The Trucking Industry: The View from the Road

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IMTA SINCE 1934

Purdue Road School
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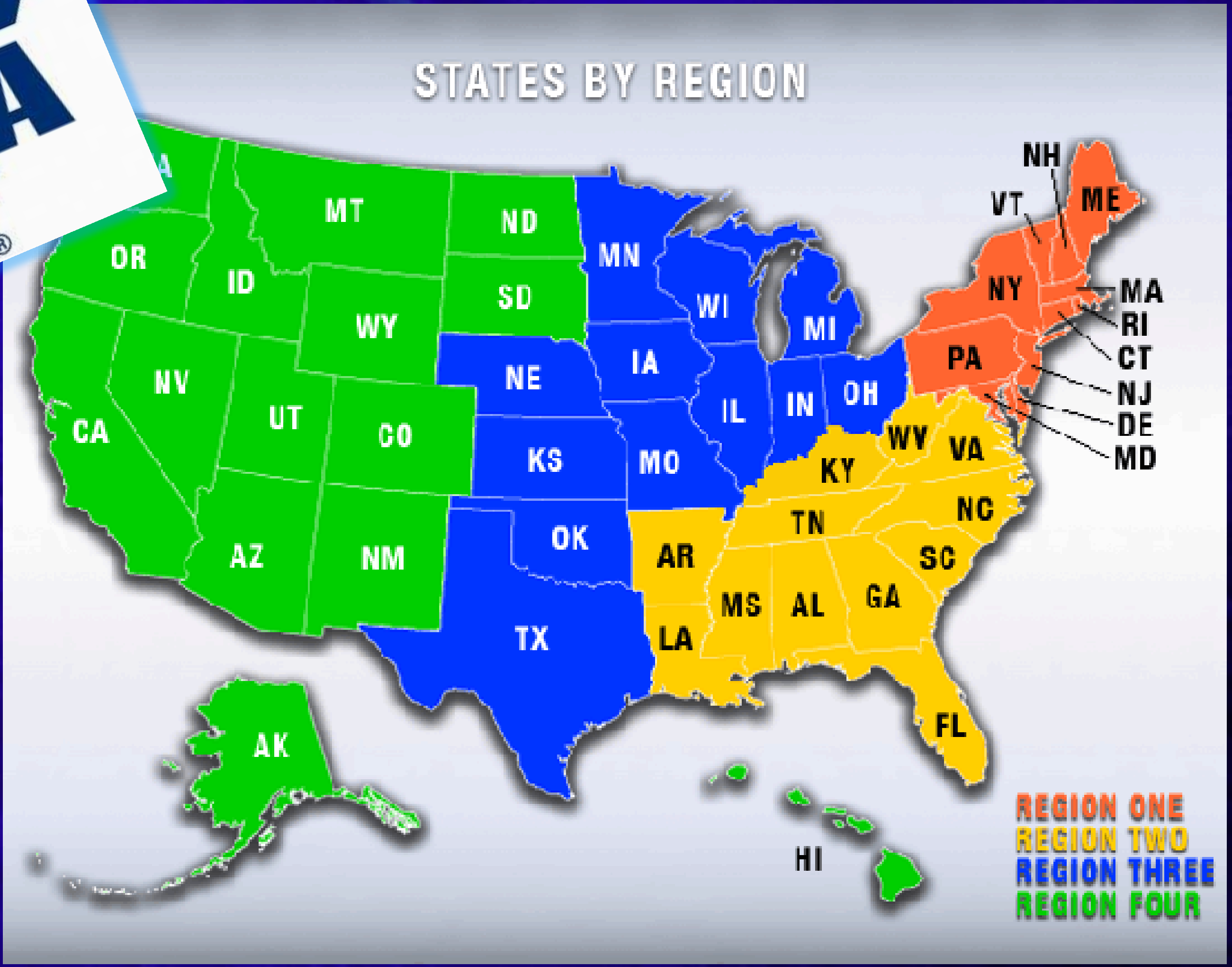
IMTA
SINCE 1934
TRUCKING
Moves America Forward

Indiana Motor Truck Association

- The Indiana Motor Truck Association (IMTA) is a state association focused on representing, promoting and protecting the interests of the trucking industry by enhancing its image, efficiency and productivity through focus on safety and advocacy.

