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Report  
on  
Uganda Cooperative Transport Union, Ltd.

AID No. 617-0102-A-00-2005-00

by

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for

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## Foreword

My name is Dale S. Bonde. I am a transportation consultant with ACDI, Washington, D.C. I have been involved in transportation for 35 years. Prior to my retirement in 1982, I was a Trucking Department Manager for Midland Cooperatives, Minneapolis, Minnesota.

I have had two assignments with the Volunteer Development Corps, Washington, D.C. in Botswana, Africa. I worked with the Botswana Cooperative Union on transportation procedures.

My assignment in Uganda has been a very interesting experience. Just prior to my arrival in Uganda, the Ministry of Cooperatives launched an investigation into the operations of the Uganda Cooperative Transport Union. Because of the investigation, it was very difficult to get information from various employees. As an example, I requested copies of all the various operational forms from the acting Transport Manager. After many requests, I finally gave up on that one. When I was interviewing various supervisors everything went well until I started asking them about their work. They either had an appointment or had to get back to their job. I am sure they felt that I was part of the investigation and were not saying anything.

The housing accommodations were excellent and shopping for food was most interesting and enjoyable. The work place was adequate considering the rented facilities. The only complaint I had was that on a rainy day I couldn't work because it was too dark in my office. We did not have electric power in the building. Transportation was excellent.

The safaris were very educational and gave me a better understanding of the cooperative movement in Uganda. I found that the cooperatives in Uganda are no different than cooperatives in the U.S. We both have good and bad managers. I hope I have made a contribution to the Uganda cooperative movement. It has been a most interesting assignment and I am looking forward to returning to Uganda.

I. Background Information on Uganda

A. Various Maps Showing Locations of Various Cooperatives  
and District Boundaries

U G A N D A

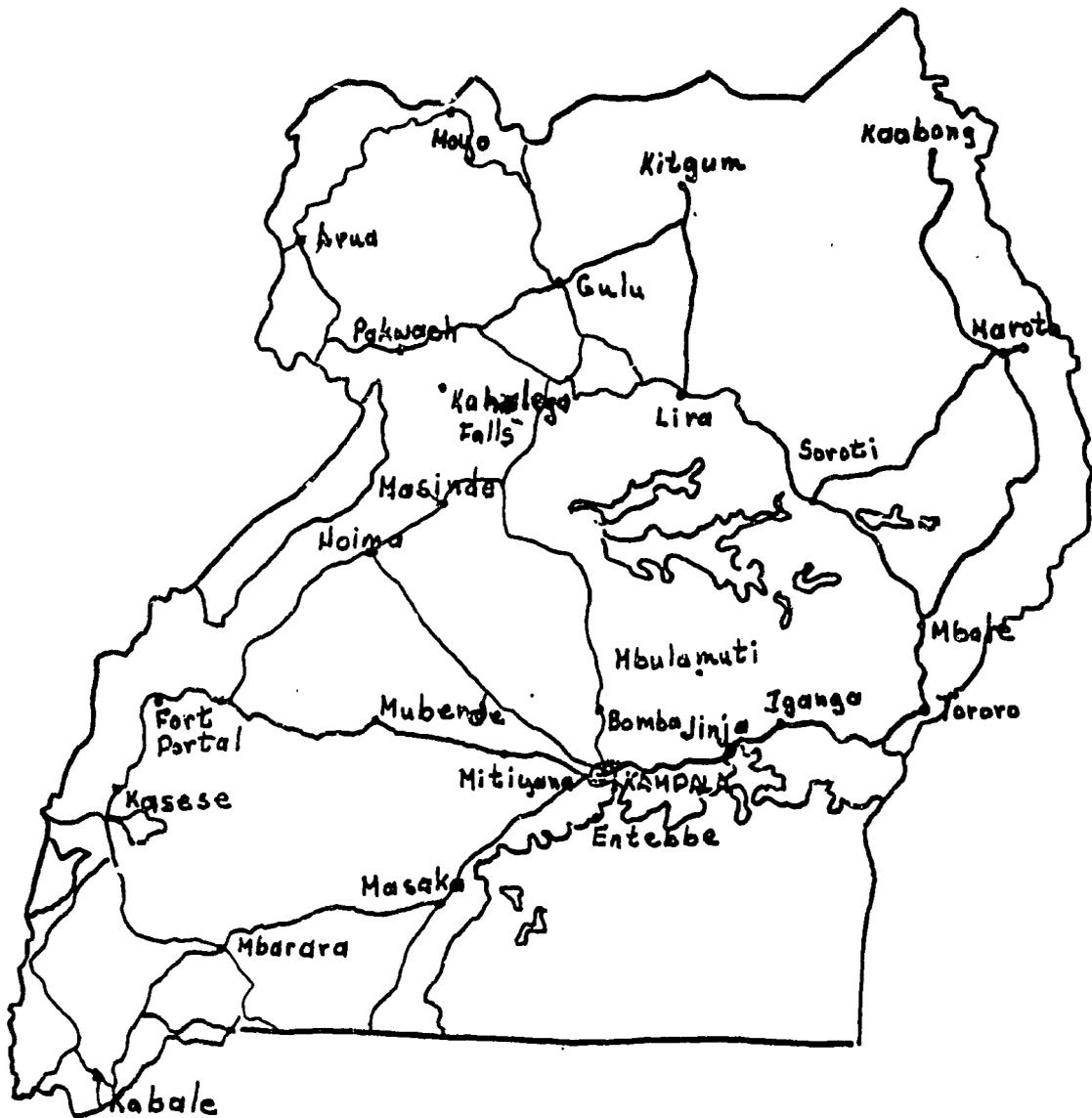




# UGANDA



# UGANDA



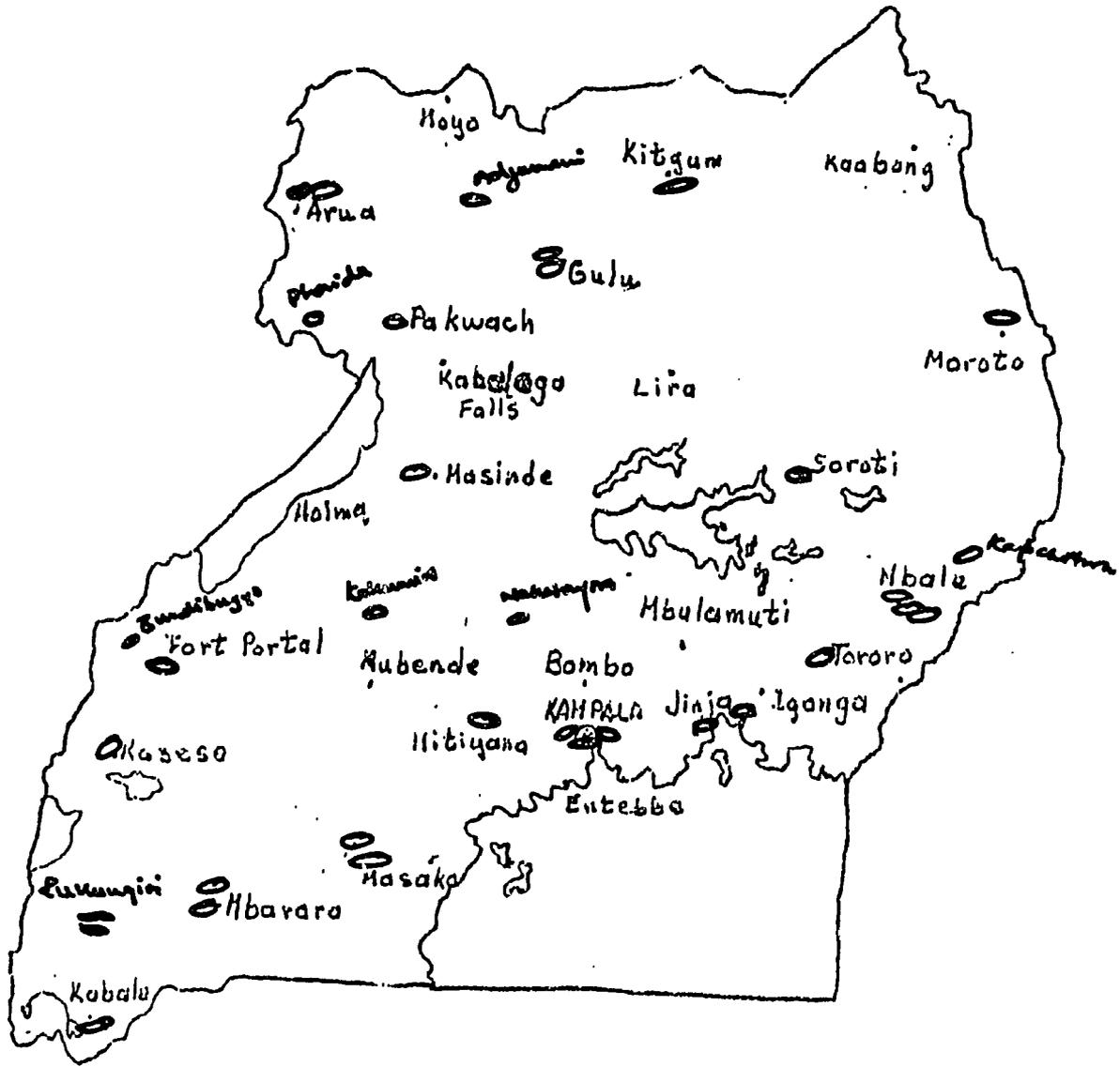
Road 3

# U G A N D A



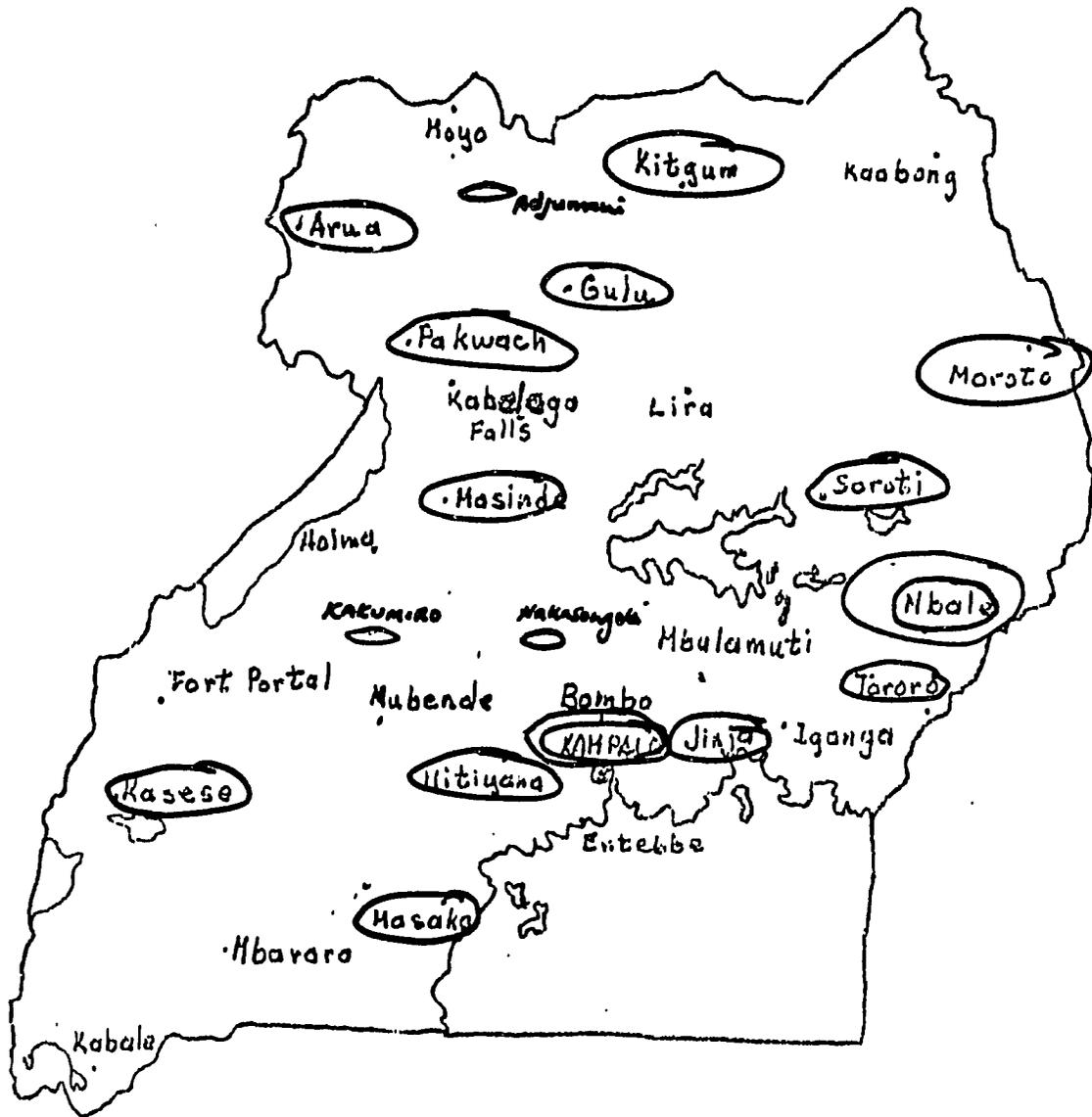
Railroads

UGANDA



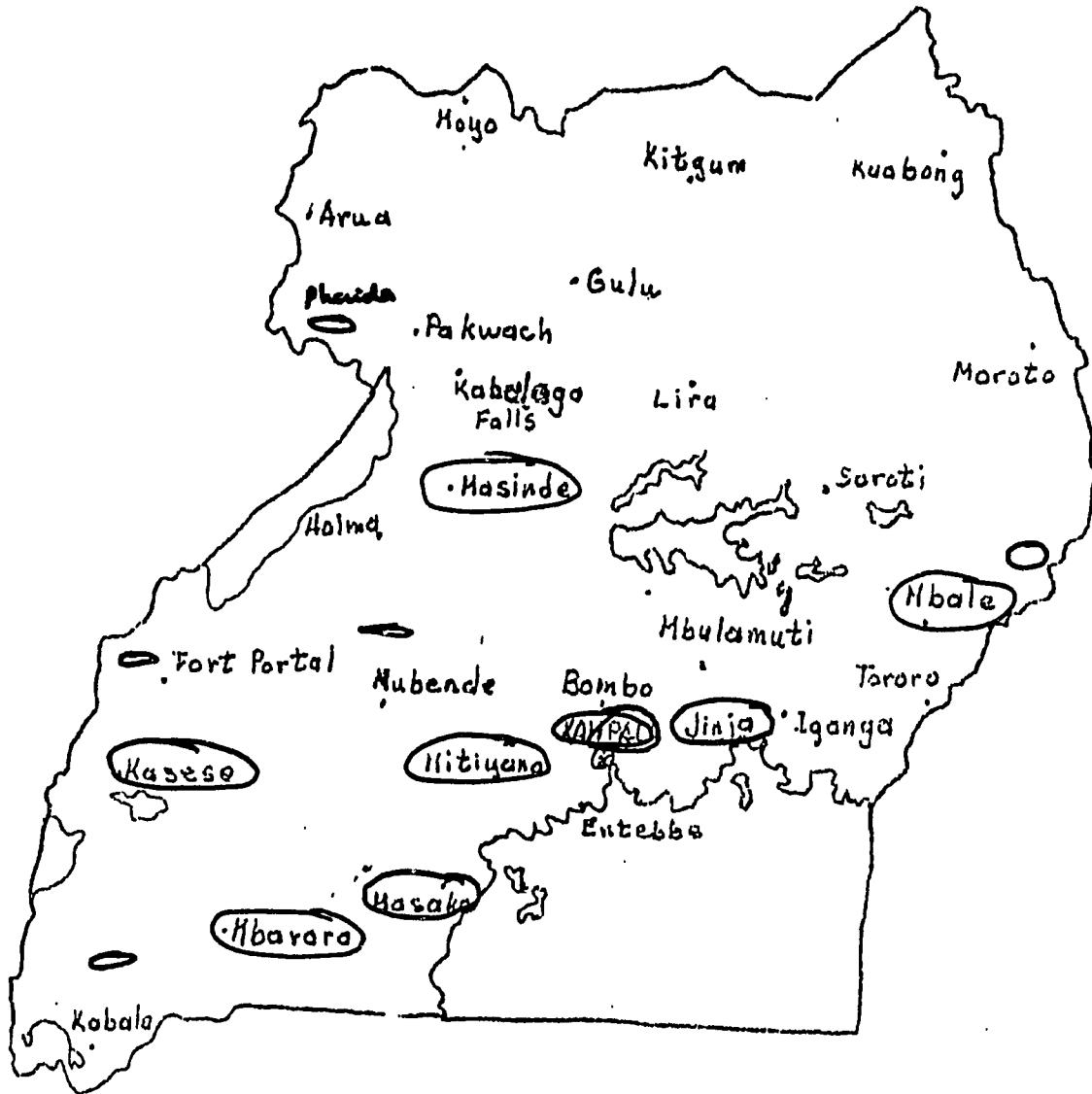
34 DISTRICT UNIONS

# UGANDA



## COTTON UNIONS

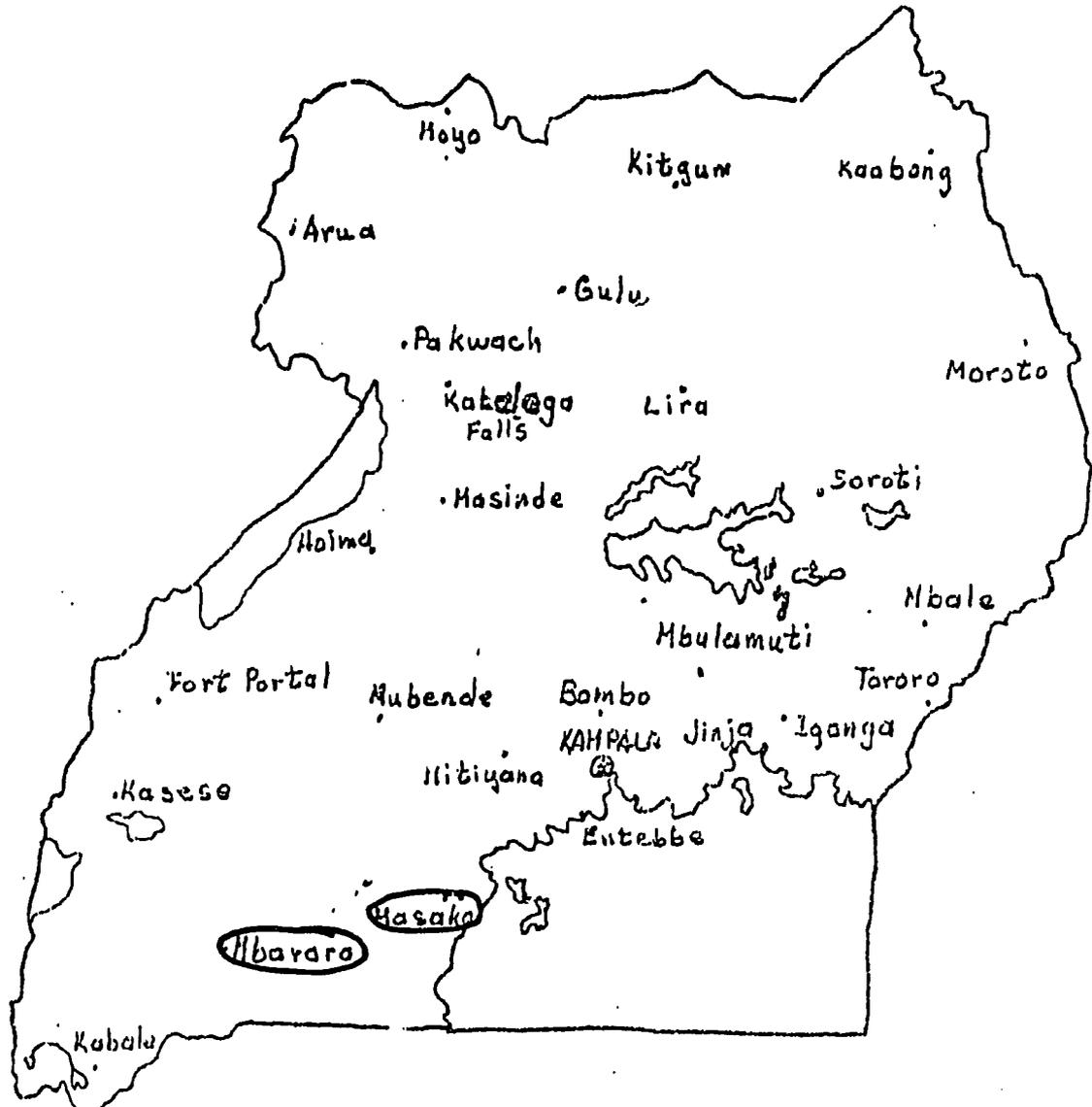
# UGANDA



## COFFEE UNIONS



# UGANDA



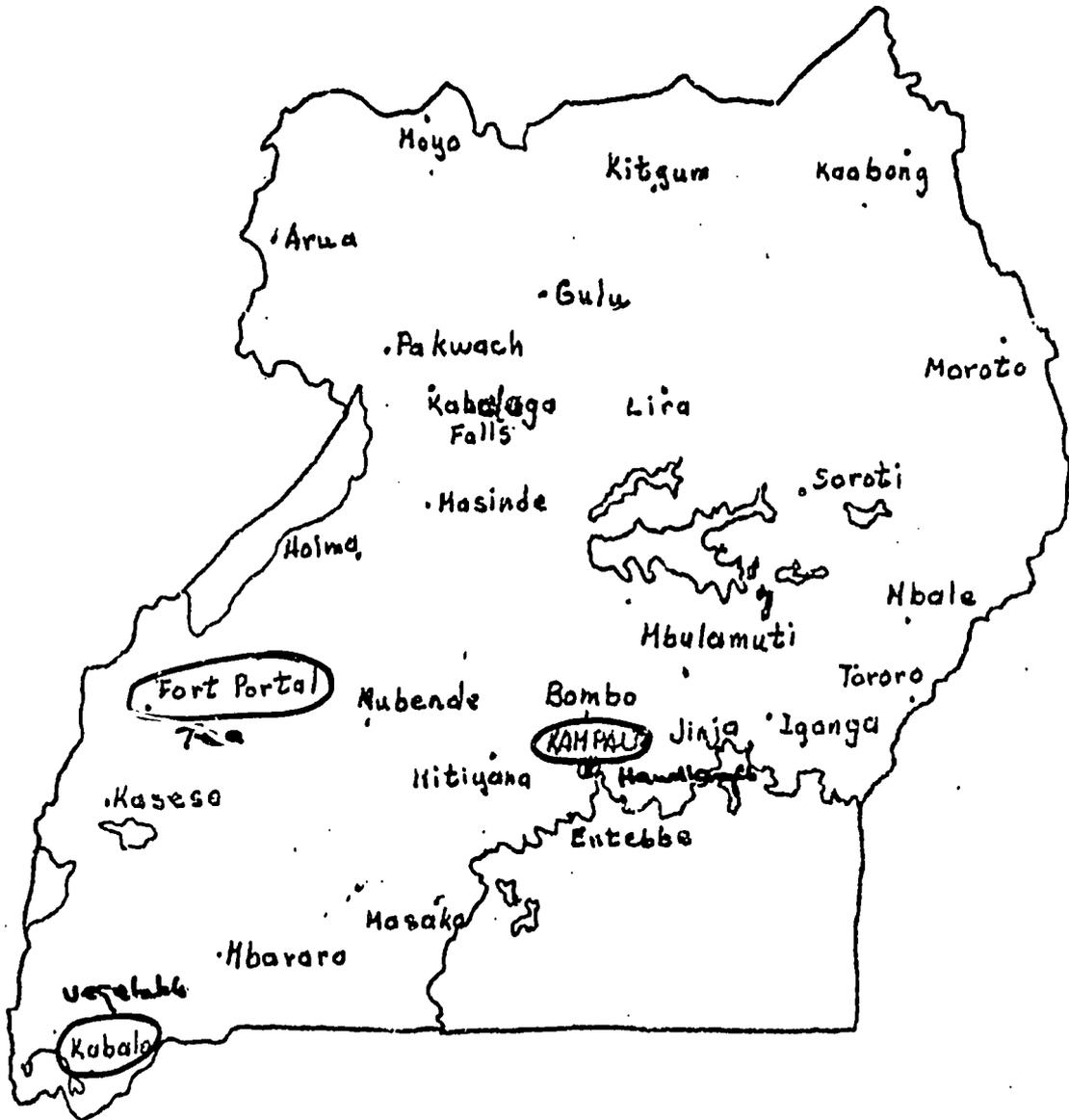
## LIVESTOCK UNIONS

U G A N D A



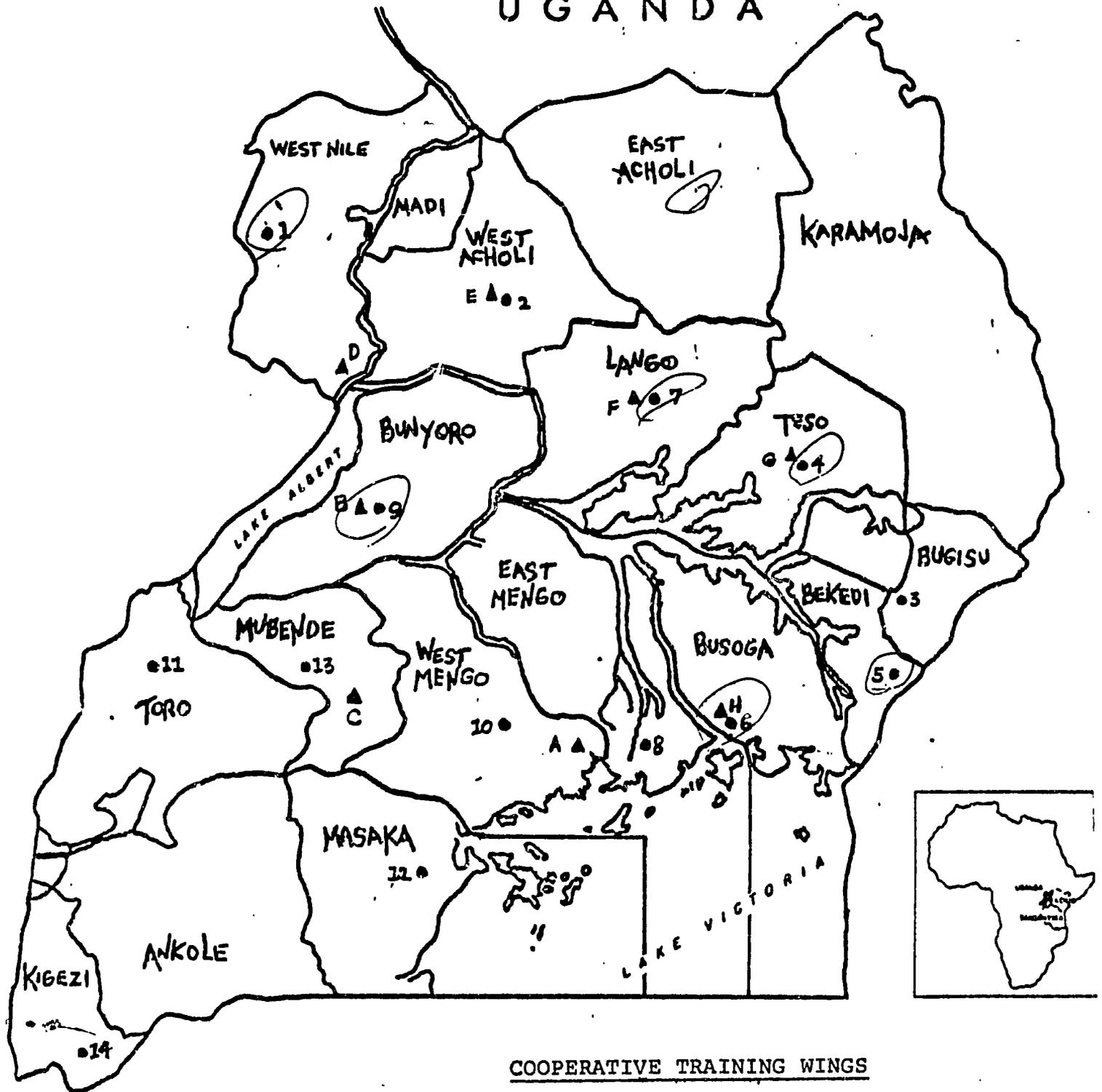
Tobacco UNIONS

UGANDA



Tea and Handicraft & Unions: Vegetable

# UGANDA



## COOPERATIVE TRAINING WINGS

### MINOR CROPS WAREHOUSES

- A. Kampala
- B. Masindi
- C. Kakumiro
- D. Pakwach
- E. Gulu
- F. Liro
- G. Soroti
- H. Jinja

Name	Town	Location
1 Ombachi	Arua	Rural Training Center
2 Pece	Gulu	Rural Training Center
3 Nakaloke	Mbale	Rural Training Center
4 Arapai	Soroti	Rural Training Center
5 Tororo	Tororo	District Farm Institute
6 Wairake	Jinja	Rural Training Center
7 Ngetta	Lira	District Farm Institute
8 Mukono	Mukono	District Farm Institute
9 Hoima	Hoima	Rural Training Center
10 Mityana	Mityana	District Farm Institute
11 Kyembogo	Fort Portal	District Farm Institute
12 Masaka	Masaka	Rural Training Center
13 Bushenyi	Bushenyi	District Farm Institute
14 Kachwekano	Kabale	District Farm Institute
Bulegem	Mbale	" " "

LOCATION, OCCUPATION AND ADDRESSES OF CO-OP UNIONS

Union	Business	Station	Telephone	Telegrams	Letter Box	District
1. Ankole Livestock	Livestock	Mbarara	---	---		Mbarara
2. Banyankole Kwetana	Coffee	Mbarara	2537	PANKL	322	Mbarara/Bushenyi
3. Burisu	Coffee	Mbale	2235	GISHU	Private Bag	Mbale
4. Bunyoro	Cotton/Coffee	Masindi	10	GROWERS		Masindi/Hoima
5. Buzuli	Cotton	Nakasongola	35	---		Luwero
6. Busoga	Coffee/Cotton	Jinja	22078 21931	SOGA	Private Bag	Jinja/Kamuli/Iganga
7. Bwamba Rwenzori	Coffee	Bundibugyo	---	---	1100	Bundibugyo
8. Central West Nile	Cotton	Arua	----	WESTSIN	33	Arua
9. East Acholi	Cotton	Kitgum	35	KACUNION	112	Kitgum
10. East Mingo	Coffee/Cotton	Kampala	41382 30231 31241/2 58798 31243	---	7092	Mukono/Luwero
11. Karimoje	Cotton	Moroto	---	---	---	Moroto/Kotido
12. Kakumiro	Coffee/Cotton	Kakumiro	17	KACOCP	511	Hoima
13. Kigezi District C.	Coffee	Rukungiri	82	-----	45	Rukungiri
14. Kigezi Dis. Veges	Vegetable	Kabale	135	-----	195	Kabale

15.	Lango	Cotton	Lira	79	LANGA COOP	59	Lira/apac
16.	Madi	Cotton	Adjumani	--	-----	52	Moyo
17.	Mabba	Cotton	Mbale	3101/2	KHUMBA	991	Mbale
18.	Masaka Dis.	Coffee/Cotton	Masaka	90/91	BUSHI	284	Masaka/Bakai
19.	Middle North Tobacco	Tobacco	Gulu	63	MIDUNION	186	Gulu
20.	North Kigezi	Tobacco	Rukungiri	--	----	61	Rukungiri
21.	North Mbale	Cotton	Mbale	2740	NESSOP	447	Tororo
22.	Nyakatonzi	Coffee/Cotton	Kasese	70	NYAKAFCO	32	Kasese
23.	Okoro Coffee	Coffee	Paidha	--	OKOROUNION	22	Nebbi
24.	Sebei Elgon	Coffee	Kapchorwa	7	----	12	Kapchorwa
25.	South Bukedi	Cotton	Tororo	327	BUK COOP	101	Tororo
26.	South West Nile	Cotton	Pakwach	12	GIMALUR	33	Nebbi
27.	Teso	Cotton	Scroti	53	TESO COOP	231	Scroti/Kumi
28.	Toro	Tea	Fort Portal	--	---	496	Kabarole
29.	Tusitukirwa	Handicrafts	Kampala	42698	--	6202	Kampala
30.	Jamala	Coffee/Cotton	Mitanga	38	JAMALACCOOP	99	Mubende
31.	West Acholi	Cotton	Gulu	61	WACU	225	Gulu
32.	West Nile	Tobacco	Arua	7	TOBACUNION	387	Arua
33.	West Mingo	Coffee/Cotton	Kampala	67911	WESTGROWERS	7039	Kampala/Mpigi
34.	Masaka Livestock	Livestock	Masaka	--	---	643	Masaka

N A T I O N A L   U N I O N S :   K A M P A L A

<u>Union</u>	<u>Telephone</u>	<u>Telegrams</u>	<u>Letter Box</u>
1. Cooperative Bank	58323/5 59687	---	6863
2. Uganda Cooperative Alliance	54596 41926/7	ALLIANCE COOP	9215
3. Uganda Cooperative Central Union	31801 54386	COOPERATION	3580
4. Uganda Consumer Whole Cooperative Society	33405/7	---	5159
5. Uganda Savings and Credit Union	31290	---	6003
6. Uganda Cooperative Transport Union	56398	TRANSCONION	5486
7. Cooperative Insurance Society	31801	---	7176

**Best Available Document**

DISTRICT FARM INSTITUTES

15 operational - 3 under construction

Abbi - in north

Kitgum - east of Acholi

Ngetta - in Lira

Bulindi - in Masindi

Kyembogo - in Fort Portal

Busenyi - in Ankoli

Kachwekno - in Kabale

Kamenyamigo - in Masaka

Mpigi (new, near completion)

Mitjiana - 40 miles from Kampala

Bukono

Lwelkulwe

Tororo

Bulgeni - in Mbale

Kabron (new, not completed)

Serer

Pakel (new, not completed) *not started!*

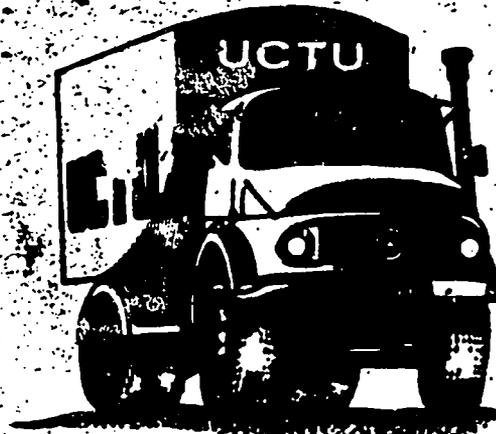
~~Amouchi~~  
Amouchi - Soroti District

Karamojo District - Nabuin completely destroyed

B. Newspaper Clippings Regarding Cooperatives in Uganda



**USAMBA CO-OPERATIVE TRANSPORT UNION LTD.**



### **Co-operative Greetings**

Direct Importers and Exporters who wish to transport their goods to and fro Mombasa may contact

***Uganda Co-operative Transport Union***

For cheap and reliable transport. Contact us at the Union's Head Office Plot 47 Jinja Road opposite Republic Motors or at our Kawempe workshop.

Try us on Tel. 43406/56398/67754 Box 5486

**KAMPALA.**

**Uganda Times, Wednesday, November 10, 1982**

# Uganda Times

Kampala, Wednesday, November 17, 1982

## Streamlining distribution commodities

IN any market, both the trader and the consumer have mutual benefit though in differing magnitudes. As the trader gets profits from sales, the consumer gets a service. The agreement between the two is in the mutual benefit. In concrete terms, the trader meets the consumer through an exchange of a commodity for money. This is done in a market. But to have harmony in the market, there is need for a good distribution system.

Uganda is a market on its own. But it is also part of the world market. So to satisfy Ugandans as consumers of both local and imported products, we need a good distribution system. The same is true for our traders if they have to do proper commerce.

Since the infamous expulsion of people of Asian origin from Uganda by the regime of terror in 1972, distribution of commodities started a downward trend. For the first time, there was a serious breakdown in commerce in the country, due to poor distribution system. Coupled with other reasons has adversely affected commerce in this country to date.

But the breakdown in commerce has been exploited by certain avaricious individuals to rick Ugandans dry. These individuals have found room to control the supply of commodities in the market. To cause artificial, shortage and keep the prices high.

For example, because of the poor distribution system, certain food-stuffs produced in abundance in some areas in the country cannot

reach the other end of the market where it is most needed. This is why one kilo of maize meal will cost 10/- in Iganga and yet the same will cost 90/- in Kampala.

Although poor distribution system has not caused high prices for commodities of Foods and Beverages, it has seriously affected the availability of the same to many Ugandans up-country. They have very often been denied access to what is apparently enough and to what they are entitled.

Here in Kampala, Foods and Beverages recently introduced a new distribution system for sugar but a lot remains to be done. The new system seems not to be picking up yet.

Therefore, there is need for commodity distributors particularly para-statal companies like Food and Beverages, Produce Marketing Board, Lake Victoria Bottling company, the breweries and textile mills etc., to improve their distribution systems. This will enable all Ugandans to share whatever little is coming off our production lines now being rehabilitated.

Otherwise it is meaningless to see shops in Kampala flooded with soda for example yet Kayunga or Ibanda have nothing. Much as the people in these areas are missing the production, the companies making the same will sooner or later suffer with their product which cannot be disposed of quickly.

Rehabilitation should be total. Production, distribution, transport, the medium of exchange and of course morals all need rehabilitation. Neglecting or leaving out one of these will not do.

# Uganda Time

VOL. 1 NO. 21559

KAMPALA, MONDAY, NOVEMBER 22, 1982

## President announces new economic measures

# FUEL PRICES GO UP TODAY

PRESIDENT A. Milton Obote yesterday announced new economic measures aimed at speeding up commercial transactions under window two which came into effect 14 weeks ago.

In a live radio and TV broadcast to the nation last night, President Obote, Finance Minis-

ter, said higher prices for petroleum products will be announced today.

The new measures are:

- With immediate effect the one per cent charge payable to the Advisory Board of Trade for issuing import licences and the five per cent advance import deposit required by the Bank

of Uganda for "window two" imports have all been suspended.

- New administrative procedures for obtaining necessary trade documentation, in particular, the issuance of import licences by the Advisory Board of Trade, will be issued soon. The idea is that an applicant for trade licence should

obtain it within a week.

- The Bank of Uganda will give special permission to companies and individuals who have foreign currency accounts abroad to open external accounts with the commercial banks here.

- Government has decided to suspend with immediate effect, the issuing of those import licences commonly known here as "no foreign exchange required".

In order to encourage further the expansion in credit to the private sector, particularly for transactions conducted through "window two", government has decided to abolish sectoral limits introduced in the 1981/82 budget and replace (turn to page eight)

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# Fuel prices go up today

(from page one)  
them with new arrangements.

According to the new arrangements commercial banks will be required to set aside half of the available credit for crop finance, agriculture, animal husbandry and manufacturing industries.

And the lending rates on trade and commerce currently at 16 per cent, will be allowed to float up to a ceiling of 20 per cent while the lending rates on unsecured loans, currently at 17 per cent, will also be allowed to float up to a ceiling of 20 per cent.

President Obote hoped that with these new measures commercial transactions would be speeded up.

The President said a decision was taken at the weekend by the government to reduce the level of subsidy by increasing the price of petroleum products.

Subsidies have been removed from the Uganda Railways tariffs which will now go up by 100 per cent.

The new measures will also affect the Uganda Airlines whose fares will go up by 40 per cent.

Customs duty on matches,

salt, soap, tyres and tubes, gypsum, and all types of motor vehicles have been reduced.

On the report of the Salary Review Commission, President Obote said no decision had yet been taken but in an attempt to maintain the purchasing power of the fixed income group, wages and salaries in the public sector will be raised by 20 per cent at the end of April 1983.

See full-text of the President's address in tomorrow's issue of this paper.

# Uganda Times

Kampala, Monday, November 22; 1982

## Trade agreement

THE signing of a trade agreement between Uganda and the government of Italy, last week, is yet another step forward in the relations between the two countries. It is also a ripe fruit originating from President Obote's recent working visit to Italy. The President had particularly solicited aid for Makerere University from Pavia University in Northern Italy.

The Italian delegation came to appraise the extent of their aid to this country. There are many fields in which they are going to aid us.

The agreement covers aid to Makerere University, Mulago hospital, the rehabilitation of the Kampala/Kasese railway line, the Steel Corporation and others.

Repairing the Kampala/Kasese railway line is one of the major priorities as of now. This is one of the busiest lines in the country, particularly in moving goods. Its repair will therefore go a long way in expanding the amount of cargo carried on the line, from the surplus producing western part of the country.

It is at this moment that we should be reminded of the perils of using worn out lines. This has resulted in the loss of some new wagons. The route has old rails, to which some derailments have been blamed. We cannot afford to overlook this, when the funds for the purchases came from the sweat of the masses.

We hope when some more aid becomes available, the entire rail roads in the country shall get a face lift. There is nothing else we would aspire for when things are going the way they should. We support the allocation of development aid.

The aid that Italy is giving in many ways, is a seal of friendship and better relations that this country aspires for. There is already good trade relationship between the two countries. Italy has pledged to import our horticultural produce through the Uganda National Chamber of Commerce and Industry. We are certain a lot more is on the way coming in as far as our relationship is concerned.

## UCTU could save workers

SIR—The Uganda Co-operative Transport Union (UCTU) could become one of the most important transport agents especially for the workers in Uganda.

The most serious problem facing all working classes in Kampala is food.

The effects of food problem in Kampala are numerous but here below are the major ones.

1. Some people are forced to steal and rob.
2. Many people abandon duties in offices and elsewhere under dubious pretences during the day.
3. Misunderstanding between students and headmasters as well as confusion in other institutions.
4. Some people resort to heavy drinking to 'escape' accruing problems.

