TRUCKING IN AMERICA

National Conference of State Legislators

Ted Scott
Director, Special Projects
American Trucking Associations

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AGENDA

- Facts About The Industry
- History
- Types of Trucking
- Equipment
- Trucking Economics
- Current Issues
TRUCKING FACTS

• 5% of the nation’s gross domestic product (GDP).

• $660.3 billion industry, 83.1% of all freight revenue.

• Moved 10.2 billion tons of freight in 2008.

• 7.3 million people employed in trucking jobs.

• 3.4 million truck drivers, including local & over-the-road.

• More than 590,000 interstate carriers (all types).
TRUCKING FACTS

• 29.6 million trucks (class II-VIII) used in business.

• 2.8 million tractor trailers and 5.6 million trailers.

• All trucks logged 431.4 billion miles, 166 billion logged by heavy trucks - 38%.

• Trucks consume 55 billion gallons of fuel.

• Pays $38 billion in federal and state highway user taxes and fees.

• Exclusively serves over 80% of communities in the U.S. The only mode that serves the entire country.
TRUCKING HISTORY

• Early Trucking
  • Gasoline powered
  • 700 trucks in 1904
  • 115,000 trucks in 1915
  • 1,100,000 trucks in 1920

A 1911 Ford Model-T/Smith Form-A Truck Conversion tractor coupled to Fruehauf’s 1914 flatbed semi-trailer.
(From the collections of Henry Ford Museum & Greenfield Village.)
TRUCKING HISTORY

1935- Motor Carrier Act

1939 – ICC Driver Hours-of-Service Rule.
TRUCKING HISTORY

- set truck size and weight limits.
TRUCKING HISTORY

1962 – Driver Hours-of-service changes.

1967 – U.S. DOT created.
- OMC
- NHTSA
TRUCKING HISTORY

• 1980 – Deregulation (5000 carriers)

• 1982 STAA Mandates
  - 80,000 # GVW
  - 48ft and Double Trailers
  - National Truck Network
  - 102 inch Wide
  - Grandfather Right

• 1986 – Commercial Drivers License (CDL)
TRUCKING HISTORY

1991 – ISTEA
IFTA
IRP
LCV freeze
TRUCKING HISTORY

EPA issues new emissions standard for NOX

2004 – New Hours-of-Service Rule

2007 – New EPA Engine Emissions Rule
TYPES OF TRUCKING
THREE WAYS TO CLASSIFY FREIGHT CARRIERS

• By Ownership of Goods - Private and For Hire

• By Volume of Cargo - Truckload and Less Than Truckload

• By Type of Truck – Body and Configuration
By OWNERSHIP OF GOODS
PRIVATE CARRIERS

- Own the freight they transport
- 55% of fleets
- 33% of freight
OWNERSHIP OF GOODS
For Hire Carriers

- Transport other people’s goods
- 45% of fleets
- 35% of truck freight
BY VOLUME OF CARGO

Truckload (TL)

Less Than Truckload (LTL)

Small Package Delivery
BY VOLUME OF CARGO
TRUCKLOAD CARRIERS

Midwest Orange Juice Plant

Orlando Orange Grove
BY VOLUME OF CARGO
TRUCKLOAD CARRIERS

• One full trailer to one customer
• 35% of total freight tonnage
• Regular/Irregular Routes
• Often employ owner/operators
• Few terminals
BY VOLUME OF CARGO
TRUCKLOAD CARRIERS

- 87% Small Businesses
- 6 or fewer trucks
- Network of Owner Operators
BY VOLUME OF CARGO
LESS THAN TRUCKLOAD CARRIERS

- Multiple shipments in one trailer
- 1% of freight tonnage
- Some employ unionized drivers
- Many terminals - Hub and Spoke operations
- Regional and National in territory covered
BY VOLUME OF CARGO
Less Than Truckload Carriers

Chicago Terminal

Best Buy

Myer Emco

Sears

Circuit City

Stereo Factory

Pittsburgh Terminal

Microwave Factory

TV Factory

Radio Factory
BY VOLUME OF CARGO
Small Package Delivery

• Many customers in small trucks
  • Catalog delivery
  • Consumer shipments
• Examples:
  • UPS
  • FedEx
LEASING COMPANIES

- Ryder
- Penske
- Xtra
- TIP
BY TRUCK TYPES

• By Body Type
• By Vehicle Configuration
TRUCK TYPES
By Body Type

• Van
  - Dry
  - Refrigerated
  - Household Goods
• Flat Bed
• Tank
TRUCK TYPES
By Body Type

- Container
- Dumps
- Auto
TRUCK TYPES
By Configuration

- Single unit trucks
- Combination units
  - Tractor semi-trailers
  - Straight truck and trailer
  - Specialized
  - STAA doubles
  - Longer Combination Vehicles
TRUCK TYPES
Single Unit

• Single unit - straight truck
• Cab & container on one chassis
• Includes single unit utility and delivery trucks
TRUCK TYPES

Combination Trucks

Tractor-Trailer

- Tractor-Trailer - 18 wheeler
- Tractor connected to a separate trailer
TRUCK TYPES
Combination Type
Straight Truck and Trailer
TRUCK TYPES
Combination Type
Specialized
TRUCK TYPES

Combination Type

Longer Combination Vehicles

Common LCVs

Rocky Mountain Double
45'-53' - 26'-28'

Turnpike Double
45'-53' - 45'-53'

Triple
26'-28' - 26'-28' - 26'-28'
TRUCK TYPES
Combination Type
“Doubles”
TRUCK COMPONENTS