State Trucking Associations



IMTA – A strong voice for Indiana's Trucking Industry

- Education
- Communication
- Networking

U.S. Trucking Industry

- 504,093 Registered Interstate Motor Carriers
- 9.4 billion tons of freight (69% of total U.S. tonnage)
- $642.1 billion in freight revenue (81% of total U.S. freight revenue)
- 2.3 million registered Class 8 trucks
- 6.9 million employees in truck-related activities
- 3.1 million truck drivers
- 80% of U.S. communities depend solely on truck deliveries

Indiana Trucking Industry

- 13,530 Registered Trucking Companies
  - Most of them small, locally owned
- Trucks in Indiana move 690,058 tons of freight per day
- 177,540 or 1 out of 14 employees in trucking
- 65,870 truck drivers
  - Mean salary of $36,595
- >80% of Indiana communities depend solely on truck deliveries

Indiana Trucking Industry Pays the Freight

- **Pays approximately $875M in federal and state roadway taxes and fees.**
  - Trucks paid 44% of all taxes and fees owed by Indiana motorists, despite representing only 16% of the vehicle miles traveled in the state.
    - Source: 2009 ATRI
- **Typical 5-axle semitrailer combination paid $6,118 in state highway user fees and taxes in addition to $8,906 in federal user fees and taxes.**
  - These taxes were over and above the typical taxes paid by businesses in Indiana
    - Source: 2013 ATRI

Indiana Trucking Industry Pays the Freight

- In 2008, Indiana had 95,613 miles of public road over which all motorists traveled 71B miles. Trucking's use of the public roads was 11.0B miles.
  - Source: ATRI 2008

COST

Operational Costs of Trucking: 2013 Update

Average Carrier Costs per Mile

Motor Carrier Costs	2008	2009	2010	2011	2012
Vehicle-based					
Fuel Costs	$0.633	$0.405	$0.486	$0.590	$0.641
Truck/Trailer Lease or Purchase Payments	$0.213	$0.257	$0.184	$0.189	$0.174
Repair & Maintenance	$0.103	$0.123	$0.124	$0.152	$0.138
Truck Insurance Premiums	$0.055	$0.054	$0.059	$0.067	$0.063
Permits and Licenses	$0.016	$0.029	$0.040	$0.038	$0.022
Tires	$0.030	$0.029	$0.035	$0.042	$0.044
Tolls	$0.024	$0.024	$0.012	$0.017	$0.019
Driver-based					
Driver Wages	$0.435	$0.403	$0.446	$0.460	$0.417
Driver Benefits	$0.144	$0.128	$0.162	$0.151	$0.116
TOTAL*	**$1.653**	**$1.451**	**$1.548**	**$1.706**	**$1.63**

Operational Costs of Trucking: 2013 Update

Average Carrier Costs per Hour

Motor Carrier Costs	2008	2009	2010	2011	2012
Vehicle-based					
Fuel Costs	$25.30	$16.17	$19.41	$23.58	$25.63
Truck/Trailer Lease or Purchase Payments	$8.52	$10.28	$7.37	$7.55	$6.94
Repair & Maintenance	$4.11	$4.90	$4.97	$6.07	$5.52
Truck Insurance Premiums	$2.22	$2.15	$2.35	$2.67	$2.51
Permits and Licenses	$0.62	$1.15	$1.60	$1.53	$0.88
Tires	$1.20	$1.14	$1.42	$1.67	$1.76
Tolls	$0.95	$0.98	$0.49	$0.69	$0.74
Driver-based					
Driver Wages	$17.38	$16.12	$17.83	$18.39	$16.67
Driver Benefits	$5.77	$5.11	$6.47	$6.05	$4.64
TOTAL*	**$66.07**	**$58.00**	**$61.91**	**$68.21**	**$65.29**


SAFETY

Safe by Choice, Not by Chance

CONTINUALLY IMPROVING

- **Nationally – large truck fatal crash rate for 2010 was 1.14 fatal crashes per 100M vehicle miles traveled. Dropped by 75% since USDOT began keeping records in 1975.**
  - **124 fatalities in 2011 (41 by trucks)**
  - **104 fatalities in 2012 (33 by trucks)**