A situation whereby the wife and the housegirl keep on information one every day on what is lacking in the kitchen cannot

allow one to settle in the office or anywhere. Instead such a situation contributes to a grand mess up of one's job, as it tends to make one generally negligent.

I am therefore suggesting that, the UCTU should be given more vehicles than any other body, in order to help solve this food shortage and its skyrocketing prices.

Many districts in the country are producing a lot of food stuff which unfortunately is rotting in the peasant's shambas due to lack of transport.

At the same time the peasant wants money badly to purchase some local items or essentials.

So, if UCTU vehicles were to operate in such remote areas, they would surely save the problem of food in Kampala.

A fleet of lorries given to UCTU would save a lot of these problems.

Joseph F. K. Bahitha  
Kampala.

II. Transportation Surveys

DATE: 27th September 1982.

TO:

FROM: DALE S. BONDE

SUBJECT: CO-OPERATIVE TRANSPORT SURVEY

My name is Dale S. Bonde and I am a Transportation Consultant with the Agricultural Co-operative Development International, Washington D.C. We are part of the USAID Food Production Support Project. This is the group involved in the Hoe and bicycle distribution program.

I have spent 35 years in Co-operative work with Midland Co-operative, Ives, Minneapolis, Inn, U.S.A. I have been involved in Transportation for over 30 years. I was Trucking Manager at Midland and operated over 100 lorries serving a 6 state area. We transported about 40,000 loads per year.

I am working with the Uganda Co-operative Transport Union and the Ministry of Co-operatives and Marketing.

Part of my assignment is to appraise transportation and support facilities available to the Co-operative sector including the Uganda Co-operative Transport Union, Marketing Boards, National Co-operative Organizations and District Co-operative Unions. and prepare a forecast of transportation requirements for the Co-operative Sector.

I am also to help to estimate the type and volume of transportation support that can be counted on for distribution of agricultural commodities.

It would help me a great deal if you would complete the attached survey and return it to me as soon as possible.

Thank you very much.

  
(DALE S. BONDE)

6th October 1982.

REF: C/MIN/2/1 III

DEPARTMENT OF CO-OPERATIVE DEVELOPMENT,  
MINISTRY OF CO-OPERATIVES & MARKETING,  
P.O. BOX 3585,  
KAMPALA.

8th October 1982.

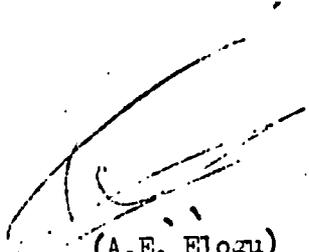
All General /Secretary Managers of  
Apex/National/District Co-operative Union .

The Managing Directors,  
Coffee Marketing Board,  
Lint Marketing Board,  
Produce Marketing Board.

CO-OPERATIVE TRANSPORT QUESTIONNAIRE

Attached is a Co-operative Transport survey that has been designed by Mr. Dale S. Bonde, Transport Consultant, whose introductory letter (attached) is self-explanatory.

You are being asked to fill the questionnaire and return it to my office on or before 29th October 1982 to avoid inconveniences to you and to my office.



(A.E. Elogu)

COMMISSIONER FOR CO-OPERATIVE DEVELOPMENT

nc.

CO-OPERATIVE TRANSPORT SURVEY

Name of Co-operative \_\_\_\_\_

City or village \_\_\_\_\_

Manager's Name \_\_\_\_\_

Do you operate Lorries in your Co-operative Union? Yes \_\_\_\_\_ No \_\_\_\_\_

If your answer is No you need not fill in the rest of the survey and return the survey.

If your answer is Yes please fill in the rest of the survey.

Do you have a Transport Manager? Yes \_\_\_\_\_ No \_\_\_\_\_ Name \_\_\_\_\_

Please indicate the number of vehicles you operate.

Land Rovers \_\_\_\_\_

Pick-up trucks \_\_\_\_\_

Lorries(owned) \_\_\_\_\_

Lorries Rented from Uganda Co-operative Transport Union .....

Other vehicles \_\_\_\_\_

How many Lorries do you consider spare vehicles \_\_\_\_\_

List the Products you Transport:

_____	_____	_____
_____	_____	_____
_____	_____	_____

List the number of vehicles by year of manufacture:

Before 1977 \_\_\_\_\_

1977 \_\_\_\_\_

1978 \_\_\_\_\_

1979 \_\_\_\_\_

1980 \_\_\_\_\_

1981 \_\_\_\_\_

1982 \_\_\_\_\_

How many Loads do you transport each year \_\_\_\_\_

How many loads do you think you could haul in one year \_\_\_\_\_

How many Kms does each lorry average each year \_\_\_\_\_

How many drivers do you employ \_\_\_\_\_

How many turn boys do you employ \_\_\_\_\_

Do you normally promote your turn boys to drivers Yes \_\_\_\_\_ No \_\_\_\_\_

How many transport mechanics do you employ \_\_\_\_\_

How many spanner boys do you employ \_\_\_\_\_

Do you normally promote your spanner boys to mechanics \_\_\_\_\_

Do you have a maintenance manager Yes \_\_\_\_\_ No \_\_\_\_\_

If yes, Name \_\_\_\_\_

Do you have your own petrol or diesel supply or storage Yes \_\_\_\_\_ No \_\_\_\_\_

Do you have a problem getting diesel fuel Yes \_\_\_\_\_ No \_\_\_\_\_

Please list the tyre sizes you use on your lorries \_\_\_\_\_

\_\_\_\_\_

How many extra tyres do you have in stock now \_\_\_\_\_

Do you recap your tyres Yes \_\_\_\_\_ No \_\_\_\_\_

How many Kms do you get on your average tyre \_\_\_\_\_

Do you use tube type tyre or tubless type tyre \_\_\_\_\_

What is the approximate shilling value of your spares inventory \_\_\_\_\_

From what city do you purchase most of your spares \_\_\_\_\_

Please list the vehicle maker or supplier whom you purchase your spares from:

(Please list the one with the best service first and the one with the poorest service last).

\_\_\_\_\_ CITY \_\_\_\_\_

	<u>Yes</u>	<u>No</u>
Do you keep the following cost records:	_____	_____
Mileage records by vehicle	_____	_____
Fuel records by litre per vehicle	_____	_____
Fuel records by shillings per K'm	_____	_____
Tyre cost by shillings per Km	_____	_____
Repair cost of vehicle per Km	_____	_____

Do you charge each vehicle insurance and licence cost

If there was a Uganda Co-operative Transport Managers Association formed and the objective of the Association was to improve Co-operative transportation operations thru the interchange of knowledge, ideas, experience and an on-going employee training program would you support such an organization both by Attendance and financial support

Yes \_\_\_\_\_ No \_\_\_\_\_ Any comments you wish to make regarding this subject:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

If there are member local societies that operate more than 5 vehicles please list them so we can include them in the survey:

NAME	ADDRESS
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Would you like to receive a copy of the results of the survey

Yes \_\_\_\_\_ No \_\_\_\_\_ Thank you for taking time to complete this survey.

It is very much appreciated.



Result of Transport Survey

19 questionnaires returned. I did not receive a questionnaire from the Lint Marketing Board, Produce Marketing Board or the Coffee Marketing Board.

36 Questionnaires sent out

18 Cooperatives operate lorries

10 cooperatives have a transport manager

Vehicles operated

Land Rovers	22
Pickup Trucks	20
Lorries	329
Units Rented	3
Other Units (includes tractors and autos)	19
Total	393

Have spare lorries 3

Age of Vehicles

Before 1977	22
1977	34
1978	10
1979	47
1980	105
1981	124
1982	8
Total	350

Note some cooperatives did not show age of vehicles therefore the two totals are not the same.

Loads Per Year

Some cooperatives listed tons per load, total tons or total loads. It appears the average number of loads would be between 2,000 and 10,000 loads per year.

How many loads can you haul per year. We have the same problem could transport approximate 30% more loads.

Average kms traveled per year 30,000 kms.

No. of drivers	351
No. of turnboys	400
Do you promote turnboys to drivers	11 yes 6 no

No. of mechanics 53  
No. of spanner boys 50  
Do you promote spanner boys to mechanics: 7 yes 5 no 4 donot use

Do you have a maintenance manager: 5 yes 13 no  
Do you have your fuel supply 15 yes 2 no  
Do you have problems getting fuel: 15 yes 2 no  
Tire sizes 900 x 20, 1100 x 20, 1200 x 20, 175 x 15, 16 x 185,  
185 x 15, 60 x 16, 750 x 16.

Do you recap tires: 3 yes 13 no  
Average kms per tire: 31,677

do you operate unit tubeless tires: 1 uses both tube and  
tubeless 15 use tube teppe teeth.

Extra tires in stock - 72 only 5 cooperatives had extra tires in  
stock - Low 2 high 40

Value of spaces inventory 8 cooperatives had spacus inventory  
10,000 low two and one-half million high - average 1,398,459.

Where do you purchase spares: 12 Kampala 1 locally and 1 Magendo

do you keep the following records?:

kms per vehicle	16 yes	1 no
mileage per litre	15 yes	2 no
tire costs shillings per km.	1 yes	16 no
repair cost per km	3 yes	14 no

Do you change insurance costs to each vehicle 15 yes 2 no

What products do you haul?

Cows, goats, sheep, pigs, cattle  
Rice, Bananas, maize, lint bales, plaintain, molasses, cotton  
seed, tobacco, sugar, cane, grains, millet, vegetables, peas,  
sorgum, beans, coffee, cotton, pineapples, clean coffee,  
foodstuffs. Household goods, cement, wood, fuel, timber, sand  
bricks, baling material, merchandise terliles poles, industrial  
machinery, building materials.

Are you interested in a transport manager association:

15 yes 1 no 1 not interested

Observations: I really appreciate that each of you took the time  
to fill out the questionnaire. I can only assume that the 18  
other cooperatives do not have sufficient vehicles to make out  
the report.

Sizes of fleets: 2-26-1-9-9-9-23-20-10-10-27-4-12-8-6-2-3-150

I noticed very few cooperatives have spare vehicles

(3 cooperatives have 1 each. It is my opinion that having spare vehicle is a luxury we cannot afford and apparently you agree with me. 66 vehicles are over four years old. You should consider replacing there in the near future. 284 vehicles are four years old and newer. 229 vehicles one and two years old. You should be making plans and schedule replacement within the next two and three years. 1984 and 1985 will require large amounts of capital to approve vehicles you should start making financial plans. I noticed there are more turnboys than drivers. The reason for this is that when these cooperatives transport coffee to Kampala, they have two turnboys with each lorry security purposes because it takes so long to get unloaded.

I am glad to see that the majority of cooperatives promote turnboys to drivers and spannerboys to mechanics. Turnboys and spannerboys are a good source of trained people and by promoting these boys you build employee morale. It appears that some cooperatives are not fully utilizing their equipment. By better utilization of vehicles you will reduce your fixed costs.

There are five cooperatives who employ transport managers. It appears that approximately 20 units would justify a transport manager. I also noted that cooperatives with transport managers tend to transport a large variety of products which indicates they are using their vehicles to the maximum.

I noticed only three cooperatives recap their tires. In the United States we always recap our tires. A new tire costs approximately 250,000 shillings and a recap tires about 165,00 shillings. We generally get more kms on a recap tire than on a new tire. There appears to be a sufficient number of cooperatives vehicles to make a recapping plant feasible. I would recommend that cooperatives investigate the economies of establishing such a plant.

I noticed that very few cooperatives have cost records showing cost per km. If you kep this type of record, you could pinpoint your costs and take cost effective measures where you have high costs. It is also easy to determine if you have accounting errors, "leakage" or inefficiencies. When we conduct our training sessions next June and July, we will cover this in great detail.

It is my opinion that there is adequate transport equipment available in the cooperative sector for the immediate future.

What is needed is a workable spares inventory to keep all units operating. There should also be better utilization of equipment. I estimate that 30% of vehicles are parked due to lack of spares.

Based on their figures you would have the equivalent of over 500 vehicles by keeping the vehicles operating and their better reteligation of vehicles and maintenance produced.

I also noticed that some cooperatives only transport out produces such as coffee sor cotton. Perhaps they could diversify their transport operation to transport other seasonal products thus increasing their efficiency.

Again I want to thank all of you for your splendid cooperation in returning the questionnaires.

TO: Roger Newburn  
 FROM: Dale S. Bonde  
 SUBJECT: Cotton Transportation Survey  
 DATE: 25th November 1982

During the week of November, we sent out a Cotton Transportation Survey to 17 cotton cooperatives. 12 questionnaires were returned. The results of the survey are:

Name of Cooperative	Vehicles Operated	Not Operating	Vehicle Needed	Can you hire lorries	Short Input	Short Distr.
	4	2	10	yes	6	6
	9	3	20	no	14	11
Kakumiro	8	6	10-12	no	?	?
Kasese	9	4	15	yes	6	8
Masaka	13	7	30	no	10	10
Mbale	7	1	12	no	5	3
Lira	21	7	40-50	yes	26	26
Mityana	11	6	15-20	yes	0	0
Soroti	25	16	36-40	yes	11-15	11
Mbale	9	5	12	yes	3	3
Tororo	12	3	15	no	3	30
Jinja	<u>30</u>	<u>12</u>	<u>60</u>	yes	<u>10</u>	<u>30</u>
	158	72	275-296		94-98	111

(Four cooperatives deal only in cotton. On the surface it appears that it would not be practical for them to operate their own vehicles. Operating their own vehicles for one crop only would be too expensive).

The survey indicates that lack of spares is one of the more pressing problems regarding transport equipment. Approximately 455 of the available lorries are not operating due to lack of spares.

The majority of the cooperatives are only involved in transporting cotton inputs and transporting ginned cotton. It is my opinion that better utilization of available equipment could be made if these cooperatives would engage in transporting other commodities in the off season.

It is my opinion that the cotton cooperatives should not be 100% sufficient in transporting their products. If the Uganda Cooperative Transport Union was better organized they should be able to transport the heavy seasonal demands.

**III. Safari Reports**

TO: Roger Newburn

DATE: 24th September 1982

FROM: Dale S. Bonde

SUBJECT: Safari Report 13th September, 1982 to 17th September 1982

I found the safari to be most interesting and informative. It gave me an excellent overview of the rural economy and a better understanding of Uganda. I was well received by everyone and we had many good discussions. All of the people were very knowledgeable and appeared to have a good "handle" on their responsibilities and operations.

We visited cooperatives in Masaka, Mbarara, Kabale, Rukungiri, Kases and Fort Portal. I found that all of the cooperatives have virtually the identical problems. Rather than elaborate on problems at each cooperative, I will cover all problems in total. My report will cover the following areas:

1. Equipment problems
2. Operating problems
3. Long-term problems
4. General observations
5. Coffee mill logistics
6. Recommendations

1. Equipment Problems

Everywhere I went it seems that the No.1 problem is spares. They are very scarce and when they are found, the spares are very expensive. As high as one third of some fleets are not operating because of lack of spares. It sometimes takes as long as three months to get spares. Part of the problem is that each union has many brands of lorries which require more parts because of all the different component parts. Most transport managers would like to have only two makes of lorries.

Because of the bad road conditions, the lorries frequently break down. Another problem is that the drivers are always in a hurry and do not slow down on rough roads. Some of the managers feel that some of their drivers are not properly trained to drive as a result they abuse the equipment.

Managers also reported shortages of tires, filters, tube oil, tool boxes and wind screens. In some areas there was also a shortage of diesel fuel and petrol. In Rukungiri there was no diesel fuel to run city electric plant, the coffee mill and the lorries on the day were there.

The transport manager at Kasese told me that his diesel fuel supplier was Total Oil Company. They are often out of diesel fuel. Shell Oil has a big terminal next door and has an adequate supply but he cannot purchase diesel fuel from Shell Oil. It is my opinion that the manager should be able to purchase fuel wherever it is available during periods of shortage.

One of my concerns is the storage and control of spares. The cooperative at Kasese has a very orderly and efficient storage of spares. The rest of the cooperatives have spares piled in a dark corner and it appears the spares are damaged before they are used. Proper storage of spares is a must.

## 2. Operating Problems

The most talked about operating problem was having adequate transport available when they needed it. The problem is further complicated by lack of storage.

There has not been any formal training of drivers, turnboys or mechanics or spanner boys. I feel it is very important to update their skills to do a proper job. With one exception, the turnboys and spanner boys are not trained to become drivers or mechanics. I feel the cooperatives have a wonderful opportunity to have a good source of drivers and mechanics if they would train these people. It would give them some incentive to do a better job and it would also be an investment in the future.

I did not find one cooperative that keeps cost controls on fuel, tire, maintenance and other operating costs. To be efficient they can operate at less cost.

There is need for more preventive maintenance, driver pre-trip vehicle inspection, driver post-trip vehicle inspection and reporting of defects. One universal problem I notice all over Uganda is that drivers do not warm up the engine properly. Just about all drivers start the engine and immediately race the engine to warm it up. This is very hard on the engines because it does not get proper lubrication and racing a cold engine will score the pistons. The engine should idle until it reaches its normal operating temperature.

### 3. Long-term Problems

Based on my observations, the cooperatives should be setting up a long-term replacement program for lorries. This type of program would require a good maintenance program, adequate spares program and driver training. By doing this the cooperative would be able to determine the maximum life of a vehicle.

Another area of concern is updating the skills of the mechanics. With rapid changing technology it is necessary to train the mechanics to properly service and maintain new engines and component spares.

There appears to be no formal system of forecasting transport needs and requirements or budgeting of revenue and expenses. The cooperatives would be able to provide better service in moving farm products to market during the harvest season.

### 4. General Observations

One area of concern is the general housekeeping. In most cooperatives, junk spares, empty containers, etc. are lying all over the place. I would suggest that unusable spares be put in one junk pile in a central location, and useable spares placed in a suitable spare room. At least once a week, the area should be cleaned up, pot holes filled and proper water drainage should be maintained. A clean and well organized work place will go a long way in making employees more productive.

There appeared to be a lack of employee meetings. I feel it is very important to inform them on plans, policies, procedures and how the cooperative is progressing. A well informed employee will do a much better job because he feels as part of the organization.

### 5. Coffee Mill Logistics

In observing coffee mill operations, the greatest problem appears to be the handling and storage of coffee beans. I understand that manual labor is very scarce because of the low wages.

When the lorries bring the beans to the mill, there is some delay because there seems to be no place to put them. Generally speaking, the bags are off-loaded on the ground in piles. The beans are constantly being moved from building to building or pile to pile. I found that many bags are leaking and beans are being spread all over the premises. It appears to me that the handling and storage of beans is very inefficient and there is an undue amount of shrinkage.

It is my opinion that in the near future, labor costs are going to increase to the point where the present coffee mill handling and storage will be too costly for the cooperative to stay in business.

Now is the time to consider a labor-saving system to reduce labor and handling costs, shrinkage or leakage and increased efficiency. Handling of coffee beans in bags is very inefficient and costly. Bags are very scarce and empty bags do not have a very long life because there is no system to properly store them. I saw many instances where bags were in piles rotting away.

My proposal is to go to a complete bulk system of handling coffee beans from the local societies to the Kampala coffee storage areas. It may be said that such a system would be too costly but I think you have to agree that you are now paying for an efficient system and you are not getting it.

I propose the following bulk handling system:

1. The farmer would bring the beans to the local society as they are now doing, in bags. After the beans are weighed, they would be dumped into a bulk storage tank at the local society. The farmer would then get his bags back for future use.
2. When the local society's storage bin is nearly full they would contact the coffee mill. The coffee mill would then send a bulk truck out to the local society to pick up a load of bulk coffee beans. When the bulk truck arrived back at the coffee mill, they would then weigh the loaded trucks. After the beans were unloaded into a hopper, the bulk truck would be weighed again and the local society would be given a weight ticket as a receipt for the beans.
3. The unloaded beans would then be augered into a giant storage tank for storage until they were processed. When the coffee mill was going to clean the beans, the beans would move from the storage bin by auger through the coffee mill. The clean beans would then be augered into a giant clean storage bin for storage.
4. The clean beans would then be augered into a land train vehicle equipped with a trailer with hopper bottoms for unloading purposes. The beans would then be transported to Kampala where they would be bagged and prepared for export.

This system of handling coffee would provide adequate proper weather- and vermin-proof storage, reduce labor to a minimum and eliminate many bags. This system would automate the coffee mill and would reduce the labor cost considerably. You may want to consider consolidating some of the coffee mills and haul the beans a little further to effect economies in processing the coffee.

The above system is how we process and transport bulk products in the U.S.A. and has proven to be a very efficient method. The time is now to start planning for your future lest the world passes you by.

## 6. Recommendations

Cooperatives have a wonderful opportunity to provide the farmer with an efficient low cost method to properly market his crops and supply his inputs. This is what cooperatives are all about. Uganda has fertile soil, good climate and industrious farmers. Will the cooperatives provide the system or will someone else do it?

In order for cooperatives to be more effective, the following items should be considered:

1. Reduce the number of different types of lorries which would result in the following advantages:

- a. Better purchasing power
- b. Less inventory of spares
- c. Better trained drivers and mechanics

2. Consider a central spares inventory and distribution system to provide adequate spares at a reasonable cost. You may even want to consider distribution of power fuels.

3. An ongoing training program for drivers and mechanics and to promote turnboys and spanner boys to drivers and mechanics.

4. A uniform cost control system for all transport cooperative which would:

- a. Provide operating efficiencies
- b. The various unions could compare costs and determine the most efficient method of operation

c. Control operating costs

d. Prevent or reduce leakage

5. The cooperative unions should have short and long-term objectives to meet. Instead of waiting for things to happen, let's make things happen. The future belongs to those who prepare for it.

6. Continue to update equipment, systems and procedures to provide a more efficient transport system at a reduced cost. This includes financial planning.

7. Institute a comprehensive housekeeping policy so that the premises are orderly and clean which will result in a better work place for the employees.

8. Reduce labor costs wherever possible. Do not overcome a problem by hiring more people. You must solve the problem before you hire people. Remember, your labor costs are going to increase. Prepare for it now, tomorrow may be too late.

9. Promote good farm to market roads. Let your government know you need the good roads to market the farmers products efficiently and at a lower cost.

10. Consideration should be given to increase employee's pay to a realistic level. It appears you are now paying them a living wage but you do not know how much it is costing you. The present system is almost impossible to control.

In conclusion, I want to say it was a very informative safari and I hope I can in some way contribute to the success of the cooperative movement in providing a more efficient distribution and marketing system the Uganda farmer - where it all starts.

Signed

(Dale S. Bonde)

24th September, 1982

DSB/rws

3rd September 1982.

The General/Secretary Manager,

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.....  
.....

DEPARTMENT OF  
CO-OPERATIVE DEVELOPMENT,  
MINISTRY OF CO-OPERATIVES AND  
MARKETING,  
P.O. BOX 3585,  
KAMPALA.

A.C.D.I. TEAM LEADER'S TOUR TO CO-OPERATIVE  
UNIONS IN BUGANDA AND WESTERN REGIONS

I wish to inform you that Agricultural Co-operative Development International (A.C.D.I.) Team Leader from Washington D.C., U.S.A., will be visiting your Union to acquaint himself with its activities. This will help him to determine the type of training and technical assistance that will be required by each particular Union.

The team leader will on his tour be accompanied by an official of the Department of Co-operative Development from the head office.

Please take note of the itinerary below and book accommodation accordingly for three people:-

- 13th September 1982 - 8.00 a.m. -10.30 a.m. Travel to Masaka  
11.00 a.m. visit Masaka Union stay a night  
in Masaka.
- 14th September 1982 - 8.00 a.m. Travel to Kabalo  
11.00 a.m. visit Kigezi Vegetable Co-operative  
Union Ltd. Stay a night at Kabale.
- 15th September 1982 - 7.30 a.m. Travel to Rukungiri  
11.30 a.m. visit Kigezi Coffee and Kigezi  
Tobacco Co-operative Unions  
2 p.m. Travel to Kasese. Stay a night in  
Kasese.
- 16th September 1982 - 8.30 a.m. visit Nyakatonzi Co-operative Union Ltd  
11.00 a.m. Travel to Kabarole  
2.00 p.m. Talk to officials of Bwamba and  
Toro Unions at Zonal Co-operative office,  
Kabarole stay a night at Kabarole.
- 17.9.82 September 1982 7.00 a.m. Travel to Kakumiro  
11.00 a.m. visit Kakumiro  
2 p.m. Travel to Masindi  
Stay a night at Masindi.
- 18th September 1982 - 8.30 a.m. visit Buryoro Co-operative Union Ltd  
12.00 p.m. Travel back to Kampala via Lira-  
Soroti.

  
PP (A.S. Blogu)  
COMMISSIONER FOR CO-OPERATIVE DEVELOPMENT

c.c. The Zonal Co-operative Officer,  
MASAKA.

The Zonal Co-operative Officer,  
MDARARA.

The Zonal Co-operative Officer,  
FORT PORTAL.

The Zonal Co-operative Officer,  
MUBENDE.

The District Co-operative Officer,  
MUBENDE.

The District Co-operative Officer,  
MASAKA.

The District Co-operative Officer,  
MDARARA.

The District Co-operative Officer,  
FORT PORTAL.

The District Co-operative Officer,  
MASINDI.

The District Co-operative Officer,  
KASESE.

The District Co-operative Officer,  
KASESE.

The District Co-operative Officer,  
KABALE.

The District Co-operative Officer,  
RUKUNGI.

The District Co-operative Officer,  
BUNDIBUGYO.

December 10, 1982

To: Roger Newburn

From: Dale S. Bonde

Subject: Report on Safari, North and East Districts

On November 26, 1982 Bill Stonefield, Denis Odongpiny and I left on safari to tour several cooperatives in the north and east districts of Uganda (See attached schedule). Bill's report will cover the operations as they relate to the U.C.C.U., and Denis will report the operations relating to the U.C.T.U.

Cooperative officials in every local society and union visited, freely discussed their operations, and my feeling is that we have a much better understanding of the problems confronting them. Although, due to lack of communications, several societies were not expecting us, we were well received in all instances.

Southwest Nile Cooperative Union, Packwach

Staff members present: R. O. Nithó, Secy/Mgr  
C. W. Picu, Electrician  
C. Z. Owot, Fitter  
P. O. Manano, Fitter  
A. A. Oneala, Produce Mgr/Educ Secy

The Union operates a ginnery and distributes cottonseeds and chemicals. Of the five lorries owned by the Union, two are not operating due to lack of spares. They own a pickup but need another, and at least eight additional lorries to operate at peak efficiency. Their nearest repair facility is at Gulu which is approximately 75 miles to the east, although most of their repair work is presently being done in Kampala. This Union would like to establish a small workshop in Packwach since they have two qualified mechanics. However, they lack funds to purchase the necessary tools such as lathe, acetylene torch, welders, drill press and grinders. There is storage for 18,000 litres of industrial diesel fuel (9000 liters of diesel fuel and 9000 litres of petrol). but getting fuel is often a problem.

This Union serves 34 local societies and owns 30 ginneries, of which only 10 are operable. However, they have spares and are in the process of repairing the machines by the first of the year when the cotton season begins. They have a staff of 35 administrative people and mechanics, and during the peak season they employ 270 ginnery workers. During the off season there are nine workers employed. The Union has an adequate supply of hoppers and gunny bags for the coming season. If a

Newburn from Bonde, 12/10/82  
Report on Safari, North and East Districts - Pg 2

U.C.T.U. terminal were established at Gulu, they would definitely use the facility for their peak periods.

The Union appeared to be very well organized, with a clean and orderly operation.

Anaka Cooperative Society, Anaka

Staff members present: Richard Mōgi, Asst Coop Officer  
Ojoh Mark, Union Representative  
Wilson Ojoh, Coop Asst  
P. J. Jago, Anaka  
Ceasar Karlo Ongom, Dist Coop Officer  
Luka Latigo Obitta, Sr Coop Officer and  
Head of Monitoring Team (USAID)

Also present were 10 committee members who were responsible for contacting farmers for purchasing their tobacco and cotton, approximately 75 society members and 100 or more school children from the neighboring playground.

The Society collects cotton and tobacco for shipment to Gulu, but is sorely lacking storage facilities for cotton and drying sheds for tobacco at the local level. There was a heated discussion between cotton and tobacco farmers, each suggesting that the other was getting more aid and assistance. All were finally in agreement with one farmer who suspects that most of the aid funds are in the pockets of the politicians and never reach the farmer.

At this point we explained that our mission was to provide training and technical assistance and that aid for buildings and equipment would have to come from other sources.

One of the concerns with this Society was lack of return transport for the farmer who must accompany his cotton to market in Gulu (eight to 10 farmers accompany each load). At present, the lorry does not return the farmers to the local society because it adds greatly to their operating costs. The staff members agreed that the Union should consider buying a landrover for this purpose when funds are available.

Late in the afternoon we arrived in Gulu and continued on for another 20 miles to spend the evening with Denis' family in his home village. We enjoyed a delicious native supper and traditional songs and dances.

Middle North Tobacco Cooperative Union, Gulu

Staff members present: Luka Latigo Obitta, Sr Coop Officer and  
Head of Monitoring Team (USAID)  
Ceasar Karlo Ongom, Dist Coop Officer  
Ishmall Oringa, Audit Inspector  
Y. P. Apata, Ag Accountant  
N. O. Obwoyo-Laker, Secy/Mgr

This Union, serving 30 societies, collects, grades and sells tobacco to the National Tobacco Company from June through September. There are 30 grades of tobacco selling from 36 shillings to 100 shillings per kilo. There is one lorry in operation. This union has a tractor rental scheme which began with 34 tractors in the early 70s. Due to lack of spares, looting and neglect they are reduced to 20, of which only four are operable. In the beginning, rental fees were 140 shillings per acre including fuel. Presently, they are charging 2000 shillings per acre. I am concerned that there is little effort being made to repair and utilize their idle tractors.

Chemicals are purchased from the National Chemical Company rather than the Central Union which they feel is priced too high. The Union has a large supply of bulk fertilizer (looters emptied and stole the bags). For lack of new bags, this fertilizer is gathering moisture and fast deteriorating.

This Union also lacks storage and drying sheds. They are proposing that the individual farmer construct his own shed using brick and steel sheet roofing, for which they will require credit to purchase.

In stock, is a good supply of hoes and unassembled bicycles which will be sold to the farmers after they receive their crop money.

West Acholi Cooperative Union Ltd. Gulu

Staff members present: Serafino S. Onok, Transport Mgr  
B. N. Obong, Educational Secy  
D. D. Kollo, Sr Bookkeeper

This Union processes cotton and serves 83 primary societies. There are 27 ginneries with all machines in working order. There are 65 administrative employees, two shifts with 50 workers for each, one supervisor for both. The ginnery is presently processing cotton from 1979 storage until this year's crop is ready, so we had an interesting and informative tour of cotton ginning in process. They are processing 50 bales

Newburn from Bonde, 12/10/82  
Report on Safari, North and East Districts - Pg 4

per shift and have an adequate supply of hoops and gunny bags for the coming season, a very well organized operation.

Of the original 20 lorries purchased in the early 70s, four remain, and of these, one is presently not operating for lack of spares. Four drivers and four turnboys are employed, and equipment is maintained by two mechanics and a spanner boy.

#### Kweyo Cooperative Society, Ltd., Gulu

This is exclusively a woman's society, consisting of 400 members who cooperatively operate a block farm of 730 acres, the largest block being 150 acres and the smallest, 1 acre. Each member owns her own block of land.

The society's chairman, Mrs. Gerolina Onen, is assisted by a committee of seven. A reception had been carefully planned to include a walking tour of their cotton fields, a banquet of food and refreshments, and traditional dances for our entertainment. As we were seated for our formal meeting, Mrs. Onen gave us the history of their society and explained their mottos and functions, all aimed at helping each other and their families. Special funds have built a school and are available to aid members in financial need.

It is obvious that this is an efficient and successful society, which owns a warehouse for cotton storage and a store which supplies chemicals and other farm supplies to members. Besides a lorry, they own a tractor and have funds reserved to add another lorry and tractor as soon as they are available.

Meeting and visiting with these fine people was a thrill and one of the highlights of this safari, and will remain a memorable experience. We will have numerous photographs of this visit to share with the society.

#### Lango Cooperative Union, Lira

We arrived in Lira only to find that all the cooperative officials were away attending the dedication of a newly purchased ranch, so we went on to Soroti.

#### Teso Cooperative Union, Soroti

Staff members present: Charles Joseph Aege, Dist Coop Officer  
S. A. Oduc, Secy/Mgr  
G. W. Ongenge, Asst Secy/Mgr  
John M. Okuku, Transport Officer  
K. A. Ecumu, Ag Stores Controller

This Union owns nine ginneries. Of a total 134 machine, only 46 are operating, plus another ten used only for second grade cotton. They own 23 lorries, but 15 are inoperable because of lack of spares. They employ two mechanics, two assistant mechanics and six spanner boys, ten drivers and 10 turnboys. They are not using transport from U.C.T.U. because they can hire local trucks at a cheaper rate and, also, a U.C.T.U. driver would haul only one load per day, making the cost prohibitive.

This Union has just recently distributed 1700 new bicycles to members. However, they have not been well received since the British Raleigh is well known and preferred by most and many are still in use. They expressed a desire for readily available spare parts and tyres for the Raleigh rather than bringing in new bicycles.

This Union claims to have inquired about hoops and gunny bags and were told there are none available in Uganda. They also lack spares for the ginneries. Could there also be the lack of funds to purchase these items, or no credit available?

At one time this Union very successfully operated a workshop for reconditioning ginnery parts. Since the Department of Agriculture assumed this responsibility, the workshop is concentrating on the production of feed grinders and storage tanks, and no longer recondition ginnery parts. The Union would like to resume operation of the workshop for their ginnery parts. Except for the main office, the remainder of their facilities were not seen. Our impression was that it is a rather disorganized operation since so many of their vehicles and ginneries are not operating. There was an obvious defeatist attitude, and the feeling that there should be some U.S. aid to bail them out.

North Mbale Cooperative Union, Mbale

Staff members present: Dunstan Glovis Kabblera, Farm Supply Mgr  
Bartholmew Kimbugue Tazenya, Bookkeeper  
C. Majanga, Sr Asst Coop Officer,  
Zonal Office

This Union operates three ginneries, and all 40 machines are operable for this season's cotton crop. They expect to process 15,000 bales this season.

Of their nine lorries, only four are operating due to lack of spares. They employ nine drivers, 18 turnboys, three mechanics and four spanner boys.

They have an adequate supply of hoops and gunny bags for this year's cotton crop. At times there may not be an adequate fuel supply. According to the manager, the Lint Marketing Board is slow in paying for the cotton, and this leads to dissatisfied local societies. Generally, this Union is well organized and has a good handle on things.

Bugisu Cooperative Union Ltd., Mbale

Staff members present: Francies Nagimesi, Secy/Mgr  
Charles Mugoye, Transport Officer  
Samuel Ibud, Dist. Coop Officer

This Union owns and operates a coffee mill, and at one time was associated with the Masaba Cooperative Union which is a cotton union. Since they were then making more money than the coffee union, they chose to become a separate organization. The situation is now reversed, and since 70 percent of the members belong to both unions, there has been talk of a merger again, to reduce overhead. The coffee union is not interested in such a merger. In discussing the possibility of Masaba and North Mbale unions merging, Mr. Nagimesi tells us they are of different tribes and it would never work.

This union operates 15 lorries of which three are down for lack of spares, and they could use an additional 10 units. They rent lorries from private owners rather than from U.C.T.U. which they think are too expensive.

The coffee is shipped by rail directly to Mombasa for export. Lack of wagons for loading was responsible for shutting down the second shift on the day we visited, and seems to be their only major problem. This is a very well organized and successful organization.

Masaba Cooperative Union, Mbale

Since the manager of this Union was out of town, we met instead with John Aturia, the Chief Accountant, when he was available in the evening.

This Union owns seven lorries, all of them operating. They employ eight drivers and 14 turnboys. In addition to their cotton operation, they transport merchandise, produce, plantain, sand, bricks, timber, molasses and animals. According to John, the transport operation is very profitable. When asked about U.C.T.U.

services and rates, he feels rates are not necessarily too high, but in his opinion do not operate efficiently. If he were able to rent U.C.T.U. vehicles at 150,000 shillings per unit per week, he could haul 20 loads per week and realize a revenue of approximately 800,000 shillings, or a profit of 650,000 shillings per week. On the other hand, U.C.T.U. figures on only one load a day, which makes the service very expensive. When I suggested the Masaba Union should get out of the cotton business and go into turcking, I was told they have an obligation to provide services to the local cotton societies.

While we did not see the facilities of this cooperative union, it was our impression in visiting with John, that they are a well-managed organization.

South Bukedi Cooperative Union. Tororo

Staff members present: James W. Obboloworhoda, Secy/Mgr

This Union processes cotton, sells farm supplies, and operates a hotel and restaurant. They are also in the process of setting up a piggery and eventually a pork packing plant. They operate three ginneries, and of 60 machines, 40 will be operational by the time the season begins. They have 10 lorries but three are not operating due to lack of spares. They do not have hoops or gunny bags, and are also short of spares for the ginneries.

Busoga Cooperative Union Ltd., Jinja

Staff members present: Margaret Mawanga, Zonal Coop Officer  
C. James Kairu, Treasurer  
P. T. Wapuki, Planner  
G. I. Byandala, Secy

This Union serves 200 societies and processes coffee and cotton. They operate seven ginneries of which four are not working. They had no information on the number of machines that were operable.

They own 30 lorries, of which 10 are not operating due to lack of spares or tyres. The local societies operate 26 lorries. At the present time, they need 144 truck tyres plus other tyres. Total value of all tyres needed is 34,000,000 shillings. They do not use U.C.T.U. lorries because the rates are too high for the service given.

Buyala Cooperative Society, Jinja

We met the manager, but did not get his name. This is a small local society handling both coffee and cotton. They operate a school for children, and have started construction on an infirmary for which they need more funds to complete. They operate one lorry. Since we arrived at closing time, we were not able to properly assess their operation.

Conclusions

In summary, I feel the safari was very worthwhile. I have a far better understanding of the Ugandan economy, and was exposed to the various types of cooperatives down to the society level.

We visited cooperatives that had a multitude of problems, and who found fault with almost everything. On the other hand, there were several who seemed to have few problems, with all their equipment operating, housekeeping good and the morale of the employees high.

As we visited each cooperative union, I inquired about U.C.T.U. services. In every instance, their services were not used because rates were too high for services rendered, equipment was not available when needed, or drivers refused to haul more than one load per day, and also might not be familiar with local conditions.

Denis Odongpiny discussed the complaints of U.C.T.U. rates being too high, and usually found the U.C.T.U. and local rates were comparative. Unions were also reminded to pay their bills and then transport would be available to them.

In response to my question, "Would you utilize the services of U.C.T.U. if;

- (1) U.C.T.U. decentralized and operated terminals and repair facilities at each of the Gulu, Soroti and Mbale areas,
- (2) Maintain a dispatcher at each location.
- (3) Maintain an adequate parts inventory, and
- (4) Determine fees on the basis of each load rather than by the day or week?"

Newburn from Bonde, 12/10/82  
Report on Safari, North and East Districts - Pg 9

In every instance, the cooperatives said they would use U.C.T.U.'s services under these conditions. In fact, one manager had suggested this program as far back as 1976 but could arouse no one's interest.

In most instances, the unions and local societies felt that the Lint Marketing Board was not serving its purpose. Their first concern is that the Marketing Board is slow in making payments. The unions feel they could market their own product more effectively, as one manager of a coffee union also would find the Coffee Marketing Board unnecessary.

Several of the unions lacked hoops and gunny bags to begin this cotton season. Back in Kampala, George Muhurusi, the U.C.T.U. Stores Manager assured me there are four tons of hoops and 2000 bales of gunny bags in the warehouse. I also found a good supply of ginnery spares were available. The Stores Manager suspects the unions are lacking the money to purchase these items but are too embarrassed to admit this. Credit is not available if they are already in debt to the U.C.T.U., which is also the reason that transport is often not available to them.

With one exception (Teso Cooperative Union), the cooperative unions were quite optimistic about the economic future of Uganda. With the necessary inputs for the farmer, plus good transport and marketing facilities, they feel the rural economy could make a relatively fast recovery.

IV. Uganda Coffee Express

November 4, 1982

To: Roger Newburn  
From: Dale S. Bonde  
Subject: UGANDA COFFEE EXPRESS

Attached is a preliminary draft by the Coffee Marketing Board covering the movement of coffee from Kampala, Uganda to Mombasa, Kenya. The report is very informative and goes into great detail on the movement of coffee. I have prepared a proposal for moving coffee to Mombasa using this preliminary draft as a resource.

My proposal would substantially reduce the freight charges on coffee, as well as transit time. By leveling out the work flow, additional savings could be realized. Additional storage facilities would be made available at no cost to the Marketing Board (1,680 tons). The plan would also utilize transport equipment to the maximum.

