreograph every minute of the days leading up to Valentine's Day, overseeing incoming shipments of up to 4,500 roses while working alongside her five designers and four sales clerks and supervising four delivery drivers.

"It's kind of crazy, but that's how we like it," Brown said. In addition to flowers, the shop offers gifts and decorative items.

"We need something to

carry us between holidays," said Brown, adding that many of the candles and other knickknacks have become big sellers among new homeowners.

"They need something for their dining room table," Brown said.

Brown, 45, said she has enjoyed working with flowers and plants since she was a child in Charleston. She eventually got a job in the floral department at the old Safeway Supermarket in Fort Smith, and later moved down

SEE BROWN PAGE 7C

## PSC Chairman Sheds Light On Deregulation

HOCHSTETTER  
HAS POSITIVE VIEW  
OF PENDING REPEAL

SPECIAL TO THE TIMES RECORD

Sandra Hochstetter has served as chairman of the Arkansas Public Service Commission since 2000. Her term runs through 2005.

In 1999, the state's utilities were abuzz with a rage that was sweeping the country: electric deregulation. But after California's "lights out" failure, there was a sudden switch. The Arkansas legislature is on a fast track to unplug electric deregulation (under House Bill 1114) and repeal the state's 1999 law.

*Why are we repealing electric deregulation in Arkansas?*

Hochstetter: Well, there are several different reasons. The chief one of those reasons is the analysis that we've done over the last few years has indicated that if you went to retail competition all of the rates for the customer classes would go up instead of go down, which was the original intent. It's also been borne out over the last four years that retail competition hasn't been a successful experiment. Many states have tried it. And, we feel like in the state of Arkansas we need to maintain the rate stability that we have and the low prices.

*Who are the winners and losers in the deregulation repeal effort?*

In our estimation, everyone is a winner by virtue of repealing the bill. All of the different rate classes whether it is residential, commercial or industrial have to have access to low price supply and they need rate stability. Keeping the existing regulatory environment in place will ensure that they continue to have access to a very low price generation.

*Large industrial users of electricity have the opportunity to shop for good rates in the natural gas area. Are they going to have that opportunity in the electricity area?*

That's a really good question. Some of the industrial customers have expressed the desire to look at shopping on the open market at some point in the future. So one of the things that we did in this repeal bill was add a phrase

BIO

SANDRA HOCHSTETTER

Chairman of the Arkansas Public Service Commission. Appointed by Gov. Mike Huckabee in 2000. The term ends in 2005.

Executive director, Arkansas Public Service Commission, 1999 to 2000.

Regulatory liaison for Huckabee, 1999.

Served as assistant general counsel for Reliant Energy ARKLA, a natural gas company, for 12 years.

Education: Bachelor's degree from the University of Arkansas at Fayetteville, 1982; Juris doctorate, Washington University School of Law, 1985



Hochstetter



saying that the commission would initiate that type of an investigation to see if there is a way that industrial customers could have access to the market and shop around and make whatever decisions they want to make, but at the same time not cause anybody's rates to go up. That is a very key component for us. If we're ever going to approve such a limited retail competition plan, we'd have to know for sure that the residential and commercial customers would not experience any rate increases.

*Speaking of residential customers, will residential rates go up due to this repeal measure? What is the mechanism for monitoring that?*

Well, what we're doing by repealing the deregulation bill is just keeping the existing cost of service rate structure in place. It's maintaining regulation over all of the aspects of electric service. So the only way a rate can go up is if that utility came in and filed a rate application request with us and demonstrated that they did in fact need to raise their rates in order to earn a fair return on their investments.

SEE HOCHSTETTER PAGE 7C

## Generation X Finds Seat At Table

FURNITURE INDUSTRY FOCUSES ON ENIGMATIC, AFFLUENT THIRTYSOMETHINGS

By Paul Nowell  
THE ASSOCIATED PRESS

**GREENSBORO, N.C.** — Soft music, crackling fireplaces and golden retrievers are definitely out when Roger Friesen targets one of the toughest markets in retail today — the enigmatic Generation X.

"This group won't be buying their parents' furniture," Friesen, spokesman for Canada's Palliser Furniture, said during a furniture

industry seminar on ways to reach this elusive and surprisingly affluent base of 63 million consumers.

Generation X grew up on Reaganomics, the AIDS outbreak, the Seattle music scene, the Exxon Valdez oil spill, and the Gulf War. Now with a large chunk of their ranks in their mid-to-late 30s, they are getting married, having children and moving up and out of their apartments.

With mortgage rates at historic

lows, more Gen-Xers are buying larger homes, which means they're also edging into the market for furniture. Still, they haven't lost their fierce independence or their disdain for anyone who considers them slackers.

"X-ers offer a great opportunity for marketing," said Kimberley Wray, who works for the store-designing firm Connie Post Cos. of Barbourville, W. Va. "This is a very large group that is under-

marketed and a lucrative one for anyone who cracks the code."

Sandwiched in between the much larger baby boomer generation and Generation Y, members of Generation X are used to being all but ignored by corporate America.

"There's a serious problem with our industry. We do not listen to consumers," said Friesen, whose company has unveiled a stylish and cost-conscious furniture line

SEE MARKETING PAGE 7C

INSIDE

MARKETWRAP/WEEKLY WALL STREET  
PAGE 3C

BIZ LINE

Got a business tip? Contact Regional Business Editor Michael Tilley at 784-0452 in the Fort Smith area or (888) 274-4049 long distance, e-mail: mtilley@swtimes.com; or Assistant Regional Business Editor Steve Caraway, 872-5050, e-mail: scaraway@nwaonline.net.



WEB WATCH

ALL THE LATEST ON WESTERN ARKANSAS' AND EASTERN OKLAHOMA'S BUSINESS NEWS.  
www.swtimes.com