- **>65%=zero responsibility to truck driver**

*Source: ATRI research 2013

Government Regulators

- FMCSA – carrier/driver safety
- FHWA – truck size & weight
- PHMSA – pipeline/hazmat regulations
- NHTSA – vehicle design
- CBP – cross border protection
- EPA – engine, fuel economy standards
- Host of state and local regulations as well

INDUSTRY FOCUS

2013 Top Industry Issues in Indiana

1. Hours-of-Service
2. CSA
3. ELD Mandate
4. Driver Shortage
5. Truck Parking
6. Economy
7. Fuel Supply/Fuel Prices
8. Driver Retention
9. Redundant Background Checks and Credentials
10. Transportation Infrastructure/Congestion/Funding

Hours-of Service

New rules in effect on July 1, 2013

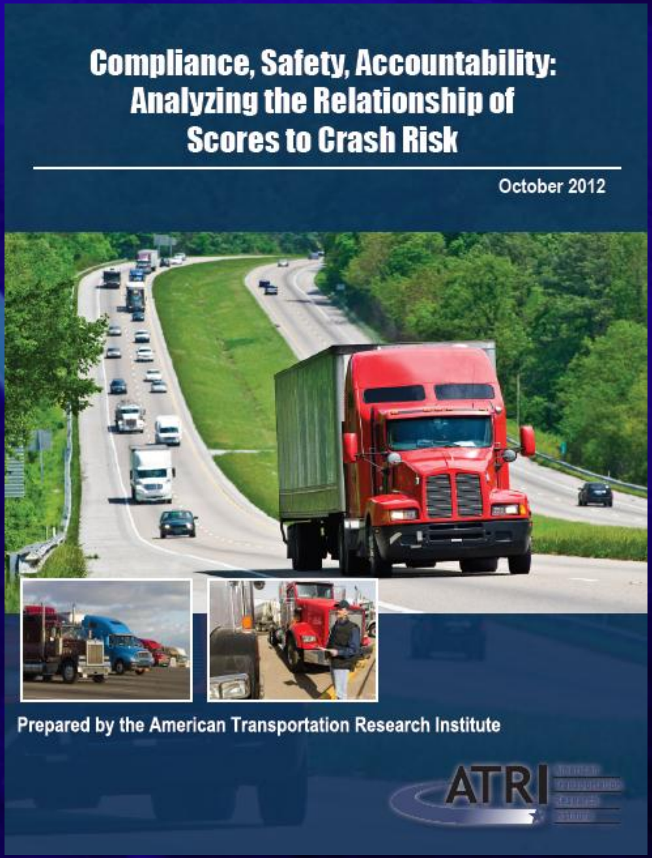
- Govern commercial driver work and rest hours
- 34-hour "restart" must include two periods of 1 a.m. to 5 a.m.
- Mandatory 30 min rest breaks after 8 hours driving
- Available truck parking becomes critical
- No "congestion credit" in HOS rules

Compliance, Safety, Accountability

- New regulatory framework for evaluating motor carriers and drivers
- Pilot tested in nine states; full deployment 12/10
- Intended to provide more targeted safety interventions
- Evaluate carriers and drivers using seven BASICs (Behavior Analysis and Safety Improvement Categories) most likely to lead to crashes:
  - Unsafe Driving
  - Hours-of-Service Compliance
  - Driver Fitness
  - Controlled Substances/Alcohol
  - Vehicle Maintenance
  - Hazardous Materials Compliance
  - Crash Indicator

CSA Analysis

- **CSA scores publicly available (5 of 7 BASICs) – used by shippers, insurers, lawyers, general public**
- **Problems with scores not accurately reflecting carrier crash risk**
- **Crash accountability determination**