In order to execute my proposal, it will require a capital outlay as follows (all figures in this report are in U.S. dollars):

Transport Equipment.....	\$20,353,094
Kampala Terminal Facility.....	1,000,000
Parts Inventory.....	1,250,000
Terminal Facilities at Nakulu and Mombasa.....	<u>200,000</u>
Total Investment.....	\$22,804,094

Total Revenue:

200,000 Tons Coffee @ \$94/Ton.....	\$18,800,000
200,000 Tons Backhaul @ \$126.20/Ton.....	<u>25,240,000</u>
Total.....	\$44,040,000

UGANDA COFFEE EXPRESS 11/8/82

Total Expense.....\$17,375,542  
Total Net.....\$26,664,458

There are two big obstacles to overcome, one being the customs procedures and the other to attain cooperation between the Ugandan and Kenya governments. It will be necessary to clear customs with a minimum delay. To accomplish the proposal's objectives, the operation would require the following items:

1. Terminal and Facilities:

Kampala: a) Parking area for approx. 80 Units  
b) Major Repair Facility  
c) Fuel Facility

Nakulu: a) Parking area for approx. 36 Units  
b) Minor Repair Facility  
i) 1 Mechanic and 2 Spanner Boys  
ii) Service Vehicle  
c) Fuel Facility  
d) Food and Lodging for 36 Drivers

Mombasa: a) Parking area for approx. 80 Units  
b) Minor Repair Facility  
i) 2 Mechanics and 2 Spanner Boys  
ii) Service Vehicle  
c) Fuel Facility  
d) Food and Lodging for 18 Drivers

2. Equipment:

The equipment would consist of a tractor-trailer combination. For purposes of this proposal, I have selected the Leyland tractor, Land Train Model 3029, 30-Ton GVW and 65-Ton GCW/GTW with a Cummins 290 H.P. Engine and a Fuller RTO nine-speed transmission. The trailer would be a Leyland tri-axle. The dealer would handle all warranty work and would inventory adequate spares.

UGANDA COFFEE EXPRESS 11/8/82

The tractor weighs approximately 10,269 kilos and the trailer, 6000 kilos. We are allowed eight tons per axle on duals plus seven tons on the front axle, for a total of 47 tons. De-deducting fuel, equipment and driver, the estimated actual total payload is 30 tons.

I did not secure competitive bids for this proposal because of time limitations. Should the Uganda Coffee Express scheme have tentative approval, 4 or 5 additional bids should be secured with the following items considered:

- a) Suitable equipment for the job.
- b) Handling of warranty claims and warranty policy.
- c) Repair facilities.
- d) Manufacturer financing.
- e) Parts availability and disposal of obsolete parts.
- f) Mechanic training program, factory and on-site.
- g) Technical assistance.
- h) Program for replacement and disposal of used equipment.
- i) A guaranteed maintenance cost program is desirable.
- j) Equipment and parts discount, i.e. Fleet, Dealer, Distributor or House Account price list.
- k) Loan vehicles (when parts are not available).
- l) Available demonstrator vehicles.

3. Drivers:

The recruitment process for drivers would be based on driver experience and qualifications, therefore "political appointments" would be forbidden. High standards must be maintained at all times.

There would be only one driver per vehicle who would work a five-day week. If the main terminal is in Kampala, he would drive four days and load trailers on his fifth day.

Based on a projected time schedule, the operation would require 103 drivers plus eight loaders in Mombasa for a total of 111 plus 10% to allow for 25 days vacation time and five days sick time per year, or a total of 122 drivers.

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All drivers would wear prescribed uniforms, and would wear the uniform only while on duty.

A full-time Driver Trainer would conduct on-going driver training, and would also be Driver Supervisor.

Driver compensation would be on the basis of shillings per trip. There would be no monthly salary. In other words, if the driver doesn't work he doesn't get paid.

Because the operation would function seven days a week, some drivers would be required to work weekends and/or holidays. The driver working on Sunday would receive pay at straight time, but would receive double time for holidays.

4. Customs Procedure:

In order for the Uganda Coffee Express to operate at optimum efficiency, the customs procedure would have to be streamlined. At the present time, it takes up to two days to clear customs at the border. If we can get the Uganda and Kenya customs officials to work together, we would attempt to negotiate the following Customs Agreement:

- a) The customs documents would be prepared at the origin point.
- b) The trailers would be sealed at the point of origin.
- c) A convoy of 18 units would leave Kampala each day at 7 A.M., and arrive at Malaba at 11 A.M.
- d) A convoy would leave Nakulu, Kenya each day at 7 A.M., arriving at Malaba at approximately 2 P.M.
- e) The customs officials at Malaba would verify the serial numbers on each trailer and let the convoy pass through the customs.
- f) A daily police escort would be provided from Kampala to Nakulu. The same procedure would apply from Mombasa to Nakulu.



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Tyre cost would be as follows:

Each tyre costs \$500 based on 100,000 UShs @ float  
exchange of 200 UShs per U.S. dollar.

Each unit requires 22 tyres.

Total Cost.....11,000 Tyres for 100,000 mi. = 11¢ per mi.

6. The Operation:

This operation would require 54 trailers (3-day supply) at Kampala, 54 trailers at Mombasa, and 72 trailers moving. There would be 13 tractors at Mombasa for loading and unloading, which includes 5 spares; the same applies at Kampala.

Because we are limited to a 5-day week at Kampala and Mombasa, we must average 25 trailers loaded and unloaded per day in order to maintain a 7-day transport operation.

A convoy of 18 units would leave Kampala at 7 A.M. daily, arriving in Nakulu at 7 P.M. This convoy would leave Nakulu at 7 A.M. the following morning and arrive at Mombasa at 7 P.M. that day. The incoming trailer would be dropped, and the loaded trailer picked up, to leave <sup>for</sup> Nakulu at 7 A.M. the following morning. Based on this schedule, Mombasa could be turned in four days.

7. Cost of the Uganda Coffee Express Operation:

	<u>Cost</u>	<u>¢ per mi.</u>
Depreciation.....	\$ 3,494,699	.3940
Interest Expense.....	2,544,137	.2868
Maintenance.....	1,079,946	.1240
Tyres.....	975,645	.1100
Insurance (98 x 990).....	97,020	.0109
Fuel (5 MPG @ \$2.40/Gal.).....	4,257,360	.4800
Wages (Drivers and Turnboys.....	146,400	.0185
Fringes @ 45%.....	658,800	.0007
Allowances @ \$8.50 per day.....	167,535	.0189
Armed Escort (Estimated).....	50,000	.0056

(Continued on following page)

UGANDA COFFEE EXPRESS 11/8/82

Operation Costs (Continued)

	<u>Cost</u>	<u>¢ per mi.</u>
Kenya Entry Level @ \$200/Load...\$	1,314,000	.1482
License and Registration (Est.).	90,000	.0101
Miscellaneous.....	<u>500,000</u>	<u>.0562</u>
Total Operating Expense.....	\$15,375,542	\$1.7335
Administrative Expense (Est.)...	<u>2,000,000</u>	<u>.2250</u>
TOTAL COST.....	<u>\$17,375,542</u>	<u>\$1.9590</u>

Cost per mile.....\$1.9590

Cost per ton.....\$86.8800

8. The Management Function:

The Uganda Coffee Express should have autonomous management, reporting to the General Manager of the Coffee Marketing Board. The only function of the U.C.E. would be the transportation of coffee to Mombasa, and transportation of bulk and general freight on the return haul. The organization should not be engaged in any other transportation activity, since U.C.E. is a very specialized operation with rigid schedules. The organization would have better controls, thus the opportunity for "leakage" would be far less.

Because of the rigid demands on the employee, it may be necessary to compensate him with a higher pay scale and/or more fringe benefits to attract and reward capable employees.

I would not recommend that the U.C.E. become part of the U.C.T.U. It is my opinion that the Uganda Cooperative Transport Union is very poorly managed, based on the following observations:

a) The U.C.T.U. manages by crisis:

There is no planning for the future. For example, they often run out of fuel because they forget or have no money; or, they are always short of tyres and spares for the same reasons. I compare it to Land O'Lakes running out of cows!

It is almost impossible to discuss a problem, or make plans, because after five minutes they leave to take care of a "pressing problem."

b) Management of Time:

The management people are the last ones in and the first ones out. Very few people are on time, and many leave as much as one to one and a half hours early. In a two-week period, I had three appointments with the General Manager who failed to keep any one of the appointments without notification. Furthermore, the U.C.T.U. has 150 vehicles with only 100 operating, and this situation has existed for some time. Since they are carrying 150 drivers and turnboys on their payroll, at least one-third are not working at any given time.

c) Housekeeping;

Here is a good indication of the management's inefficiency. In order to gain maximum efficiency, the workplace must be kept clean and orderly. The Kawampe terminal is one big junk yard. On September 30 I wrote a memo to the General Manager about the housekeeping and security of the terminal. On October 4 we had a meeting with the General Manager and his staff to discuss the problem, and it was agreed that it would be taken care of immediately. One month later the condition still exists.

d) Security:

Security is practically non-existent. While they do have police guards and a gate person, people come and go continually. I see many people both bringing in and leaving with packages that are never checked.

There are always 50 to 75 people milling around in front of the offices. On the street, in front of the gates, there are as many, or more, milling about. We discussed this with the management staff at the October 4 meeting, and also talked about increasing security. As of this date, no measures have been taken to improve this area.

e) Maintenance:

The maintenance of the vehicles is pathetic. As an example, one-third of the fleet is parked because of lack of spares and tyres. Their excuse is that there is no money to purchase spares. On the other hand, they decided to go into the spares business and purchased a large supply of Leyland spares, and they don't operate one single Leyland vehicle. Compare this to Land O'Lakes buying bulls instead of cows! I believe U.C.T.U. has its priorities mixed up.

f) Controls and Records:

U.C.T.U. has a lot of records, but they do not reveal much. They may have the costs in total, but it appears they do not use the records to control the operation. The record files in the head office are a mess.....records in piles all over the record floor.

The only tonnage recorded is the Clean Coffee tonnage moved for the Coffee Marketing Board. Could it be possible that lack of controls and cost figures is by design?

g) Corporate Integrity:

While I have no actual proof of what is going on, I hear enough rumors that all is not well with U.C.T.U. There appears to be a fox, or foxes, in the hen house. For example, there are two tyre transactions I have heard about that seem very strange. There have been inferences of other irregularities, but here again I do not have proof.

Conclusion:

Because of the above conditions, I feel that if the U.C.T.U. were to operate the proposed Uganda Coffee Express, it would most certainly fail, in that they would be unable to meet the objectives.

Because I feel he made a very constructive report covering U.C.T.U. operations that confirms my own observations, I am

UGANDA COFFEE EXPRESS 11/8/82

enclosing a report from a university student who worked at U.C.T.U. for approximately five months.

Alternatives:

The Uganda Coffee Express proposal is based on ideal operating conditions. In order to evaluate a profit, we must construct the model to function at optimum efficiency. Only then can the restrictions come into play.

Under ideal conditions, the cost to deliver a ton of coffee to Mombasa is \$86.88 (without a backhaul) compared to the present truck rate of \$94 per ton. This represents a saving of \$1,424,458 per year. Considering backhauls, the results would be as follows:

The present rate on general cargo is \$136.40 per ton, and the rate on bulk cargo is \$116 per ton. Assuming 50% as general cargo, the average rate per ton would be \$126.20. The maximum revenue per load per year would be \$3,786, and the maximum total revenue, \$25,240. In other words, the coffee could be hauled at no cost and still realize a profit of \$7,864,458. Or, putting it another way, there would be a saving of \$26,664,458 over present transport operations.

There are three areas where it would be difficult to operate at 100% efficiency:

1) Delays at Customs

Listed below is the yearly cost of each day of delay based on yearly vehicle fixed cost of \$73,965:

1 Day, 18 additional vehicles	=	\$1,331,370
2 Days, 36       "       "	=	\$2,662,740
3 Days, 54       "       "	=	\$3,994,110
4 Days, 72       "       "	=	\$5,325,480
5 Days, 90       "       "	=	\$6,656,850
6 Days, 108       "       "	=	\$7,988,220

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2) Maximum Payload on Return Load

If the operation were to average only 20 tons per load (two-thirds of maximum capacity), the return revenue would be reduced by \$8,404,920 per year.

3) Maximum Return Loads

If the operation were to average only 4,440 return loads (two-thirds of maximum capacity), the return revenue would be reduced by \$8,404,920 per year.

4) Conclusions

Operating on a 10-day turn at two-thirds of capacity, the total cost of the operation would be \$24,798,060 or \$123.99 per ton per year .

Based on the above figures, the net would be as follows:

Coffee Haul, 200,000 tons @ \$94/ton.....	\$18,800,000
Back Haul, 133,200 tons @ \$126.20/ton....	<u>\$ 8,430,160</u>
Total Revenue.....	\$27,230,160
Operating Cost.....	<u>\$25,363,762</u>
Net per Year.....	<u>\$ 1,866,398</u>

If the net were used to reduce the freight charges on coffee, the cost would be reduced from \$94 per ton to \$84.67 per ton.

If any of the above three items were improved, the savings would increase proportionately.

Some of the non-operating problems are:

- i) Will this operation mean the death knell for the Uganda railroad and thus effect the movement of cotton?
- ii) What effects will result from the diversion of freight from Kenatco's operation?
- iii) Would Kenya retaliate with higher road taxes, delays and harrassments?
- iv) If all else fails, perhaps some type of joint venture with Kenya could be worked out.

It is my opinion that the economics are such that an in-depth study be made, making the Uganda Coffee Express a reality.

REGULATIONS  
5TH SCHEDULE

Max. on Class 1 ROADS:

1. Overall width - 8.20 ft.
2. " height - 14.50 ft.
3. Overall length:
  - (i) Goods vehicles with 2 axles - 33.00 ft.
  - (ii) Passenger vehicles 2 axles - 36.00 ft.
  - (iii) Vehicles 3 or more axles - 36.00 ft.
  - (iv) Articulated vehicles - 46.00 ft.
  - (v) Combination of vehicles with 1 trailer - 59.00 ft.
4. Permissible maximum weight:
  - (i) per most heavily loaded axle - 17,600 lbs.
  - (ii) per most heavily loaded wheel- 7,500 lbs.
  - (iii) per most heavily loaded tandem axle group ( the two axles of the group being at least 40 inches (1.00 metre) and less than 7 ft. ( 2.00 metres ) apart) - 32,000 lbs.

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DELIVERED FOB UK PORT EACH ..... PDS 36,028.75

EST. FREIGHT TO MOMBASA ..... PDS 2,495.00

EST. MARINE INSURANCE ..... PDS 100.00

DELIVERED CIF MOMBASA ONE UNIT ....PDS 38,623.95

B) TO SUPPLY 250 OVERLANDER TRAILERS WITH 40FT LENGTH TRI-AXLE TRAILER AND 11.00 x 20 TYRES WITH SPARE WHEEL CARRIER AND TYRE WITH TELEHOIST ALL STEEL COFFEE BODY, 6' HIGH WITH 1'6" TILT FRAME, TWO CANVAS SHEETS, PAINTING.

DELIVERED FOB UK PORT EACH ..... PDS 11,590.00

EST. FREIGHT TO MOMBASA ..... PDS 3,881.00

EST. MARINE INSURANCE ..... PDS 46.00

TOTAL CIF MOMBASA EACH UNIT ..... PDS 15,517.00

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PRELIMINARY DRAFT

TRANSPORT OF UGANDA'S COFFEE TO SEAPORT  
IN COFFEE MARKETING BOARD'S OWN VEHICLES

by

R. Dayal

UNCTAD expert on export policy and planning

and

J. RUGARAMA.

Statistician, Coffee Marketing Board

Ministry of Commerce,  
&  
Coffee Marketing Board,  
Kampala, Uganda

July 1982

TRANSPORT OF UGANDA'S COFFEE TO SEAPORT  
IN COFFEE MARKETING BOARD'S OWN VEHICLES

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TRANSPORT OF UGANDA'S COFFEE TO SEAPORT  
IN COFFEE MARKETING BOARD'S OWN VEHICLES

I. GENERAL

Relative shifts in movement of exportable coffee by rail and road

Before the break-up of the East African Community, comprising Uganda, Kenya and Tanzania, a predominant part of Uganda's exportable coffee was moved to Mombasa on the east African railways. Following the break-up of the community, an increasing part of Uganda's coffee for exports began to be moved to Mombasa by road, because Uganda received an inadequate share of the east African railway corporation's wagon fleet, whereas Kenya, until recently, maintained an unofficial one-for-one exchange system for the EARC wagons and did not allow the wagons, which it bought after the division of the EARC fleet, to cross the border. Kenya's parastatal transport company, Kenatco, and its sub-contractors enjoyed almost a monopoly of Uganda's coffee transport by road, since Transocean, the Ugandan parastatal transit-transport company was almost destroyed by the looting of vehicles and depots during and after the liberation war. Since coffee provides the return load for Kenatco vehicles, a special return freight rate has been arranged. But it is still more than 50 per cent above the freight rate for coffee movement by rail.<sup>1/</sup>

From about the middle of 1981, Kenya seems to have relaxed the restrictions on the movement of EARC wagons to Uganda, since it now has sufficient stock under its control, including the large number of wagons purchased by it since the collapse of the east African railway. There has also been a faster turnaround of wagons through better management, both at Mombasa and in Uganda. As a result of these improvements, the share of railways in the movement of Uganda's coffee to Mombasa has recovered substantially, at the expense of movement by road.

These phases of the trends in movement of coffee by rail and road for the past decade or so are shown below.

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<sup>1/</sup> See, " A preliminary assessment of the problems and potential of the transit corridors in East-Central Africa: The northern transit corridor", UNCTAD project RAF/78/015 (Team leader: Simon Thomas), March 1981.

Table-1

MOVEMENT OF EXPORTABLE COFFEE FROM UGANDA TO MOMBASA BY RAIL AND ROAD  
(1000 bags)

Year (Oct-Sept)	Shipments of coffee by			Share of railways in total movement(%)
	Rail	Road	Total	
1970-1971	2759	-	2759	100
1971-1972	3229	-	3229	100
1972-1973	3467	-	3467	100
1973-1974	2776	-	2776	100
1974-1975	2667	-	2667	100
1975-1976	2439	51	2490	98
1976-1977	1879	691	2570 1/	73
1977-1978	825	830	1655 1/	50
1978-1979	819	1418	2237 1/	37
1979-1980	623	1384	2007 1/	31
1980-1981	1042	898	1940 1/	54
1981-1982 (Oct-April)	909	581	1490 1/	61

1/ In addition, there were some despatches by air and through Lake Victoria to Tonga.

Source: Coffee Marketing Board, Kampala, Uganda.

Cost of transport of coffee by rail

The cost of moving a ton of coffee from Kampala to Mombasa by rail, according to the freight rates in force at present, is as follows.

Table-2

COST OF MOVING COFFEE BY RAIL FROM KAMPALA TO MOMBASA, PER TON

Item	\$/ton
1. Kampala to Malaba: Ush.642/ton	6.5
2. Malaba to Mombasa: Ksh 15,500/wagon, irrespective of whether the wagon is fully loaded or not. When it is fully loaded, it has nearly 40 tons of coffee in it. So, the freight rate per ton is Ksh.400	40.0
3. Subsidy involved in the freight rate from Kampala to Malaba, rough estimate (see below)	8.5
4. Police protection	7.0
5. Total cost	
a. Actual	53.5
b. Real (including subsidy)	62.0

The actual cost of moving coffee from Kampala to Malaba (Uganda's border point with Kenya) are much higher than the current freight rate of \$6.5/ton. There is a good deal of subsidy involved in the coffee traffic in Uganda. An idea of the average subsidy can be had from the total annual revenue and total annual expenditure of the railways. In 1978, for example, total revenue of Uganda railways was Sh.60 million and total expenditure Ush.140 million.<sup>1/</sup> The costs, therefore, amounted to 2 1/3 times the revenue, and the subsidy 1 1/3 times the revenue, or roughly \$8.5/ton. Similar figures for the latest year are not readily available, but it is known that as a result of the devaluation of Uganda's shilling in mid-1981, the operating costs of the railways have increased much more than the upward adjustments in freight rates and passenger fares.

Present cost of moving coffee by road to Mombasa

As against this, the cost of transport by road, according to the rates negotiated by the Coffee Marketing Board with Kenatco, is \$94/ton. However, this is the concessional rate, based on the special return load price. The Kenatco lorries and trailers are loaded with goods at Mombasa, and the charges from Mombasa to Kampala are \$136/ton for general cargo and \$116/ton for bulk cargo. On their return trips, they prefer to lift CMB's coffee at concessional price of \$94/ton rather than go wholly or partly empty.

Table-3

COST OF TRANSPORT OF COFFEE AND OTHER GOODS BETWEEN KAMPALA AND MOMBASA BY ROAD, PER TON

Item	\$/ton
1. Transport charges from Mombasa to Kampala <sup>1/</sup>	
a. General cargo	136.4
b. Bulk cargo	116.0
2. Transport charges for coffee movement from Kampala to Mombasa by Kenatco	94.0

Source: Coffee Marketing Board, Kampala, Uganda and the source shown in footnote below.

<sup>1/</sup> " A preliminary assessment ..... " (op.cit.)

### Pros and cons of moving coffee by road in CMB's vehicles

Perhaps, it would be possible for Uganda to shift the entire movement of coffee to Mombasa to the railways, and revert to the position that prevailed before 1971. But a new factor has recently emerged. The Coffee Marketing Board has purchased 600 lorries with trailers as a barter arrangement against the supply of coffee. Undoubtedly, it can buy more on the same barter basis, or under some other arrangement. It is in a position to organize its own fleet of lorries and trailers to move its coffee by road to Mombasa.

Over the past decade, Uganda's participation in the northern transit corridor has diminished greatly, because of the loss of much of its fleet of railway locomotives and wagons, through damage, disrepair and destruction, without any replenishment, and the downfall of its major road transit transport company, Transocean. Uganda railways are likely to recover its participation in the railway transit transport, with the acquisition of many new locomotives and wagons. However, Uganda's participation in the railway transport system on the northern corridor, in terms of the share in the total revenue, cannot be very substantial, even after Uganda railways acquire all the locomotives and wagons needed for the transport of its goods, since a predominant part of the revenue from transport by rail to Mombasa goes to Kenya. On the other hand, the re-building of the fleet of lorries and trailers by the Coffee Marketing Board offers Uganda the chance to achieve adequate participation in road transport on the northern transit corridor.

The question is if it is worthwhile for Uganda to increase its participation in the road transport services on the northern transit corridor, or to concentrate on the shift of traffic to the railways and the increased participation of Uganda railways in the transit transport system.

One of the reasons for the wide gap between the revenues and costs of Uganda railways is the average low level of traffic. If coffee movement is shifted back to the road, it might affect the viability of Uganda railways quite seriously. On the other hand, now that the exports of cotton, tea, grains, oilseeds, hides and skins, fish, wood and wood products, fruits and vegetables and other products are likely to recover - some of them quite rapidly - it would be desirable if Uganda's participation in the road transport facilities on the northern transit corridor is increased, so as to make room for the movement of newly forthcoming export products.

However, the answer to the issue mostly depends on the cost of transport by Uganda's own fleet of road vehicles, particularly the foreign exchange costs, vis-a-vis the cost of transport by other means. As already explained, a predominant part of the cost of transport by rail to Mombasa is also in foreign exchange

## II. COST OF TRANSPORT BY CMB'S FLEET OF VEHICLES

### Number of possible roundtrips in a month

The cost of transport of coffee to Mombasa and of Uganda's goods from Mombasa to Uganda, in Uganda's own road vehicles would depend considerably on a number of considerations. The first relates to the number of round trips a vehicle can make in a month

between Kampala and Mombasa. In particular, if three trips a month could be made, several items of costs would get divided by a larger tonnage, and so the cost per ton would be reduced considerably. This depends upon many factors, such as speed, total mileage, loading time at the starting station, unloading time at the destination, time required at the border crossing, etc.

The speed of the lorries normally varies between 26 miles/hour and 45 miles/hour, depending on the condition of the road and the state of the traffic. Total distance from Mombasa to Kampala is about 675 miles. Considering the distance and the average speed, a total travel time of about 20 hours in one direction is involved. Assuming that each vehicle would have two drivers, it would take not more than two days to travel from Kampala to Mombasa, or in the opposite direction.

At present, nearly two days are taken at the border for customs clearance formalities - checking of goods, filling up of forms, and arranging the transit bond. If arrangements with the Kenyan authorities could be made, whereby the customs seals put on the vehicles in Kampala would be accepted at the border, as it used to be in the case of railways, these expensive delays could be avoided. <sup>1/</sup>

Given efficient handling, it would take one day at the loading end and one day at the unloading end.

All this makes 5 days for one-way trip and 10 days for the round trip. In other words, it should be possible to make three trips a month.

<sup>1/</sup> Perhaps Uganda would do well to raise this question in the meetings of the northern corridor transport project, which is to be financed by the EAC, for improving the road and rail communication system and customs procedures.

### Availability of return freight

Another important factor in costs would be the availability of return load - the load from Mombasa to Kampala. In the case of Kenateco vehicles, which come to Uganda full of goods, the problem is to find the load from Kampala to Mombasa, and that is why it has arranged a special rate with the Coffee Marketing Board. The weight and volume of goods which need to be moved from Mombasa to Uganda are normally far more than the quantities to be moved in the other direction. As such, there should be no difficulty for the Coffee Marketing Board's vehicles, after delivery of coffee at Mombasa, to return fully loaded to Kampala. According to the existing practice, too, a vehicle must be loaded before leaving Mombasa, unless it has to leave urgently. Most of Uganda's imports from overseas come via Mombasa. A major part of the goods at Mombasa belong to government and parastatal bodies. Some organization would be necessary to ensure that the CMB lorries are loaded without the involvement of much waiting time. Coordination of the transport, clearing and forwarding activities (i.e., TCF) would be necessary. Given suitable organisation, full loads of goods traffic in both directions for the CMB fleet the year round would be assured.

### Number of vehicles required

Uganda expects to export 175,000 tons to 200,000 tons (2.9 million to 3.3 million bags) of coffee a year. Assuming that a lorry, together with its trailer, carries 25 tons of coffee, exports of the anticipated quantities would require 7,000-8,000 lorry trips in a year, or 585-665 lorry trips a month. As each lorry, including its trailer, is assumed to make 3 trips a month, about 195-222 lorries with trailers would be needed. This figure should be inflated by about 10 per cent, to provide for the standby vehicles, to take the place of those which temporarily get out of work or are under regular servicing. The total requirements of lorries with their trailers would, therefore, be 215-245.

This fleet could be organized into 4 convoys of 50-55 lorries each (with trailers). Each convoy would have to make 3 trips in a month. This means that there would have to be 12 convoys in a month.

### Capital expenditure

The cost of a lorry with its trailer for different models at present is roughly as shown below.

Fiat	\$80,000
M/Benz	\$90,000
Scammel	\$60,000
MAN	\$75,000
Land train	\$65,000
Leyland	\$85,000
Mark	\$100,000

The total capital cost of acquiring 215-245 vehicles, with trailers, assuming the cost of a unit to be \$90,000, would be \$19.5 million to \$22.0 million.

The only major capital expenditure would be that on the fleet of lorries and trailers. Other infrastructure, such as godowns, parking sheds, loading yards, workshop and the administrative set-up already exist both at Kampala and Mombasa. Some additions to these facilities here and there is all that would be necessary.

#### Depreciation

Taking the average cost of a lorry and trailer to be \$90,000, and assuming an average life of 4 years, with 20 per cent scrap value at the end of 4 years, the annual depreciation, based on the straightline method of calculation, works out to \$18,000 a year.

#### Repairs and maintenance

Repairs and maintenance can be assumed to be at the usual rate of 4 per cent of the cost of the lorry and trailer, or 25 per cent of the depreciation. It roughly works out to \$4,000 a year. In actual practice, these charges would be minimized, because of the CMB's own workshop, and the scale economies realized as a result of the large number of vehicles that would be in operation.

#### Interest charges

Interest charges, at the rate of 12.5 per cent, work out to \$11,250 a year. To this should be added 10 per cent to take care of the interest charges on account of the standby vehicles.

#### Fuel costs

The amount of fuel consumed by a lorry with its trailer from Kampala to Mombasa and back to Kampala, is roughly 1750 litres. Assuming the cost of diesel oil to be \$0.6 a litre, and three round trips by the lorry a month, or 36 trips a year, the annual cost of diesel oil works out to \$37,800. Adding about 10 per cent for the lubricating oil, the total fuel cost works out to \$41,580 a year.

#### Drivers' salaries and other charges

Each lorry with its trailer would need two drivers. Taking a driver's salary to be Ush.5,000 a month, or \$50, the total salary payable to two drivers in the year would be \$1,200. This salary scale is 2-3 times the usual salary of a driver in Kampala. A higher salary is provided, in view of the difficult nature of the job involving constant travel.

Apart from salary, the drivers would need daily allowance for the time they are out of Kampala. As a matter of fact, they would remain out of Kampala for most of the time, driving between Kampala and Mombasa in both directions. It is learnt that Kenatco paid its drivers an allowance of Ksh.85, or about \$8.5 per night. This could become a large expense - about \$5,500 a year for each lorry including its trailer.

### Buffet car

Since coffee might be moved from Kampala in fairly large convoys of lorries, say, about 50 in each trip, it might be worthwhile to have a buffet car to accompany each convoy. All the drivers and others in the convoy would take all the four meals from the buffet car. They have to spend the night on their vehicles anyway, irrespective of whether there is the buffet car or not. By arranging a buffet car, the drivers' daily allowance can be avoided. This would eliminate the cost of \$275,000 a year, on account of the drivers' daily allowance for the convoy of 50 vehicles.

As against this saving, the additional cost of a buffet car and the food items would have to be incurred. An equipped buffet car would cost as much as a lorry including the trailer, and so the operational costs of the buffet car would be nearly as much as those of a lorry + trailer, except that the buffet car would have to have two cooks in addition to two drivers. These costs, including the cost of two cooks, roughly work out to \$75,000 a year. The cost of raw food is estimated to be about \$2 per person per day, or nearly \$75,000 a year for the whole convoy of 50 lorries and trailers plus a buffet car. This makes a total of \$150,000 a year for a convoy of 50 lorries and trailers. The cost per lorry and trailer for the whole year is thus nearly \$3,000.

It may be explained that the arrangement of a buffet car is necessary not so much for its saving of costs but because it would save the time of the drivers and would facilitate 3 round trips in a month between Kampala and Mombasa.

### Cost of armed escort

According to the existing requirements, coffee can be exported from Uganda to Mombasa only under escort. For this purpose, no extra men is necessary. The escorting soldiers can travel in the lorries and trailers or even in the buffet car. But the salaries of these soldiers and their food and other incidental expenses would have to be borne by the Coffee Marketing Board.

Assuming that a convoy of 50 lorries and trailers would need an escort of 8 soldiers, their salary at the rate of a little less than that of the drivers themselves, and food expenses, would work out to roughly \$10,000 (\$4,000 for the salaries and \$6,000 for the food expenses), for a convoy of 50 lorries and trailers. This works out to \$200 per lorry for a year.

### Kenya entry levy

All foreign registered vehicles have to pay Ksh.2,000 for each entry into Kenya. This may be regarded as the road tax, to provide for the upkeep of the roads. A lorry would have to enter Kenya 3 times a month, or 36 times a year, and so this levy would amount to \$7,200 a year.

Now that the BEC is providing large sums of money for the improvement of the road and railway system between Malaba and Moribasa as part of the northern corridor transport project, there might be justification for Uganda demanding a reduction in the entry levy.

### Overheads

Since the department of the Coffee Marketing Board handling coffee transport vehicles, would be using most of the infrastructure, personnel and utilities of the Coffee Marketing Board, together with the other departments of the Board, all these costs - to be called overheads - would have to be

allocated to the various departments, including that dealing with road transport. Generally, Coffee Marketing Board overheads amount to about 10 per cent of the total costs. But in the case of road transport, most of the costs are in foreign currency, whereas most of the overheads would be in local currency, which in terms of foreign exchange would be small because of the devaluation of the shilling. Hence, the overheads are taken to be 5 per cent of all other costs. This is not a very satisfactory way of estimating the overheads, and more detailed calculations would have to be done in course of time, if it is decided to go ahead with the idea of transport of coffee by CMB's own vehicles.

These overheads would also include the expenditure on the staff and services connected with clearing and forwarding functions.

### Total tonnage carried by a lorry with its trailer

A lorry with its trailer can carry up to 25 tons of coffee or other goods of average volume/weight ratio. Assuming 3 round trips a month, the total tonnage carried by lorry + trailer would be 75 tons a month, or 900 tons a year, in one direction. There would be similar freight traffic in the opposite direction, so that the total tonnage carried by a lorry and trailer in both directions would be ~~1440~~<sup>1800</sup> tons a year.

### Summary of operating costs

All the operating costs, which have been discussed above, are summarized in the table on the next page,

Table-4

OPERATING COSTS PER LORRY (INCLUDING TRAILER) PER YEAR  
AND COST PER TON OF FREIGHT

Item	\$
<b><u>A. COSTS</u></b>	
1. Depreciation	18,000
2. Interest on capital investment	11,250
+10 per cent for standby vehicles	1,125
3. Repairs and maintenance	4,000
4. Insurance, 1% of capital costs	900
+ 10 per cent for standby vehicles	90
5. Diesel oil	37,800
6. Lubricating oil	3,780
7. Drivers' salaries (2 drivers)	1,200
+ 10 per cent for standby vehicles	120
8. Expenditure on buffet car	
a. Operating expenses	1,500
b. Raw food costs	1,500
9. Cost of armed escort	
a. Soldiers' salaries	80
b. Food expenses	120
10. Kenya entry fees	7,200
11. Overheads (5 per cent of all other costs)	4,430
12. Total costs per lorry(+trailer)	<u>93,100</u>
<b><u>B. QUANTITY OF GOODS MOVED PER LORRY PER YEAR</u></b>	
13. Coffee from Kampala to Mombasa	900 tons
14. Return load from Mombasa to Kampala	900 tons
15. Total freight	<u>1800 tons</u>
<b><u>C. AVERAGE COST</u></b>	
16. Cost per ton of freight	52 (approx)

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Cost comparisons with other means of transport

The average cost per ton of moving coffee and other goods between Kampala and Mombasa by the Coffee Marketing Board's own fleet of vehicles works out to \$52. In fact, it is believed that a lorry, together with its trailer, can carry a load of even 30 tons (600 bags) of coffee. Many a time, this has been actually the practice. Assuming 30 tons of coffee per lorry + trailer, the cost of transport per ton would be even less - \$43/ton. In this paper, however, an average cost of \$52/ton is used. This cost is \$10/ton below the real cost of moving coffee by rail (including the hidden subsidy element). It is nearly \$42/ton (or nearly 45 per cent) below the Kenatco charges for moving coffee from Kampala to Mombasa. The cost of moving other goods from Mombasa to Kampala by the Coffee Marketing Board's fleet is also \$52, which is \$64 below the cost of moving bulk cargo and \$84 below the cost of moving general cargo by Kenatco from Mombasa to Kampala, under the existing arrangements.

Total costs of moving coffee from Kampala to Mombasa and the equivalent quantity of goods in the reverse direction from Mombasa to Kampala, by different means of transport are shown below.

Table-5

COSTS OF MOVING COFFEE FROM KAMPALA TO MOMBASA AND THE EQUIVALENT QUANTITY OF OTHER GOODS IN THE REVERSE DIRECTION, BY DIFFERENT MEANS OF TRANSPORT

Means of transport & quantity	Cost of transport (\$ million)		
	Coffee from Kampala to Mombasa	Equivalent quantity of other goods from Mombasa to Kampala	Total
1. All coffee, 200,000 tons is moved by Kenatco	18.8	25.2 <u>i/</u>	44.0
2. All coffee, 200,000 tons is moved by railways	12.4	12.4	24.8
3. All coffee, 200,000 tons is moved by CMB	10.4	10.4	20.8
4. Half of coffee is moved by Kenatco and half by railways	15.6	18.8	34.4
5. Half of coffee is moved by CMB and half by railways	11.4	11.4	22.8
6. Difference between (1) and (3), representing difference between costs of moving all coffee by CMB and Kenatco			23.2

7. Difference between (4) and (5), representing shift of movement of half coffee from Kenatco to CMB, and the ensuing cost saving

11.6

It is clear that if the Coffee Marketing Board undertakes the movement of coffee by its own fleet of vehicles, it would save the country millions of dollars in foreign exchange. For Uganda, this seems to be one of the easiest ways of saving foreign exchange expenditure, since this project can be implemented without much time-lag, assuming that the Kenyan government would not create problems because of the prospects of loss of business by its parastatal body, Kenatco. All the infrastructure, managerial and technical experience also exists in the CMB for the implementation of this project. This seems to be among the most important projects, from the point of view of the amount of foreign exchange expenditure to be saved.

#### Other considerations

Apart from the savings in costs, there is the advantage of Uganda having a means of transport over which it would have its own control, given that the Kenyan government allows free access to the transport corridor, as it has pledged to do so, particularly when BAC is providing funds for the development of the northern transit corridor for the benefit of Kenya, Uganda, Rwanda and Burundi. This would, in fact, be the best way for Uganda to participate, in the real sense of the term, in the northern transit corridor transport system, since a predominant part of the revenue from rail transport on this route goes to Kenya.

Uganda is among the largest export markets for Kenya, with comparatively small trade in the reverse direction. This would be one of the ways to rectify the heavy imbalance in trade in goods and services between the two countries.

Uganda has experienced an irregular flow of its coffee to Mombasa because of the uncertainties in the availability of wagons. The use of its own fleet of road vehicles would enable it to keep the flow of coffee to the seaport regular and well distributed over different parts of the year.

### III. A CONCLUDING REMARK

This paper is in the nature of what may be called a pre-feasibility study of the project entitled, "Transport of Uganda's coffee to seaport in Coffee Marketing Board's own fleet of road vehicles". Sufficient information and analysis has been provided to enable the authorities to come to a preliminary decision about the desirability or otherwise of the project. If this preliminary decision is favourable, a full feasibility study would have to be organised, and final decision would have to be made in the light of the analysis and conclusions of the full feasibility study.

V. Reports on Various Marketing Boards

Date: October 27, 1982

To: Roger Newburn

From: Dale S. Bonde

Subject: Visit to Produce Marketing Board

On October 26, 1982 I visited the Produce Marketing Board to discuss transport operations. I met with Mr. Joseph Matte, Secretary, and Mr. Joseph Nyanze, Transport Officer.

The transport equipment consists of the following lorries:

2 Nisan	2 Mercedes Benz
8 Leylands	Other Passenger Vehicles
2 Fiats	

At the present time, five lorries are parked because three of these need spare parts and two need tyres. Three trailers have also not been used in three years due to lack of tyres, and the shillings to pay for them. They employ 10 drivers and 10 turnboys.

There are no maintenance facilities so an independent repair shop is used for both service and maintenance. I asked them if they ever use the Uganda Cooperative Transport Union repair facilities. The Transport Officer said he had made several inquiries for repair of their vehicles but U.C.T.U. was always busy so he went to another source. I also asked him if he purchased spares from the U.C.T.U. Stores Department and he said their prices were too high so they purchased them elsewhere. I have heard this same comment from other cooperatives.

Presently the Produce Marketing Board is marketing maize, soybeans, beans, millet, pineapple, groundnuts and other produce, but in the Kampala market only. At the present time their fleet of lorries fills their transport requirements, with the exception of peak periods when they hire local truckers.

The Secretary advised me that farm production is improving at a very good rate, and in the near future they will be exporting maize to Tanzania. Their plans are to move the maize by rail via Jinja, on the car ferry to Tanzania. If this service is too slow, they will call on the U.C.T.U. to transport their exports. He further stated that in approximately three years they will be exporting almost all of their products. Their market will be primarily African, followed by the Middle East or whatever market is available.

As their exports increase, they will determine their transport, whether it be by rail, their own transport, U.C.T.U. or the private sector.

The Produce Marketing Board is very optimistic that the farmers are gearing up production. Here again, I heard the farmer needs inputs, farm credit and reliable processing and transport facilities.

We also discussed the need for training for all employees of the Produce Marketing Board. There is a need for all levels of training, and said there is also the extreme need to organize and educate the local societies.

We had an interesting discussion on drivers, wages and related problems. The Secretary agrees that wages are low but this is misleading in that Management offers their employee further inducement (all tax free) in items such as free housing for some, subsidized housing for others, free transport to and from work, subsidized food available to employees at low cost. He feels that all these things considered, wages are quite reasonable.

The Transport Officer was telling me that two Leyland lorries ordered and paid for two months ago have not been delivered, and all that was remaining was to transfer title and register them. Back at Kewampe I checked into this with Edward, the Traffic Manager, who said the title had been mislaid and they were searching for it. When I suggested getting a duplicate, told me to see the person who had handled the transaction who would be in at 8 A.M. the following morning. It turned out that he also knew nothing about any of it since he hadn't been in to work for two weeks. He suggested that U.C.T.U. may not have had enough money to transfer the equipment and sent me on to the Chief Accountant at the head office. When I arrived at his office four hours later, I was informed by him that the equipment had been licensed that morning and the Produce Marketing Board could have their lorries this afternoon. I wondered why the two-month delay in a transaction that should be completed in one day; he could not explain it, and only said it was a complicated procedure. At least I was able to notify the Produce Marketing Board that their lorries would be delivered shortly.

I had a very enjoyable and informative meeting with the Produce Marketing Board.

December 8, 1982

To: Roger Newburn

From: Dale S. Bonde

Subject: Visit to the Lint Marketing Board

On October 27, 1982 I visited with Mr. Charles Angoma, General Manager of the Lint Marketing Board. I did not talk to Mr. Oryang, the Transport Officer, since he had been with the Lint Marketing Board only two weeks and Mr. Anyoma felt he would not be able to help me at this time.

Last year, the Lint Marketing Board operated four Leyland lorries. This year, they purchased two more Leyland lorries from Uganda Cooperative Transport Union Ltd. He mentioned that it took them two months to get the titles transferred and registered, which is the same amount of time it took the Produce Board to transfer titles from U.C.T.U.

Mr. Angoma's first statement was that the biggest problem for the Lint Marketing Board is transportation. They have problems distributing the cottonseed, and they have problems moving finished product to market. The domino effect goes all the way back to the farmer who could not get his product to the primary market because the whole system was plugged from grower to market. This was the prime reason for the decline in cotton production.

In 1963-64 there were 134 ginneries in Uganda, and from then on they declined until last year there were 24. many of these inoperable due to lack of spares. Plans are underway to recondition eight additional ginneries to handle this year's anticipated cotton crop. The peak year in cotton production was 1969-70 when Uganda produced 500,000 bales of cotton with 54 ginneries in operation. Based on present proposed expansion, they will process approximately 1,000,000 bales of cotton per year. and will operate 100 ginneries.

