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# Freight Agent vs. Freight Broker

Which is right for YOU?

## Freight Agent vs. Freight Broker

Which one is Best for YOU?

First... what do they both have in common?

- No previous industry experience required
- Work from Home (or anywhere else)
- Low start up cost (compared to other new businesses)
- High demand there are thousands of shipments each day
- Unlimited earning potential
- No working nights, weekends or holidays

#### Freight Agent vs. Freight Broker

#### **Freight Agent**

- Experience Needed
- Skills Needed
- Work Schedule
- Start-Up Cost
- How Quickly to Start making \$\$
- Income Potential

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#### Freight Agent vs. Freight Broker – Experience Needed

#### **Freight Agent**

None required.

But sales related experience would be helpful – regardless of the industry - since this is predominantly a sales position.

#### **Freight Broker**

None required.

However, if you are planning to build a sales team underneath you, some industry experience might be helpful.

Sales management or personnel management and/or business management experience (in ANY industry) would also be helpful.

### Freight Agent vs. Freight Broker – Skills Needed

#### **Freight Agent**

- Ability to speak clearly and intelligently
- Good listening skills
- Self-Discipline & Self-Motivation
- Recommended that you actually LIKE talking to people. (because that's what you should be doing 80-90% of the time when you start.)

- All the things listed for a freight agent plus...
- Business management skills (basic understanding of finance, accounting, personnel management, planning & forecasting, etc.)
- Leadership skills
- Good decision making skills

#### Freight Agent vs. Freight Broker – Work Schedule

#### **Freight Agent**

- Basically Monday Friday from 7:00AM or 8:00AM to 4:00PM or 5:00PM in whatever time zone(s) you plan to work in
- No nights, no weekends, no holidays.

- Same hours as a Freight Agent
- Plus 1-2 hours more per weekday and maybe a few hours on the weekend for..
  - Paperwork
  - Planning
  - Payroll
  - Invoicing
  - Accounts Payable
  - Recruiting & training
  - Other things related to running the biz

#### Freight Agent vs. Freight Broker – Start-Up Costs

#### **Freight Agent**

- Almost nothing
- A few hundred dollars for training
- The cost of a dedicated phone line and Internet service
- A printer, copier, scanner (if you don't already have one)
- Typically, well under \$1,000.00

- Minimum \$5,000 \$10,000 (and often times more)
- Cost of Broker License
- Cost of \$75,000 surety bond
- Cost of contingent cargo liability insurance
- 2-3 months of operating expenses

   load board, logistics software,
   payroll, insurance, advertising, etc.
- \$\$ to cover YOUR personal bills

#### Freight Agent vs. Freight Broker — How quickly to start making \$\$

#### **Freight Agent**

- Almost immediately.
- Could be as quickly as a few weeks.
- But don't expect to be on a \$100,000 per year pace right from Day 1.
- Usually, it takes several months to build up enough consistent volume to meet your minimum monthly financial goals.

- Not nearly as quickly.
- Minimum 3 weeks to get license application approved and issued after you submit it.
- Must have everything else in place (license, bond, etc.) before you can even <u>attempt</u> to start scheduling loads.
- Then you'll still need to "ramp up" volume those first few months.

#### **Freight Agent**

- \$40,000 \$75,000 1<sup>st</sup> year
- \$100,000+ per year thereafter
- Top Freight Agents who have been in the business for several years can consistently earn \$100,000 - \$200,000 per year.

- 1<sup>st</sup> year up to \$100,000 or more. (Just YOU – as you keep 100% of commission from YOUR sales).
- \$100,000 \$500,000 per year after first year (Just YOU)
- Potential for \$1 million+ annually if you have a team of freight agents working under your license (you get 25% - 60% of revenue from each agent)

#### **Freight Agent**

- Income generated from YOU
- As an Agent, starting out you likely won't get more than 40%-50% of the net fee revenue from each load
- Even as an experienced freight agent – usually top out at 60% -65% commission.

- 100% of net fee revenue from YOUR loads
- 40% 60% of net fee revenue from all agents working under you.

#### **Freight Agent**

- Let's say you average \$10,000 in net fee revenue per month from loads you secure.
- You earn \$4,000 \$6,000 avg. per month in commission.
- \$48,000 \$72,000 / year

- You avg. \$10,000 net fee revenue per mo. from loads you secure.
- You earn \$10,000 (100%) per month from YOUR loads
- That's \$120,000 per year.

#### **Freight Agent**

- Let's say you average \$10,000 in net fee revenue per month from loads you secure.
- You earn \$4,000 \$6,000 avg.
   per month in commission.
- \$48,000 \$72,000 / year

#### Freight Broker (with Agents)

- You avg. \$10,000 net fee revenue per mo. from loads you secure.
- You earn \$10,000 (100%) per month from YOUR loads (\$100,000/year)
- You have **10 freight agents** averaging \$10,000 per mo. in net fee revenue.
- \$100,000 x 40%-60% = another \$40,000 to \$60,000 per mo. from agents.
- That's another \$480,000 \$720,000 per year from your freight agents

## Freight Agent vs. Freight Broker Which is Best for YOU??

#### **Freight Agent**

- Never want to work past 4:00PM M-F and never work on the weekends
- Be able to take off ANY TIME you want
- Don't like paperwork
- Don't like to deal with accounting, taxes or legal matters.
- Don't want to be responsible for ANYONE else. Just want to "manage" yourself.
- \$100,000+ per year would be nice but you'd be OK earning \$48,000 \$72,000 per year working an "easy" job.

- Want to be in total control of your business with nobody else telling you what to do or how to do it.
- Don't want to split commission with anyone else
- Like to manage and/or teach people
- Have previously owned or managed your own business – and LIKED it.
- You want to maximize your income potential – you have BIG \$ GOALS!!
- You've got min. \$5K \$10K to invest

# Freight Agent vs. Freight Broker Once you decide which is Best for You — then what ??

#### I want to be a Freight Agent:

- Sign up for our Freight Brokers Academy Freight Agent training program.
- Get all the details <u>HERE</u>.
- https://anthonydecresie.mykajabi.com/get-intohottest-industry

#### I want to be a Freight Broker:

- Call (863) 508-3084 and ask to schedule a 1 on 1 chat with Tony to discuss if our Freight Broker Business Success program is right for you.
- Or get all the details <u>HERE</u>.
- https://anthonydecresie.mykajabi.com/freightbroker-business-success-group