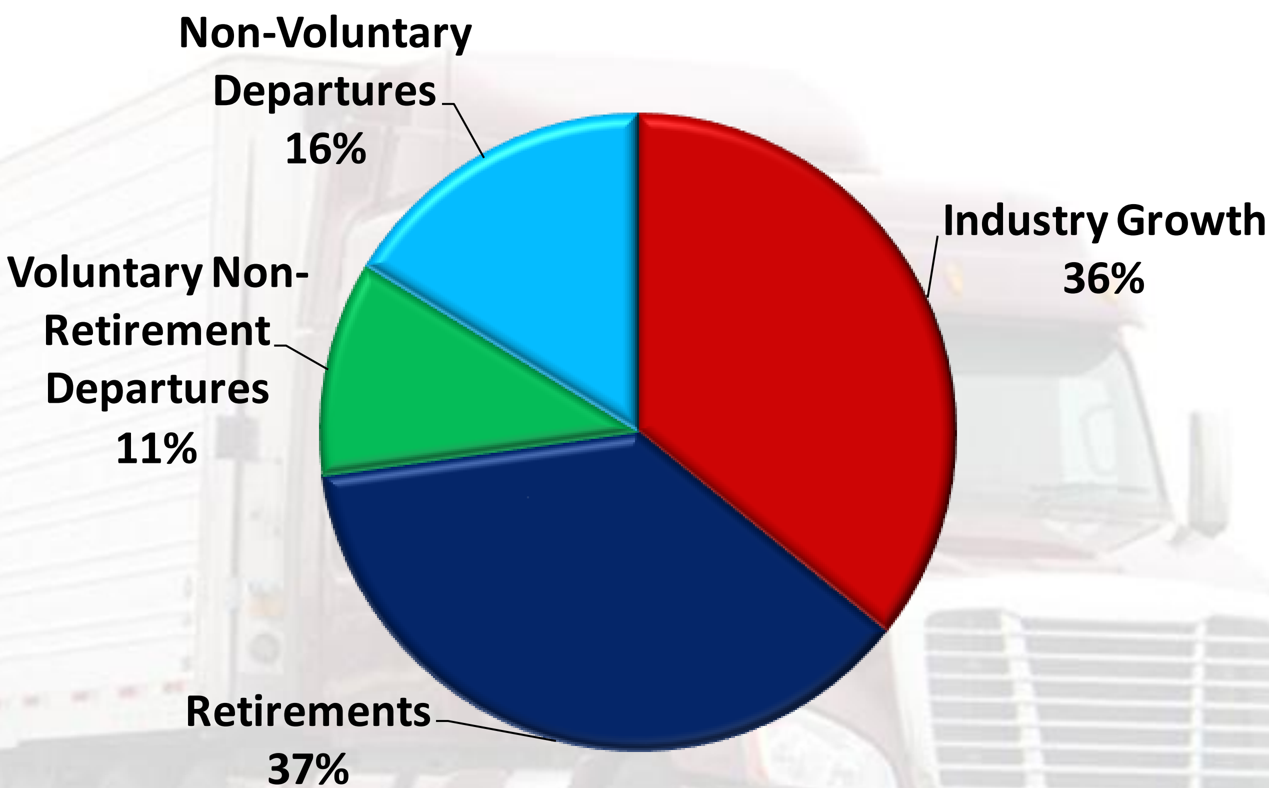
ELD Mandate

- Electronic Logging Devices (ELDs) or Electronic Onboard Recorders (EOBRs) – electronically track truck driver hours of operations to ensure HOS rules compliance
- MAP-21 requires ELD rule – expected from FMCSA soon
- Increased "compliance" due to ELD usage creates need for additional parking and rest areas

Driver Shortage

- Recession impacts on driver population – decreased freight demand; scaling back of entry-level driver hiring/training; elimination of marginal safety drivers
- Economic recovery leading to tightened driver capacity
- Other labor pool impacts include:
  - Regulatory – HOS, CSA
  - Retirements/Leaving for other industries

Average Number of New Drivers Needed Per Year Over the Next 10 Years: *96,178*



Source: ***ATA Benchmarking Guide for Driver Recruitment & Retention***

Driver Shortage

- Examine the competitiveness of truck driver pay and benefits as compared to other industries.
- Work with state and federal authorities to consider a graduated CDL program to safely attract new and younger drivers.
- Continue work to streamline the transition from a military CDL to a civilian CDL in order to attract more veterans to the trucking industry.

Truck Parking

- Concern with closing of many public rest areas
- New HOS rules create additional demand for truck parking
- Safety concerns highlighted by Jason's Law
- Real-time truck parking availability information viewed by industry as potential solution
- In 2012, IMTA partnered with INDOT to secure nearly $6.7M in federal grant dollars, with $2.8M being earmarked for the addition of 80 new truck parking spaces along Interstate 70.