Approximately 50 percent of the cotton goes to local textile mills and 50 percent is exported to other countries such as Britian, Germany, Yugoslavia, Portugal and others. The Nile Textile Mill is in the process of a large expansion program, so the domestic consumption of cotton will remain at about 50 percent, since it will absorb about one-half of the increased production.

December 8, 1982

To: Roger Newburn

From: Dale S. Bonde

Subject: Uganda Railway Operations

On November 16th I visited with Charles Karamage, Chief Traffic Manager of the Uganda Railway Corporation. At the present time, the railway has adequate locomotive power. He did not say how many locomotives they operate. Passenger traffic is 60 percent of the railway's revenue. The railway owns 380 wagons which weigh 16 tons each, and have a carrying capacity of 40 tons. The wagons are 2.51 metres high (8 $\frac{1}{2}$ '), 2.44 metres wide (8'), and 12.5 metres long (41'). By 1985, the railway will need a total of 1,250 wagons which cost an estimated \$100,000 each. It will require a capital expenditure of \$87,000,000 for the 870 additional wagons. There is an immediate need for 400 wagons.

The road bed from Kampala to Tororo is 90-pound rail, and the balance is 50-pound rail. The railway line west of Kampala is not in good shape, since the road-bed is such that the rails are set at an angle, and therefore the wheels wear out rather fast. The line north from Tororo is in better shape. Because of the grade from Kampala to Jinja, they can only pull nine wagons, thus limiting the haul per trip. In other areas, they can pull up to 16 wagons.

At the present time, the railway is installing microwave radios, but because of lack of funds, are installed only at every other station. At the present time, four trains per week run from Kampala to Tororo, but they should have at least runs per week to meet their needs.

The Uganda Railway operates only to the border at Malaba, where Kenya Railway takes over. The freight charges for the first portion to Malaba are paid in Uganda shillings, and the freight charges from Malaba to Mombasa must be paid in foreign currency. All in-bound freight charges from Malaba must be paid in foreign currency.

In order to have the trains move through Kenya, the Uganda Railway has a ledger account in Kenya shillings from which the Kenya Railway draws for freight charges. Unless there is money in the account, the trains do not move.

When the East African Railway was in operation, a train could turn Kampala-Mombasa in seven days, and now it takes 30 days. Four to five days are required to clear customs

at the border, where all the paperwork is done. If the paperwork on one wagon is improper, the whole train must wait for it to be corrected. At the present time, the wagons stay in Kenya for approximately 90 days, during which time the Kenya Railway charges rental on wagons that are owned by the Uganda Railway. This amounts to at least two million shillings per year.

We discussed the movement of cotton by rail, and I was told they can load from 100 to 125 bales per wagon. Because of the low price of cotton, resulting in decreased cotton production, there has been no problem handling the movement of cotton. Farmers are growing groundnut rather than cotton because they can make more money per acre, and they can also sell the groundnuts immediately, for cash, instead of waiting to get their money from the Lint Marketing Board much later.

The Kenya Government has made the movement of coffee by rail almost impossible. The government officials own the lorries through a front (Kenatco), and they are making a considerable amount of money. If a Uganda company wants to transport its coffee, they have to lease through Kenatco, which takes 20 percent off the top. Also, unless the Uganda company leases to Kenatco, the Kenya Government will not provide police escort. There is also a high road tax paid to Kenya. In the meantime, the highway from Malaba to Kampala, which is not built to carry the heavy coffee loads, is literally being torn up by the truck traffic. I suggested that the Uganda Government should tax Kenatco to maintain the roads, but was told it would be counter-productive, since Kenatco would increase the freight rates accordingly.

Further, the Uganda Government subsidizes the cost of diesel fuel, and Kenatco is buying diesel fuel in Uganda with Uganda shillings. Such a business!

The only alternative for the Uganda Government, would be to move the freight through Tanzania. Although the freight rate is about the same, the wagons could be turned in 25 days, and their own wagons returned sooner. The problem with this arrangement is that the port at Dar en Salaam is congested now, and this added operation would increase it. Tonnage could be moved through the port at Tanga, but this port is not efficient, since there are no docks. Therefore the coffee would have to move to the ship by lighter, and this is a hand operation.

Newburn from Bonde 12/8/82  
Uganda Railway Operation, Pg. 3

In other words, the Kenya Government has Uganda's Government over a barrel, and they know it. It would be my suggestion that, if Kenya continues the present practice, all foreign aid be removed from Kenya and applied, instead, to developing harbor facilities in Tanga, so the East African countries can market their products at a reasonable freight rate.

December 8, 1982

To: Roger Newburn

From: Dale S. Bode

Subject: Jinja General Transport Cooperative Society  
Annual Meeting

On November 4, 1982 I attended the above annual meeting in Jinja. I had been invited by Mr. H. Muzaale, who was chief guest of honour and speaker.

When we arrived at the meeting hall, we were escorted to the stage where we sat throughout the meeting which was conducted in the Ugandan language. The priest and an English-speaking representative from the Credit Union, seated next to me, attempted to keep me informed of the proceedings. It was a very spirited meeting, with the membership covering several concerns involving various expenses. However, due to the lack of communication, I was not able to understand everything discussed.

In spite of the language barrier, I found this a well attended and interesting meeting, with over 200 members present. According to his request, I have provided Mr. Ceasar Nyoki with copies of Mr. Muzaale's speech, the operating statement, and the general manager's report. for his information and files.

This annual meeting convened at 10 A.M. and continued throughout the day until 4:30 P.M., with a short break at 1:30 P.M. for light refreshments. Dinner followed the meeting.

DSB.cb

R. Newburn from D. Bonde 12/8/82  
Visit to the Lint Marketing Board, Pg 2

All of the mills were operated by the Asians prior to Amin's rule. Right now, the mills are in limbo because of the recent Government ruling which entitles the Asians to regain their properties on condition that they stay in the country for five years. As Mr. Angoma said, "Right now, nobody owns the mills!"

The transport requirements for the cotton industry begins with the distribution of the cottonseed for planting. The Lint Marketing Board purchases the cottonseed from the ginneries and distributes the seeds free of charge to the farmers from March through August. This year, there were 12,000 tons of seed distributed to farmers, which is double that of last year's distribution. The balance of the seed goes to the oil extraction plants.

Because of lack of transport, some areas did not receive seed in time for planting this season. They do not use private haulers unless absolutely necessary. Some of the seeds do not get delivered because truckers sell them to the extracting plants. UCTU transports some of the seed, but because of the heavy coffee movement they cannot handle the volume. The Lint Marketing Board also distributes about 100 tons of chemicals to the farm communities, and these deliveries are often not met due to lack of transport.

Some of the ginneries are located on rail, and those which are not, transport the bales by truck to storage sheds located on the railway. Because of the bulkiness of cotton bales, it is not practical to ship them by lorry.

I have the feeling that the Lint Marketing Board would like to operate their own lorries to provide better service to their members.

VI. Recommended Procedures: Operational Recommendations made to the Uganda Transport Union

## SECTION VII.

It is my opinion that transportation is the life-blood of the Uganda economy. Without transportation, nothing happens. Whenever I have discussed the Uganda economy, the subject of inadequate transportation is always mentioned. Because of lack of transportation, the farmer cannot move his product to the processing plant, the processing plant cannot move the finished product to market, which is further complicated by the fact that there are inadequate storage facilities, which results in considerable spoilage. The consumer cannot purchase needed goods, which in turn creates inflation.

The two surveys and safari reports indicate that one of the main problems is lack of spares, tyres and batteries. I estimate that one-third of all vehicles are parked because of lack of spares. It is my opinion that this problem may be due to lack of planning by management. Management should be aware of the fact that a lorry must be maintained, and that if the vehicle is not maintained, it cannot function. If the trucking industry cannot provide spares and other items necessary to repair the lorries, then the Ugandan Government must find a way to provide these items to take care of the problem.

I believe that there is an adequate supply of lorries to meet the needs of Uganda. Here again, I feel there may be a lack of proper utilization of existing equipment.

Another area to which the Ugandan Government should address itself, is the subject of wages. It is a well known fact that the Ugandan people cannot exist on the present salary level. The average driver earns approximately 1800 shillings per month plus subsistence. There is no way the average employee can make ends meet. The Ugandan officials are only kidding themselves into thinking they have low labor costs. The present system encourages low productivity through absenteeism, theft and "magendo" so Uganda, in one way or another, is paying a living wage. The problem created is that officials do not actually know what labor is costing, nor can they control labor costs under the present system.

My theory is to pay a living wage so the people will not have to resort to devious means of making a living, then Uganda can institute efficiencies that in the long term will vitalize the economy.

Another area which has my concern is that, in an effort to provide more jobs, employers are hiring too many extra people. It is my opinion that in the near future labor costs are going to increase substantially, and Uganda will be in a position where labor costs will be exorbitant due to inefficiencies. Now is the time to start controlling labor costs through better management practices;

#### IV. First Impressions and Observations of U.C.T.U.

I arrived in Uganda on September 5, 1982. The first three days were spent meeting people in the U.S. Embassy and USAID and being indoctrinated.

The following two days were spent touring the U.C.T.U. facilities. I was assigned to work at the Kawempe Terminal, which is adequate for my purposes. The head office is located on Kampala Road in downtown Kampala. This office is not conducive to efficient working conditions with cramped quarters and insufficient lighting. There is a maze of offices making it difficult to find the one you want. The reception desk is located in the aisle coming into the main office, therefore it is a very congested area with many people milling around. The Transport Records Dept. is on 2nd floor and very disorganized, with various files literally piled up in haphazard fashion. Having the head office located approximately 10 kms from the operations in Kawempe is very inefficient plus the phone system more often than not is out of order.

The facilities at Kawempe are shared with the Uganda Central Union and the East and West Mungo Cooperative. The terminal is on Bombo Road which is a very busy road. On one side of the road, the UCCU has its warehouse; the UCU maintenance facility is located in this area. The repair facilities consist of several pole-type sheds, all open at the front. There are two pits for servicing vehicles.

The maintenance facilities are located on top of a slight hill, and the yard consists of rock base and is extremely rough with several large potholes. The area in front of these facilities is used for parking totally disabled vehicles which appear to have been there a long time. This arrangement is very inefficient since vehicles under repair have to be parked some distance from the facilities. There are very few shop tools so

many repairs must be sent out. Maintenance employessone Workshop Manager, six Foremen, four Welders, six Electricians, one Panel Beater, 17 Mechanics and 20 Spanner Boys. In general the area is very congested and house-keeping is not good. There are junked vehicles, miscellaneous parts, etc. spread all over the place. Parking is at a premium because it appears that no one throws anything away nor disposes of the junk.

On the other side of the road, the UCTU facilities are shared by East and West Mengo Cooperatives. There are two small office buildings, one repair shed, one foundry building ~~and six large storage sheds.~~ One of the sheds houses the Stores Department, which appears to have the best Management. The inventory is well laid out and the housekeeping is excellent. For security reasons (the mechanics strip vehicles and sell the parts), "sold" vehicles are parked in this area causing a great deal of congestion. The general housekeeping is very poor, with junk all over the place. Furthermore, the mechanics must walk a distance of one and a half blocks for parts.

The UCTU has a people problem. The area around the gates of the two facilities is always congested with people and vehicles, and it is not uncommon, to have from 50 to 75 people in front of the gates. Many of these are UCTU drivers and people looking for work, however there is a small housing complex adjacent to the gate and as a result there are many women and children milling about.

The Traffic Manager has his office in the main office area where people must pass to rent vehicles, and drivers and visitors coming and going so it is not uncommon to have 50 to 75 people milling around in an area approximately 20' by 40'. This is very disruptive and the visiting and coming and going of people is for no apparent purpose.

There is a small driver's house next to the repair facility which does not seem to be used to any extent.

I don't know why the facilities have gates, since they are opened whenever anyone wants to enter. Security is non-existent.

There have been no improvements to the facilities since UCTU is merely renting the property. UCTU owns a maintenance and office facility which has been under construction since 1978. It is located just three or four kms from the present facilities. The walls and super-structure are in place but still lacks a roof. UCTU requires approximately one million U.S. dollars to complete the facility, and lack of foreign exchange is the principal reason for the delay in construction.

When and if, the new facility is completed, UCTU will be able to operate much more efficiently. The new facility is well laid out and has adequate space and parking areas, and it is located off Bombo Road so the people and traffic congestion would be eliminated. It is amazing that UCTU functions as well as they do considering their inadequate facilities.

There are very few, if any, cost records available. When I was on safari, and also at UCTU, no one had cost records or controls. However their day to day operating records appear to be adequate. The Maintenance workshop records are fair, and these are being improved.

The Stores Department has good records and control.

The greatest problem at UCTU is the lack of spares. I estimate one-third of the UCTU vehicles are parked waiting for spares, tyres or batteries. Another problem is lack of diesel fuel, and as an example, 40 vehicles were unable to move on this Monday morning for lack of fuel.

Another problem area is the lack of adequate wages for a decent living, which is impossible based on present wages. Violations of policies and procedures are overlooked because "the employees have to make a living". This includes theft, operating taxi service with UCTU vehicles and hauling a few loads now and then for themselves. The question I have to ask myself is, if strict controls and procedures are set up could the system function without this "extra income?" However it is my opinion that with proper supervision, employer-employee communications, adequate cost records and meaningful reports, many of the UCTU's problems could be solved.

The UCTU has fairly new transport equipment and employs very able people, so I feel certain that many of their present problems would be overcome should the new terminal under construction be completed. In my opinion we must address ourselves to the following areas:

1. Complete the terminal and office facility now under construction.
2. Secure adequate spares, tyres and batteries
3. Secure a dependable supply of diesel fuel
4. Implement vehicle cost records and controls
5. Better communication with drivers and employees
6. Improve housekeeping
7. Improve record storage
8. Implement a vehicle replacement and disposal program
9. Mechanic (in house) training
10. Driver (in house) training
11. Prepare Driver's Manual and Driver Policies
12. Improve dispatching system to avoid empty kms
13. Improve security procedures
14. Review entire vehicle rental program
15. Explore the possibility of hiring vehicles and drivers from the private sector on a commission basis

Please refer to Section VII. Operational Procedures, Recommendations and Results thereof. This section outlines what I feel are the detailed necessary steps to be taken to help solve the UCTU transport problems.

## RECOMMENDATIONS:

The stated objective of the Uganda Cooperative Transport Union should read:

"Provide member cooperatives with the best possible service at the lowest possible cost."

In order to accomplish the stated objective, the following changes should be made:

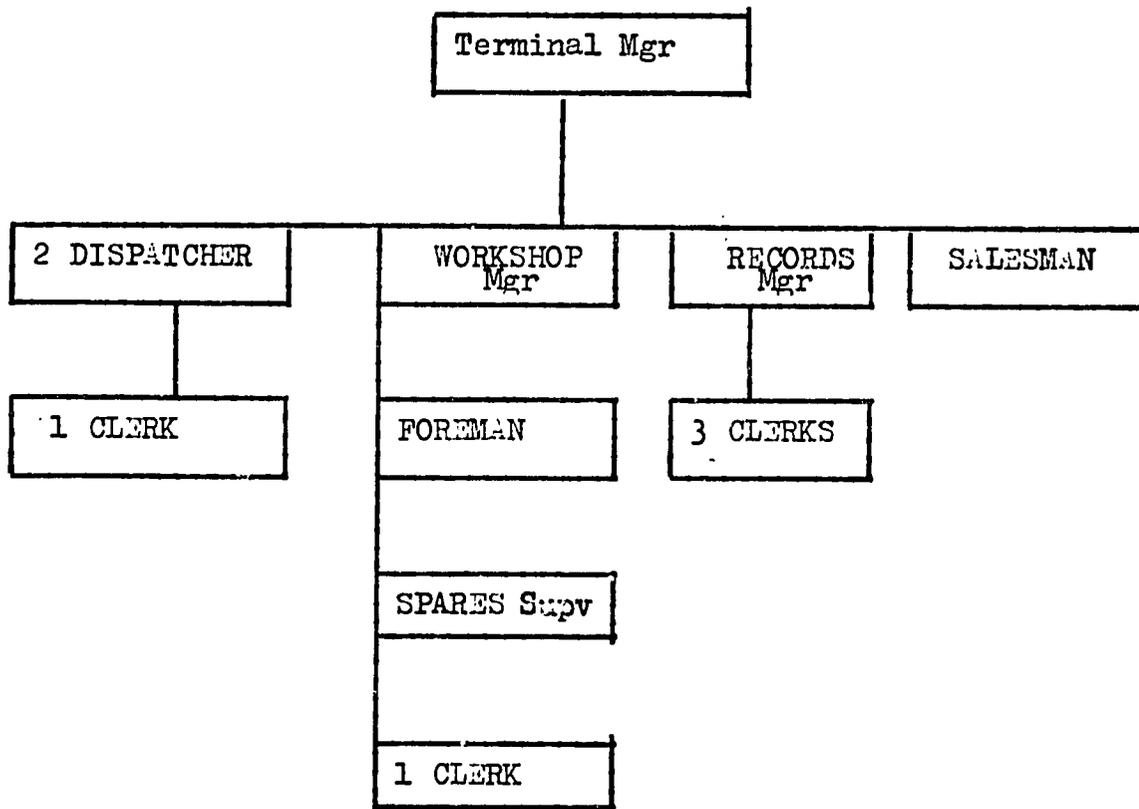
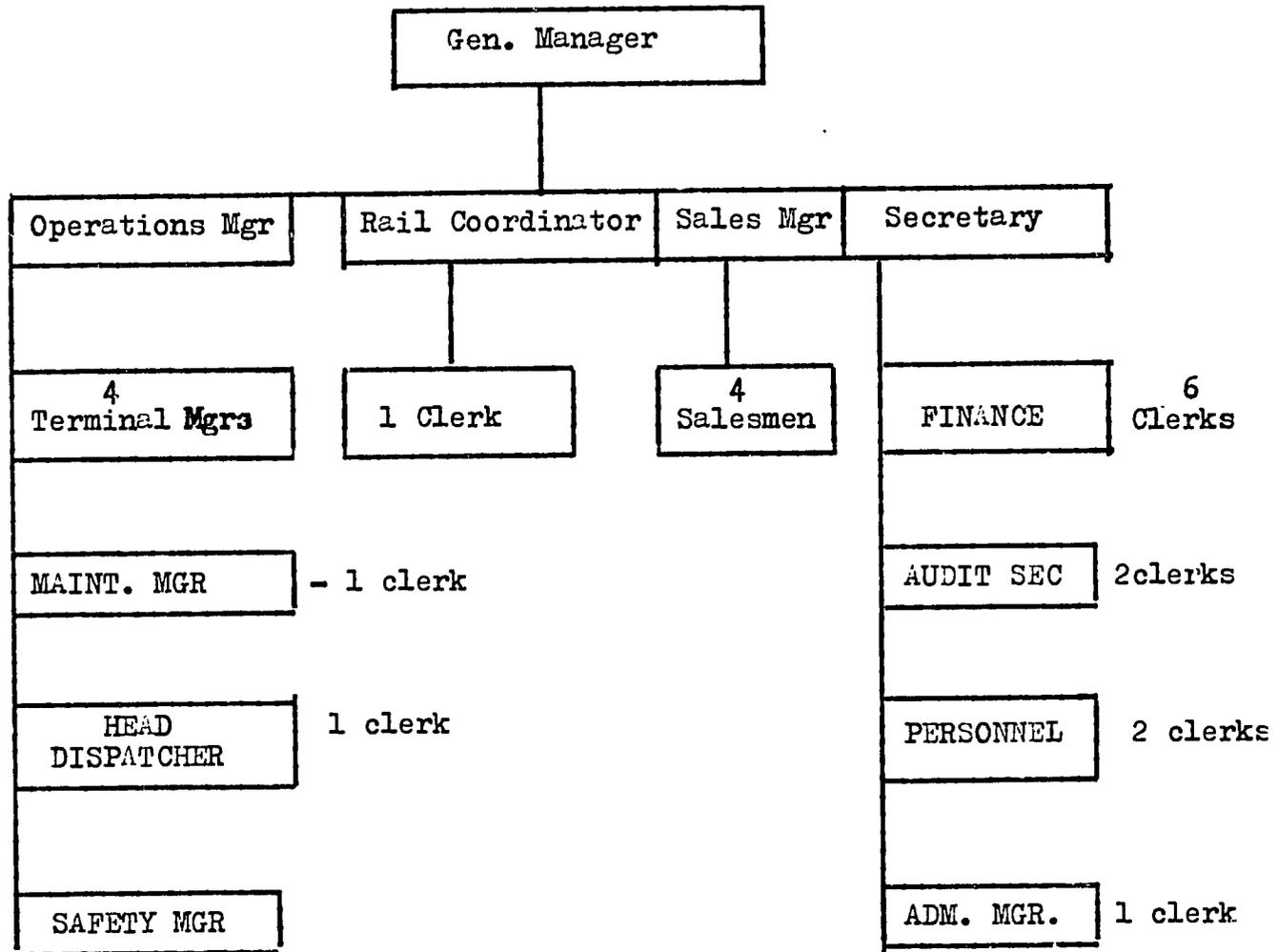
1. Decentralize the U.C.T.U. and reduce administrative staff
2. Get out of the retail spares sales
3. Reduce number of drivers, turnboys, mechanics and spanner boys.
4. Establish communications network
5. Employ a sales force
6. Standardize equipment and tyre size
7. Institute better financial records
8. Implement "Management by Objectives"
9. Set up Uganda Coffee Express
10. Keep lorries in better repair
11. Improve housekeeping
12. Better utilization of existing lorries

### 1. Decentralize U.C.T.U. and reduce administrative staff

Establish a main terminal and main overhaul base in Kampala, with branch terminals at Soroti, Gulu and Mbarara.

Kampala would be the main terminal and head office for the total operation. The branch terminals would provide servicing and minor repairs, and also be available to service and repair vehicles for the district unions.

Following are suggested organizational charts for a U.C.T.U. decentralized administrative staff:



The General Manager would be responsible for the entire operation, including the main terminal and head office in Kampala and the branch terminals at Soroti, Gulu and Mbarara.

The Operations Manager would be responsible for the four branch terminals.

Each Terminal Manager would be responsible for his branch terminal.

The Rail Coordinator would work with the Uganda Railway and the unions to solve mutual problems.

The Sales Manager would be responsible for the salesmen assigned to each terminal.

The function of the Salesmen would be to obtain additional hauls, check operations and handle claims for loss or damage.

The Secretary would be responsible for all administrative functions.

The Maintenance Manager would be responsible for maintenance at the Kampala terminal and the branch terminals.

The Head Dispatcher would coordinate all dispatching functions.

The Safety Manager would be responsible for all safety programs and driver training.

All positions listed on the organizational charts would have a job description and list of duties.

## 2. Get out of the retail spares sales

It is my opinion that a transport operation should not be in the retail business. Their main thrust should be to provide transportation.

It is very difficult to control spares inventory for both in-house repairs and retail sales. There is a great opportunity for "leakage."

The U.C.C.U. is presently set up to distribute spares to coffee mills and ginneries. They have the distribution system, controls and warehousing facilities. It is only logical that they supply the cooperative automotive needs as well as coffee mill and ginnery mechanical needs.

The U.C.C.U. should have more purchasing power, which should result in lower prices. They should be able to provide better service at a lower overhead than under the present system.

3. Reduce drivers, turnboys, mechanics and spanner boys

I would reduce the number of drivers and turnboys from the present 150 to approximately 130 of each. U.C.T.U. is actually operating 140 units, of which at least 10 will be in the garage at all times.

Because most of the mechanical repairs are farmed out, I would reduce the mechanic/spanner boy staff by 50 percent.

4. Establish communications network

Radio communication should be established between the four terminals. The dispatchers would be better able to coordinate backhauls and move equipment to where it is needed.

The next step would be to establish radio communications between the dispatchers at the transport terminals and the district unions. Each union would have a Traffic Coordinator who would handle the union's transportation needs and, in turn, would contact the terminal dispatcher for transportation requirements.

A good communications system would expedite the movement of surplus products to areas that are in short supply, and also utilize backhauls.

5. Employ a sales force

There would be a salesman located at each terminal, whose responsibility it would be to secure extra loads and backhauls to fully utilize the existing equipment.

6. Standardize equipment and tyre size

I would recommend that U.C.T.U. standardize equipment, limiting types of vehicle to two makes, one a smaller lorry for local hauling, and the second a larger lorry for long distance hauling. Tyres should be limited to two sizes, one for each type of lorry.

Standardizing equipment and tyres reduces spares and tyre inventories, which in turn will result in better control.

7. Institute better financial records

See Section VIII which covers the various record-keeping forms I have suggested.

8. Implement "Management by Objectives"

This system would provide the means by which the organization and its employee performance is measured. Salary increases would be based on accomplishment of objectives. This system gets all employees involved in all corporate objectives.

9. Set up Uganda Coffee Express

See Section V of this report.

10. Keep lorries in better repair

By maintaining a better spares inventory and performing pre-trip vehicle inspections, downtime should be kept at a minimum.

11. Improve housekeeping

A neat and orderly workplace reduces accidents and injuries, and results in better control of the operation. Sloppiness promotes sloppy habits.

12. Better utilization of existing lorries

Each union should maintain only a sufficient number of vehicles to handle day to day volume. Any excess vehicles should be transferred to U.C.T.U. who will be responsible for providing additional vehicles to the unions during their peak seasons. This would result in much better vehicle utilization and, in turn, provide better service at a lower cost.

A good communication system, besides reducing deadhead miles, will provide better and prompter transport service.

Good management controls would make operations more efficient and less costly. Employees generally wish to perform well in their jobs, and with proper leadership they will.

With proper planning, it is my opinion that the above stated recommendations could be implemented within the next two years.

Originally, my intent was to recommend the dissolution of U.C.T.U., distributing the assets to the district unions who would then handle their own transportation. Observing the lack of efficient and good management at U.C.T.U. was my reason for thinking along these lines.

In reconsidering, I realized that, since cooperatives serve the agricultural sector which has such seasonal demands, U.C.T.U. has the proper concept providing it has efficient management. I therefore feel that the unions and the agricultural sector could best be served by an apex transport union managed by the U.C.T.U.

**DATE:** 1/10/1982

**TO:** HENRY J. MUZAALA.

**FROM:** DALE S. BONDE.

**SUBJECT:** STAFF MEETING ON 1/10/1982

On 1st October, 1982 we met with your operations people to cover the following items:

**1. Terminal Security**

The problem is that there are a great number of people in the administrative area. There are also many people outside the gate loitering. We also have the problem of many drivers waiting around in the administrative area.

The following suggestions were made:

- A) The drivers are to stay in the designated area.
- B) Contact a police check looters in front of the main gate area.
- C) Time clocks to control late coming and absenteeism.
- D) Establish an injury counter near gate.
- E) Have all visitors sign visitor book stating time in and out, nature of business and who they are going to see.
- F) Identification badges for all employees. This would include the Ministry people, West Marge workers e.t.c.
- G) Allocating vehicles and checking incoming vehicles.
- H) Edward, the Traffic Manager and I will draw up plans for injury counter.

**2. Vehicle pre-trip inspection.**

- A) A new vehicle inspection that was discussed for reporting vehicle defects.
- B) It was agreed to conduct a training program on pre-trip vehicle inspection. This training will be for key personnel who will be training all drivers.
- C) Implement a driver pre-trip inspection program.

**3. Tyre Program.**

- A) It was suggested that a tyre man be appointed who would be responsible for all tyre changes, repairs and tyre air pressure.
- B) It was suggested Uganda Co-operative Transport Union have a tyre identification program to recall serial numbers of all tyres.

- 43 Clean up of premises. This will be discussed at a later date.
- 53 A "No Rider" policy will be studied in the near future.
- 63 The Workshop people will supply in with a list of items needed for mechanical training.
- 73 I will be meeting with the Chief Accountant to approve financial operating statements.  
I would suggest that all of the above items be officially approved by 15th October, 1982 and these items approved be implemented by 1st November, 1982.

**DATE: 30/9/1982.**

**TO: H. MUZAALE**

**FROM: DALE S. BONDE.**

**SUBJECT: DRIVER PRE-TRIP INSPECTION**

**In order to prevent equipment from breaking down on the road the drivers should inspect their vehicles before they start on their journey.**

**I would like to train 3 or 4 of your key employees on a procedure for inspecting the vehicle. These people would then train all of your drivers and turnboys in the proper procedure.**

**If you approve of the vehicle inspector report I would also train these people how to use the form. I would suggest the following employees be included in the training program.**

**Operation Manager**

**Stores Manager**

**Workshop Manager**

**One Senior Driver**

**I would also suggest the Personnel Manager attend the training so he could become familiar with the procedure.**

**The training would take approximately 2 hours and would be conducted as follows:**

- 1. Explanation of why pre-trip vehicle inspection is important.**
- 2. Explain how inspection is made.**
- 3. Explain vehicle inspector report and the procedure for processing the same.**
- 4. Go through vehicle inspection.**
- 5. Have each trainee. Go through vehicle inspection.**
- 6. Hand out written instructions.**

**( DALE S. BONDE )**

**30/9/1982.**

UGANDA CO-OPERATIVE TRANSPORT UNION LTD.

VEHICLE INSPECTION REPORT

DATE.....

FLEET NO..... MAKE..... DATE OF LAST INSPECTION.....

REGISTRATION NO.....TYPE.....KM SINCE LAST INSPECTION.....

S = SERVICEABLE R = NEEDS REPAIR      KM READINGS .....

S.NO.	DESCRIPTION	S	R	S.NO	DESCRIPTION	S	R
1.	ENGINE AND COOLING SYSTEM.			10.	BRAKE SYSTEM		
2.	FUEL SYSTEM			11.	ANCILLARY EQUIP- MENTS.		
3.	EXHAUST SYSTEM			12.	ELECTRIC SYSTEM		
4.	CLUTCH AND TRANSMISSION			13.	LIGHTS, TURN SIGNALS.		
5.	SUSPENSION			14.	MIRRORS		
6.	STEERING GEAR			15.	WINDSCREEN AND WINDOWS.		
7.	CHASSIS AND FRAME			16.	BODY WORK		
8.	AXLES AND WHEELS			17.	TYRES		
9.	LICENCE AND IDENTIFICATION			18.	WIPERS		

REMARKS .....

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DRIVER'S NAME .....

MECHANIC'S NAME .....

DATE REPAIRS MADE .....

PROFESSIONAL DRIVER'S PRE TRIP INSPECTION - A POSITIVE APPROACH TO ACCIDENT PREVENTION

1. APPROACH
  - leaks
  - sitting level
  - correct unit numbers
  - proper tags
2. ENTER CAB
  - turn on all lights
3. RIGHT SIDE CAB
  - right-hand mirror
  - steering axle tires & wheels
  - steering gear box
  - spring assembly
4. VEHICLE FRONT
  - headlight beam function
  - turn signal operation
  - cab clearance & I.D. lights
  - wiper arms and blades
  - radiator coolant level
5. UNDERNEATH FRONT
  - axle
  - spring assembly
  - front tires
6. TRACTOR LEFT SIDE
  - left-hand mirror
  - steering axle tires & wheels
  - muffler
  - air intake tube & bonnet
  - fuel tank
  - drive axle tires and wheels
  - tandem spring assembly
  - torque arm bushings
  - walking beam-trunion bushings
  - drive axles-brake chambers
  - fifth wheel
  - airtank
7. TRAILER LEFT SIDE
  - front lights & reflectors
  - spare tire carrier
  - cargo or tarpaulin tie-downs
  - airlines suspension
  - brake assemblies
  - left trailer tires & wheels
  - trailer axles
  - spring assembly
9. TRAILER RIGHT SIDE
  - marker lights & reflectors
  - cargo or tarpaulin tie-downs
  - right trailer tires & wheels
  - spring assembly
  - tandem slide locks
  - landing gear assembly
10. TRACTOR RIGHT SIDE
  - drive axle tires & wheels
  - spring assembly
  - fifth wheel
11. TRACTOR DECK RIGHT
  - air hoses
  - trailer light cord
  - glad hand grommets
  - engine oil level
12. TRACTOR RIGHT SIDE CONTINUED
  - battery covers
  - safety equipment
  - 5BC - 10BC fire extinguisher
  - property mounted
  - fully charged
  - proper placards for hazardous materials
  - triangle reflectors
  - windshield washer fluid level
13. ENTER CAB
  - clutch free play
  - foot brake pedal
  - accelerator pedal
14. START ENGINE-IDLE
  - all gauges
  - steering wheel free play
  - seat belts
  - air pressure gauge
  - low air warning light & buzzer
  - parking brake
  - trailer emergency brake
  - electric horn
  - air horn
  - windshield wiper & washer
  - air temperature control unit

8. REAR OF TRAILER

- marker lights & reflectors
- turn signals
- mud flaps
- D.O.T. bumper
- cargo door hardware
- rear tie-downs
- trailer brake chambers
- slack adjusters

15. DOCUMENTS & FORMS

- cab cards
- permits
- trip reports
- vehicle condition report forms
- log book.



TO: H. MUZAALE  
FROM: DALE S. BONDE  
SUBJECT: HOUSEKEEPING AT TERMINAL

I would suggest attention be given to the following area:-

1. Clean up area in front of office.
2. Move crates in building No.1
3. Move crates and car by front gate.
4. Remove liter between building 1 and 2.
5. Improve steps on building 2 and 3.
6. Remove liter between building 3.
7. Remove tires and body west of building 4.
8. Stack block parts now near foundry. Move next to building 4.
9. Remove brake drums each of foundry.
10. Move petroleum tank.
11. Move leaf 782, 653 and 533.
12. Sort out parts in building work of office.
13. Level roadway down to the foundry.

I would suggest that all removable parts and liter be hauled away. Once a week the area should be paliced.

There should be designated area for junk parts that can be recycled.

There are many vehicles in the UCCU Yard that have been sitting for sometime. I suggest you should either repair them or get rid of them. Regarding there vehicles I rise the following functions:

1. Several vehicles are beyond repair. Why not dispose of them.
2. Several vehicles could be repaired and have been sitting for a long time. When will they be repaired?
3. Can you dispose of those vehicles that are written off?
4. Can the derabled lorries in front of the workshop be moved to some other area?

.../2

.... /2

I would suggest that the Workshop Manager suppose a list of all disabled vehicles showing what is needed for repairs and he should state when they will be repaired. Perhaps the reason for vehicle shortage is that you have 1/3 of your fleet unable to move. I would also have the Workshop Manager give you a daily report why vehicles are not repaired.

( DALE S. BONDE )

30/9/1982.

TO: MR. HENRY J. MUZAALE.  
FROM: MR. DALE S. BONDE.

SUBJECT: EMPLOYEE PASSENGERS IN TRANSPORTS (TRUCKS)

I have observed that the Uganda Co-operative Transport Union provides transportation for employees in the transports (trucks). It appears that they try to get as many employees in the Cab as possible.

It is my opinion that this is a very dangerous practice with so many people in the Cab it must be very difficult for the driver to concentrate on his driving.

If the driver had an accident many people in the Cab could be injured. Can you imagine many bodies flying all over the place.

Does the Uganda Co-operative Transport Union have proper insurance coverage in the event of injury to the passengers?

I feel that the Cab of a transport is not designed to carry more than a driver and one passenger, not many passengers.

From a cost standpoint it appears to me as a very expensive way to transport passengers Fuel costs are high, Uganda Co-operative Transport Union is wearing out the transports (trucks) hauling passengers instead of freight.

I would suggest that Uganda Co-operative Transport Union have suitable vehicles for handling passengers. In the long run it would be more economical than the present system.

I would further suggest the Uganda Co-operative Transport Union adopt the following policy:

"Effective immediately no unauthorized passengers will be permitted in the Cab of Uganda Co-operative Transport Union transports (trucks) Violation of this policy will result in immediate termination of the driver.

The Transport Manager is the only person to authorize any passengers other than driver and turnboy.

Having unauthorized passengers in the Cab is very dangerous and could result in injuries."

If your insurance does not cover passengers you might mention it in your notice. If you decide to adopt this policy make sure that it is enforced by everyone.

If the Transport Manager authorizes additional passengers it should be in writing with a copy to the driver.

( DALE S. BONDE )

DATE: 30/9/1982.

TO: Mr. H.J. Muzaale.

FROM: Mr. Dale S. Bonde.

SUBJECT: VEHICLE INSPECTION REPORT.

Attached is a recommended vehicle inspection report. This form is to be made out in duplicate by the driver when he makes his pretrip inspection.

The original copy is to be given to the Workshop Manager. The duplicate copy is to be given to the Transport Manager.

When the driver makes out the report he is to check every item. If the items are servicable he is to put a check mark in the "S" Column.

The driver then signs his name. When the defects have been corrected the Mechanic is to sign his name and the date the repairs have been made.

The Original copy is then returned to the Transport Manager. When the Transport Manager receives the original copy he is to destroy the duplicate copy and file the completed original copy in the PROPER Unit file.

This system will control the repairs of the vehicle and the Transport Manager will always know how many vehicles need repair and what type of repair is needed.

(DALE S. BONDE)

30/9/1982.

UGANDA CO-OPERATIVE TRANSPORT UNION LTD.

VEHICLE INSPECTION REPORT

DATE.....

FLEET NO..... MAKE..... DATE OF LAST INSPECTION.....

REGISTRATION NO.....TYPE.....KM SINCE LAST INSPECTION.....

S = SERVICEABLE R = NEEDS REPAIR KM READINGS .....

S.NO.	DESCRIPTION	S	R	S.NO	DESCRIPTION	S	R
1.	ENGINE AND COOLING SYSTEM.			10.	BRAKE SYSTEM		
2.	FUEL SYSTEM			11.	ANCILLARY EQUIPMENTS.		
3.	EXHAUST SYSTEM			12.	ELECTRIC SYSTEM		
4.	CLUTCH AND TRANSMISSION			13.	LIGHTS, TURN SIGNALS.		
5.	SUSPENSION			14.	MIRRORS		
6.	STEERING GEAR			15.	WINDSCREEN AND WINDOWS.		
7.	CHASSIS AND FRAME			16.	BODY WORK		
8.	AXLES AND WHEELS			17.	TYRES		
9.	LICENCE AND IDENTIFICATION			18.	WIPERS		

REMARKS .....

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DRIVER'S NAME .....

MECHANIC'S NAME .....

DATE REPAIRS MADE .....

TO: MR. PETER ENYAMU ELOGU.  
FROM: MR. DALE S. BONDE.  
SUBJECT: EMPLOYMENT APPLICATION FORM

I have reviewed your employment application form and have the following suggestions you may want to consider when you update the form.

1. You should put the date on the form so you will be able to determine when the form was reviewed. Example;  
"EMPLOYMENT APPLICATION FORM - 9/9/1982."
2. Item 15. You may want to consider having the applicant indicate the grade received for each subject.
3. Item 17: Just under "Previous Employment Record" add "list present or last job first and first job last" also instead of "your only show" FROM / TO " This will tell you how many years the applicant held each job. You may also want to list the beginning salary and ending salary for each job. This would give you an indication of the applicants progress on each job.
4. You should consider adding a section on the applicants health. Example;
  1. List major operations or ailments in last 5 years.
  2. List any health problems you now have.
  3. Are you now under treatment for any illness?
  4. Do you have any back problems?.

I would also recommend that you have an additional sheet for Driver, Turnboys, Mechanics and Spanner boys. The reason for this is that it would be helpful to you because it lists skills the applicant has.

Example:

List of types of Engines you have driven or worked on; (petrol or diesel).

List names of Engines you have driven or worked on:

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---

List types of transmissions you have driven or worked on.

**Best Available Document**

- 3 -

While your employment application form is quite complete I feel the above additions would give you a more complete form.

In the United States it is a law that all drivers must have a PHYSICAL EXAMINATION by a Doctor. I would suggest that sometime in the future you designate a Company Doctor who would give each new employee a complete physical examination.

While I was at Midland Co-operatives we required each new driver to have a back X-RAY to determine if the driver had a back problem.

In America it is very costly if we hire someone who has had an injury or physical problem. We have to pay them a salary if they are unable to work because of an injury.

I hope the above suggestions will be helpful in selecting future employees of Uganda Co-operative Transport Union.

Signed:  
(DALE S. BONDE)

c.c. Roger Newburn.

" Henry J. Muzale.

10/9/1982.

Approximately how many Kms have you driven a transport .....  
.....

Check which vehicles you have driven or worked on

0                    0            00     0            0    0    0    00   0   0    00   00   0  
.....                            .....                            .....                            .....

List types of suspensions you have driven or worked on .....  
.....

Please check those items you have worked on:

Electrical:

- Lights and turn signals.
- Brake lights.
- Gauges and speedometer.
- Alternators.
- Generators.

Brakes: Air.

- Mechanical.
- Vacuum.
- Hydraulic.
- Air compressors.
- Transmissions.
- Suspensions.
- Frames
- Repair and Change tyres.
- Cooling systems.
- Torque arms and Bushings.
- 5th wheels.
- Batteries.
- Clutches.
- Other .....
- .....
- .....

UGANDA CO-OPERATIVE TRANSPORT UNION LIMITED.  
EMPLOYMENT APPLICATION FORM. 1/4/92

1. FAMILY NAME:
2. OTHER NAMES:
3. SEX:
4. POSTAL ADDRESS:
5. RESIDENTIAL ADDRESS:
6. TELEPHONE NUMBER:
7. DATE OF BIRTH:
8. MARITAL STATUS:
9. NATIONALITY:
10. PLACE OF BIRTH:
11. NUMBER OF CHILDREN:
12. FATHER'S NATIONALITY:
13. SCHOOLS, COLLEGES, UNIVERSITIES ATTENDED:

School, College or University	From	To





.....  
 .....  
 .....  
 19. Have you previously applied to the UNION to be considered for any vacancy? (If so, give details).

.....  
 .....  
 .....  
 .....