- Tractors
- Trailers
TRACTOR TYPES

- Conventional
- Cab-over-engine
- Sleeper
TRAILER TYPES

- Semi-trailers
- Full trailers
- Chassis
- Dollies
PEOPLE IN TRUCKING

- Drivers - CDL holders
- Mechanics
- Managers and supervisors
- Warehouse workers
- Dispatchers
- Salesmen
- Freight forwarders
- Owners

7.3 million people

THE ATA ROAD TEAM
AMERICA’S BEST DRIVERS
TRUCKING ECONOMICS
Projected Growth in Certain GDP Sectors: 2009 to 2020  
(Chained 2000 Dollars)

<table>
<thead>
<tr>
<th>Sector</th>
<th>2008</th>
<th>2020</th>
<th>Total Percent Increase 2008 to 2020</th>
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<tbody>
<tr>
<td>GDP</td>
<td></td>
<td></td>
<td>+39%</td>
</tr>
<tr>
<td>Consumption x Services</td>
<td>$20,000</td>
<td>$27,000</td>
<td>+34%</td>
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<tr>
<td>Business Investment</td>
<td>$8,000</td>
<td>$16,000</td>
<td>+87%</td>
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<tr>
<td>Residential Investment</td>
<td>$4,000</td>
<td>$8,000</td>
<td>+99%</td>
</tr>
<tr>
<td>Exports</td>
<td>$0</td>
<td>$4,000</td>
<td>+134%</td>
</tr>
<tr>
<td>Imports</td>
<td>$0</td>
<td>$3,600</td>
<td>+88%</td>
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</tbody>
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Source: ATA and Global Insight
Projected Growth in Freight Transportation Tonnage: 2008 to 2020

Source: U.S. Freight Transportation Forecast to...2020
Projected Growth in Freight Transportation Tonnage: 2008 to 2020

2020 Market Share

Source: U.S. Freight Transportation Forecast to...2020
Distribution of Tonnage by Miles: 2007

All Modes & All Commodities

- <50: 55.4%
- 50-99: 10.0%
- 100-499: 21.1%
- 500-749: 4.9%
- 750-999: 4.1%
- 1000-2000: 3.9%
- >2000: 0.5%

Only 13.5% of freight travels over 500 miles
Only 8.5% of freight travels over 750 miles

Source: Commodity Flow Survey (Census Bureau)
TRUCK vs RAIL
COMPETITIVE FREIGHT 2009

Competitive Freight 0.9 Billion tons

2009 Total Truck Tonnage 8.3 billion tons

2009 Total Rail Tonnage 1.6 billion

Includes all tonnage (truck & rail) traveling 500 miles or more, but excludes coal.

Rails haul 600 million tons,
Trucks haul 300 million tons.
NCSL – ATA
ISSUES WE HAVE TOGETHER

• HIGHWAY SAFETY
• CONGESTION / BOTTLENECKS
• 3Ps/ TOLLS
• MOTOR CARRIER REGULATION
TRUCK SAFETY FACTS
The last 20 years

- Large trucks registration increased 47%
- Miles driven increased 65%
- Fatal crash deceased 24%
- Fatal crash rate decease 22%
- In 2008 truck fatal crash rate was 1.64.
- 3 out of 4 truck involved fatalities are initiated by car drivers.
- 35% of truck-involved highway fatalities occur in truck blind spots
ATA’S SHARE THE ROAD PROGRAM

• A highway safety program sponsored by ATA, Mack Trucks and Michelin North America.
• Educate all drivers on how to share the road safely with large trucks.
• Program involves media and community events across the country at schools, auto/truck shows, state capitols in congested cities.
SHARE THE ROAD MODEL

LEGISLATION

• Promote state legislation requiring increased safety instruction of driver education programs on how to share the road with large trucks.
**FHWA Study of Freight Corridors and Top 200 Bottlenecks**

- Physical bottlenecks account for 40% of congestion
- 226 Million hours lost annually
- Cost $20.3 Billion/year
TRANSPORTATION REAUTHORIZATION FREIGHT PROGRAM

• New program to fund bottleneck projects on major freight corridors

• Eligible bottlenecks determined by USDOT based on criteria established by Congress

• Funded with dedicated diesel tax increase
NCSL Public Private Partnership Project

- ATA is a sponsor and supporter.
- ATA believes Toll financing should be limited
  - Only new construction where a toll-free alternative exists.
  - Tolling existing highways is poor public policy
  - Collection costs 10-30% of revenue.
  - Causes diversion of traffic to secondary roads that are less safe and not built to handle additional traffic.
- ATA prefers a fuel tax to a toll.
NCSL MOTOR CARRIER REGULATION POLICY STATEMENT

• State and Federal equal partnership.
• Unnecessary and burdensome mandates.
• Incentive based regulations.
• Oppose sanctions.
• Support IFTA and IRP.
Thank You!

Good stuff.

TRUCKS
BRING IT
THE AMERICAN TRUCKING ASSOCIATIONS
The ATA Federation - 37,000 Members

- 50 Affiliate State Trucking Associations
- Affiliated Trucking Organizations
  - Agriculture & Food Transporters Conference
  - Automobile Carriers Conference
  - Intermodal Motor Carriers Conference
  - Distribution & LTL Carriers Association
  - Truckload Carriers Association
  - National Tank Truck Carriers Association
- ATA Councils
  - National Accounting & Finance Council
  - Safety & Loss Prevention Management Council
  - Technology & Maintenance Council
- American Transportation Research Institute (ATRI)
- ATA Litigation Center