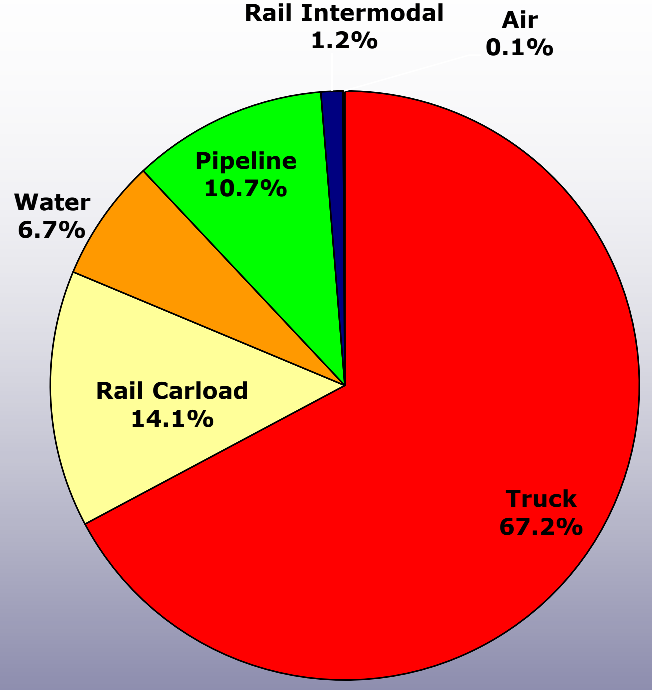
ADVANCES IN FINDING TRUCK PARKING

Pilot program between Chicago & Detroit started in 12/2013 helps drivers have more insight on available parking spaces.

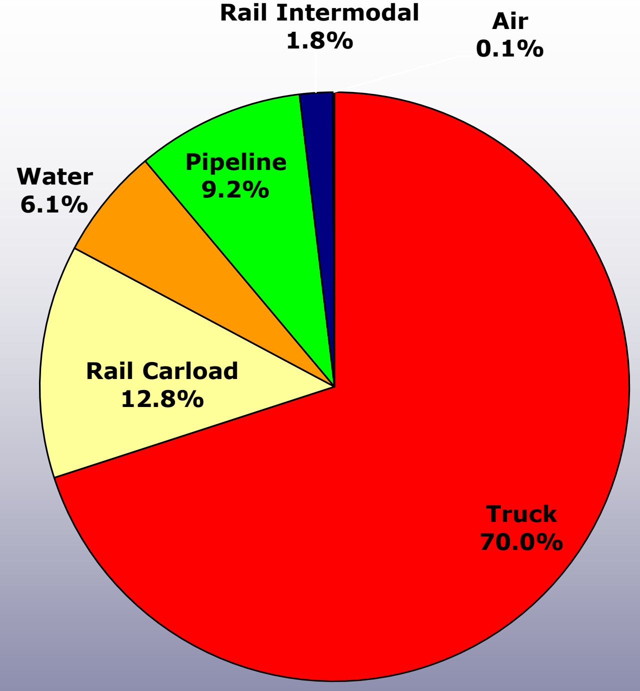
Coalition Aims to Help Truckers Find Parking Along Interstate 81 from TN to Canada