20. REFERENCE MAY BE OBTAINED FROM

NAME	OCCUPATION	ADDRESS

21. POSITION REQUIRED:

(PLEASE DO NOT SEND US YOUR ORIGINAL CERTIFICATES OR TESTIMONIALS)

22. Have you ever been convicted of a criminal offence?

If the answer is 'YES', give the following particulars:-

(a) Crime for which convicted:.....

(b) Date and place of conviction:.....

(c) Sentence Imposed:.....

Conviction for a criminal offence will not necessarily debar a candidate from employment in the Union.

Have you ever had a court attachment? If so, give details:

.....  
 .....  
 .....

23. About how soon would you be available for appointment if selected?  
.....

24. I hereby certify that, to the best of my knowledge and belief,  
the particulars given in this application form are true and  
complete in all respects.

Date.....  
.....  
(Signature of Candidate)

NOTES FOR ALL CANDIDATES

1. False information will invalidate your application and render you liable to prosecution.
2. Do not enclose original certificates or testimonials; these should be produced if you are called for an interview.
3. Referees should be responsible persons who know you well either in private life or in business.

The names of relatives must not be given and those of the members of the Union's Board of Directors.

I have read and understood the above notes.

Date.....  
.....  
(Signature of Candidates)

Date: November 2, 1982

To: H. Muzaale

From: Dale S. Bonde

Subject: Absenteeism and Late Coming

I have observed that the Uganda Cooperative Transport Union is very lax on absenteeism and late coming. I have been here in Kampala approximately seven weeks, and it is impossible to determine a definite work starting time or ending time. I also understand there is no penalty for being absent, for late coming or early leaving.

In order to correct this problem, I suggest you establish a policy regarding hours of work, etc. as follows:

"The Uganda Cooperative Transport Union working hours are 8:00 A.M. to 5:00 P.M. with a midday break from 12:45 P.M. until 2:00 P.M. Each employee is expected to sign in upon his arrival and again when he leaves work.

In the case of sickness, the absence will be charged to sick leave. If he is absent for any other reason, it will be charged to vacation time or lost time.

If the employee is late, his pay will be reduced accordingly.

Any employee failing to sign in or out will lose that day's pay.

Any employee arriving late, or leaving early, will have the time deducted from his paycheck.

Each employee who is absent or late must sign an absence or late slip explaining why, and approved with the Supervisor's signature.

Any falsification will result in immediate termination."

Signing in and out should be recorded on employee time sheets to be kept in each department as follows:

#### Head Office

Post at the Receptionist's Desk. As each employee arrives at work, the Receptionist should record the time as well as the time he leaves work.

#### Drivers and Turnboys

The procedure would be the same as for the Head Office, and should be recorded by someone in the Transport Manager's Office.

Workshop Employees

The procedure would be the same as above, and recorded by the Workshop Manager's Secretary.

Transport Operations Employees

Following the same procedure, these employees would check in with the Transport Operations Manager's Secretary.

Attached are samples of the time sheet and absent or late coming slip.

At the end of each day the Supervisors will review the time sheets and forward to the Payroll Department.

When an employee reports late to work, he will fill out an absence slip explaining his reason. This must be approved by his Supervisor and sent on to the Payroll Department. The Payroll Department will record the absence and late coming slips and process the payroll accordingly.

This procedure will make certain that all employees will report to work in accordance with the posted office hours.



ABSENT (OR LATE COMING) SLIP

Name \_\_\_\_\_ Date \_\_\_\_\_

Dates of Absence or Late Coming \_\_\_\_\_

Total Hours \_\_\_\_\_ Charge to Sick Leave \_\_\_\_\_ Vacation \_\_\_\_\_ Lost Time \_\_\_\_\_

Reason for Absence or Late Coming \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Employee

Supervisor

Payroll

**VII. Recommendations Regarding Financial Controls: Suggested Forms of Reporting Transport Operating Costs**

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December 8, 1982

To: H. J. Muzaale

From: Dale S. Bonde

Subject: Monthly Fuel Report

Attached is a copy of the proposed form for a vehicle fuel report, which would be carried on each lorry. This report would be filled in by the driver each time the lorry is fueled. At the end of the month, the litres and kms are totaled.

There is also attached, a copy of the proposed form for a fleet monthly fuel report. When the driver turns in the vehicle fuel report, that information is entered on this form accordingly.

A standard kms per litre should be established, and any unit not meeting this standard is not functioning properly (the driver is not operating vehicle properly, there is a fuel leakage, or someone is stealing fuel).

Keeping the above proposed records would give you better control over your fuel costs because you can then readily determine if any particular vehicle is using an abnormal amount of fuel. This, in my opinion, is the only way you can control your fuel costs.

DSB:cb  
Attachments/2







DATE: 5th October, 1982.

TO: Henry Muzaale.

FROM: Dale S. Bonde.

SUBJECT: TYRE INVENTORY CONTROL.

In order to have a better control of the Tyre Inventory, I would suggest the following procedure.

1. Set up a vehicle tyre record (sample attached).
2. Record the serial number of each tyre by position on each vehicle.
3. Record serial number on all new tyres coming into stores inventory.
4. If a tyre should be switched to a different vehicle the serial number record should be changed to reflect the change.
5. When a tyre is worn out the worn out tyre shall be brought to the Stores Department. The Stores Department would then record the serial number of the worn tyre. The Stores Department would then burn out or cut out the serial number on the worn tyre. The worn tyre would then dispose of the worn tyre.
6. When the Stores Department issues a new tyre they would record the serial number of the new tyre.
7. The Stores Department would then forward the two serial numbers to the TYRE RECORD Section for recording (Form attached).
8. If the Tyre-man switches tyres from one Unit to another he would also prepare a Tyre change report to the Tyre Record Section.
9. The Tyre Record Section would be responsible for the permanent record file.
10. No new tyre would be issued unless the worn tyre is brought to the Stores Department.
11. A copy of the vehicle tyre record would be carried in each vehicle for easy checking.
12. The above procedure should enable the Transport man to control their tyre inventory.

Signed: (DALE S. BONDE)

5/10/1982.

U.C.T.U. TYRE RECORD

DATE \_\_\_\_\_

REGISTRATION NO. \_\_\_\_\_ FLEET NO. \_\_\_\_\_ MAKE \_\_\_\_\_

PREVIOUS KM. \_\_\_\_\_ PRESENT KM \_\_\_\_\_ TOTAL KM. \_\_\_\_\_

DRIVERS NAME \_\_\_\_\_ TYRE PRESSURE FRONT \_\_\_\_\_ REAR \_\_\_\_\_

"D" = DEPTH OF TYRE "S" = TYRE SERIAL NO. "C" = CONDITIONS OF TYRE

	D	1
	S	
C		

	D	1
	S	
C		

	D	1
	S	
C		

	D	1
	S	
C		

	D	1
	S	
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\_\_\_\_\_  
TYRE MAN

\_\_\_\_\_  
SUPERVISOR

December 8, 1982

To: H. Muzaale

From: D. S. Bonde

Subject: Uganda Cooperative Transport Union Cost Controls

In order to control U.C.T.U. operating costs, comparing actual operating costs to your budget, and to have effective controls you must have a measure of performance. This is best obtained by knowing your cost per km. Basing your cost on shillings per km is an easy way to pinpoint expenses that are higher than normal.

The attached form for a proposed monthly report would accomplish the above purpose. It covers all operating expense items and compares current operating expenses against the budget on a monthly basis, the year-to-date and last year's operation. The information contained in this proposed report would also facilitate making up the next yearly budget.

The important advantage of using this report is that variations in expenses could be detected quickly, and would enable you to analyze problem areas on a specific basis.

The "Current Monthly Operation" figures will vary due to the fact that operating expenses are generally incurred before you receive the revenue. These figures would also be effected by delays in accounting procedures. The "Year to Date" figures would be more of an average, and give you a better cost analysis of the operation. In my opinion, this proposed report would give management a much better financial control of operations.

DSB/cb .

Attach./1

MONTHLY OPERATING STATEMENT

Month \_\_\_\_\_ Year \_\_\_\_\_

Expense	Year to Date						Current Month					
	Actual	s/km	Budget	s/km	Last yr	s/km	Actual	s/km	Budget	s/km	Last yr	s/km
Labor												
Fringe												
Depreciation												
License												
Insurance												
Misc.												
Total Fixed Cost												
Fuel												
Mtce.												
Tyres												
Total Running Cost												
Total Cost												
Margin												
Adm. Exp.												
Net Cost												

VIII. Various Reports to Roger Newburn

December 8, 1982

To: Roger Newburn

From: Dale S. Bonde

Subject: Driver Training

When I first came to Uganda, I met some people from the I.L.O. who were doing about the same work I am doing here with A.C.D.I.'s project. In discussing their program, I learned that the I.L.O. has a driver trainer who goes out in the field to train drivers in driving skills and minor maintenance of vehicles.

Since I felt that the Uganda drivers needed this type of training, and they were willing to train drivers at Masaba, Mbarara, Rukungiri and Gulu, I suggested that A.C.D.I. might pay part of the fuel expense for the training. They gave me receipts for 26,000 shillings worth of petrol.

Later, when I talked to you about this bill, I was informed that we were not to work with other agencies. Since I had committed to pay part of the fuel expense, I am personally paying the 26,000 shillings, and have notified the I.L.O. to cancel the training program since A.C.D.I. is not interested in working with other agencies.

DSB/cb

December 8, 1982

To: Roger Newburn and Henry Muzaale

From: Dale S. Bonde

Subject: Tyre Retreading Plant

On December 7, 1982 I visited the Kassam's Automobile House, Ltd. in Kampala. Mr. Amir Kassam is the owner of this organization. The original plant was established in 1954, but in 1960 the plant was destroyed by fire. In 1970 Mr. Kassam took over the plant and installed new machinery.

Mr. Kassam left Uganda in 1972 and returned in 1981 to find all the tyre molds damaged beyond repair. He is now in the process of ordering a new retreading plant. The machinery will cost \$1,250,000 plus an additional \$750,000 for a six-month supply of camelback needed for the retreading process. He expects to have the plant operational by March 1, 1983 with the benefit of financing via bank loans.

Mr. Kassam has ordered an Italian-made machine called CISAP, a cold cap retreading machine. He is also installing a German process called Trademaster, which is a hot process retreading machine. About two years ago there was a process similar to the Treadmaster recaps. A friend of mine invested his life savings in a recap plant, and the system did not work so he went bankrupt.

Mr. Kassam is a dealer in Bridgestone tyres which are made in Japan, which for a new 1200 x 20 truck tyre costs \$560. As a rule of thumb, a retread costs approximately 50 percent of the cost of a new tyre. A retreaded tyre will get about 80 percent mileage as compared to a new tyre. Listed below are the comparative costs of the cold and hot cap tyres:

<u>Size</u>	<u>Cold Cap</u>	<u>Hot Cap</u>
900 x 20	\$ 148.40	\$ 112.10
1000 x 20	\$ 180.80	\$ 123.80
1200 x 20	\$ 263.60	\$ 181.70

The above prices include 30 percent duty and 30 percent sales tax. These prices also include mounting or dismounting the tyre. There is no warranty on the retread. The life of a 900 x 20 tyre is 28,000 miles, and a passenger car tyre, 25,000 miles.

Newburn & Muzaale from Bonde 12/8/82  
Tyre Retreading Plant - Pg 2.

Reasons for such low mileage:

- (1) Bad roads
- (2) Poor vehicle maintenance
- (3) Under or over-inflation
- (4) Overloading of vehicle

Prior to the U.S. freeway system, we were using trucks with 190 to 207 h.p. engines and getting from 200,000 to 230,000 miles out of a tyre. When we started using the freeway, and had to maintain a 45 mph maximum speed, we had to increase to 290 to 318 h.p. engines, or more. We are now reduced to 80,000 to 100,000 mileage on a tyre.

We got approximately 20 percent more miles out of a Bandag retread than from a new tyre, because the Bandag cap has thicker rubber. In May of 1982 we were paying \$61 for a Bandag top cap. We had a percentage warranty if the retread failed. That is, if we used 50 percent of the tread, we received a refund of \$30.50.

I asked Mr. Kassam if U.C.T.U. could get a discount if they had a large volume of recapping, and he said this could be negotiated when his operation is underway.

A serious problem here in Uganda, is that there are no pressure gauges to measure air pressure, so it is impossible to maintain proper air pressure in the tyres. Tubeless tyres could be used but are not practical because of the rough roads, since rims get bent, and the tubeless tyre would lose its seal.

I recommend the U.C.T.U. start, on a limited basis, using retreaded tyres to see if it is economical. When I get back to the States, I will get current prices for retreads from a plant using the Bandag system.

November 16, 1982

To: Roger Newburn

From: Dale S. Bonde

Subject: Uganda Cooperative Transport Union Wages

According to the Chief Accountant, U.C.T.U. has proposed a driver salary budget of 7,603,200 shillings for 1982/3, doubling the 1981/2 actual salary expense. Also budgeted is 31,400,000 shillings for subsistence pay, which is almost four and one-half times the budgeted wages. Based on these budget figures, a driver's salary is listed at 166 shillings per day with a subsistence of 500 shillings, while a turnboy's salary is listed at 88 shillings per day plus a subsistence of 300 shillings. Both drivers and turnboys are allowed five paid sick days and 25 paid vacation days per year.

The above system of compensation could be improved, since it encourages the driver to spend more time than necessary on a trip. For example, if the driver makes two trips in as many days, his total pay with subsistence would be 1,332 shillings. Taking four days to make the same two trips would increase his total pay to 2,664 shillings. In other words, the more time he takes, the more the driver earns.

To discourage this situation, incentive pay could be a solution and would also result in a more productive driver. Two methods of incentive pay are (1) paid by the trip regardless of time involved, and (2) paid by the kms plus loading and unloading.

There is more incentive for the driver who is paid by the kms per trip rather than by the hour. To illustrate, the American speed limit is 55 miles per hour. The driver who is paid by the hour will average a speed of 45 miles per hour, while the driver paid on the basis of miles per trip will average 52 miles per hour.

However, there is a problem created in offering the driver incentive pay, in that there is the possibility that he may drive faster than existing road conditions should allow. A solution to this problem might be the establishment of speed controls implemented by having the shop set the governor on the fuel pump to limit the speed to a maximum of 90 kms/hr, and then sealed. A broken seal would be cause for the driver's immediate termination. This system has worked very well in United States transport establishments. It is possible, however, that no matter how good the system, drivers may figure a way to override it.

To Newburn from Bonde, U.C.T.U. Wages 11/16/82

Subsistence pay is an area of compensation that needs some consideration. While subsistence pay, which includes such cost items as housing allowance, transport to and from work, and various other "perks," may offer tax advantages and other considerations, it is my opinion that all labor costs should be included in the salary costs. With the present system, it is difficult to determine actual labor costs.

Based on the 1982/83 proposed budget, the following costs are really labor costs: (All figures are in Uganda shillings)

Uniforms	5,035,000
Retirement Benefit Scheme	900,000
Medical Expenses	7,720,000
Rent for Staff Quarters	3,240,000
Social Security Fund	240,000
Staff Quarters Repair & Maintenance	300,000
Salary and Wages	24,000,000
Staff Annual Leave	600,000
Welfare Expenses for Staff (Jr.)	4,800,000
(Sr.)	<u>2,400,000</u>
Total	83,537,000

The total budget, excluding depreciation of equipment, is 318,365,040 shillings, of which 26.2 percent is for labor costs.

The budget figure on salaries and wages is 24,000,000 shillings, which is 28 percent of what I consider actual labor costs.

According to the 1982/3 budget, the various total labor costs are distributed as follows:

Item	Administration Employees	Drivers
Uniforms		5,035,000
Retirement Benefit Scheme	900,000	-
Medical Expenses	7,720,000	-
Social Security Fund	48,240	191,760
Rent for Staff Quarters	3,240,000	-
Staff Quarters Repair & Maintenance	300,000	-
Subsistence	2,430,000	31,872,000
Salary & Wages	16,396,800	7,603,200
Staff Annual Leave	120,600	479,400
Welfare Expenses (meal allowance)		
Junior Staff	4,800,000	-
Senior Staff	<u>2,400,000</u>	<u>-</u>
Total	38,355,700	45,181,360

To Newburn from Bonde, U.C.T.U. Wages 11/16/82

Personnel records for U.C.T.U. lists the following employees:

Administrative Employees	89
Drivers	150
Turnboys	154
Mechanics	22
Spanner Boys	<u>27</u>
Total Number of Employees	442

The budgeted wage package then breaks down to the following averages:

Administrative Employees

Salary & Wages,			
16,396,800 ÷ 89 = 184,233 ÷ 12 months =			15,352 per mo.
Benefits,			
21,958,900 ÷ 89 = 246,729 ÷ 12 months =		<u>20,560</u>	per mo.
		Total	35,912 per mo.

Drivers, Turnboys, Mechanics & Spanner Boys

Salary & Wages,			
7,603,200 ÷ 353 = 21,538 ÷ 12 months =			1,794 per mo.
Benefits,			
37,578,160 ÷ 353 = 106,453 ÷ 12 months =		<u>8,871</u>	per mo.
		Total	10,665 per mo.

I questioned why the administrative employees receive so many more benefits and also receive higher salaries. I am told the reason for this is that the drivers are away from Kampala and have more opportunity to make money, sometimes illegally. According to a staff member, when he meets a driver in a bar, the driver always buys him the beer because he has more money to spend.

I view the above benefit expenses as follows:

Uniforms

My experience with uniforms is that most drivers tend to wear the uniform during off-duty hours and then wear "grubs" to work. Also, how do you determine the number of uniforms to furnish each driver. I prefer to give this benefit as wages.

Retirement Benefit Scheme

This is a good plan, and it should be increased so it becomes an incentive to stay with the company. One real incentive would be to base the scheme on a percentage of net profit so that everyone will watch expenses to keep the net high. It would also control expenses so that during a bad year the retirement expense would be less.

To Newburn from Bonde, U.C.T.U. Wages 11/16/82

### Medical Expense

I would suggest some form of medical insurance to control costs. If insurance is not available, I would recommend giving this expense in wages, since employees will run to the clinic for every ache or pain if expenses are paid by the company.

### Social Security Fund

Required by Law.

### Subsistence

The only subsistence I would pay would be for food and lodging based on receipts furnished. In other words, I would not give a flat rate to go to work.

### Rent & Maintenance of Staff Quarters

I would eliminate this benefit and encourage the employee to purchase his own home, and thus would build equity in a home for retirement.

### Staff Annual Leave

Why pay for transportation to the employee's home village? The employee should determine where and how he will spend his vacation, including expenses.

### Welfare Expense

Why give a food allowance? Transportation to and from work is another benefit to reconsider. Collecting employees by lorry is extremely expensive. Wouldn't public transportation be much more reasonable? Do you know the actual cost of the present system? A serious problem with fringe benefits is that employees tend to take them for granted and learn to expect them, not thinking of them as wages. For example, if an administrative employee is asked what his monthly salary is, his answer is 15,352 shillings, although he is actually paid 35,912 shillings when fringe benefits are included.

An important advantage of converting fringe benefits to wages is that ongoing fringes are eliminated while the employee is not working. For example, if the employee misses one week of work, he will lose 15,352 shillings in pay. Under the present system, it would cost the company 20,560 shillings in benefits earned although he is not working. I feel it is in the best interests of the company to convert fringes to wages because there will be more incentive to work, and higher wages usually attract a better caliber of employee.

To Newburn from Bonde, U.C.T.U. Wages 11/16/82

Regarding welfare benefits, management often has a tendency to be paternalistic, trying to be all things to all people. It is my theory that people should manage their own destiny and their wages. And, too, there appears to be a tendency on the part of U.C.T.U. supervisors to overlook employee lack of performance and productivity because of low salaries. Therefore, if wages were expressed in real shillings the "low wage syndrome" might be overcome to some degree.

November 12, 1982

To: Roger Newburn

From: Dale Bonde

Subject: U.C.T.U. Operating Efficiency

In order to determine the operating efficiency of U.C.T.U. I have analyzed their operation on the basis of one week's operation during the slowest month (November), and one week during their busiest month (May) this year.

Their records are a bit confusing because they indicate that U.C.T.U. operates 151 vehicles. However when I examined their May records, I found 147 units itemized, including two that are written off but still listed on the daily tally. As in November, the records indicate 151 vehicles operating, but the daily tally shows 149 vehicles with eight written off but included.

I have included the vehicles that are written off in my report as "vehicle days not worked." For the May figures, I have used a six-day week based on 147 vehicles, and the May vehicle days totaled 882. The November vehicle days totaled 894 based on 149 vehicles.

U.C.T.U. Daily Vehicle Activity Reports list the following information:

	<u>November</u>		<u>May</u>	
	<u>Vehicle Days</u>	<u>%</u>	<u>Vehicle Days</u>	<u>%</u>
<u>Non-Productive:</u>				
No Work Available	262	29.3	104	11.8
In Garage	189	21.1	208	23.6
No Spares	5	.6	6	.6
No Tyres	25	2.8	-	-
Defective	6	.7	-	-
Accident	-	-	12	1.4
Written Off	48	5.4	12	1.4
Auctioned Off	6	.7	-	-
Detained by Police	-	-	6	.7
Total	<u>541</u>	<u>60.5</u>	<u>348</u>	<u>39.5</u>
<u>Productive</u>				
Government (Defense)	44	4.9	60	6.8
Rental Units	52	5.8	68	7.7
Kenatco Units (Coffee to Mombasa)	38	4.3	234	26.5
Cooperative & Ministry	196	21.9	168	19.0
UNEB	18	1.2	-	-
UPC People Transport	5	.5	-	-
U.C.T.U. Official Business	-	-	4	.5
Total	<u>353</u>	<u>39.5</u>	<u>533</u>	<u>60.5</u>

## To Newburn from Bonde, U.C.T.U. Operating Efficiency

While this report covers only two one-week periods, the figures are very revealing and should be cause for concern.

You will note that the Cooperative volume in both instances is approximately 20 percent. I believe U.C.T.U. was originally formed to serve the cooperative sector, and yet the largest increase is in the volume handled through Kenatco. In November, Kenatco's volume was 4.3 percent, and in May it was 26.5 percent. Thus, deducting Kenatco's 22 percent in May from the productive operation, there would be a total of 38½ percent productivity in May as compared to 39½ percent in November.

In November, the Cooperative volume was 184 days transporting coffee, and the balance other products. In May, 69 vehicle days were spent transporting coffee; 46 were seed, and the balance miscellaneous products. It appears that coffee is the major commodity, therefore there is an apparent lack of diversification for a uniform flow of volume.

Maintenance is a continuing problem. Normally a trucking operation prepares for the rush season to insure that downtime is nil during the busiest time. In November there were 24 units in the garage all week, and in May (the busiest month) there were 27 units inoperable the entire week.

In discussions with U.C.T.U. supervisory personnel regarding their maintenance problems, lack of spares is their usual excuse. When I ask them why there are no spares, I am told they take a long time to get, and when I ask them if they were aware of this, I am told that they were. When asked why the spare parts were not ordered further in advance, I was told that "nobody plans!"

About two weeks ago it was rumored that U.C.T.U. was leasing to Kenatco for 80 percent of the revenue. When I attended a meeting in Jinja last week with Mr. Muzaale, I questioned him about this and he said U.C.T.U. is getting 100 percent of the revenue. Therefore, when I started analyzing the load sheets for this report and noted the heavy volume for Kenatco back in May, I asked Denis Odonpiny if they were leasing to Kenatco. He said they were just starting with a few loads to get experience in hauling coffee, after which U.C.T.U. may start hauling on their own. When 26 percent of one week's volume is a leased operation, I would think the General Manager should be aware of it.

It is my opinion that U.C.T.U.'s type of operation could never be profitable unless the rates were astronomical. Based on the attached cost sheet, the average cost per vehicle per day is 24,191 US\$hs, therefore 148 units times 312 days per year (or 46,176 vehicle days) equals a total cost of 1,117,043,616 US\$hs per year. Using the same attached

To Newburn from Bonde, U.C.T.U. Operating Efficiency

cost sheet, the average vehicle revenue per day is 32,667 UShs. Using the same number of vehicle days, operating at a maximum efficiency of 60 percent, the revenue is 905,058,835 UShs, which results in a loss per year of 211,984,781 UShs.

Whenever I talk to anyone about transportation, the big problem is always lack of transportation. I am of the opinion that the real problem is lack of transportation management.

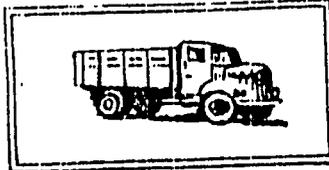
I recommend that an in depth study of the U.C.T.U. operation, which should cover at least a one-year period, be undertaken to determine proper utilization of equipment plus an evaluation of empty kilometers traveled during that year. The more I see of the Uganda Cooperative Transport Union operation, the more convinced I am that its present function is not what was originally intended.



# UGANDA CO-OPERATIVE TRANSPORT UNION LTD.



BANKERS  
UGANDA COMMERCIAL BANK  
KAMPALA



HEAD OFFICE  
PLOT NO. 47 JINJA RD. KAMPALA  
P. O. Box 5486  
KAMPALA (UGANDA)  
TELEPHONE: 31924/56398  
TELEGRAPHIC ADDRESS: 'TRANUNION'

OUR REF: **UCTU/20/10** YOUR REF: DATE:

## REVISED TRANSPORT RATES.

TYPE	SCANIA 81 DEEZ	SCANIA 111	N.A.N.
Tonnage	8 - 10	10 - 15	15 - 18
Co-operative Rate	26,000/=	33,000/=	39,000/=
Public Rate	30,000/=	35,000/=	40,000/=
Rate per ton per Km.	12/=	12/=	15/=
Kms. per day	250/=	200/=	150/=

Signed:

*Alfred Nwehaza*  
(Alfred Nwehaza)  
CHIEF ACCOUNTANT

10

## ACKNOWLEDGEMENT

I wish to acknowledge my debt to all those who have assisted in the organisation and successful completion of this training project. In particular I thank my organisation Uganda Co-operative Transport Union Limited for nominating me for the program, Agricultural Co-operative Development International (ACDI) and its various officials for not only organising the course but making my stay within the United States of America very smooth and enjoyable.

Having visited many organisations and met many personalities in the course of my training in United States of America, and on the arrangement for the program while in Uganda, I find it an impossible task to name them all here. However some personalities and organisations were very instrumental in the successful completion of this program. As regards this I should like to thank Land O'Lakes Trucking Department at Friedley and all its staff, My Supervisor, Mr. Dale Bonde without whose consistent encouragement both in the United States of America and Uganda I should NOT have achieved much, Edith Gorham, Assistant Manager, Trucking Department of land O'Lakes for a similar role to Mr. Dale while at Fridley, Mr. Rogers Newburn for his advice and recommendation to visit Umthun Trucking Company, and the officials in the Ministry of Co-operatives and Marketing. Finally I should like to thank Miss Faith Makanga for typing this report.

DNO/fmn.

Denis Odongpiny  
Transport Manager  
Uganda Cooperative Transport Union

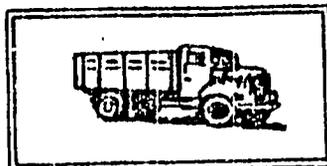
4/11/1982.



# UGANDA CO-OPERATIVE TRANSPORT UNION LTD.



**BANKERS**  
 UGANDA COMMERCIAL BANK  
 THE CO-OPERATIVE BANK,  
 KAMPALA



**HEAD OFFICE**  
 PLOT NO. 47 JINJA RD KAMPALA  
 P. O. BOX 3486  
 KAMPALA (UGANDA)  
 TELEPHONE: 31924/36398  
 GEN. MANAGER'S DIRECT LINE 34080  
 TELEGRAPHIC ADDRESS TRANSHION

**COMPUTATION OF THE TRANSPORT RATES BASED ON ACTUAL DAILY OPERATIONAL EXPENSES.**

S.NO.	ITEM	M-BENZ	SCANIA III	M.A.N.
		8-10 TONS	10 - 15 TONS	15-20 TONS
		Shs.	Shs.	Shs.
1.	Fuel	7,500.00	8,000.00	7,500.00
2.	Salaries and Wages	140.00	140.00	200.00
3.	Subsistence Allowance	750.00	750.00	600.00
4.	Tyres and Tubes	2,528.00	3,972.00	6,111.10
5.	Income tax	123.00	170.00	170.00
6.	Insurance	180.00	200.00	200.00
7.	Batteries	170.00	170.00	133.00
8.	Tarpaulins	200.00	200.00	200.00
9.	Servicing	1,190.00	1,575.00	2,543.35
10.	Road Licences	20.00	20.00	20.00
11.	Depreciation	1,389.00	2,778.00	3,475.00
12.	Repairs and Maintenance	<u>1,000.00</u>	<u>1,782.00</u>	<u>1,700.00</u>
13.	TOTAL EXPENSES 1 - 12	15,190.00	19,675.00	23,052.00
14.	Add 20% Admin. expenses of 1 - 12	<u>3,038.00</u>	<u>3,935.00</u>	<u>4,610.00</u>
15.	Total cost including Admin. exps.	18,228.00	23,610.00	27,662.00
16.	Less non cash item No. 11	<u>1,389.00</u>	<u>2,778.00</u>	<u>3,475.00</u>
17.	Total excluding item No. 11	16,839.00	20,832.00	24,187.00
18.	18% Bank Interest	<u>3,031.00</u>	<u>3,750.00</u>	<u>4,354.00</u>
19.	TOTAL WITH INTEREST ADDED	19,870.00	24,582.00	28,541.00
20.	Add back item No. 11	<u>1,389.00</u>	<u>2,778.00</u>	<u>3,475.00</u>
21.	TOTAL COST WITHOUT PROFIT	21,259.00	27,360.00	32,016.00
22.	Add 20% Return on Investment	<u>4,252.00</u>	<u>5,472.00</u>	<u>6,403.00</u>
23.	TOTAL COST WITH PROFIT	25,511.00	32,832.00	38,419.00
24.	Co-operative rate (approx.)	26,000.00	33,000.00	39,000.00
25.	Public rate	30,000.00	35,000.00	40,000.00

Prepared by: *[Signature]*  
 (Simon Kafuro)

SECRETARY GENERAL - CO-OPERATIVE

December 8, 1982

To: Roger N wburn

From: Dale Bonde

Subject: Irregularities at U.C.T.U.

I have been doing some checking on internal procedures at Kawempe, and am quite certain that the following things are going on within the organization.

Approximately one month ago, the management needed to purchase 50 truck tyres, supposedly from Dunlop Tyre Co. in Jinja. However the management decided to buy from a private part instead. The Dunlop tyres cost 85,000 shillings, whereas the management paid 125,000 shillings each to the private party. This was pretty much general knowledge among the employees.

From bits of information I have picked up, some examples of irregularities at U.C.T.U. are:

- (1) The receptionist will charge the customer one-half to three-quarters more than the normal fee, and then split the difference with the customers.
- (2) The receptionist, the cashier and transport clerk will conspire to show on the rental slip that the trip will take four days, whereas it only takes two days. The truck will operate two days for the customer and use the vehicle two days for their own benefit.

If another clerk catches the difference, it is explained as a written error. The same employees also have a faked receipt book with similar serial numbers, and after the transaction the faked receipt is destroyed.

- (3) In some instances, the staff is delivered to their homes at the end of the work day. Rather than send the unit back to the yard, the staff will use the vehicle that night and the next day before returning the unit. On several occasions I have seen U.C.T.U. units operating in residential areas just before dark.

Roger Newburn from Dale Bonde  
Irregularities at U.C.T.U. - Pg. 2

(4) Another area of concern is that the transport clerk will send out a driver for a fixed number of days, and then delay the trip, either at the beginning or middle of the trip, and then split the subsistence pay with the driver. Another version is to add days to the permit after the trip is completed, again splitting the subsistence pay.

(5) In some instances, false claims are made for damaged or lost merchandise, or lost spares or stores.

(6) Some drivers requisition spares, locks, tarpaulins, reflectors or jacks without turning in the old ones. The stores clerks do not scrutinize the old spare parts or requisitions. These items are sold at a later date.

(7) I recall one incident when the driver reported his spare tyre stolen while the lorry was parked on the street in front of the terminal while the driver was having lunch. Later that day, the police arrested the driver because he was selling a spare tyre.

(8) I also understand that when drivers go on long trips such as to Mombasa, they purchase fuel and turn in exorbitant claims for fuel because the drivers know there is no fuel control system.

(9) Last June there was a transfer of 100 tyres to the Secretary of U.C.C.U. with no invoice issued. Sometime in October, the Manager of U.C.C.U. told me there was a large number of tyres stored in the U.C.C.U. warehouse. The next day I inquired of two U.C.T.U. employees why they were storing tyres at U.C.C.U. when U.C.T.U. units were sitting idle for lack of tyres. The next morning, 35 tyres were returned. A month later, 30 to 40 more were returned to U.C.T.U. from U.C.C.U. At this point, there are still 30 to 35 tyres missing.

(10) Ever since I arrived in early September, I have often seen money changing hands on the premises. I suspected drug traffic but was assured that there is none. When I asked what was going on, I got the usual laugh.

Roger Newburn from Dale Bonde  
Irregularities at U.C.T.U. - Pg. 3

(11) I have it from very reliable sources that Denis Odonpiny is not involved in any of the above items. They say he is aware of these irregularities but there is little he can do about it since it goes all the way to the top. This may account for Denis' apparent disgust with the way things are going.

Uganda Cooperative Transport Union  
P.O. Box 5486  
Kampala.

8/10/82

The General Manager,  
Uganda Cooperative Transport Union  
P.O. Box 5486  
Kampala.

FINDINGS ON MY EXPERIENCE AS A TRANSPORT CLERK IN THE  
UGANDA - COOPERATIVE TRANSPORT UNION LTD (UCTU)

I am very grateful to submit my findings pertaining to the experience I have undergone during the short period of 5½ months while working with the above mentioned union, that is from 15 April 1982 up to date, executing the duties of a transport clerk.

I must confess I have found my job most interesting and educative and with the great interest in learning the transport economy and organisation, I took trouble to examine the factors that could be of help in rectifying the standard of transport organisation and workers in particular and thus achieving efficiency and productivity. My report is further intended to expose handicaps that could retard the efficiency of the union and finally I intend to conclude by suggesting solutions to overcome the mentioned economic bottlenecks.

Vis-a-vis the above, I wish to spell out the duties I carried out as a transport clerk.

DUTIES

1. Processing drivers' and turn boys' subsistence allowances before they are cross checked and counter signed by the operations/transport manager.
2. Issuing Internal Requisition notes on recommendation of the transport manager.
3. Issuing gate passes which have to be signed by the Operations/Transport Manager.
4. and, Other Miscellaneous clerical duties.

In order to have a systemic approach, I wish to examine the transport department and organisation under several headings.

1. How a Customer Avails Himself Of the Services Of the Union  
Transport Organization

This is a very important affair in the Union. There exists a chain of command running as follows: First, a customer who might need services from the Union Approaches the transport receptionist for a vehicle. Second; As from his records, the transport receptionist registers him/her or informs

him/her, that there is no vehicle or directs him/her to the Transport Manager. If a customer is successful he receives green light from the transport manager to pay the required charges to the receiving cashier, the customer then makes an agreement with the transport clerks or scheduler and finally receives a transport permit. The only security required of a customer are his graduated Tax Tickets dating back to a period of 3 years and Identity Card.

In light of the above, there exists a kind of dialectics in the above chain of duties which chain is not clearly defined to all employees of the Unions and in particular the entire transport and Accounts clerks, in some cases if it is defined and understood, it is rarely respected. In other words a cross section of the employees of the union lacks proper definition of what they are supposed to do. This in itself, is very dangerous as it would lead to problems of corruption let alone the improper tracing of any problems that may arise.

It is with reference to this that perhaps refresher courses be introduced to the employees of the Union especially the transport clerks on modern lines of operation.

#### The Employee of the Union

2. The Union's employee is itself spinal cord. It is through his good and efficient services that the union can fair up in its pursuit for advancement. However, a cross section of the employees lack the morale to carry out their duties. Their salaries are fairly low as compared with the prevailing cost of living in Uganda. As a result, this leads to the problems of coming late on duty. They sometimes end up using their own money for transport to the place of work. In a nutshell, they lack incentives to boost up their efficiency as this would culminate into effectiveness, punctuality and above all eradication of corruption such as gambling about with the unions funds. In this way, the employees are bound to be informed of the aims, objectives, policies, procedures and plans of the union and how it is progressing.

#### 3. Drivers and Turn Boys

With regard to point number 2 above the Sub/allowances of the above area not processed in line with the agreement. It would therefore be important to do so as it would reveal malpractices that would be involved in permits whose agreements are not made.

Some Drivers and Turn Boys whose vehicles are grounded in most cases find themselves redundant. But this stagnates the productivity of the union. In light of the above problem, the union should employ drivers, turnboys who can be able to carry out services on duty. therefore, that, recruitment to the above parts could call for consideration of applications from well placed Ugandan technical Institution. In a nutshell, there is need for proper training of drivers, turnboys and other personnel to required standards (levels) of organization.

#### 4. Problems of late Coming

Unlike in any other big organisation or Cooperation, the union has not accounted for the transport of its employees effectively.

Quite often a "whole three man-trucks or Scania's" are sent all round to collect only about 30-40 employees especially clerks and technician. A man-truck ends up taking only four or five people as employees cannot travel in the boot.

I would rather point it out that the management take into consideration, the fuel consumption of man truck, its depreciation rate and above all its rightful duty in comparison with transporting employees which duty it does not even satisfy. I would therefore suggest a min-bus or Nissan matatu which is fairly multidimensional and convenient in that respect

#### 5. Scheduling

On many an occasion, a customer may approach the union in need of a vehicle to transport produce from a long distance say Bushenyi to Kampala. This vehicle covers the whole journey to its destination without carrying anything in agreement although the customer will have paid for the days. In view of this therefore there is need for customers' registry whereby the union should fix dates according to how customers are distributed such that such a vehicle could carry something to Bushenyi. This can be done through advertisements and in this respect the vehicle can be used more profitably by not sending it empty. Hence two birds killed by one stone. The Union would gain from the double journey and the gain here is multi-dimensional in the sense that the depreciation rate of vehicles could be catered for - Drivers tend to drive faster and in rough roads with an empty vehicle.

#### Conclusion

The path for the union's progress is a function of proper organisation at its centre. Emphasis should be put on instilling a sense of unity and coordination to the workers and customers. Furthermore, there ought to be research programmes into the problems affecting the employees of all levels - the findings of the researchers should be put into considerations.

Lastly, I am generally impressed with the newly introduced system in the transport auditing and operations depts. of recording of sub-allowances of drivers/turn boys and others. Such a system could be efficient especially in curbing any possible mistakes and corrupt malpractices that could arise and how and where to trace them.

With respect to the above I feel I can contribute to the success of the Union.

My acknowledgements goes to the Transport Manager who is my immediate boss.

Isiko Stephen (B.A. (Econ/Rural Econ. III M.U.K) VOCATIONAL EMPLOYEE  
c.c Administration Manager; c.c Operations Manager.

Uganda Co-operative Transport Union, Ltd.  
P. O. Box, 5486  
Kampala.

UCTU/F/.....

18th October, 1982.

The Operations Manager,  
U. C. T. U. Ltd.  
P. O. Box, 5486  
Kampala.

Thru: Transport Manager,  
U. C. T. U. Ltd.

Dear Sir,

*I hope this is true.  
However this should be put on his  
file.*

RE: CAUSE OF DELAY DELIV OF VEHICLE NO UUCZ 82.MI.17BY

I left here on Tuesday 12th October, 1982 at 2.00p.m. for Pallisa.  
After loading from Pallisa we set off for Kampala on Wednesday 13th October,  
1982 at around 10.00 a.m.

Then a few kilometers from "Tirinyi junction" we got stuck as I tried  
to bypass a bus and a lorry (Tata) that had been involved in an accident the  
previous evening. This delayed me for two and half days. I arrived here on  
Friday evening and off-loaded the customer's commodity on Saturday morning.

Sir, that is the whole truth for the cause of my delay.

Yours Faithfully,

ALI BAULE  
DRIVER

UGANDA CO-OPERATIVE TRANSPORT UNION LTD.

c.c. Secretary.

c.c. Traffic Officer.

AB/bn.  
18/10/82.

Uganda Co-operative Transport Limited  
P. O. Box, 5486,  
Kampala.

USTU/TF/135

19th October, 1987.

The Operations Manager,  
U. C. T. U. Ltd.  
P. O. Box, 5486  
Kampala.

Thru: The Traffic Officer,  
U. C. T. U. Ltd.

*I have inspected the vehicle with Mechanic Sewali and found that: (1) The parts ~~used~~ newly welded. (2) The way the radiator was welded is different from our welders in our workshop. To repair a radiator must take a long time because it has to be removed out, so we should take this driver's statement as correct.*

Dear Sir,

RE: CAUSE OF DELAY OF DAY OF LORRY UMZ 894

I Bukanya J. certify that on the 14th October, 1987, I set off from Karokulungi (bar) where I was sent to collect Matooke for Haji Srentamu. I reached the same day i.e. on Thursday evening. On Friday morning I was that radiator was leaking so I decided to take it to Ushaka instead of coming back to our yard to weld it. This took me one full day. On Saturday morning I returned to Karokulungi where I was going to collect Matooke from, and it was the same day they set off to collect Matooke. Then on Sunday 17th October, 1987, I loaded and set off at around 4.30p.m. for Kampala. I reached Kinoni very late in the evening and I decided to spend a night there.

*At Sanyu  
19/10/87*

The next morning ~~14th~~ on the 18th I left and I arrived in Kampala at 11.00a.m. and started to call until 5.45p.m.

This was the cause of the two days delay on duty.

Yours faithfully,

*Bukanya*  
BUKANYA J.,  
Uganda Co-operative Transport Limited.

c.c. The Secretary.

**Best Available Document**

The General Manager,  
U. C. T. U. Ltd.

Uganda Co-operative Transport Union Ltd.  
P. O. Box, 5486  
Kampala.

Thru: Operations Manager,  
U. C. T. U. Ltd.

20th October, 1982.

Thru: Transport Manager,  
U. C. T. U. Ltd.

Dear Sir,

RE: TURN-BOY GEORGE KATONGOLE.

*This turnboy must be given a warning letter. However the driver is to be given another turnboy.*

*Sekalibinga: J*

*22-10-82*

I Victor Kabaikaramu the driver of M.A.N. lorry number UUS 821, Fleet Number 112 joined the organisation in January, 1982 and I was given to work with the above named turnboy and within a short time, he was removed and given to work with Charles Mugerura, and they had misunderstandings and they separated. He was given again to Sammy Kwesiga whereby they fought at Mbale by the time they were supplying cotton seeds. So Kwesiga returned him immediately to the Transport Manager as he was warning his driver that the driver doesn't know how he joined Transport Union so the driver has no right over him, or to give him instructions. After he was taken to the Transport Manager, he went to apologize and promised not to repeat the same mistake before the Transport Manager. The Transport Manager asked him that with whom he can work with as turnboy as he was. He answered that he wants to work with the first driver and I Victor Kabaikaramu as being his first driver was called to the office with my turnboy Michael Edyengu to report to the Transport Manager. I was given to work with him again as Mr. Ssenyonga the traffic officer had promised to give Edyengu a vehicle to drive as he had applied as a driver. As I am working on Mombasa route, I have worked with this turnboy for 4 trips and on the fifth route on our way back from Mombasa, I decided to inform the incharge of the drivers Haji Katongole and he called all the drivers for a meeting about the behaviours of this turnboy and he was warned and advised. The drivers who were in the meeting are: (1) Sekilabonga. (2) Kamutaba. (3) Ssemakula.n. with their turnboys respectively. After he had been warned, and advised at Malaba, he decided not to talk to me for quite a long time so I reported the matter to the Transport Manager and the General Manager, then the Transport Manager told me to put it in writing in the presence of the General Manager

Since early October, 1982, he has not reported on duty. He comes on duty when he needs and any time he wants.

I Victor Kabaikaramu certifies that the above information about this turnboy is true about his conduct and his services. I have nothing to do with him so I have brought him back to the Management for your decision.

That is all I can state.

Your Obedient Servant,

VICTOR KABAİKARAMU  
DRIVER  
UGANDA CO-OPERATIVE TRANSPORT UNION LTD.

**Best Available Document**

c.c. The Secretary.

c.c. The Turnboy.

Uganda Co-op. Transport  
Union Limited,  
P. O. Box 5486,  
KAMPALA.

UCTU/PF/.....

12/10/1982.

The General Manager.

Thru: The Operations Manager.

Thru: The Traffic Officer.

Dear Sir,

RE: ACCIDENT ON LORRY NO. UTA 537.

*An officer should go and investigate this case.*  
*to Kanungu*  
*A.M. Ssemu*  
*14/10/82*

On 21st September, 1982 I left Kampala for Kinkizi Farmers Co-op. Society. On our way we slept at Lyantonde and started the next day and again spent a night at Kanungu.

On 23rd I continued to Kanyanza where I was supposed to load the coffee from but during my journey to Kanonza I studied the route and found that it was very rough, hilly and slippery. So I decided with the customer to go to another coffee factory called Kigezi Growers coop. society, where I loaded arabic coffee (164 bags). Then I left at 6.00 p.m. for Ntugamu where I was going to spend a night ready for Kampala the next morning.

But just after eight miles from the factory there is long slope which is about one mile distant and many corners. Around these area I tried my best to control breaks but I failed totally again I tried the gear system but the vehicle just went straight. As soon as I imagined that I could not cross the narrow bridge ahead I decided to turn to the left in order to save our lives and the vehicle as a whole. During the ~~course~~ <sup>curve</sup> of turning to left the vehicle jumped the pavement and overturned on the driver's side and I was badly hurt on my right hand. Then I the driver was picked up by the bishop who arrived to the scene first and he took me to the nearest gombolola headquarters to record the statement and we proceeded to the Police station from where we continued to the factory where I got assistance i.e. two askaries were taken to the guard for the coffee and I was taken to Nyakibale Hospital where I spent the eight days admitted in bed.

These is all how the accident occurred.

Yours faithful servant,

( A. SSALI ),  
DRIVER,  
UGANDA CO-OPERATIVE TRANSPORT UNION LIMITED.

c.c. The Secretary.

The Transport Manager.

Uganda Co-op. Transport  
Union Limited,  
P. O. Box 5486,  
KAMPALA.

18th October, 1982.

UCTU/ADM/19.

The General Manager.

Thru: The Operations Manager

Thru: The Transport Manager.

Dear Sir,

Re: DELAY OF H. MUSOKI DRIVER OF UWV 475.

The above underlined driver was scheduled to go to Bukungiri to collect coffee from M/s. Kigezi Growers Co-operative Union Limited. He left on 12th October, 1982 and should have come back on 15th October, 1982 but up to now he has not returned yet.

His absence and delay is now causing concern.

Well, by a copy of this letter, I am requesting the herein mentioned driver to make a report of his delay as soon as he comes back from his safari.

Yours faithfully,

( OLOCH LONGENUS ), *Longenus*  
RECORDS OFFICER,  
UGANDA CO-OPERATIVE TRANSPORT UNION LIMITED.

c.c. The Traffic Officer.

" Traffic Inspector.

18/10/1982.

*Forwarded for your information. I've suggested the Traffic office to make sure body to take up the matter.*  
*This is a serious issue.*  
*Therefore steps to know the whereabouts of the driver and the truck must be taken urgently.*  
*Khalidipis*  
*18-10-82*

Uganda Co-operative Transport Union Ltd.  
P. O. Box, 5486  
Kampala.

The General Manager,  
U. C. T. U. Ltd.

Thru: The Operations Manager,  
U. C. T. U. Ltd.

Thru: The Transport Manager,  
U. C. T. U. Ltd.

Dear Sir,

RE: REFUND OF KSHS 1080/= SPENT DURING THE MOMBASA TRIP.

On 16-9-82, I left Coffee Marketing Board for Mombasa loaded with coffee. My road licence, insurance permit and foreign permit all had expired. On reaching Mombasa we off loaded and were due to load, but there was nothing there to be loaded. This caused us to delay there indefinitely. During this delay our documents expired.

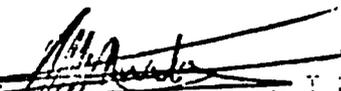
However on 4-10-82, I loaded cartons of Lager beer and after which, went to the operations Manager of Kenatcho Mombasa to inquire if there was any possible assistance he could give on these expired documents, but he said there was nothing he could do. I therefore and my colleagues ~~collees~~ decided to set off as there was no alternative. Reaching Kiliakan weighing Bridge, the D.C. in charge asked us for our foreign Insurance permits and road licences which he found had expired. The D.C. wanted to take court action against me but I pleaded and he charged me Shs. 400/= that was on the 5/10/82.

On 6-10-82, morning I started off, but on reaching Voi, I was again caught because of the same and was charged Shs.200/= after negotiating. I then proceeded to Makindu where I was charged Shs.100/= and I continued to Nairobi weighing bridge on the very day. Where the officer in charge demanded Shs. 300/= after plead and thereby I was allowed to continue with my journey. At Sand forest road block they demanded shs.20/= and it was the same case when I reached a road block at Eldoret, that is 20/=.

On 7/10/82, I left Eldoret for Bungoma where I got the last road block and they demanded shs. 30/=. Eventually I proceeded to Nalsba without any more difficulty. However in Nairobi I left one of my colleagues, driver of ULS 646 stranded because he ran short of money. He telephoned the secretary ( Mr Wagunyanya) to Explain his situation and the secretary asked Kenatco Nairobi to assist him with some money.

I report in order to be refunded my money which I used.

Yours faithfully,

MZEE SULA  
DRIVER  
UBAL   
U. C. T. U. LTD.

Uganda Co-operative Transport  
Union Limited,  
P. O. Box 5486,  
KAMPALA.

UCTU/ADM/19.

22nd October, 1982.

The General Manager.

Thru: The Operations Manager.

*I would recommend investigation in this case.*

Thru: The Transport Manager.

*Forwarded.*

*22/10/82*

Dear Sir,

*W. O. Okiringo*

Re: DRIVER CHOMBE LOURENCE.

This is to report to you that, the above mentioned driver is allocated a Union Lorry No. UWS 71 M.A.N. On 18th October, 1982 this driver reported theft of his lorry's two batteries from the Workshop. This case was there and then reported to Kawempe Police Station. Whereby one of the Police constables who was on duty and a security guard of Central Union who was on duty that day were both detained in cells while inquiries are still going on.

On 20th October, 1982 the same driver was found near Owino Market by special force personnel while trying to sell the lorry's spair tyre. He was arrested and escorted to the office of the Transport Manager. The Transport Manager instructed the Police Personnel who arrested this driver to carry on with their investigation into this case. Hence, the said driver was taken up to Central Police Station together with the exhibit. Where he is now being detained pending further inquires.

I will therefore be informing you of the Police findings as soon as their ~~inquiries~~ inquiries are completed.

Yours faithfully,

*W. O. Okiringo*  
(W. O. OKIRINGO)  
TRAFFIC INSPECTOR,

UGANDA CO-OPERATIVE TRANSPORT UNION LIMITED.

c.c. The Union Secretary.

ED/fmn.

22/10/1982.

UCTU/PP/287.

22nd October, 1982.

The Operations Manager.

Thru:

The Transport Manager. *This report answers the report referenced UCTU/ADM/L9 of 18-10-82 about the same topic.*

Dear Sir,

RE: CAUSE OF DELAY - VEHICLE NO. UJU 475.

*Kenalubingis  
25-10-82*

I, M. Musoke certify that on the 12th October, 1982 I was sent to Kigosi Growers Co-operative Union to collect coffee. I left Kative at 6.00 p.m. for the above Union and I drove 45 miles and reached Ewama where we spent a night.

On the ~~12th~~ next morning 13th October, 1982 we set off for Kigezi but I learnt that there was a mechanical fault in the vehicle, so we were moving slowly. But 10 miles after Lyantonde a Tata lorry driven by Soldiers came and overtook us. They stopped in front and came towards my vehicle while shooting so I and my turnboy jumped out and started running to Lyantonde and reported to the Police Station where by we went with some special force police to the scene. On reaching the scene we found that all the diesel in the ~~100~~ tank had been removed, then we had to spend a night there with the special force police.

On the 14th October, 1982 the special force police started to look for some diesel from other lorries and they succeeded in getting for us 40 litres and then we left for Ibarora where we spent time looking for diesel and at last got it at around 4.00 p.m. . On the 15th October, 1982. But due to fear to travel at night we had to spend a night there.

On the 15th October, 1982 we reached Rukungiri at 9.00 a.m. where we were collecting coffee from, but we found that the coffee was <sup>not</sup> ready, so we spent 3 days waiting for it, until we loaded on the 19th October, 1982 and set off for Coffee Marketing Board, Kampala. But on reaching Mpigi the vehicle broke-down, so I decided to come to our yard to report to my superiors who gave me some mechanics to go with me to repair the vehicle and on the 20th October, 1982 we left Mpigi and arrived here very late in the evening, then on the 21st ~~20~~ October, I left for Coffee Marketing Board to off-load.

These was the cause of delay for days supposed to be on duty.

Yours faithfully,

(M. MUSOKA) *[Signature]*  
DRIVER,  
UGANDA CO-OPERATIVE TRANSPORT UNION LIMITED.

c.c. Union Secretary.

22/10/1982.

Uganda Co-op. Transport  
Union Limited,  
P. O. Box 5486,  
KAMPALA.

UCTU/PP/278.

7th October, 1982.

The Transport Manager.

Thru: The Traffic Officer.

Dear Sir,

Re: THEFT OF A SPARE TYRE FROM LORRY NO. UWT 285 H-BENZ.

*This case is still being investigated.*  
*AkM Ssemuyoga*  
*19/10/82*

On 20th August, 1982 at around 12.00 noon, I, Kanya Henry the driver of the above lorry parked it in our yard just next to the gate and locked it with the security guard and I left for lunch. After lunch, I went to my lorry, I found that my spare tyre was missing. I asked the security on duty and he could not tell me the truth and I reported to the Chief Security guard about the incident who took me to the Police, Station, Kawempe to write the statement and who are still continuing with the investigations.

I reported the same incident to my superiors who told me to put it in writing.

I report in order to be supplied with another tyre as I don't have one now.

That is all I can state.

Yours obedient servant,

*H. Kanya*  
( KANYA HENRY ),  
DRIVER,  
UGANDA CO-OPERATIVE TRANSPORT UNION LIMITED.

c.c. The Ag. Operations Manager.

" Stores Manager.

7/10 /1982.

**Best Available Document**

Uganda Co-op. Transport Union  
Limited,  
P. O. Box 5486,  
KAMPALA.

UCTU/PF/51.

25th October, 1982.

The General Manager.

Thru:  
The Operations Manager.

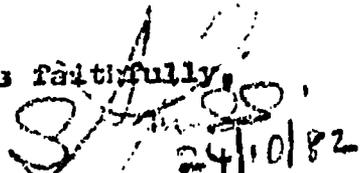
Thru:  
The Transport Manager.

Dear Sir,

HOW I SPEND THE MONEY ON LORRY NO. UWS 532 WHICH GOT AN  
CN 28 MILES KABAILE - KISORO - KAMBURGA ROAD.

1. Four guardmen @ 1,000/= per day on 7/10/1982 - 14-10-82	-	Shs. 40,000/=
2. Transport by O.C. Kabale P.S.	-	Shs. 14,000/=
3. Photographs.		7,400/=
4. We hired a wire at 2,000/= per day 5-10-1982 to 16th -10-1982	-	32,000/=
5. 20 ropes at 500/=	-	10,000/=
6. Traffic expenses	-	6,000/=
7. Men who helped us to make the way where we passed to remove the vehicle.	-	26,000/=
Total amount :		<u>135,400/=</u>

Yours faithfully,

  
( STANLEY MUSISI ),  
SENIOR DRIVER,  
UGANDA CO-OPERATIVE TRANSPORT UNION LIMITED.

25/10/1982

**IX. Proposed Training Reports**

## **MAINTENANCE MANAGER'S WORKSHOP**

**ATTENDED BY WORKSHOP MANAGERS (25-30)**

**Length of Workshop — One Week**

**Location — Lake Victoria Hotel, Entebbe**

**Trainers — Two U.S. Trainers and One Ugandan**

**(2) Administrative and Cost Procedures**

**(1) Maintenance Practices, Shop Layout**

### **CURRICULUM**

- 1. Introduction and Overview of Workshop (1 Hour)**
- 2. Objectives (1/2 Hour)**
- 3. Responsibility and Role of Maintenance Manager (1 Hour)**
- 4. Selecting the Proper Vehicle**
  - A. Service and Parts Availability**
  - B. Price**
  - C. Warranty**
  - D. The Right Vehicle for the Right Job**
- 5. Maintenance of Vehicle (16 Hrs.)**
  - A. Workshop Layout**
  - B. Proper Tools**
  - C. Maintenance Records**
  - D. Policy For Hard Tools**
- 6. The Mechanic (3 Hours)**
  - A. Hiring the Mechanic**
    - (1) Application**
    - (2) Testing the Mechanic**
  - B. Training the Mechanic**
  - C. Mechanic Pay and Incentives**
  - D. Performance and Productivity Standards**
  - E. Mechanic Discipline, Rules and Procedures**

**7. Maintenance Manager's Association (Part of Transport  
Manager's Association) (6 Hours)**

**8. Round Table Discussion (1½ Hours per day)**

**9. Rest Breaks (3½ Hours)**

**Cost: 360,000 Shillings**

**ADVANCED MANAGEMENT SEMINAR — TRANSPORT MANAGEMENT**

**ATTENDED BY TRANSPORT MANAGERS (25-30)**

**Length of Seminar — Two Weeks**

**Location — Lake Victoria Hotel, Entebbe**

**Trainers — Two U.S. Trainers and One Ugandan**

**(2) Administration Procedures, Cost Controls & Records**

**(1) Maintenance Procedures, Facilities & Vehicle Selection**

**CURRICULUM**

- 1. Introduction and Overview of Training (1 Hour)**
- 2. Objectives ( $\frac{1}{2}$  Hour)**
- 3. Responsibilities and Role of Transport Manager (1 Hour)**
- 4. Which Method of Transportation — Rail or Truck (1 Hour)**
- 5. Hire Transports or Ownership or Leased Operators (2 Hours)**
- 6. Ownership or Lease (2 Hours)**
  - A. Various Types of Leases**
  - B. Ownership Economics**
- 7. Selecting the proper Vehicle (2 Hours)**
- 8. Disposing of Vehicles ( $\frac{1}{2}$  Hour)**
- 9. Maintaining the Vehicle (8 Hrs.)**
- 10. The Importance of Cost Records and Controls (8 Hrs.)**
  - A. Budgeting the Transport Operation**
  - B. Cost Controls**
    - (1) Labour Costs**
    - (2) Fringe Benefits**
    - (3) Depreciation or Rent**
    - (4) Fuel Costs**
    - (5) Tyre Cost**
    - (6) Maintenance Cost**
    - (7) Insurance and Licence Cost**
    - (8) Miscellaneous Costs**
    - (9) Administrative Cost**

**Pg. 5**

- 11. The Driver (6 Hours)**
    - A. Hiring the Driver**
      - (1) Application**
      - (2) Testing the Applicant**
    - 11. B. Training the Driver & Driver Trainer**
    - C. Driver Pay and Incentive**
  - 12. Safety Program (2 Hours)**
    - A. Accident Review Board**
    - B. Driver Meetings**
    - C. Defensive Driving**
  - 13. Effective Dispatching (2 Hours)**
  - 14. Various Reports (2 Hours)**
  - 15. Transport Manager's Association (16 Hours)**
  - 16. Summary of Seminar Program (2 Hours)**
    - A. Round Table Discussions (1½ Hr. per day)**
    - B. Rest Breaks (7 Hours)**
- Cost: 720,000 Shillings**

**Date:** 25th October, 1982

**To:** Roger Newburn

**From:** Dale S. Bonde

**Subject:** Management Seminar

Please refer to my memo of 6th October, Subject: Transportation Consultant Job Description.

In the above memo I outlined a Training Program for next June and July. At the time I prepared the memo I had no information as to what extent I would be involved in the Advanced Manager Seminar. Based on Robert Gaader's 1983 Training Plan — Advanced Management, he will have a two-week period for Transport Management sometime between July and October. He stated the exact dates will be determined in February and March.

My schedule with ACDI is for me to return to the U.S. on December 15, 1982. I then plan to arrive again in Kampala on June 1, 1983. I would suggest that we establish the overall program now and set up dates at this time, so proper planning, visual aids and handouts can be prepared well in advance of the training schedule.

I would suggest that the Advanced Management Training be held July through July . The Maintenance Manager Workshop could be held one week later, beginning July

Attached is the general outline for a two-week Advanced Management Seminar — Transport Management. The topics and time allotments can be adjusted where necessary.

I am also enclosing a general outline of a one-week Maintenance Manager Workshop. Topics and time allotments can also be adjusted where necessary.

I would like to have one U.S. trainer work with me on both the Seminar and Workshop. This would be a short term consultant (8 weeks) furnished by ACDI or VDC. The trainer should arrive in Uganda at least three weeks before the Seminar to assist in last minute preparation, and it would also give time to understand how things are done in Uganda. He would stay on for one week after the Workshop to write reports and evaluate the Seminar and Workshop.

## UGANDA CO-OPERATIVE TRANSPORT MANAGERS ASSOCIATION

STATEMENT OF PURPOSE: ORGANIZE a Uganda Co-operative Transport Managers Association to improve Co-operative transportation operations through interchange of knowledge ideas, experience and an on-going employee training program.

This association would bring together the transportation people resulting in a better understanding of Co-operative transportation and also to create an atmosphere of working together to solve common problems.

### STRUCTURE OF ASSOCIATION:

The association shall have a five member board of directors, including the Chairman who will be the out-going president.

There shall be the following officers:

President

Vice President

Secretary

Treasurers

The board of directors shall determine the purpose and policies of the association.

The President would conduct the affairs of the association on addition the President would be Chairman of the Education and Training committee.

The Vice President would provide in the absence of the President in addition, the Vice President would be Chairman of the Meeting and Program Committee. The Secretary shall keep minutes of all meetings and handle meeting notices and appropriate correspondence.

The Treasurer will be responsible for all dues, other fees and expenses of the association.

The association would be self sustaining through yearly dues. The board and officers would not be salaried. All training expenses would be paid by the members and employees receiving the training.

Membership would be limited to those co-operatives having a minimum of 5 units. Each member could bring one guest to the meeting. Membership would be limited to the transportation Manager and the Maintenance Manager.

The board of directors will determine the number of meetings per year and the length of each meeting.

Listed below is the proposed table of organization.

CHAIRMAN OF THE BOARD				
BOARD MEMBER	BOARD MEMBER	BOARD MEMBER	BOARD MEMBER	BOARD MEMBER
		PRESIDENT	TRAINING CHAIRMAN	
PROGRAM CHAIRMAN		VICE PRESIDENT	3 COMMITTEE MEN	
3 COMMITTEE MEN		SECRETARY		
		TREASURER		
TRANSPORT MANAGER		MEMBERSHIP	MAINTENANCE MANAGER	

The Training Committee will be responsible for all training programs for members and employees of member co-operatives.

The program committee will be responsible for the content of each meeting. Listed below is a suggested schedule for each meeting.

1. Call the meeting to order.
2. Self-introduction of members and guests.
3. Secretaries report.
4. Treasurer's report.
5. Program committee report.
6. Training committee report.
7. Old business.
8. New business.
9. Program - such as featured speaker, film or any appropriate subject.
10. Round table discussion by:
  - (a) Transport Managers
  - (b) Maintenance Managers.
11. Discussion of next meeting agenda, location and time.
12. Adjournment.

The round table discussion would be divided between the Transport Managers and the Maintenance Managers. Each group would appoint a Chairman to conduct the discussion. Each group would then discuss any appropriate subject or problem brought up by the membership.

The Co-operative Transport Managers Association could also work with the Government to provide better roads, adequate supply of diesel fuel, spares and equipment to properly repair vehicles.

A well organized association would be a definite asset to the Co-operative Transport sector.

(Dale S. Bonds)

X. Report on U.S. Training Program for U.C.T.U. Transport Manager



MIDLAND COOPERATIVES, INC.



MEMORANDUM

DATE March 9, 1982

TO Carl Molin

FROM Dale S. Bonde *dale*

SUBJECT AGRICULTURAL COOPERATIVE DEVELOPMENT INTERNATIONAL

The above organization is one of four organizations bidding on a Transportation and Distribution program in Uganda, Africa.

They are in need of a consultant on a short term basis to develop a transportation and distribution program to get supplies out in the bush and bring back ag products.

The requirements are at least ten years in transportation, preferably five years in cooperative transportation, have had consulting experience and have worked in Africa.

Somehow, I met the above requirements. I have worked for Volunteer Development Corp., on two occasions and used personal time as the company would not pay my salary and the only basis they would let me go was no salary while working for Volunteer Development Corp.

The assignment would be in two parts. I would be required to spend approximately three months in Uganda starting in late September. This would be to develop and implement a transportation system. They want me back in June or July for approximately two months to conduct a transportation seminar and follow up on the system.

I enjoy this type of work and feel that I am well qualified to handle the project.

I would take the time off as vacation time as I have done in the past.

By the end of December, I will have approximately 348 hours of vacation or approximately 8½ weeks. Would it be possible to advance me approximately 4½ weeks of vacation?

I would appreciate an early reply as they are in kind of a hurry to know if I can work for them.

DSB/jks



MIDLAND COOPERATIVES, INC.



MEMORANDUM

DATE May 23, 1982  
TO Dale Bonde  
FROM Carl Molin *CM*  
SUBJECT TRAINING PROGRAM - UGANDA

Regarding your A.C.D.I. trainee, we would be pleased to cooperate in providing a training setting in our trucking department. Since the only outlay we would have is some time on the part of our departmental employees to explain various aspects, our expense would not be increased.

You would be doing much of the coordination and arranging of the training program. There would be space available at Fridley for you to work with the person, if you may need it.

If you have any other needs, let's discuss.

CM:mb

cc: Bill Goodwine  
Chuck Edelen

TRAINING PROGRAM -- SHORT TERM BASIS

TRANSPORTATION SUPERVISOR

UGANDA PROJECT

**OBJECTIVE:** Train a Transportation Supervisor for a Trucking Operation and give this Trainee a working knowledge of a Farm Supply Distribution Center.

Time Frame -- Approximately 11 to 13 weeks.

**TIMING OF TRAINING:** I would recommend the Trainee come to the United States prior to the time the Transportation Consultant arrives in Uganda. In this event, the Trainee and the Consultant could establish a working relationship and the Trainee would have received his total Transportation Supervisor training prior to the Uganda Project. Obviously, the Transportation Supervisor Trainee would be better prepared to participate in setting up a Truck Transportation Operation in Uganda.

**PROPOSED TRAINING PROGRAM:**

- Phase I      Indoctrination
- Phase II     Overview of a Distribution and Transportation Operation
- Phase III    Mechanical Training
- Phase IV     Driver Training
- Phase V      Trucking Operations
- Phase VI     Administrative Procedures
- Phase VII    Work with other Cooperatives
- Phase VIII   Reviewal of Total Training Program

Curriculum and Time Frame for each phase of training are listed below.

Phase I      Indoctrination (2 - 3 Days)

This would give the Trainee a chance to settle in and meet the various people he would be working with. We could also discuss the objectives and curriculum.

Phase II     Overview of a Distribution Center and Transportation Operation (Approximately 1 1/2 Weeks)

This phase would give the Trainee an opportunity to briefly go through all phases of a Distribution Center, and give him a glimpse of the total program.

- A. Order entry system (1/2 Day)
- B. Order processing through warehouse (1 Day)
- C. Receiving and shipping function (1 Day)
- D. Routing and dispatching drivers (2 Days)
- E. Go on delivery run (2 Days)

## TRAINING PROGRAM — SHORT TERM BASIS

### Phase III Mechanical Training (1 Week)

This phase will give the Trainee a working knowledge of a Garage Operation. It is not intended to teach the Trainee mechanics, but rather to teach him the garage system and function.

- A. Work in garage for approximately one week
- B. Assist mechanics in all types of repair and servicing of units, including tire work
- C. Spend time with various Suppliers to become familiar with warranty work and, also, to learn about secondary Suppliers

### Phase IV Driver Training (1 to 3 Weeks)

This phase covers the Driver Training Program. Should the Trainee wish to actually learn to drive a truck, we would devote two weeks to such training.

- A. Prepare Training agenda
- B. Prepare written instructions for Trainee
- C. Set up driving course
- D. Prepare Driver's Manual

### Phase V Trucker Operations (2 Weeks)

Trainee would be working with the dispatchers, clerical and management personnel, and work in all areas of Trucking.

- A. Prepare route sheets for Distribution Operation
- B. Prepare dispatching forms and records
- C. Dispatch drivers
- D. Set up standard controls for Trucking Operation
- E. Prepare mileage, hourly and tonnage reports
- F. Work with vehicle licensing, insurance and accident reporting
- G. Disciplining drivers
- H. How to interview prospective drivers

### Phase VI Administrative Procedures (2 Weeks)

This phase would cover the management techniques of operating a Trucking Department. The following activities would be covered.

- A. Setting up a Trucking Department
  - (1) Define objective
  - (2) Proper staffing
  - (3) Delegating authority and responsibility
  - (4) Determining administrative support from other departments

## TRAINING PROGRAM — SHORT TERM BASIS

### Phase VI (Continued)

- B. Setting up an accounting system
- C. Develop needed forms and reports
- D. Develop cost and performance standards

### Phase VII Work with other Cooperatives (2 Weeks)

This phase would give the Trainee an opportunity to work with two Regional Cooperatives who operate Trucking Departments. This would enable the Trainee to study different methods of operating a Trucking Department.

This phase would also give the Trainee an opportunity to observe two Retail Cooperatives and how transportation relates to the local Cooperatives.

During this phase the Trainee would work with a small rural Cooperative as well as a large multi-department Cooperative.

### Phase VIII Review Training (1 Week)

This phase would review all subjects covered and "polish the Trainee." We would cover any items that need further understanding.

Consultant and Trainee would evaluate the Training Program.

**acdi**  
**Agricultural**  
**Cooperative Development**  
**International**

201 Continental Bldg. • 1012 Fourteenth St., N.W. • Washington, D.C. 20005

Telephone: (202) 638-4661  
Cable: AGCODEV  
Telex: 64253

Donald H. Thomas  
*President*

Barlett Harvey  
*Executive Vice President*

June 30, 1982

Mr. Dale Bonde  
2753 County Road H  
Minneapolis, MN 55432

Dear Dale:

We have been in touch with Edith Gorham at Land O'Lakes concerning the training program for the Ugandan transport manager which you arranged. The Ugandan's have selected a Mr. Odongopiny for this training, and his background is discussed in the attached cable from Uganda. I am also enclosing a copy of the selection process devised by Jim Guderyon, our team leader in Kenya.  
*608-247 7083*

Ms. Gorham has said she will schedule the training to begin during the week of July 26. I think we will keep Mr. Odongopiny in Washington for the 26th so that he can meet Mr. Roger Newburn, our Uganda team leader. We would send him out to Land O'Lakes that evening or next day. It looks like things are well on track.

Sincerely,



Donald R. Crane, Jr.  
Project Officer

DRC/rsv

Chairman of the Board  
■ Vern L. Moore  
Land O'Lakes, Inc.

Vice Chairman  
■ A.M. Feland, III  
Southern Farmers  
Association

Secretary  
■ O. Roy Wiebe  
Western Farmers  
Association

Treasurer  
■ Keith K. Kennedy  
Farm Credit Banks  
of St. Louis



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Telex: 64253

Donald H. Thomas  
*President*

Barlett Harvey  
*Executive Vice President*

June 30, 1982

Ms. Edith Gorham  
Asst. Manager Trucking Dept.  
Box 1395  
Minneapolis, MN 55440

Dear Ms. Gorham:

This letter is a follow-up to our telephone conversation confirming the selection of Mr. Denis N. Odongopiny as the Operations Manager for the Uganda Cooperative Transport Union. He is a holder of a mechanical engineering degree as well as a masters degree in business administration and therefore should profit greatly from the training that has been planned for him at Land O'Lakes. The timing and content of the proposed training should give him complete exposure and hands-on experience in the entire operation of a transportation distribution system. It appears that Dale has allowed time to cover every aspect of the operations. However, I am sure there will be additions, deletions and changes as you move through the implementation phase of training.

I've enclosed for your information a copy of the "Selection Process" which was designed by Jim Guderyon, ACDI's Chief of Party in Kenya and former Manager of Personnel Development at CENEX. He spent a week in Kampala working with the USAID staff and various Ugandan government officials to set up this process. By the way, he will be on home leave in late July and August, back in Minneapolis, so I hope he can meet with you and Dale Bonde to discuss the Uganda scene. Since Jim will be returning to Nairobi, he can be very helpful to those going to Uganda in facilitating their requests with the USAID offices in Nairobi.

After discussion with you regarding your vacation schedule, we have arranged for Mr. Odongopiny (O-doan-go-penny) to arrive in Washington, D.C. on or about July 19. He will participate in a one-week orientation for foreign visitors to the U.S. provided by the Washington International Center. He will then travel to Minneapolis on July 24 on Northwest flight #69 arriving about 2:14 p.m. Hopefully Dale can meet him and get him lodged for the remainder of the weekend.

*Chairman of the Board*  
■ Vern L. Moore  
Land O'Lakes, Inc.

*Vice Chairman*  
■ A.M. Feland, III  
Southern Farmers  
Association

*Secretary*  
■ O. Roy Wiebe  
Western Farmers  
Association

*Treasurer*  
■ Keith K. Kennedy  
Farm Credit Banks  
of St. Louis

Ms. Edith Gorham  
June 30, 1982  
Page 2

As we discussed, hopefully a "boarding house" arrangement can be made for Mr. Odongopiny in lieu of a regular motel. I believe he would enjoy it more and perhaps get to know a few more Americans in this way. Anyway, I leave it to your discretion as to the "best" arrangement. During his stay, ACDI will provide him with funds to cover his expenditures including lodging, food, and local transportation. However, if during the training period you incur any extraordinary expenditures, e.g., purchase of books, training manuals, tickets for special events, etc., please bill us accordingly.

This whole effort adds an entirely new dimension to the relationship between ACDI and its members. On the job training is something we know our members do extraordinarily well for their own staff. Now we are exploring the extent to which we can share our "know how" with professionals from Africa, Asia and Latin America. I believe this first effort will show the way for future international internships and look forward to receiving your thorough assessment of the entire experience.

As soon as we have received a confirmation of Mr. Odongopiny's travel plans from USAID in Kampala, we'll be in touch with you. If you need any additional information, please don't hesitate to call me, Don Crane, our Africa Project Officer, or Libby Shipp, Training Assistant.

Sincerely,

  
George A. Reagan  
Director of Training &  
Evaluation

GAR:ls  
Enclosures: Selection Process  
Training Program  
cc: Vern Moore, Sr. Vice President  
Corporate Services  
Land O'Lakes, Inc.  
Dale Bonde

JUN 17 1982

Selection Process For: OPERATIONS MANAGER TRAINEE  
UGANDA COOPERATIVE TRANSPORT UNION LTD

Basic Requirements and Selection Criteria

- University graduate in Commerce or Business Administration or Diploma in Management from a recognized College.
- Minimum of 2 years experience in transport operations with a cooperative or a private business organization.
- Strong interest in a career in transport operations.
- Sufficient mechanical interest and aptitude to supervise the fleet maintenance function.
- Available for 8 months of overseas training within 30 days of being selected.
- ~~Natural~~ leadership ability.
- Good prospect for remaining with UCTU for at least five years.

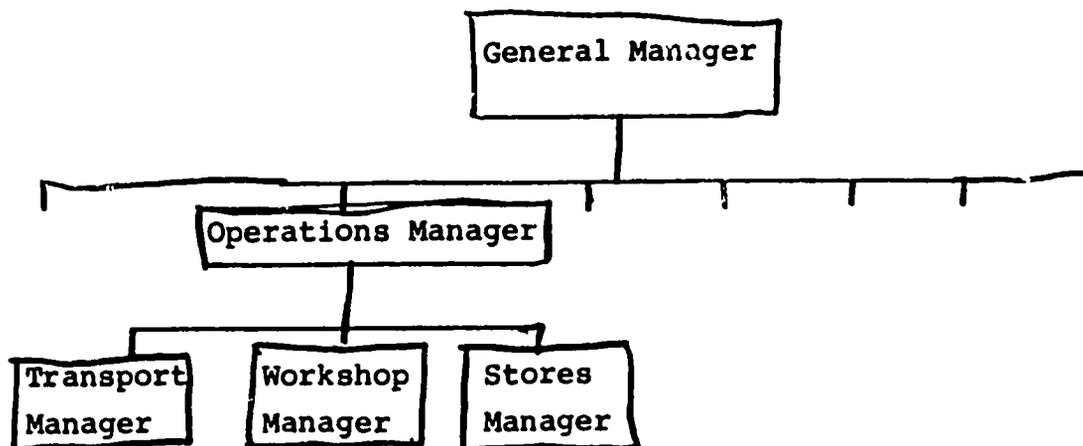
Selection Committee

- Mr. Henry Muzaale - General Manager U.C.T.U.  
2 Members appointed by Commissioner of Cooperatives

The selection committee shall accept applications for this position from any interested party and shall interview three or four of the top qualified candidates. A single candidate

shall be selected by the committee at the earliest possible date, in any case no later than 15 June 1982. Immediately upon the selection of this person the chairman of the committee shall notify the Commissioner of Cooperatives and Mr. Willie Cook of USAID. Mr. Cook shall notify A.C.D.I. in Washington D.C. who shall then make arrangements for entry into the U.S. and shall provide an airline ticket for the trainee. The Commissioner should be asked to expedite the granting of a passport and any other documents required by the Government of Uganda. With prompt action by everyone it will be possible to have the trainee in Minneapolis, Minnesota, U.S.A. to commence the on-job portion of the training program in early July, 1982.

#### ORGANIZATIONAL CHART (UCTU)



## JOB DESCRIPTIONS

### 1. OPERATIONS MANAGER:

Objective: To operate the transport fleet of UCTU in an efficient manner so as to provide customers with the optimum balance of good service and competitive rates while generating savings to provide UCTU with growth capital.

Duties:

- (a) Supervise the Transport Manager in the utilization of the vehicles and the negotiation of controls and establishment of rates.
- (b) Co-ordinate with the Workshop Manager to ensure that all vehicles on breakdown are repaired and that proper preventive maintenance is practiced.
- (c) Coordinates with the Stores Manager in requisitioning for spares and making sure that all stores are properly kept.
- (d) Any other duties assigned by the General Manager.

**TRANSPORT MANAGER**

- (a) Overall supervision, negotiations, disposition and execution of road transport contracts.
- (b) Supervision and control all documents relating to transport contracts and transportation of goods.
- (c) Receiving transport orders for analysis and arranging transport for transit goods to various destinations.
- (d) Planning daily distribution of transport orders in relation to lorries available for use.
- (e) Checking all documents accompanying goods on domestic and transit transportation, and ensuring proper endorsement.
- (f) Plan and budget for transport department.
- (g) Management and control of Union finance voted and expanded in Transport Department.
- (h) Any other duties assigned to him from time to time by the General Manager.

3. WORKSHOP MANAGER

- (a) Overall direction, supervision and administration of the Union's workshop.
- (b) General maintenance of the Union's fleet of vehicles, machinery and other primanovers.
- (c) Purchase of spare parts in and out of Uganda.
- (d) Physically checking on the work of mechanics before repaired vehicles are released.
- (e) Any other duties assigned to him from time to time by the General Manager.

4. STORES MANER<sup>AG</sup>

- (a) Direct supervision of the stores and control of receipts and deliveries of goods in stores.
- (b) Proper record keeping of all goods received and delivered in the store record book.
- (c) Monthly stock record books, proper tallying and stocking of goods in stock.
- (d) Advising the Management on the requisition

and consumption of spare and any other items  
from the Stores.

- (e) Liaise with customs, clearing and forwarding  
agents whenever the Union has goods to clear.

Date: August 24, 1982

To: Edith Gorham & Denis Odongpiny

From: Dale S. Bonde *JSB*

Subject: Revised Training Schedule for Denis Odongpiny

I have been notified by A.C.D.I. that I will now be leaving for Uganda on August 31, 1982. This will require some changes in our Training Program. The changes are as follows:

Week of August 23 Visit various repair facilities in the Twin Cities area. These facilities will be public repair garages and common carrier facilities.

Week of August 30 Visit Umthum Trucking in Eagle Grove, Iowa. Work in Fridley garage.

Week of September 6 Visit Coops in Mora and Black River Falls.

Week of September 13 Observe Genex maintenance facility in Wadena, Minnesota. He will also spend time with Polman Transfer, a contract carrier, in Wadena.

The balance of the training period will cover the following areas:

1. Truck Driver Training
  - A. Pre-trip vehicle inspection
  - B. Loading & unloading procedures
  - C. Behind-the-Wheel training
  - D. Driver paper work
  - E. Post-trip vehicle inspection
2. Process equipment repair orders
3. Work in tire shop repairing tubeless tires
4. Review safety procedures
5. Review entire Training Program

Denis should complete his training by the end of September 1982.

cc: A.C.D.I. ✓

August 26, 1982

Agricultural Cooperative Development International  
201 Continental Bldg.  
1012 Fourteenth St., N.W.  
Washington, D.C. 20005

Attn: Bartlett Harvey, Exec. V. Pres.

Subject: Training Program, Uganda Project

Following is a project report on the Transportation Training Program in Uganda.

July 26, 1982	Met Denis Odongpiny at the airport at 6 P.M.
July 27, 1982	Toured Land O'Lakes Distribution Center and introduced him to the people he will be working with. We moved Denis to a boarding house approximately four miles from the Distribution Center.
July 28, 1982	Toured and explained the Order Entry System as it relates to the computer. Further toured the Distribution Center and worked with dry freight Dispatcher.
July 29, 1982	Spent the day on licensing, insurance and claims (both equipment and damaged merchandise claims).
July 30, 1982	Worked with the tank Dispatchers and the Shipping and Receiving Departments.
Aug. 2 & 3, 1982	Went on a two-day run delivering freight to member coops in Wisconsin.
Aug. 4-6, 1982	Went on a three-day run delivering freight to member coops in northern Minnesota and North Dakota.
Wk. of Aug. 9	Worked in Fridley garage servicing equipment.
Wk. of Aug. 16	Took written test and passed to qualify for a Driver's Permit. Denis spent two hours with Behind-the-Wheel instructor in the morning. Spent the afternoon on Phase VI of Training Program.
Wk. of Aug. 23	Visited various repair facilities in the Twin Cities area: <ol style="list-style-type: none"><li>1. Quickee Transport, a petroleum carrier</li><li>2. American Trailer, a trailer repair facility</li><li>3. General Motors Truck Center, a truck repair facility</li><li>4. The balance of the week was spent on local delivery operations and local fuel oil deliveries to homes.</li></ol>

Training Program Uganda Project — Pg. 2

August 26, 1982

Enclosed is a copy of my memo to Edith Gorham and Denis Odongpiny which covers the balance of Denis' Transportation Training Program.



Dale S. Bonde  
Consultant

DSB/cbb

Encl. (1)

August 30, 1982

Agricultural Cooperative Development International  
201 Continental Bldg.  
1012 Fourteenth St., N.W.  
Washington, D.C. 20005

Attn: Bartlett Harvey, Exec. V. Pres.