FUTURE NEEDS

Distribution of Tonnage by Mode: 2010 vs 2022



2010



2022

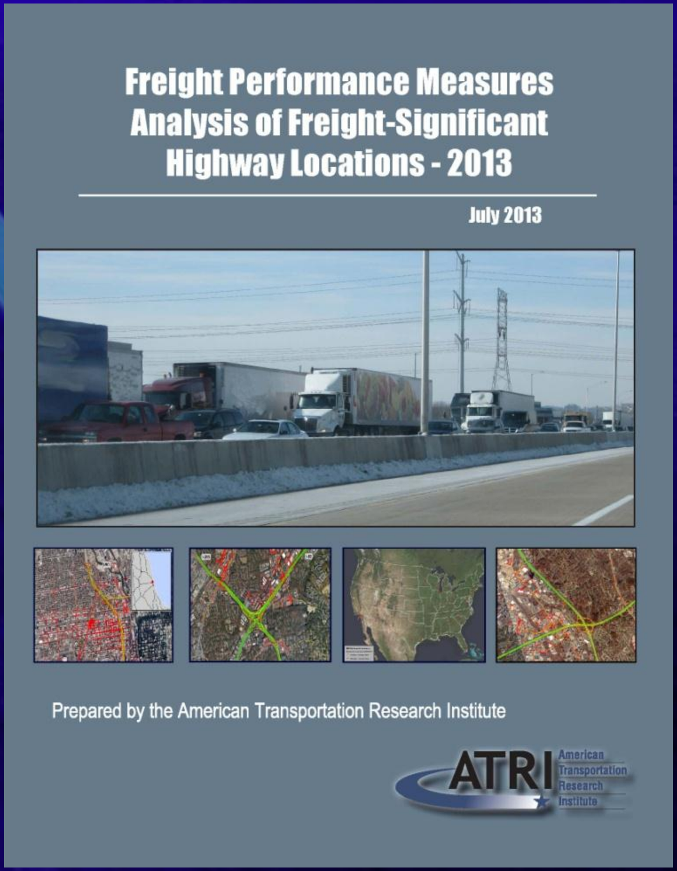
Source: ***U.S. Freight Transportation Forecast to 2022***

Transportation Infrastructure/Congestion Funding

- Advocate for fuel tax increases to efficiently fund the surface transportation system and ensure those funds are not diverted to non-highway projects.
- Identify the worst truck bottlenecks as a means for targeting government infrastructure investments.
- Utilize the congressionally-mandated National Freight Policy and National Freight Network as tools to ensure adequate investment in critical highway infrastructure.

Freight Bottleneck Analysis

- Ongoing monitoring of 250 truck freight-significant locations
- Avoiding/scheduling around truck freight congestion chokepoints