Subject: Evaluation of Transportation Training Program -- Uganda Project

My portion of the Transportation Training Program with Denis Odongpiny was completed on August 30, 1982. I am enclosing a report on items covered up to this date and also enclosing a copy of my memo to Edith Gorham and Denis Odongpiny, which covers the balance of the Training Program.

From a personal viewpoint, I found the Training Program very fulfilling. It gave my wife and I another opportunity to relate to a Third World country. It also gave many of our friends and associates an opportunity to better understand the native people of another country. We are sure that many of our friends have a better understanding of "foreigners."

From a practical standpoint, I feel that both Uganda and A.C.D.I. will be able to accomplish much more in a shorter time because Denis can understand where we are coming from, and we can understand where they are coming from.

Denis and I both agreed that the training experience was very helpful to both of us. There is no formal schooling available to teach trucking operations. The only source is "hands on" experience.

In evaluating the Training Program, Denis felt that our Distribution Center Warehouse Operation at Land O' Lakes would be very valuable to the Warehouse Manager of the Uganda Central Cooperative Union.

It is my opinion that this type of training would be very beneficial to all concerned. It would consume less time, would cost much less than formal education, and the practical experience of how the real world operates can only be obtained by a training program such as this.

When I first discussed a training program with A.C.D.I., I suggested a guideline based on my experience in Botswana. We had no idea who the trainee would be, nor his education and work experience. Approximately one month before the trainee arrived in the United States, we were advised of his name and educational background.

When Denis arrived in the United States, we discussed his total background, including education and work experience. I then felt that I had allowed too much time for some of the basic training.

After a few days with one phase of the training Denis would say he understood what we had covered. I began to feel that I was going down the same road as in Botswana. There the trainee would also say he understood a phase of the training when, in fact, he did not. Talking with others involved in training Botswana people, I found they had the same problem. I then decided to check Denis out, so I asked him for his notes on what we had covered. His notes were very complete and he related various operations to other operations in his own words. I therefore felt he really understood what we had covered.

After Denis spent training time with others, I would have each trainer evaluate his discussion with Denis. In every case I received the general comment: "He certainly asks a lot of questions, and they are good questions. He also takes many notes." All of the people who worked with Denis were very impressed, and all felt he fully understood them.

The point I want to make is that to be effective we must devise the training program to fit the individual.

If you were to adopt this type of training program, I would suggest the following procedure that might be helpful in planning future training programs:

1. Someone in A.C.D.I. should be responsible for the training program, and should coordinate the training with supporting U.S. cooperatives involved, and finally with the trainee's home cooperative
2. The trainee who is selected should provide a very comprehensive resume to be distributed to those people involved in the training program.
3. An overview of the trainee's home cooperative should be provided to all involved in the program.
4. The trainee's home cooperative should prepare a list of problems and/or objectives to be accomplished in each case.

Regarding phases not completed as proposed:

Phase IV Driver Training — Both Denis and I feel this phase is better accomplished in his own environment.

Phase VI Administrative Procedures (B) Setting up an Accounting System — Denis suggests that the accounting system is in place, and we will review the procedure in Uganda rather than spend time here in the United States.

Evaluation of Transportation Training Program — Uganda Project  
Page 3

Aug. 30, 1982

I certainly enjoyed working with Denis Odongpiny, and also am looking forward to working with him in Uganda. It has been a great experience for everyone concerned here in the United States.



Dale S. Bonde  
Consultant

DSB/cbb

Encls. (2)

# Land O'Lakes, Inc.

## AGRICULTURAL SERVICES

800-53rd Ave. N.E., P.O. Box 1395, Minneapolis, MN 55440  
Telephone: (612)571-2110

September 28, 1982

Agricultural Cooperative Development  
International  
201 Continental Building  
1012 Fourteenth Street Northwest  
Washington, D.C. 20005

Attention: Bartlett Harvey, Executive  
Vice President

Subject: Training Program, Uganda Project

On August 26, 1982 Dale Bonde sent you a letter giving the progress report on the Transportation Training Program of Denis Odongopiny from Uganda.

The following data is a continuation of this program.

August 30th - Denis left for Umthum Trucking Company at Eagle Grove, Iowa. Umthum is a family owned common carrier trucking company. He met the company president who briefed him on the history of the company and introduced him to the various department heads.

August 31st - Denis spent the day in Umthum's Maintenance Department observing and participating in the overhauling of an engine and servicing equipment in general. Visited the tire department and saw how they recap and control their tire inventory and parts department which was computer controlled; therefore, loss of any items almost impossible.

September 1st - Spent the day at Umthum dispatching dock and visited their Personnel Department.

September 2nd - One of Umthum's biggest customers in the Boone Valley Cooperative Processing Association which processes soybeans. Denis had the opportunity to tour this facility and was able to get a good insight of their operation.

September 3rd - Visited Umthum's Safety Department and Billing Department.

September 7th - We felt Denis should observe the operations of a large and small cooperative. We chose Federation Cooperative at Black River Falls as the large cooperative. Denis departed for Black River Falls via our freight truck arriving in Black River Falls late afternoon.

September 8th - The manager at Federation Cooperative at Black River Falls took Denis around to various facilities such as the Fertilizer Department, anhydrous ammonia plant and several service stations.

September 9th - Spent part of the day in the office at Black River Falls Co-op then went on a L.P. gas delivery. Later in the day he observed the operations of the Hardware Department.

September 10th - The co-op at Black River Falls is interested and involved in many things. Among those toured by Denis was the Oasis which is made up of Perkins Restaurant, a gift shop and service station, the Arrowhead Lodge and campground. He toured the Product Credit Association, Jackson Electric Cooperative, and the petroleum and L.P. plants. He also visited a very modern farm where they milk cows three times a day.

September 13th and 14th - On September 13th Denis took his driving test, balance of his time was spent on paperwork.

September 15th - Departed for Wadena, Minnesota via a freight run where he would visit Cenex and the Polman Transfer facilities.

September 16th - Visited Cenex Cooperative terminal in Wadena.

September 17th - Visited Polman Transfer Incorporated which is also a family owned trucking company.

September 20th - Spent the day at the Fridley Distribution Center.

September 21st - Visited the operations of a small cooperative which was the Kanabec County Oil Association at Mora, Minnesota. He toured the Ag. Services Division, Fertilizer Department, service station facilities and ice cream plant. He also went on a home bulk petroleum delivery.

September 22nd - In the morning Denis visited the Northwest LP Gas Plant in Mora. It was here he observed the operations of engine adjusting and fuel economy settings for engines placed under full or variable load conditions from idle to full with the aid of a dynamometer and the latest in electronic testing equipment. In the afternoon Denis and the manager of the co-op went to a livestock and machinery auction at the Sales Barn in Mora.

September 23rd and 24th - Reviewed previous material at the Fridley Distribution Center.

September 27th-28th-29th - On September 27th Denis was interviewed by Bill Turner who is working on a Presentation for A.C.D.I. The 28th and 29th Denis spent his time reviewing all of his past material and tying up the loose ends.

It has been interesting and enjoyable working with Denis. He is a well versed and knowledgeable individual, makes friends easily and is an asset to his people and country. He has made many friends while in our area and we all wish him well in his future endeavors.

Denis is completing a report in detail for you of each of the locations he has visited. Should you have any questions or if I can be of any help to you, please feel free to give me a call at 612-571-2110 ext. 193.

Sincerely,



Edith Gorham, Assistant Manager  
Trucking Department

EG/mo

October 25, 1982

Agricultural Cooperative Development  
International  
201 Continental Building  
1012 Fourteenth Street Northwest  
Washington, D.C. 20005

Attention: Bartlett Harvey, Executive  
Vice President

SUBJECT: Final Report on Transportation Training Program.

Denis Odonpiny returned to Uganda from the United States on Oct. 6, 1982. Denis and I reviewed the Training Program in the States, to evaluate each Phase of the Program.

Denis felt the overall schedule covered the areas of interest to him. He also felt the schedule was flexible enough to enable him to spend more time in certain areas than others.

Denis evaluated each Phase as follows:

PHASE I Indoctrination

Very important and should be flexible enough for the Trainees to adjust to a different environment.

PHASE II Overview of Distribution and Transportation

Okay

PHASE III Mechanical Training

Too much time allocated to this training. Denis was more interested in the system than actually performing the mechanical work involved. A view of various repair shops was adequate.

PHASE IV Driver Training

Denis felt this phase was not necessary because of the vast differences in operating conditions. My feeling is that in Uganda they let things happen, whereas in the States we make things happen.

**PHASE V Trucking Operations**

Okay

**PHASE VI Administrative Procedures**

Denis felt this phase should be structured on a very informal basis. He suggested that the points be covered through comparison of his system with ours, and then fit in whatever is most practical. I perhaps included some things in which Denis is not involved with his position here, such as accounting procedures.

**PHASE VII Work with other Cooperative**

Denis felt this was probably one of the best phases of the training program. It gave him a better understanding of what constitutes a member cooperative. It also gave him an opportunity to get involved in our culture.

**PHASE VIII**

Denis felt this phase was very important to him, since it enabled him to review those areas he did not fully understand. He felt the overall program accomplished the objectives, and that he was exposed to many different operating conditions.

One thing Denis was very happy about was the boarding house arrangement because it enabled him to become part of our society and was a valuable learning experience. He paid \$10 per day for room, breakfast and dinner plus laundry.

I feel that having Denis exposed to various trucking operations in the States gave him a better understanding of transportation in general. In working with him here in Uganda, I find that he will apply his training and experience in the States in the following proposals:

**Denis Pg. 3**

- 1. Accident Review Board -- 3 Drivers plus 2 Management**
- 2. Pre-trip Vehicle Inspection**
- 3. Regular Driver's Meetings**
- 4. Driver Committee, to have a better working relationship with them.**
- 5. Tyre Identification and Records System**
- 6. Improve various Records.**

TRANSPORT TRAINING PROJECT AT LAND

O'LAKES DISTRIBUTION DEPARTMENT AT

FRIDLEY, MINNEAPOLIS, U. S. A.

A REPORT SUBMITTED

BY

DENIS N. ODONGPINY

UGANDA CO-OPERATIVE TRANSPORT UNION LIMITED

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TRANSPORT TRAINING PROJECT

1. INTRODUCTION:

In this report I have described the visits or my stay on a transportation training programme in the United States. The objective of the training programme was to train me to have a working knowledge of a Farm Supply Distribution Center. I have described the training in some cases in greater detail where I thought it would be necessary, and in other cases very briefly.

The purpose of this report is to inform my sponsors, supervisor, my government through the Commissioner of Co-operatives and my organisation for future use about what I did on my training programme. It is definitely a difficult task to write a single report to suit the interest of all the parties involved in this programme. I have in doing so therefore included some reports that may be irrelevant to some of the parties I would therefore like to apologise to whoever is inconvenienced.

Briefly my report starts with a description of my visit to United States of America, places I have been and then what I was doing in summary form, my conclusion states whatever I felt I gained from the specific organisation. Then later I described each of the individual organisations visited, with a wider coverage of Land O'Lakes Trucking Department at Fridley, Minneapolis since this was the parent training organisation.

The report concludes with an overall evaluation of the training programme, and then later recommendations for the future.

DNO/fmn.

2/11/1982.

2.0.

TIME TABLE OF VISITS IN THE UNITED STATES  
OF AMERICA

Below I have included a report on the activities covered since arriving the United States of America and then on my last leg to Uganda. I have commented briefly about each of the activities.

- JULY 21ST, 1982 - I arrived in the United States of America at Washington International airport at Dullas.
- JULY 22ND, 1982 - Started on my indoctrination programme at the Washington International Centre.
- JULY 23RD, 1982 - Met the ACIDI officials and had a briefing about my training programme.
- JULY 24TH, 1982 - I went on a tour of the Washington Capital and some historical sites and Musuems around Washington D.C.
- JULY 26TH, 1982 - I met officials at ACIDI headquarters and Mr. Rogers Newburn who was leaving for Uganda to take a post as the project officer for Uganda. Later on in the afternoon I left for Minneapolis where I was met by Mr. Dale Bonde. We discussed our two organisations.
- JULY 27TH, 1982 - I went on a tour of the Land O'Lakes Distribution Center and I got introduced to the various heads in Land O'Lakes.
- JULY 28TH, 1982 - I had a chance to look at the order entry system as it relates to computer. Later on the day I toured the distribution centre and worked with the dry freight dispatcher. I found the system here very useful and most directly related to the Uganda Co-operative Transport Union Limited. I studied the entry systems, order processing through the Warehouse, and went through the shipping and receiving departments. All this was at Land O'Lakes Distribution Department at Fridley, Minneapolis.

- JULY 29TH, 1982 - Spent the whole day with the Assistant Trucking Manager who explained to me the systems and methods for licensing, insurance and claims both for equipment and damaged merchandise. Also she explained to me the methods for handling the drivers and accidents. I thought I learnt a lot which I could use back at home at Uganda Co-operative Transport Union Limited here especially with regards to handling driver's problems.
- JULY 30TH, 1982 - Worked with the tank despatchers and the receiving departments whereby I saw and participated in arranging the systems for receiving and dispatching. I learnt the methods involved and although not of immediate use, may be very useful to me later when Uganda Co-operative Transport Union Limited expands into Warehousing and the tank business.
- AUGUST 2ND & 3RD 1982 - I went on a two day delivery run, delivering freight to member Co-operatives in Wisconsin. Got a chance to see how the goods are distributed to the local Co-operatives.
- AUGUST 4TH - 6TH 1982 - Went on a three day run delivering freight to members co-operatives in northern Minnesota and North Dakota.
- AUGUST 16TH, 1982 - This week covered my training in the garage as described in the report later.
- AUGUST 16TH, 1982 - The week beginning August 16th I spent on driver training at least in the morning, and in the afternoon spent discussing the administrative procedures that included methods for setting up a Trucking Department which is covered under phase IV.
- Week of August 23rd, 1982 - I visited various repair facilities. Among these are:

.../4

- (i) Quickee Transport, which is a petroleum and general bulk product and common carrier type of haulers, within Minneapolis City.
- (ii) American Trailer, a trailer repair facility also within Minneapolis.
- (iii) General Motors Truck Center which is a truck repairing facilities dealing with repairs of the above trucks.
- (iv) The rest of the week I spent going on a local delivery operations within Minneapolis City.

This marks the end of my training supervision by Mr. Dale, as he left for Uganda. The remaining portions were supervised by Ms Edith Gorham and as before these included:

AUGUST 30TH - SEPT.  
2ND, 1982

Visited Umthun Trucking Company which is a common carrier - is a larger type of organisation. Also visited Boone Valley Co-operatives Processing Plant. These two organisations were based at Eagle Grove Iowa.

SEPT.7TH-10TH,1982

Visited Federation Co-operatives, a local Co-operative based at Black River Falls, Wisconsin. I also had a chance to visit to Production Credit Association Jackson Electric Co-operatives. All these are based at Black River Falls.

SEPT.13TH & 14TH, - Continued with driver training. Took a driver  
1982 test and later spent the days on paper work.

SEPT.15TH - 17TH, -  
1982

Visited Wadena. Spent my time at Cenex terminal at Wadena, and then Polman Transfer Incorporated which is a family owned Trucking Company in Wadena too.

.../5

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SEPTEMBER 21ST, 1982

- Visited Kanabec County Oil Association at Mora, Minnesota. Then later the Agricultural Services Division, the Fertilizer Department and Ice Cream Plant. All these are part of Land O'Lakes operations at Mora.

SEPTEMBER 22ND, 1982

- I visited the North West LP gas plant at Mora in the morning then later in the afternoon went to a livestock and machinery auction at the Sales Barn in Mora.

SEPTEMBER 27TH-28TH-29TH, 1982

- I was interviewed by Bill Turner who is working on a paper for ACIDI. The rest of the days 28th and 29th, I spent the time reviewing all my past material and consulting departments where I felt I had not covered the materials well.

SEPTEMBER, 30TH, 1982

- Left for Washington.

1ST OCTOBER, 1982.

- Consulted my Sponsors, i.e. headquarters of ACIDI in Washington where I filled an evaluation form and then later left the United States of America for home on the same day.

DNO/fmn.

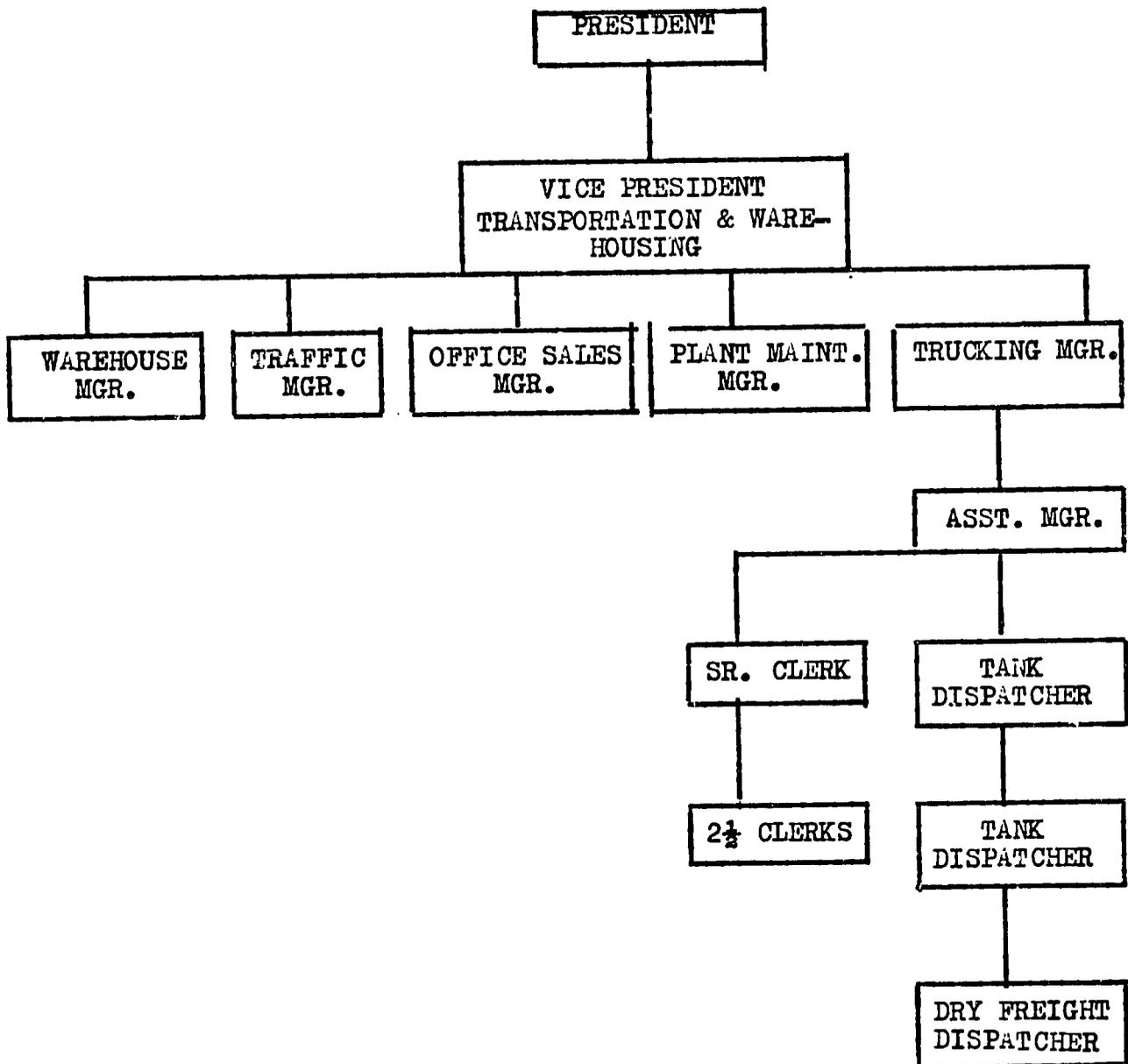
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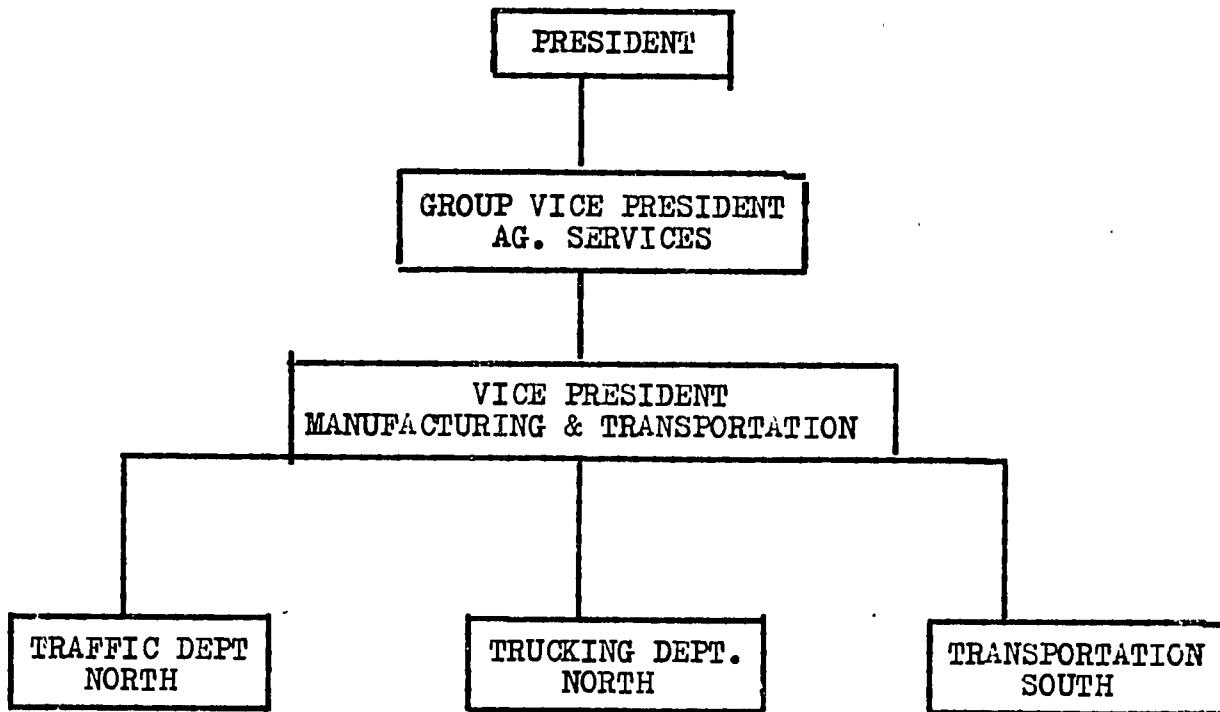
BACKGROUND ON THE LAND O'LAKES TRUCKING DEPARTMENT

Land O'Lakes is a regional cooperative located in Minneapolis, Minnesota. On January 1, 1982 Midland Cooperatives merged with Land O'Lakes, Inc. Midland became part of the Ag Services Division.

My report will cover the operations of the former Midland operation. Below is the organizational chart of Midland Cooperatives, inc. prior to the merger



Below is the organizational chart of the present Land O' Lakes organization as it relates to the trucking operation in the Ag Services Division of Land O' Lakes.



Trucking Dept. North operates a private carrier fleet.

Transportation South does not have a private fleet, but operates with common carriers only, and would be comparable to the Traffic Dept. North.

The trucking operation that I worked with is the former Midland Trucking Department.

The attached resume outlines the Midland Trucking Operation. I am also enclosing a copy of the original training program for the Uganda Project.

4.0. TRAINING AT LAND O'LAKES TRUCKING DEPARTMENT  
AT FRIDLEY, MINNEAPOLIS

This is the first part of the progress report on my on the job training with Midlands Co-operatives Incorporation. A broad presentation of the general operations of Midlands Co-operatives, Transport and Lube Department is presented. Now it is the current Distribution department. The Organisation structure and general operations of this department is presented earlier in the background information on the above organisation.

For the purpose of report, what was covered is presented on a timely basis, as per laid out schedule by the supervisor. This week's report include the section under overview of distribution centre and transportation operation.

In the first one and half weeks there was a lot of progress made. Foremost is that this was the period of my first meeting with the supervisor for the training at Midland Cooperatives, Incorporated. In this meeting we were able to discuss the two organisations i.e. Midland Co-operatives Incorporated and the Uganda Co-operative Transport Union Limited. As briefly as possible I presented the Uganda Co-operative Transport Union Limited and its problems in that the Supervisor may revise the course content.

Uganda Co-operative Transport Union Limited started as a private carrier formed by the individual Co-operative Unions in the country initially to carry the Co-operative Union's goods. Now however because of the expansion in the fleet size Uganda Co-operative Transport Union Limited has become a common carrier although first priority is given to the Co-operative members.

Land O'Lakes Trucking or distribution department operates as a private transporter as opposed to Uganda Co-operative Transport Union Limited which although initially formed as a private carrier later became a common carrier. The schedule it was agreed should be followed as laid out before. But if time allows it was agreed that I should visit as many common carriers companies around as possible. Foremost among the group is the Umthun Trucking Company at Eagle Grove, Central Iowa. ..../9

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The first week included general visit to the various departments within Land O'Lakes distribution department. Among this is the Trucking Department, Warehousing and Lube Department.

First of all we visited the Midland Co-operatives headquarters where the main computers is housed. In this computer building is where all the booking or orders for merchandise are made by Unions who have mini computers at their offices and through which they call the main office however smaller Co-operatives make their orders through the telephone. The computer apart from accepting orders, processes information on the costs of goods.

The Computer prints out the information for an order of the day, the following day through a terminal within the Warehousing department at Midland Co-operatives, Fridley Warehousing for prompt action of the Warehousing and the Goods Scheduler within the Trucking Department. The information is first collected by the Lube plant Co-ordinator and the control clerks, who pass them to Trucking and then later shipping department.

..... NOTES: For the purpose of this report I may refer to the organisation as Midland Co-operatives, Incorporated, and whenever I do it refers to the portion of organisation that is now part of the merged Company with Land O'Lakes that was formerly Midland Co-operatives in later report.

4.1. WAREHOUSING DEPARTMENT:

I was taken around by the Warehousing Supervisor. The first section we visited is the Receiving Section. This section is a place where goods coming into the warehouse are received and they returned goods or newly ordered merchandise. Naturally there are two sections within the receiving department one for freshly ordered merchandise and the other for returned goods. Below the Receiving department is discussed in greater detail.

4.1. (a) RECEIVING DEPARTMENT:

Here goods ordered by Midlands for its members or for packing for other outside organisations are received, also returned goods are received in this section. There are five main sections to which the goods are dispatched, orders being made by each individual section head. The six sections are as follows:-

(A) Automotive Parts, This Section deals with the orders for small parts for automobiles i.e. spark plugs, light batteries and other motor accessories. In this section goods from the receiving department at times have to be re-packed in some cases, and re-assembled in other cases or both.

(B) Dairy and Livestock: This section deals with the purchase of livestock drugs and other accessories necessary for the dairy and livestock department but not equipments for the livestock industry. They keep stocks of tanks, metal gates, and other stuff for dairy and livestock, but not equipment.

(C) Supply Department: This deals with the printing of materials required by member Co-operative Unions and runs a whole printing press. They also order stationery and other goods required for running this Section, and Organisation as a whole.

(D) Energy Department: This deals with the purchase of oils, tyres, gas pumps and gasoline and it is this same section

that runs the lubrication plants. All orders in this Section are made through the energy department. Energy department also handles the requirement of Lube department for re-packaging of oils for outsiders not necessarily members only.

(E) Agronomy Department: This runs the spraying equipment and other equipment necessary for running crops products.

(F) Fertilizer Department: Runs the crop management section and concerns the actual purchase of the necessary fertilizers, anhydrous ammonia necessary for the crop management for most Co-operative members.

(G) Feeds Department: Runs the department necessary for purchase of animal food products. This include Dog feeds, Cat foods and other additions required for the animal foods.

After noting how the Receiving Department handles the paper work, it was necessary for me to travel within the warehouse where all these sections are based and it took about one and half days. Note that I did not bother to include the technical details of paper work for receiving, marking, stocking and storage. Among these standard forms to handle these procedures are computer shipping order, merchandise movement forms, 'R' number orders. Emergency orders, cash sale orders.+

After touring or going around the warehouse I came back to the shipping department which is more directly related to the trucking department.

Footnote + ..... For interested parties about details of warehousing there is a manual on Merchandise handling procedures. A publication of Midland Co-operatives Incorporated. For the purpose of my report I shall place this manual in our organisation library for consultation of interested parties, but it would be a non-profitable exercise to put the details here.

4.1 (b) Shipping Department:

This is the department that handles the merchandise that go out of the warehouse. The orders from the individual Co-operative members with mini-computers are made on a daily basis, and it is the duty of the shipping department to prepare the goods ready for shipment. When the orders came from the computer terminal's print out, goods are dispatched from the individual points within the warehouse storages to shipping department which is close to the loading bay.

For the purpose of the Shipping Department and the storage department there are five sections; the section being demarcated according to the ease with which the goods can be brought to the shipping point, the nature of the goods and type of equipment necessary for hauling the products to this point. Roughly this is based on size and weight: These sections are as presented below:-

A. Section consists of small items main light items like soaps, small automotive parts (bulbs e.t.c.). This section is on the upstairs floor within the warehouse - These parts we brought to the shipping points on carts.

B. Area type department - This is near or next to the shipping departments and have mainly tyres. Tyres can be rolled easily to shipping department. Also batteries for vehicles are stored within this area.

(C) Lube plants areas contain mainly oils, grease antifreeze e.t.c. These products are brought by fork lifts to the loading bay.

D. Handles non-poisonous merchandise. These include goods on pellets that can be picked up by motor fork lifts - under these include Animal foods, edible consumer products, animal foods and diary products are stored down-stairs.

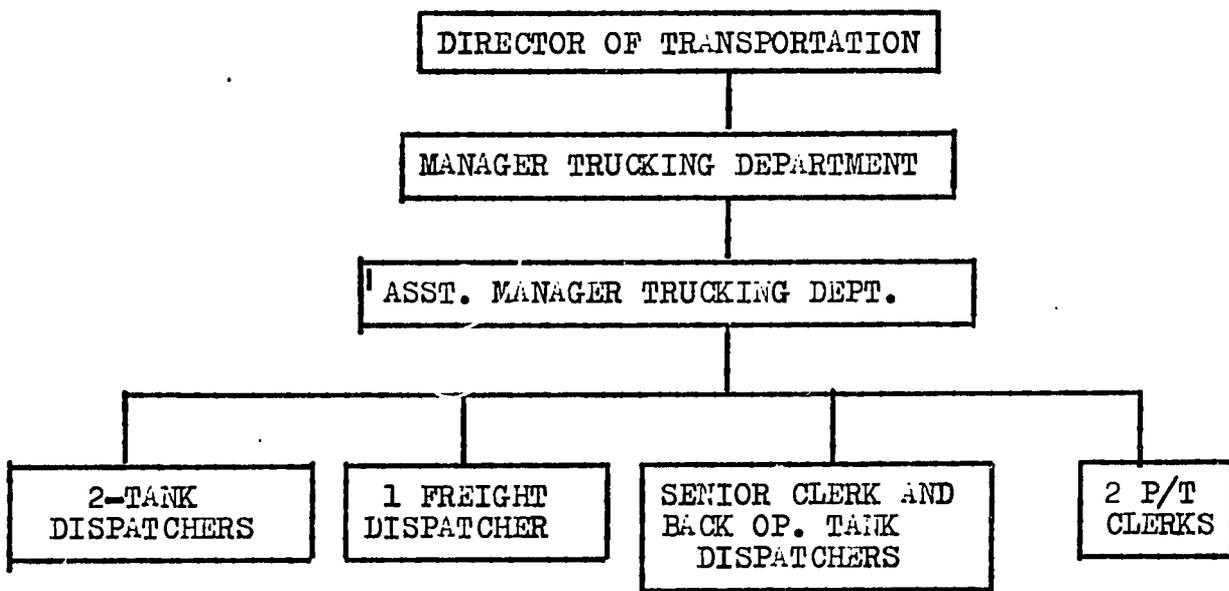
The oils section is in Lube department. Goods included here are lube plant products namely oils, grease, anti-freeze e.t.c. These products are picked by fork-lifts to shipping department.

E. SECTION: Consists of poisonous products - known otherwise as the poisonous list - Not to be mixed with consumables. In these group includes Insecticides Acids, organix phosphates and flammable products.

The goods are packed in this section ready for delivery after receiving orders from the Trucking department for schedule of goods (merchandise) on the following day. The whole operations although for purpose of this report presented separately involves a lot of Cordination with the Freight Department.

4.2. Trucking Department:

There were about three days coverage of this department. For the purpose of this report a brief coverage will be made, and later on I shall return to the section because of the importance of this department to Uganda Co-operative Transport Union operations relate to this department, as it does only trucking of freights. There is a work force of about seven people within this department and roughly what is done can be summerised by what those employees do and the partial organisation chart below:-



The tank dispatcher can do every work in the department. The freight dispatcher can do tank dispatcher's work P/T clerks dispatch in the evening.

F/T being part-time:

The Office opens at 7.00 p.m. and the full time employees leave when their work is done. (between 4.15 and 5.00 p.m.) The two part-time clerks start at 4.00 p.m. and close at 8.00 p.m. Dispatches are on call 24 hours per day 7 days per week.

4.2. (a) TANK DISPATCHERS SECTION:

As indicated in the partial organisation chart the work of this department is to handle most of the dry freight and included among this is the ammonia gas, L.P. Gas, Petroleum, Dry fertilizers and bulk antifreeze to differentiate those in small containers handled by the freight dispatcher.

Every morning calls are made by the two tank dispatchers to all the local Co-operatives and ask them whether they need any of the above products for the following day or any other day. The requirements of the local Co-operative of the tanks are always expressed in percentage and tank is normally sent to one specific destination or local Co-operative at a time.

The loads or requirements are then allocated to drivers after setting up all the loads.

The drivers are paid according to the number of miles covered and time taken when loading. So the more loads the driver carries the greater the amount paid. Naturally the work loads are allocated naturally according to seniority. The senior driver being given priority in allocation of duties, and in then eventually paid more money. In all there are ninety nine (99) pressure tanks, 48 other tanks for dry bulk and petroleum. The amount of work load varies depending on the season, the peak season being in spring when requirements for most of the products under this department is greatest.

There are twenty five full time drivers operating under one dry freight dispatcher, all located in Co-operatives outside MCI headquarters at Fridley, another forty in all under the other dry weight dispatcher (14 based at Fridley and another 26 outside Fridley in various Co-operatives). The allocation of work loads

in this department is much more simple since orders are straight and delivers are made to only one specific destination. It is possible also for the drivers on the outside Co-operatives to come and collect requirements for their specific Co-operatives themselves, from Fridley.

Apart from the above duties the Tank Dispatcher's department also handles the Equipment records for the organisation. Normally the lists are of vehicles and equipments outside the Fridley headquarters records of tank in outside Co-operatives.

#### 4.2 (b) DRY FREIGHT DISPATCHER

The primary objective of this department is the Coordinate route and dispatch all this dry freight handled by Midlands Cooperatives Incorporation Trucking from the Fridley Distribution Centre and other suppliers to member Co-operatives. This is a department that relates most to the overall operations of the Uganda Co-operative Transport Union Limited. Other secondary objectives include problem and general business othires.

The Dry Freight Dispatcher controls about 45 trailers and about sixteen (16) full time drivers. The drivers here are paid on the mileage and time taken on the off-loading of products. The Geographical area under which MCI operates, are demarcated according to the days when the areas are visited - the states covered are mainly Minnesota, Wisconsin, North Dakota, Iowa and Western Michigan. Please note here Iowa has since been left out after the merger with Land O'Lakes.

The orders are sent on the previous day for each of the region for services on the following day. The orders come from the computer terminal and it is the duty of the dispatching clerk to schedule the orders of goods starting with the furthest point.

Attached is a map showing how the various areas are served. Each days trucks go to specific routes designated by day on the map. Example routes Tuesday 1: All the orders for this region are taken earlier before the day and before the next day all preparations of goods are made for dispatch to specificied regions destignated by say Wednesday 1.

4.2 (c) Traffic Duties:

The duties are undertaken by the Assistant Trucking Department Manager in supervising all trucking operations in order to provide maximum services and economic benefits to both the members Co-operatives Midland Co-operatives Incorporated. Other main duties of the Assistant Manager is to develop capable personnel in the department to promote and maintain the highest standards of conduct, intergrity, fairness and general business ethics.

Note that there are other duties for the Assistant Manager, but the above are the ones I consider relevant to the traffice department duties, and that would be of benefit to the Uganda Co-operative Transport Union Limited Traffic Supervisor.

The details of the duties are on the job description of the Assistant Manager as attached. Within the two days I worked with the Assistant Manager, I discussed or learnt about the procedure for licencing vehicles and the basis for payment in the prorated base plate which is required for Midland Co-operatives Incorporated since it covers more than one state.

Noteworthy here is the fact that the driver's have a daily log they fill to indicate their movements on daily basis. This serves as a basis for computing their salary and checking their payments. A sample of this can be found in the driver's manual page II. It should also have been mentioned from the beginning that each time a new driver is employed he is supplied with a driver's manual - a publication that explains clearly what the drivers should do and the procedure for doing these and Midland's policies include Employment records, D.O.T. Rules and Regulations, Fleet maintenance, and a Review of MCI Trucking policies. Then there is general information on procedures like terminal Coding, Driver's daily log, vehicles condition report e.t.c. Each of these is covered in details in the Driver's manual and I do not intend to reproduce it here.

Another important area that is not covered is Accident Report. I found this a very relevant area not covered fully in the Driver's manual so I shall go to a greater length in discussing it.

Whenever an accident occurs an accident being defined as any case in which a vehicle makes contact with another object, the driver has to report virtually everything. To ease reporting of accident cases there are standard forms that the drivers fill - with various copies. The copies are sent to Insurance Department i.e. Corporate Risk Management, one copy to personal file of the driver, and one copy to Company Lawyers.

The CAB Insurance Company handles the legal cases if a third party is involved.

The Other Copies made include the: (1) Federal Accident report and this is normally required for statistics of planning of the Federal Government and planning purpose - If there are other private properties involved there must be a policy report covered.

Then the estimates for the damages are made within the reports, and normally if outside repairs may be needed two independent outside repairers bid for the work. Then the better of the two is selected, normally the better being the cheaper of the two bidders.

D.O.T. - Department of Transportation.

Among the information covered by the report is:-

1. The number of the accident - Unit No. of Accident.
2. Date and time of accident.
3. Location of accident, key town and state.
4. Brief description of the accident.
5. Driver (Name) and his location.
6. Tractor and Trailer number.
7. Product being carried.
8. Cost repair to the Company equipment.
9. Remarks +

After some duration, the case is re-written but excluding the driver's name and brought to the accident Review Committee for handling. The accident review committee deals with the disciplinary action on driver especially after accident. It is composed of 1 person from the Insurance Company, 2 from Management, and three people from the representatives of the drivers.

(A sample of this is found in the driver's manual page). Then a vote is cast to decide a particular case. After which the said driver is informed of the board's decision. He can appeal for a resit of the board after which the case may be reviewed and another decision is made. He is punished by not giving him a safety award. This is a scheme whereby the driver's are awarded 1 point every year and if a driver has an accident which the committee feels he is wrong in doing he does not get an award.

There is a senior clerk and part time clerks whose duties are self explanatory according to job description copies of which are attached. I do not intend to discuss them here.

After going around the garage and warehouse and trucking department as described earlier by the report. It was arranged in the second week for me to make an actual delivery on the freight run.

I left for Wisconsin on the Monday run, and had a chance to see the countryside where we made deliveries to various Co-operatives. The first phase consisted of a 2 day run. In this I had a practical know experience to know how the deliveries are made how the forms are filled. I had had a chance to talk to the local Co-operatives about their view of deliveries.

The second phase consisted of a visit to Northern Minnesota and North Dakota. Personally I did the same thing except that here the stops were fewer, but farther apart in the second case. This is because of the difference in the geography and types of crops grown in the two regions, Wisconsin and Minnesota generally had a higher concentration of towns.

#### 4.3. MECHANICAL TRAINING:

As in the initial schedule the Mechanical Training started on the 9th August, 1982. I quote the aim of the training. "This phase of Mechanical training is to give the Trainee a working knowledge of a garage operations. It is NOT intended to teach the trainee mechanics, but rather to teach him the garage system and function."

Therefore it was necessary to understand the overall operation of the garage as relates to the Midlands Co-operatives Incorporation. The garage is under contract with Midlands to repair Midlands transport equipments viz tractors, trucks and trailers. The choice of an outside repairer (or persons) do the same work has benefits that Union problems which could result into a strike in the workshop is avoided. Note that this arrangement is more expensive but the above advantage is considered to overweigh the latter disadvantage.

The workshop or garage employs five mechanics and one tyre repairman. According to the head mechanic, the essential practice necessary in the smooth running of any fleet is the trying to stop any breakdown before it occurs if possible. The necessitates the following:

- (i) Preventive maintenance: Preventive maintenance does not only involve periodic servicing of vehicles but also proper inspection of vehicles as frequently as possible. Vehicles here are inspected before going on the road or on a run (journey), then when they return they are again inspected. These mechanics to a large extent depend on the drivers' reports as the drivers are the ones with the vehicles for most of the times. Any slight change in vehicles conditions is very important to report to the mechanics. For this reason there is a standard procedure and form the drivers have to fill for inspection. They are required to check water and oil before they start on any journey (run), and for long distances checks should be made whenever break stops are made.
- (ii) The actual servicing of vehicles done at Midlands Co-operatives Inc. involves the following:-
  - (a) After 4000 miles drivers inspect the vehicles for faults using the standard forms given - attached with the report.

(b) Every 25,000 miles mechanics do the same things that is inspection of vehicles, the following:-

Replace oils (engine oil, and replace fillers, alternator belts, fan belts) inspect the lights and change bulbs and in general make any repairs necessary.

Apart from that there are general maintenance work done by the five mechanics this include minor repairs of trucks body, and tankers. Major repairs in case of accident are done through outside agents and manufacturers. Agents in this case GMC, or in the case of tankers it is done by American Trucks which is a state certified companies for welding of tank bodies. All vehicles under warranty are handled by the agents who sold the tractors, trucks or tankers.

In addition to that the tyre replacement is done within the workshop. There is one man incharge of changing of tyres. Tyres are inspected by a tyre man, who estimates the thickness of the tyre and then recommends when they should be changed. They do not depend on the drivers' reports otherwise unnecessary changes are made. The tyres are sent for retreading after thickness falls to a specific depth.

Although the mechanics have to work hard there must be a lot of faith on drivers' reports. It is therefore very important that drivers are trained to know how to inspect the vehicles and report as soon as possible any errors before leaving on any journey.

I spent in the garage about one week, assisting the mechanics in all types of repairs. Our start was at vehicle checking, then later on we went on to check engines, and participated in an overhaul of the engine.

The shop does not stock a large inventory of parts as they are for only one type of vehicles namely GMC trucks. I spent quite some time learning the methods for reporting accidents, mechanics reports of faults and then actually all the paper work in the shop and the basis for their designs.

4.4. COMMENT EVALUATION OF TRAINING.

I found the system for Land O'Lakes Trucking department and the actually training very useful but there are some short comings I noted, was the fact that vehicles normally have no return loads, but they are also forced to go on runs even when vehicles are halfempty. This perhaps is explained by the fact there are other aims of trucking departments being satisfying the customers which are owners rather than immediate profit maxization. Thus I thought it fairer may be to visit other organisation which are essentially not private carriers. The supervisor therefore included on my tour other organisations and visits to other shops since we felt that the Land O'Lakes was close to parts supplies and operated with a minimum inventory.

Among these visited are the suppliers in order to become familier with waranty work. The organisation visited is GMC and American Trailers who are secondary suppliers to Land O'Lakes Trucking department.

Attached at the Appendix are the job descriptions of personell within the Trucking department. The job description explains and summarises fully the overall operations of the trucking department.

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5. QUICKIE TRANSPORT

This is a privately owned organisation formed in 1944. It is the common carrier type and operates in five states of the United States of America. It operates as far south as Texas and up to the Rocky Mountains on the east, with headquarters in Minneapolis, Minnesota.

The type product hauled by Quickie Transport is mainly bulky ones. Natural gas was the first type of product they carried but later they had to diversify into haulage of bulk cement, bulk fertilizers, mollasses, animal fats and coal, foundry coke, sand, gravel foam insulators. They haul products formerly hauled by railways but now because of poor rails service people who need faster products are prepared to meet extra costs of haulage using trucks.

Quickie Transport has only one type of trucks and they are Mocks. They have their own fueling station and a workshop where they do servicing of their own vehicles.

The fleet consists of 96 tractors, at least 175 trailers mainly dump trucks none of them for haulage of dry freights.

I spent quite sometime with the Operations Manager who explained to me the background of the organisation and then later conducted me on a tour of the workshop.

The shop runs twenty four hours a day at all times haveing two or three mechanics fully occupied.

The work undertaken in the shop include:

- (i) Preventive maintenance - mainly greasing and periodical servicing, also a constant check on vehicles.
- (ii) Minor repairs are done on the engine and body work and other jobs: (a) Light Trucks jobs.
- (iii) Engine and Transmission problems are taken to dealer agents. Transmission problems are taken to Mack Agents who are general experts who can handle the repairs, included here is the body work.

The procedure for sending vehicles to the shop are as follows:- Mechanics who check all the conditions of the vehicles e.t.c. look at the tyres. They run their own fueling station and service their own vehicles.

Tyres works are done by subcontractor who does recapping e.t.c. and replacement of new tyres on the vehicles.

From my few minutes interview with the Public Relations Manager I gathered information which I found quite useful, especially the system of hiring drivers. In hiring drivers the Department of Transportation agency set rules that influences the decision of the organisation.

The Quickie Transport attaches a great deal of importance on the recruitment of drivers. In most cases an interview is conducted for half hour or longer - an application format is filled, the application is studied with emphasis on experience, check on the information given on the curriculum vitae. Talking to former employees is very important especially past history present forms showing their past records.

Testing is done when one is satisfied. Tells whether a driver is good and needs re-training within the organisation.

Quickie attaches a great importance to recruitment to drivers as they will be taking care of very important investment within the organisation. This investment is in the form of the trucks, and then general maintenance of equipments.

Equipments have generally to be maintained on a regular basis and this requires constant periodic checks. They also rarely send drivers to location that is unsafe.

Later on we discussed the Insurance program for Quickie Transport, and the various types of Insurance policies available. We went on to discuss the procedures for firing of drivers.

I felt I gained a lot especially through discussion with the Public Relations Manager who explained to me the various methods or steps followed on the recruitment of drivers and what to look for in a good driver, and he enlightened me on the various Insurance policies available.

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I thought I learnt quite a lot some of which I could use straight away within Uganda Co-operative Transport Union Limited and some later in my career in the transport profession.

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3/11/1982

6. AMERICAN TRAILER

American trailer is a repair facility essentially for trailers. Apart from doing major repairs on all types of trailers, they also assemble new trailers, tankers and all types of vans. My visit here was essentially to make me aware of what types of trailers are available and the reason for their selection for the various jobs.

I was once again conducted around the various sections in the shop and the yard where I saw actual repairs being done on trailers that are greatly damaged; where the body would be straightened out. Apart from seeing the various repairs on the trailers, I also had a chance to discuss with the Shop Manager who explained to me the things to look for from a structural view point in a good trailer.

He lectured me in the choice of rivets for repairs of trailers, which types of rivets to put where there are greater stresses on the trailers. I thought what I learnt could be useful later especially on specifying our basic requirements for new trailers, and what to expect during repairs.

Later I was conducted through the parts department and saw the lay out of the parts. Considering that they maintain a very large inventory of parts for sale to trailers owner and for their own use, I found the layout of the parts shop quite neat. Especially when it was very easy to pick the parts one wanted.

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7.0

GENERAL MOTORS CORPORATION.

I visited this service station at Minneapolis in the week of August 23rd. The General Motors Corporation Service Centre, consists of show room and a shop for repairs of exclusively GMC trucks. Apart from the sale of new GMC trucks the organisation also handles the repairs of vehicles on warranty and then after sale services.

I was conducted around the shop by the Workshop Manager who showed to me the various types of GMC vehicles around the show room, and then in the yard. He also explained me the basis for the selection of the various engines for the different models. Among the engines I saw are Duetz, Cummins and Caterpillar.

This visit was arranged to make aware or acquainted with the warranty system. GMC is the sole supplier of trucks to Land O'Lakes Fridley terminal and the whole fleet is entirely GMC. During my visit to the shop therefore, a lot of time was spent explaining to me the paper work necessary for the vehicles on warranty. We went through the various paper work and then later saw the actual repairs taking place.

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## 8.0 VISIT TO EAGLE GROVES IOWA.

This is the first week with Edith Gorham as my supervisor after Dale Bonde left for Uganda. Monday August, 30th, I left for a study visit to Umthun Trucking Comapny at Eagle Groves Iowa.

Umthun Trucking Company is a family owned common carrier type trucking company, presently with a fleet size of over 200 trucks, and about 240 trailers of various types. The main department within Umthun Trucking Company are billing department, personnel department (handles safety on roads and workshop) Operations department (handles dispatching and turns the computer department) and then maintenance department.

The first day to Eagle Grove was not a busy one as I arrived later. However I got a chance to meet the President of the Company Mr. Virgil Umthun who introduced me to the various department heads and briefed me on the background and history of the organisation.

### August 31st - 8.1 MAINTENANCE DEPARTMENT.

This day I spent in the maintenance department where I covered the following within the department.

Briefing by maintenance head on how the department and the necessary system of reporting faults, inspection of vehicle and the rationale for selecting a period for servicing the vehicles. Later on, I visited the other sections:

- 8.1 (a) Engine department section: There I saw participated in the overhauling of an engine, checking for cracks within rear transmission shaft and others. Then later I went on to the area where testing of engines is done on the dynamometer. The basic aim of testing of engines on the dynamometer is to test whether the engine is giving the necessary power as rated by the manufacturer and then consequently not using too much fuel for a given pulling power. In effect its aim is to control or time the engine to a required flow of fuel for maximum power out put or check how efficiently a truck is using fuel under operating conditions and helps to correct and adjust engine to ensure

efficient utilisation of fuel. It can also be used to test for new engines or those that have been from the repair shops whether they confirm to manufacturer's rated specification.

8.1 (b) Service Section: Here apart from the basic servicing of trucks what interested me is the device whereby it was possible to recycle wasted engine oil and instead of throwing it away it would be used as diesel fuel. It is a good saving, considering that the machinery involved was not expensive and cost of dumping waste is continuously increasing as people became concerned about their environment.

8.1 (c) The General Shop: Here I was conducted to areas where parts were being fabricated using basic workshop tools like the lathe grinding machines and welding nuts e.t.c. Later on I went to the body shop where I saw how a new cab was being fitted into the body of the vehicle.

8.1 (d) Tyre Department: There I saw an independent section where tyres are changed or recapped and how new ones are branded with Umthun mark, a numbering system that helps to avoid loss, and how the depth of the tyre is checked.

8.1 (e) Shop Spares: or Parts Section: There I went through some of the best controlled parts department in this region - every item whether a bolt or nut is recorded on the computer and making loss of any item almost impossible. I had a chance to use the computer in order to appreciate how information for requisition and receiving of goods or parts are done, I also discussed with the section head the basis for deciding re-order points for their individual parts.

On the second day I spent my time at the dispatching desk and then later at the computer and personnel department.

8.2 Dispatching: I spent my time seeing how new orders are made and then how easy it was to check on the computer which drivers would be nearest the customers. It was meant to be a fast system but rather slow at the time, for as I understood later the computer had been installed that week and everybody was still learning the new system.

However, for me it gave me a chance to learn also at the same rate as people on the job. The essence of the computer is to make sure customers are served as fast as possible and then ensure that vehicles are matched with return loads.

Dispatching is headed principally by two people, one in charge of tanks and the other in general dry freights. All dispatching being done at the headquarters at Eagle Groves although Umthun has terminals in areas like Chicago, Fort Dodge and others where their trucks report and minor repairs can be made. All scheduling is untralized on the computer at Eagle Grooves.

One main customer or the biggest is the Boone Valley Co-operative Processing Association which I shall describe later. Here there is a dispatcher stationed at the Co-operative and handles the transport requirements of this very big organisation.

### 8.3. Computer Department.

Here I was conducted around the computer room and saw how various prints were being made. One thing however that interested me most was the analysis of the tachometer chart readings on the computers. This is a separate computer known by the trade name as Argo Computer Tachograph Chart.

This I thought was a wonderful piece of equipment capable of making prints on daily, weekly and monthly performance, analysis of each driver or vehicle, ranking and evaluating performance of each driver and able to print percentage deviation from each driver as compared to all other drivers and "Under performers" and Weak links in delivery chain earlier, so that cost - corrective measure can be taken earlier. Apart from that the Argo tachograph recordings could be used to save the Company from a costly accident liability suit.

Most of the time I spent studying the tachograph charts and analysis the prints obtained from the computer department. I felt this would be very useful tool in controlling our drivers although quite prohibitive in cost.

### 8.4. BOONE VALLEY PROCESSING ASSOCIATION:

SEPTEMBER, 2ND: After a proposal by the president, I was arranged that I should accompany a delegation of about 5 soya team experts visiting the Boone Valley Co-operative Processing Association. Thus on the September, 2nd, I was fully engaged on a tour of this big organisation.

The Boone Valley Co-operative Processing Association is owned by 182 local Co-operatives. The elevators was first organised in 1943 with an initial memberships of 135 branch offices owned by about 60,000 farmers, the main products, produced and manufactured here is soay meal, soya oil, livestock and poultry feeds. Actually it has the second biggest soya bean processing plant in the world.

As the Organisation expanded it acquired its own energy centre which produces about 10 tons of steam per hour. This supply of steam is enough for the needs of Boone Valley and produces 12,000 K.Watts of electricity enough to take care of most of Boone Valley's power needs and supply to residences of Eagle Groove too.

I was conducted through the following areas together with a team of experts from China, who were too on a visit to the organisation.

#### 8.4 (a) SOYA-BEAN PROCESSING PLANT:

Here I was conducted the foreman in charge of the precessing plant. The following procedures are done on the Soya bean from purchase of beans from Co-operative up to the final meal stage. Transportation orders which use Umthun trucks are made, beans are then brought to a storage facility at Boone Valley. There after the beans are cleaned, dried and then cracked. Heulling (Toasting and grinding and cooling of Hulls) then follow. Then the following processes are then done each separately. Flaking and extraction of oil with Hexane Separating of oil and meal, separating of oil and Hexane, separating of meal and hexane. Trasting of meal, day of meal and then later costing of meal, grinding of meal. Then storage of meal which has high protein lontent. Then I concluded with a visit to where merchandising of products is done and then where they are loaded out on truck or rail.

#### 8.4 (b) FEED MILL:

After a visit from the Soaya bean processing plant I was conducted to the feed mill which I understood was first built in 1978. The mill tower is about 204 feet high contains 133 trims with 5,500 trims of bulk feed and feed ingredients capacity.

It has two computerised batching systems each running its separate lines and conducted to the computer panel area, the pellet mills, the blocking machines where feeds are made to small blocks, and then the high speed suckers that pack the feeds into various sacks depending on the requirements. There is also a staff attached to these departments.

#### 8.4.(c) WAREHOUSE.

Here I was conducted through the following warehouse: Raw Soya beans warehouse, soya bean meal warehouse, soya bean Hulls, Soya bean oil, Co-operative mixed feeds bulk, feed ingredients (bulk), Bagged Co-operative mixed feeds and bag ingredients.

"This tour was conducted in the morning and this later we had lunch where apart from the delegation from China I had chance to meet about 30 members of the local co-operatives who are part owner of the Boone Valley Co-operative. It was an interesting lunch on which I had a chance to share my views with farmers, and people from other countries experiences on Co-operative movement about our people. At least one thing stuck to my mind is the speech by the General Manager and I quote."

"Government of the world might be different and their policies may differ, but wherever we are one thing people in all parts of the world care for is a better living standard for its people. This is the universal aim of the co-operative movement throughout the work too."

In the afternoon I had a chance to visit the energy plant and later had a brief discussion with the General Manager of the Organisation. I was really impressed with what the cooperative could achieve especially after seeing this complex which has over 200 employees, and annual payroll of approximately \$.4.5 million. It is the second biggest soya bean feed plant in the world.

Later on September, 3rd, I visited the personnel and safety department of Umthun, there we discussed with the Manager the procedures for recruitment of personnel and general personnel relations matter. What I thought was quite useful to me was the frequently meetings between drivers or employees and management and the showing of their views on the organisations in other words

encouraging them to participate in management decision.

I then visited the billing department where I saw samples of Bills and then incharge was responsible for engaging owner operators.. There we reviewed the procedure for setting contract forms which owner operators fill when being engaged with Umthun trucking company later that day I got a chance to thank everybody and then left for Minneapolis.

I thought that although the tour was brief I gained quite a lot especially from the maintenance, Dispatching and computer department. This was the biggest trucking organisation I even visited in the States, I think it is also one of the most modern and well organised trucking company I even visited in the States.

9.0. VISIT TO BLACK RIVER FALLS.

9.1 Background and History:

In order to appreciate the operations of Land O'Lakes operations better, it was necessary to visit some of the Co-operatives that distribute the freights or goods handled by Midlands Co-operative. It was therefore scheduled that I visit one big Co-operative, and another small Co-operative that are founder members of Midlands Co-operatives, now part of Land O'Lakes.

One of the two is the Federation Co-operative based at Black River Falls in Wisconsin. The Federation Co-operatives represents one of the typical larger Co-operatives that own the former Midlands Co-operatives.

The Federation Co-operative has a history that shows how a typical Co-operative is formed. Federation Co-operatives was formed in 1929, with the basic aim of providing farmers with reasonable, reliable prices on petroleum, a role it is playing even up to this date. Originally it was named the Farmers Federation Co-operative Oil and produce Company, but later in 1949 it split into three separate Co-operatives namely Black River Falls, Galesville and Fall Black.

The Black River Falls Co-operatives has grown substantially from the one bulk delivery bulk and service station it operated. Now it has the following large departments:

The LP gas business was started in 1956, fertilizer depot built in 1964 and a fertilizer mixing facilities developed two years later. Also in 1960, five Federation Co-operative opened several service stations. Now the Co-operative has three delivery trucks, land and has constructed its own LP Plant.

But one of the biggest land mark in the history of Federation Co-operatives was the development of Black River crossing featuring a Midland Service Station, truck shop, cheese and gift shop as well as construction of a restaurant now leased to Perkins Cake and Steak.

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Recreational facilities including an eight acre - campground and 80 unit motor lodge was formed to help diversify the Co-operatives holdings, assuring members of a strong financial base. Prospects look good for continuing the Co-operatives records of 25 straight years of earnings.

Federation Co-operatives to date own the following department:  
9.2 (a) Gasoline, Fuel, Oils and Diesel fuels or petroleum department in general. This department processes about 6 million gallons of bulk petroleum a year provided by a Co-operative refinery at Chicago and transported by pipeline to a terminal at Cadot, about 50 to 60 miles from Black River Falls. There are three service trucks to deliver fuels to both farm and Urban accounts as well as other Co-operatives. The department operates a self-service station in Broadway, with main station at Black River Falls being a full-time, full service station. They also serve dealer agents in Merullan, Hotfield, Taylor and Melcose and also sell automotive parts and products on a Co-operative basis.

The customers or farmers normally make orders on the telephone and then the necessary amount of fuel is dispatched by smaller trucks, who deliver the petroleum products to the farmers at their farms, and L.P gas to individual homes. In these cases, they operate by a radio call that keeps track of the driver from time to time. They also operate a system under which a driver out in the field, may be contacted to deliver to a nearby customer, instead of coming out to the terminal to get fresh orders. This has the advantage that it reduces the expense on making double journeys.

9.2 (b) HARDWARE AND AUTOMOTIVE SUPPLIES DEPARTMENT.

These departments are situated in down-town Black River Falls store, near the main service station. The Store houses the Co-operative offices and warehousing department. The store features a complete line of hardware, household appliances and a special emphasis on total farm and garden supplies. The store often supply a catalogue describing the items available in stock. There is also a good stock of plumbing and electrical products.

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Most of these products are brought from Midlands Warehouse Fridley but in the cases of appliances they are bought from other sources since the Midlands Warehouse has stopped stocking in most of these items. The store caters for all the people around Black River Falls and operate a system whereby each customer is given an account, and depending on his level of buying from the store may later be given a share within the organisation.

In addition to the regular services offered in the automotive department, the Co-operative also operates a farm tire truck. This provides on the farm assistance to the farmers who get a flat in his farm. Note here that the deliveries are made right up to the farms in their own farm.

9.2 (c) FERTILIZER DEPARTMENT:

This is one of the largest departments within the Federation Co-operative. It is made by highly competent workforce who employ an increasing scientific to farming. These trained agents help farmers in advising them and carrying out soil tests to find suitable mixes for a particular farm. In brief these agents help today's farmer plan for tomorrow's needs.

The blending plant built in 1966, blends bulk fertilizers brought directly from Co-operative mines, phosphates from Tampa Florida, potash from Chewan, Canada, and nitrogen primarily from Louisiana, Trace elements are added when necessary for individual farmer needs. Not only are Federation Co-operatives members served, but also much bagging and blending is done for other Co-operatives. In addition to dry fertilizers the Co-operative handles 28% liquid nitrogen and anhydrous ammonia.

Various spreaders and sprayers in all sizes are available for farmers to lease for applying the wide range of products or arrangements can be made for the Co-operative to do the job.

The Co-operative has a large supply of equipment for custom applying of directly on the farm of anhydrous ammonia, bulk spreading fertilizer, and truck sprayers for weed and insect control.

The fertilizer plant Manager and field agronomist work full time advising farmers on everything from soil content and to weed control to crop disease and insects. This service is considered valuable especially to dairy farmer who develops most of his time to his herds. The field agronomist can bring all his expertise right out to the farm, preventing potential problems before they start. Each winter the Co-operatives sponsors a meeting of about 150 farmers to bring them up to date on new products and services.

Another important aspect of this program is the confidential file maintained for each farmer, recording which fertilizers and pesticides he used each year, and on which fields. The Co-operatives keeps serial maps of each farm and data to compare the results of various seeds and products.

Co-operative members may select from a complete line of seeds, seeds can be developed for Midlands at Elkhorn Wisconsin. Seed Farms which is of the highest quality. The Co-operative sends its Managers to experimental farms around the nation to stay informed on new techniques and products especially that are coming up.

Another important branch of the fertilizer department is feed products. Federation Co-operative has a full-time man who knows the products, and goes out to work with farmers. Through this arrangements Midland farmers have access to nutritionists who can test their hay to determine its contents. Then the Co-operative can balance it out with necessary feeds to produce top product.

Nearly all the feeds come from Midlands concentrated mill and go directly to the farm to help keep costs down. Members are offered a rare opportunity to book their feeds at a set price for several months running. If the feed price goes up during that booking period, that farmer will still get the set price. If it drops the farmer will get the lower price, so he is always protected.

#### 9.2. (d) LP GAS DEPARTMENT.

The LP gas operations at the Federation Co-operative include a bulk with a 26,000 gallons tank along with bottling facilities. A complete line of LP services includes installation and repairs of heating needs and corn driers for field use.

9.2 (e) BLACK RIVER CROSSING OASIS.

This is an area in which the Co-operative has invested in adding to the member annual earnings. At its first opening it consisted of a Midland Service Station, an Indian head information center, and Midland Cheese and Giftshop. At the same time, the Perkins Cake and Sterk restruarant was opened. The Cooperative leases the restuarant building to Perkins and receives a commission off their sales.

The complex does an exceptional tourist business in the summer time, though perhaps from the gift shops and then campers can pick up snacks grilling supplies and refill their bottled gas. There is a sewage dumping and watering station are also handy for campers.

Arrowhead lodge was added to the oasis complex in 1974. This 80 unit Best Western Hotel features an indoor pool, sauna, meeting rooms, arck rails lounge and resturant.

This lodge was set up as a separate corporation. The Cooperative owns about 50 percent of the stock and receives 50% of the earnings.

There is also an adjacent campground known as the Barrey Beer campground which is leased by the Co-operative and was also opened in 1973. This eight acre campground operates with an outdoor swimming pool, one central service building which houses a recreational area, laundry and showers.

This represent the area of operations of Federation Co-operatives at Black River Falls. I was endavered with the chance of visiting this Co-operative on September 7th. I arrived at Black Falls late in the afternoon, and was briefed about the background of the organisation its present operations and introduced to people within the head office which houses the hardware storés. And later we went to Arrows Head Motel.

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ON SEPTEMBER 8TH.

I was conducted around the various facilities of Federation Co-operatives and had the chance to meet the various section heads:

(i) Fertilizer Department: I was taken around by the Manager and everything explained to me, and then had a chance to see some load of fertilizer being overloaded on the truck. I spent quite some-time seeing the facilities described later.

Proceeded to the various stations that are outside the station where they keep the anhydrous ammonia, and where dry fertilizers are stored. I was conducted around the yard by the General Manager.

9TH SEPTEMBER.

The day started with a breakfast date with the following: Mr. Norman C. Swansm, General Manager, Federation Co-operatives and Mr. Bob Skyhawk, Purchasing Manager, Interregional Service Corporation. The latter organisation is involved in loaning various equipments to Co-operative Organisation. Here I had a chance of informally discussing how the Organisation operates and then how beneficial it is to the Co-operatives. Since I had both parties involved I had a near complete coverage of the organisation. This greatly helped to brighten my mind about equipment financing and this I thought may be one day when the organisation expands into international operations we may benefit from their services.

Later I went on delivering of LP gas to about five homes in the neighbourhood of Black River Falls, and had the chance to fill some of the gas tanks. I also asked the customers about their views of the present system and how they feel it could be improved. They were fully satisfied with their present system at least it was one of the best around, they said.

In the evening later we went to the local Gold Club where I had a chance to meet more people and had informal discussions which I feel brightened my vision of the society much better. I felt that such informal meetings helped me learn a lot about life in general which in time affects our environment and consequently our operations as a business organisation.

10TH SEPTEMBER.

I had a chance to review my visit to the following organisations to enlighten my mind about Co-operatives.

(i) Product Credit Association - is an Co-operative Bank that lends mainly to farmers and is instrumental in lending money to farmers. At times farmers make contact through the bank when making larger equipment purchase from Federation Co-operatives.

(ii) Jackson Electric Co-operatives is an electric Co-operative Company that supply rural farmers with electricity and is based in Black River Falls.

(iii) Later visited a modern farm about twenty miles away from Black River Falls with the General Manager. Here I saw modern facilities for milking cows - and saw how delivery of milk is taken from the farms in milk tanks. Also I met the President of the Co-operatives.

Then later I visited the LP gas yard also outside the City area where all the petroleum products are stored in bulk. This also include LP gas main tank at the yard, petroleum tank and then the facilities for filling customers or home domestic tanks. I went on a run delivering petroleum product to a Hog farm - whereby I had a chance to tour the farm and talk to the farmers.

Later on the afternoon I stayed at Hardware department seeing what sort of goods are stored and then seeing how assistants were selling goods or general hardwares to customers.

I did a tour of the warehouse and was impressed with layout of goods. I concluded the day by going to the General Manager's Office, who explained to me how their accounting system works - especially how the computer helps in controlling sales in the hardwares and the modern facilities of using cards for purchase of fuel at the fuel filling station.

We later concluded the day by visiting the area around the oasis, a visit to the Gift Shops and the filling station, and the Perkins restuarant which are properties owned either directly or indirectly by Federation Co-operatives.

Then later in the afternoon I returned to Minneapolis.

9.2 (f) EVALUATION:

This part of the training was very useful in that it was the first chance for me to see how deliveries are made right up to the eventual users. This enabled me to fully understand the distribution process of Land O'Lakes. Apart from that it was my first opportunity to see or go directly into the farmers and talk to them. I thought this is a very useful experience.

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10.00 VISIT TO WADENA, MINNESOTA.

As per schedule prepared by Dale Bonde, it was this week of the month on which I had to make a return visit to this area. The two organisations I had to visit was namely Polman Transfer Incorporated, and Cenex Co-operative Incorporated Trucking Terminal at Wadena.

I arrived to Wadena on a truck on the 15th September late in the afternoon and had a brief talk with the owner of Polman Transfer Incorporated, Mr. Duane Polman. During this brief talk we had a chance to review the various sections within the Polman's Transfer Incorporated, and got a chance to meet the gentlemen in charge of dispatch, and Workshop.

On September 16th I visited Cenex Co-operatives terminal and covered the following areas as described briefly in my own words.

10.1 CENEX:

Cenex is a similar organisation to the former Midland Co-operatives and to a great extent its operations is similar to Land O'Lakes. The terminal here operates just like the Land O'Lakes, trucking department at Fridley except that its warehouse is at St. Paul Minnesota. Cenex however covers a wider area of operation (i.e. fourteen northern states of the country), than Land O'Lakes Trucking Department. Because of the wider area they cover, it is necessary that they operate three terminals with the headquarters and warehouse at St. Paul Minnesota. These three terminals are based on regions as follows:-

- (a) Eastern - Headquarters and is based at Wadena - This terminal caters for transportation for products for member Co-operatives within the Eastern region (namely Minnesota, Wisconsin, Illinois e.t.c.). This terminal owns 90 trucks, 200 trailers of different makes including refrigerated vans.
- (b) Central states has headquarters at Willeston North Dakota and caters for the central regions.
- (c) Western state: has headquarters at Pasco, Washington State and caters for the northern Western States.

The Wadena terminal caters for the Eastern region and all the other terminals operate on a similar basis within their classified area of operations. They do mainly the following:

- (i) Supply transport within their region in the case of Wadena for Eastern. They haul products from warehouses and products from the Co-operatives and other back loads from these regions. In some instances they haul even farmer produce like corn when return load is not available.
- (ii) They provide all petroleum deliveries for their jurisdiction area or the region. Other products delivered include liquid fertilizer and anhydrous ammonia.
- (iii) They also maintain a shop at regional headquarters to do all major repairs for their area of operation within Eastern region - this is at Wadena.

The Wadena terminal has the following sub-terminals where some of the Cenex equipments are trucks report to and are manned by a person per station. These sub-terminals are namely:-

- (i) Fargo in North Dakota.
- (ii) Deer River Minnesota.
- (iii) Cumberland Wisconsin.
- (iv) Columbus Wisconsin.
- (v) Brooks Missouri.
- (vi) Another one in East Illinois.

To cover these regions effectively Cenex terminal has 3 dispatchers at Wadena who are constantly in contact with customers, sub-terminal dispatchers, drivers, and head office at St. Paul where the warehouse is. They contact terminals to guarantee transport, and give instructions to drivers to get where to report to for loads and in case of problems or breakdown. All orders come directly to the terminal at Wadena and it is here where the goods or schedules are prepared for haulage of freights.

Billings and payment of drivers are made at the Cenex headquarters at St. Paul; but all the necessary documentation is prepared at Wadena.

To a very large extent the Cenex Terminal dispatches in the same way that Fridley does the dispatching of dry freights. The only difference is the existence of sub-terminals which enables them to have a closer supervision because of the presence of their men at these terminals who are constantly monitoring the requirements of the regions within the vicinity of the sub-terminal. In effect befits a cenie from decentralisation of operations.

Another distinguishing featurers is the maintenace department of Cenex which being in a remote area is larer and better equipped, and maintains a larger inventory of parts. I for most part therefore took more time in the workshop where I was taken around by the Shop Manager. One important thing I learnt from the shop is the testing of oil sample from engine oils whenever the oil is being taken out. This test indicates the symptoms within the engine. This sample of oil engine is taken while hot then later sent to Minneapolis where the oil sample is analysed for the presence of the following chemicals: copper, iron, chromium, aluminium lead, tin, silicon, antifreeze and water. Each of these elements when in greater than manufacturer's specified amount would indicate a fault within the engine. Apart from the predicting of engine problems before they actually occur (this actually predicts engine failures before they occur and) the test may be useful especially when engine fails before the warranty period expires. The eventual engine failure may occur after warranty period but with this method it is possible to predict even one year before they occur, thereby benefit from the warranty given by manufacturer.

I discussed the basis or rationale for selecting the mileage after which servicing of vehicle should be done, and in general causes a various engine failure, mounting of radiators and possibilities of repairs of old radiators. Then we went to the tyre shop where Shop Manager lectured to me the benefits of the use of radial tyres.

#### Evaluation:

To a large extent the Cenex is just like Land O'Lakes but visiting the former organisation enabled me to see (i) how the use of terminals could be beneficial to the organisation.

(ii) It also helped me see how a bigger shop is run, and see in actual fact the importance and appreciate the value of oil testing sample.

(iii) I also had a discussion with General Manager who explained to me their recruitment policy and how personnel problems is handled, which I thought different from Land O'Lakes system.

Above all it provided me with a chance to see how another Co-operative Trucking Organisation does its operations. Here notably they are not particularly using the driver's manuals - the argument being that drivers rarely need these manuals. Instead handouts are constantly given to them so that they are informed of charges.

#### 10.2. POLMAN'S TRANSFER INC.

On the second day at Wadena I spent it at Polman's Transfer Incorporated which has a similar history to Umthun Trucking Company in that it is a family owned a common carrier and also a contact carrier too.

However, Polman's Transfer Incorporated operates in all parts of the United States of America.

My time was spent mostly in the Dispatching department where drivers are called and then directed where to pick up goods from. They have one 'hot line' where customers call through free of charge. They also instead of owning terminal operate through representatives of their Companies (most of them are friends of the owner Duane Polman) in various areas of the country. These representatives are always on the look out for return loads for Polman's Transfer Incorporated. According to the Operations Manager, this has worked very well so far.

They also have a system whereby they plan in advance for the load normally within a planning span of 3 to 4 days so that vehicles do not lie idle at the shop. In this way storage capacity is saved and an optimal use of the fleet is made. Most of the accounting and dispatching is done by people, they are not on the computer.

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The organisation has an average gross income of about \$. 38.5 million per annum but last year made a big loss because of great expense at the maintenance department. There has of late been greater attention paid on the maintenance department and I thought I got in at a good moment to witness the reorganisation at the workshop.

I had a chance to talk to the Maintenance Manager, who explained to me how they keep track of parts and how oil sample is taken. I once again had a chance to attend to oil change and taking out of oil sample from the vehicle. One striking thing I thought was quite useful was the way the records on each individual tyres are kept. Each tyre had a card where whatever is done on the individual tyre is kept. Then it is very easy to follow what has happened on a tyre and in this way avoid return of tyres. I thought the technique would be very useful to my organisation, where of late we have experienced high expense on tyres. Another feature is the checking of depth of tyres using depth micrometer. So far in our organisation we had change of tyres by looking at them. This is rather subjective and I thought by measuring depth an objective standard would be developed, and thereby enable us to be consistent on when to change the tyre.

Apart from that I think I gained a useful experience in learning about a smaller common carrier type organisation and then see how well it is organised. I found it useful to talk to the maintenance and learn the techniques he is employing to cut down the otherwise high maintenance cost that was there before.

Apart from that I had informal discussions with other people, and learnt about how some techniques in management, and was able to see how some private people had developed their individual businesses. Off the official track, I think I must have had a chance to meet some people and know how they live, and thereby a better understanding of the American life. This informal meetings outside office hours I think helped to shape my view of running businesses from other people's view point, and must have give me a wider vision to me. This gave me a chance to meet people from various walks of life and understand how they feel about trucking and general life.

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11.00

VISIT TO MORA.

According to initial arrangement I was scheduled to visit the Kanabec country Co-operative at Mora in the week of September, 6th but this was later changes to the week of September, 20th.

The Kanabec is the smaller type of Co-operative that own the former Midland Co-operatives. This was therefore selected to represent the typical smaller type of Co-operative that own the former Midland Co-operatives. To a large extent the Kanabec country Co-operative has a similar History to Federation Co-operative at Black River Falls. It also operates in a similar way the only difference being the size and therefore style of operation.

This Co-operative perform the following functions for its customers:-

- (1) Service cars, sell tyres and parts and maintain a general repair shop for all the smaller type of vehicles.
- (2) They own a branch at Ogilivie, some few miles away from Mora and this small branch does the above functions too.
- (3) They have acquired a small hardwares store which stock mainly fencing materials, other farm type hardwares, tyres, etc.
- (4) They also deliver fuel (Diesel and gasoline) and LP gas to individual farmer members, some is sold to the public.

The main aim of the Kanabec country Co-operatives is to provide service and products to farmers who are owners of the co-operative. Seventy to seventy five percent of the sale volume of the co-operative goes directly to the farmers. This include the delivery of gasoline and diesel to farmers in their farms. The Kanabec Tanker Trailer therefore deliver fuel to the tanks in individual farmers homes and farm.

There are three drivers full time and three straight trucks with tanks that make these deliveries to the farmers. On average the drivers make 10 farm deliveries per day. This fluctuates depending on the season. The General Manager feels that as their profit margin is quite good, they are likely to add more vehicles (trucks) in the near future.

They are also thinking of buying a fertilizer plant presently owned by Land O'Lakes also based at Mora. On my first day of visit, I spent first part of my time on the computer terminal seeing how sales figure were entered into the computer.

This Computer terminal is used mainly for accounting purpose. Working at this computer terminal gave me a a chance to see how the necessary inputs are fed in to the computer for preparation of accounting reports. I also studied the samples of balance sheet, sales report per department, sales per location, and per item that were made. This is done every month, thus enabling management to take corrective measures. Some and important features of the computer are the nominal fee paid for processing of this information the computer relative to the high labour cost of employing men, and the promptness and accuracy of the subsequent report obtained from the computer.

Later I was joined by Bill Turner a fee lance reporter making a feature story on my visit to Land O'Lakes. He interviewed me together with Mr. Robert Obon, and later we went on farm deliveries to two farms within the viccinity of Mora where I participated in pumping of gasoline from the tanks of the vehicles into the farm storage tanks.

I too has a chance to talk to the farmers about how they feel about the deliveries. They seemed pleased and satisfied with the system of deliveries. We had informed chats with the members of families of the farm owners. I found them quite friendly people, just as the others I had met in Wisconsin.

Note that on this trip we also visited the co-operative terminal or branch at Ogilive where the driver got information about where the deliveries are made. There are two types of bookings, in one instance the booking was made on the phone, and on the other instance it was the contract type where the farmers expect the tank to always be nearly full at all times. So the drivers go to the farm frequently and whenever the level falls down he tops it up.

Later in the afternoon of what day I visited Land O'Lakes feed plant withing Mora town, I was conducted around the building which housed the grinder for corn for farmers, the warehouse where different types of feeds are kept.

Then later I visited the fertilizer plant also owned by Land O'Lakes which also operates similar to the Federation Co-operatives. Since the tour feed plant and fertilizer operate similarly reference to the Federation Co-operatives would explain what is done in this plants at Mora.

On September, 22nd I visited another camp, thanks to Mr. Jack Gorham who arranged for me to visit North West Gas Where I was conducted around the garage and had a chance to see how conversions of engines are made to operate on prepared (LP gas) instead of fuel. This is due to the fact the cost per gallon relative to gasoline and diesel is much smaller. I got a chance to see the various types of conversion bottles devices for tyre, and actually saw how the mobile dynamometer is used to find the optimal flow of gas into the combustin chamber. The dynamometer is used to test for efficiency of fuel usage. i.e. making sure that the right power output is being got for a specific fuel flow rate.

This particular dynamometer is different from the one at Umthun in that it is mobile therefore can be used to test the efficiency of prepare gas trucks in the fields. They also enable the Company to convert engines to prepare or LP gas even in the field.

Another interesting thing I saw in the shop, is how an extra wheel had been fabricated into a vehicle to improve its traction during spring when the ground is soft. In another period there is extra wheel folds up or can be detached and used by only when necessary. Although it is unlikely for us to use such at the moment, I think it could be quite feasible in our area where the roads are not all weather type, and in the rainy season our trucks frequently get stuck in the muddy soil. I also enjoyed the explanation of what is done in the workshop by Mike Gorham whose explanation I thought was one of the best in my whole tour of different organisations.

Later in the day I visited the Land O'Lakes ice cream plant also within Mora. I was conducted around the facilities by the factory or plant Manager who also explained to me how the deliveries of milk are made from the farmers to the plant. One of the main aim for starting the plant was to use the milk (i.e. the raw material cream) and process it near the source. This apart from motivating the farmers help to create jobs for the neighbourhood.

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This is another case to illustrate how the Co-operatives is helping to improve the lives of the owners and the local area as a whole.

In the afternoon, with the General Manager of Kanabec Co-operatives we went to attend to an auction where by livestock was being auctioned, provided me with a chance to see at least one of the ways in which farmers obtain their livestock and one men s of purchasing farming equipments. After this I left for Minneapolis.

COMMENT:

I think within the short time I stayed at Mora I enjoyed the visit and helped me to understand how the Co-operative function perhaps there is difference in how it is done but the (WHY) of Co-operative is the same as in our country, too. At least I had a chance too, to see how an engine could be converted to use propame LP gas, and may be one day we shall use such in our country. Furthermore I saw how another smaller Co-operative distributes products or make deliveries to the farms.

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12.00

EVALUATION AND CONCLUSION

The basic objective of the training programme is, I quote "Train transport supervisor for Trucking Operation and give this trainee a working knowledge of a farm supply distribution centre".

To this end I feel I have achieved the objective of the program after a detailed coverage of the Land O'Lakes Distribution department's operations, and working the typical local Co-operatives who eventually distribute the goods to the farmers. I feel I covered the chain of distribution right up from supplier and manufacturers (in some instances) up to the consumers or farmers, as described in my report.

Beyond the objective as described I felt I ever achieved more. Apart from the technical working knowledge I gained I felt this program availed me a chance to widen my horizon, by being exposed to different types of people with different standards of living outside my country. This sort of cultural exchange helps a lot.

However, I also would recommend that for future participants in this sort of program that on top of basic training in one organisation, the participant must be exposed to as many organisations as possible, so that he can learn as many techniques as possible. I do emphasize on this because whatever two organisations you choose, let us say Uganda Co-operative Transport Union Limited from the recipient country, and Land O'Lakes from donor country, they are bound to have some differences. Therefore if one's training is restricted to one organisation, he may use very little of what he learns when he returns to his organisation.

I would therefore recommend that the participant visit as many organisations as possible who are in the same type of operations as his. In this way he may cover various techniques from different organisations, which he shall apply from time to time as the need arises. To this end I feel I achieved a lot, in that I learnt as many ways as possible of handling various sorts of trucking problems as I could from the variety of organisations I visited. In this way I have been equipped with as many tools as possible of solving my daily management problems as possible as well as appreciating changes that may be instituted in my organisation.

Some of these tools I may not be used now, but as our organisation expands and grows it may reach some of the levels of organisations. I have seen in the United States of America, I should hopefully then be able to adopt to these changes easily.

In brief what I have gained within the short stay in United States of America could have taken me several years to have acquired while occupying my same position at home. I would therefore recommend the continuation of such a program. However there are some recommendations I may wish to make.

For future participant I feel the background (i.e. educational level and work experience) of the participant should be made available to the supervisor in advance. Apart from that a detailed background (i.e. the nature of operations, and structure of the organisation) should also be known in advance by the supervisor, so that whenever possible the and duration of the course or program should be tailored to meet the requirement of both the participant and his organisation. To this end I felt that this was not initially catered for, but later with some revision we were able to accommodate this particular need.

As an advice to the participants I should encourage them to be as inquisitive as possible and ask as many questions as possible. This apart from making your trainer and hosts aware that you are interested in learning, make you cover a wider area than actually scheduled. A lot can be achieved through personal interest.

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