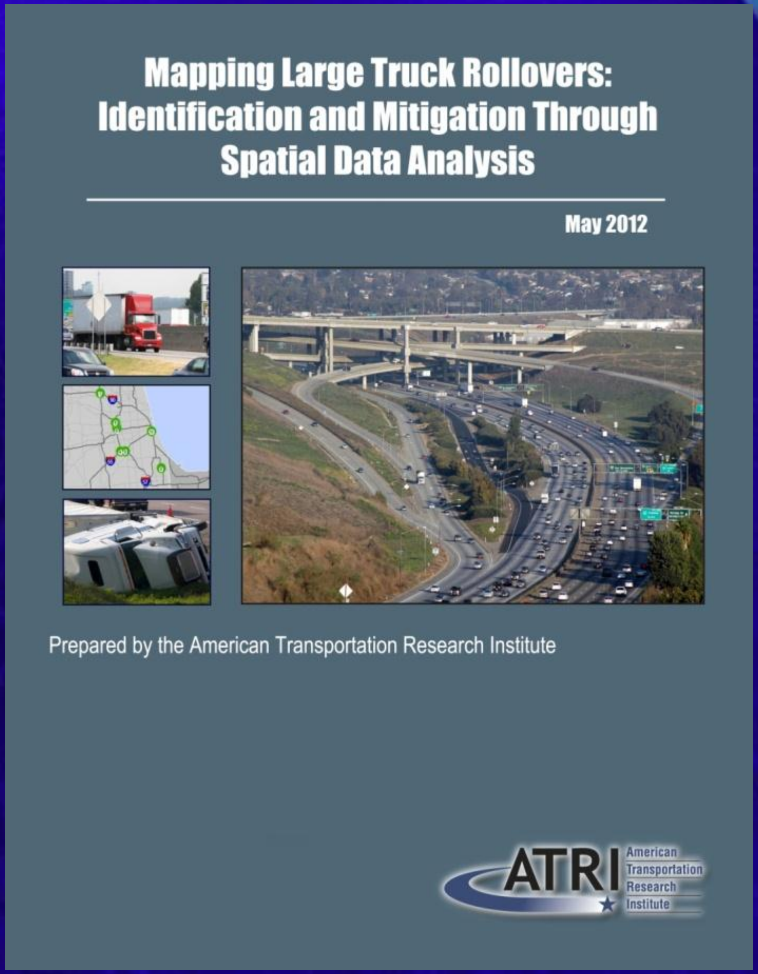
www.atri-online.org

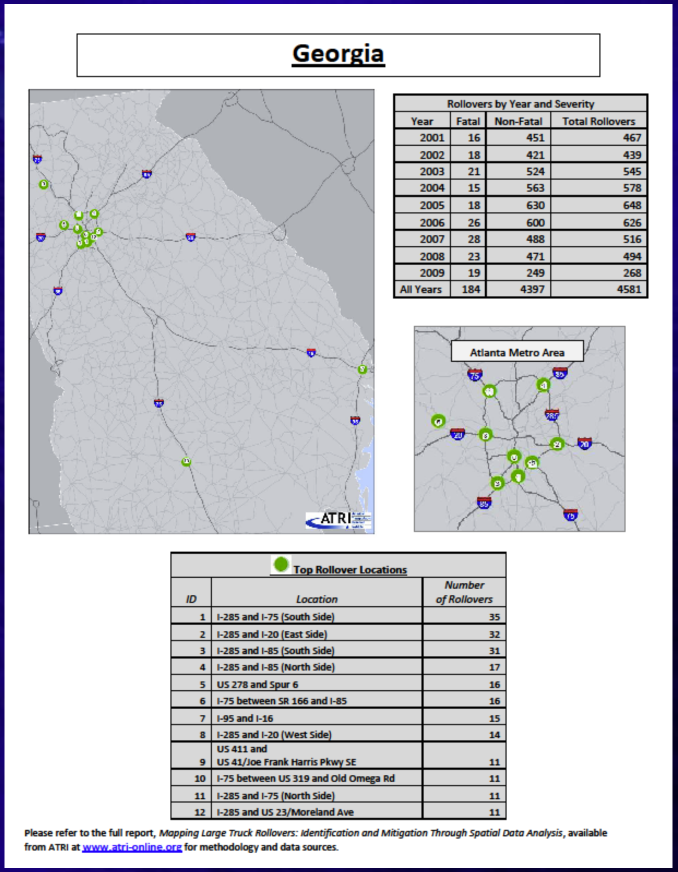
Freight Performance Measures

2013 Top Ten Bottlenecks

Rank	Location	Average Speed	2011 Rank	Change
1	Chicago, IL: I-290 at I-90/I-94	30.13	1	0
2	Houston, TX: I-610 at US 290	41.99	14	+12
3	Austin, TX: I-35	35.79	4	+1
4	Fort Lee, NJ: I-95 at SR-4	28.98	2	-2
5	St. Louis, MO: I-70 at I-64 West	41.62	11	+6
6	Louisville, KY: I-65 at I-64/I-71	44.93	3	-3
7	Houston, TX I-45 at US-59	38.55	17	+10
8	Cincinnati, OH: I-71 at I-75	48.12	9	+1
9	Houston, TX: I-10 at I-45	45.63	15	+6
10	Dallas, TX: I-45 at I-30	42.44	7	-3

Mapping Large Truck Rollovers: Identification and Mitigation Through Spatial Data Analysis





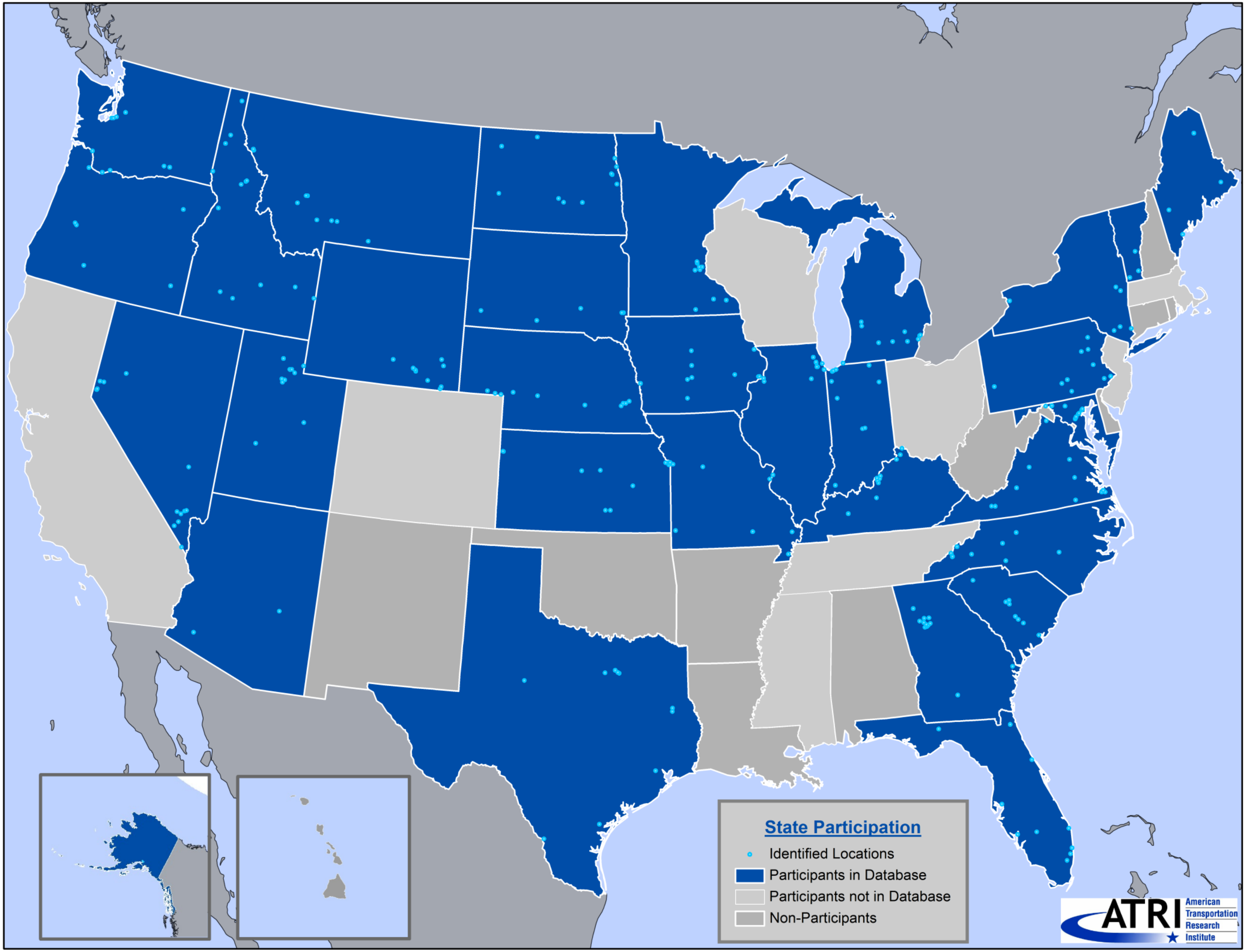
Georgia

Rollovers by Year and Severity			
Year	Fatal	Non-Fatal	Total Rollovers
2001	16	451	467
2002	18	421	439
2003	21	524	545
2004	15	563	578
2005	18	630	648
2006	26	600	626
2007	28	488	516
2008	23	471	494
2009	19	249	268
All Years	184	4397	4581

Atlanta Metro Area

Top Rollover Locations		
ID	*Location*	*Number of Rollovers*
1	I-285 and I-75 (South Side)	35
2	I-285 and I-20 (East Side)	32
3	I-285 and I-85 (South Side)	31
4	I-285 and I-85 (North Side)	17
5	US 278 and Spur 6	16
6	I-75 between SR 166 and I-85	16
7	I-95 and I-16	15
8	I-285 and I-20 (West Side)	14
9	US 411 and US 41/Joe Frank Harris Pkwy SE	11
10	I-75 between US 319 and Old Omega Rd	11
11	I-285 and I-75 (North Side)	11
12	I-285 and US 23/Moreland Ave	11

Please refer to the full report, *Mapping Large Truck Rollovers: Identification and Mitigation Through Spatial Data Analysis*, available from ATRI at www.atri-online.org for methodology and data sources.



State Participation
Identified Locations
Participants in Database
Participants not in Database
Non-Participants
ATRI
American Transportation Research Institute

Looking Ahead

- U.S. Department of Transportation’s proposed budget- 4 Years, $302 Billion
- Invests $199 Billion to rebuild America’s roads and bridges
- Still need solution for long term surface infrastructure funding
- HB-1104, alternative funding mechanisms
- Infrastructure enables commerce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Thank You

QUESTIONS?