



BY THE NUMBERS: LOGISTIC TRENDS

MAY 16 2024

Welcome to the Inaugural Logistic Leaders Conference!

On behalf of the Colonial Insurance and Freightstar Expedited, we would like to extend our sincere gratitude for attending our inaugural conference. We're thrilled you're joining us. We hope that you find the information in this booklet helpful to you and your business.

The trucking industry is the engine that drives the American economy forward. Our industry, however, faces challenges from various fronts. Freight volumes have plummeted, leaving a surplus of trucks and drivers in the wake of the pandemic. Profits are down. Additionally, soaring inflation rates, aggressive plaintiff attorneys and unethical towing companies are pushing operating expenses higher.

That's why we've decided to put together this event - to help you understand the macroeconomic and industry-specific trends that are taking place and affecting your livelihood. Our distinguished speakers and presenters will share their expertise and provide valuable perspectives on the challenges facing the trucking and logistics sector. Whether you are a seasoned industry veteran or a newcomer to the field, there will be plenty of opportunities to learn, connect, and collaborate.

Once again, welcome to the 2024 Logistics Leaders Conference. Thank you for your participation, and we wish you a productive and enjoyable experience. Please do not hesitate to contact us with any questions.

Sincerely,



Jeff Hadzhiev



Teo Balev



George Hristov

Operational Costs of Trucking

Average Carrier Costs per Mile

Motor Carrier Costs	2018	2019	2020	2021	2022	2021-2022 Percent Change
Vehicle-based						
Fuel Costs	\$0.433	\$0.384	\$0.308	\$0.417	\$0.641	53.7%
Truck/Trailer Lease or Purchase Payments	\$0.265	\$0.256	\$0.271	\$0.279	\$0.331	18.6%
Repair & Maintenance	\$0.171	\$0.149	\$0.148	\$0.175	\$0.196	12.0%
Truck Insurance Premiums	\$0.084	\$0.071	\$0.087	\$0.086	\$0.088	2.3%
Permits and Licenses	\$0.024	\$0.020	\$0.016	\$0.016	\$0.015	- 6.3%
Tires	\$0.038	\$0.039	\$0.043	\$0.041	\$0.045	9.8%
Tolls	\$0.030	\$0.035	\$0.037	\$0.032	\$0.028	- 12.5%
Driver-based						
Driver Wages	\$0.596	\$0.554	\$0.566	\$0.627	\$0.724	15.5%
Driver Benefits	\$0.180	\$0.190	\$0.171	\$0.182	\$0.183	0.5%
TOTAL	\$1.821	\$1.699	\$1.646	\$1.855	\$2.251	21.3%



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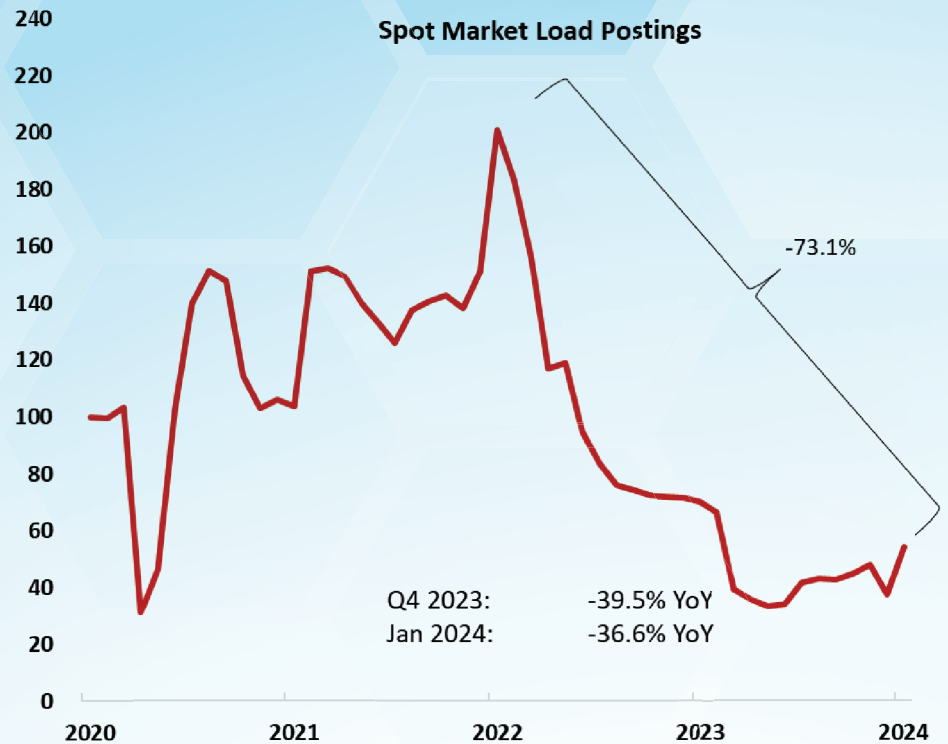
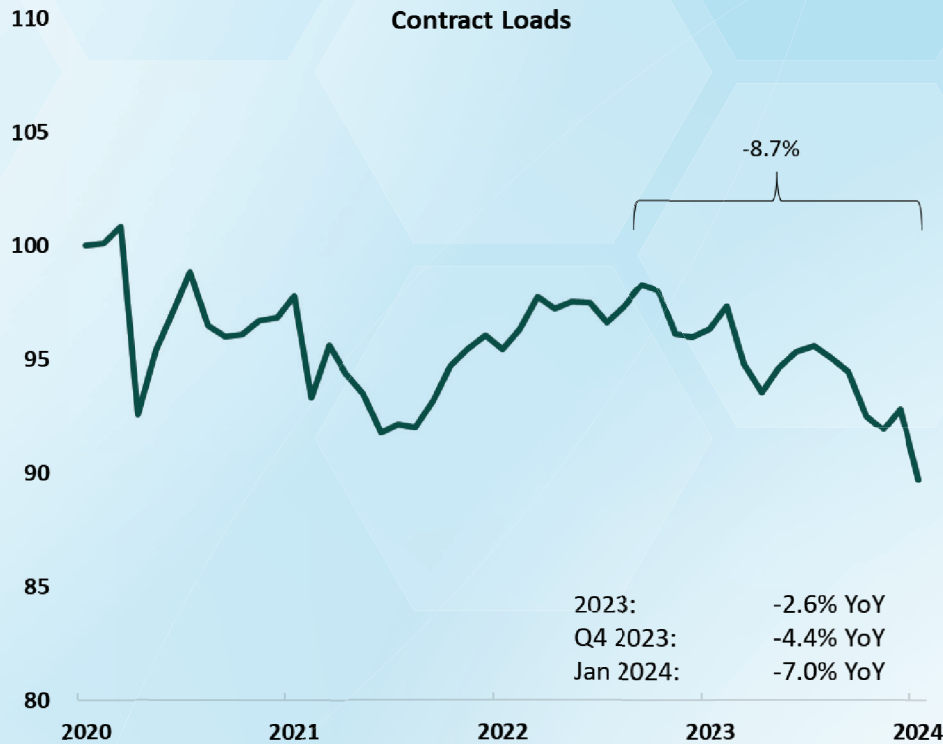
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Truckload Loads

(Index; January 2020 = 100)



Sources: ATA's Trucking Activity Report & DAT.com



Includes all types of truckload freight.



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LTL Shipments and Tonnage

Index, January 2020 = 100

Shipments



Tonnage



Contract Truckload Average Revenue per Mile

(Index; January 2020 = 100)



Trucking.org

Source: ATA's Trucking Activity Report



Note: Revenue metrics exclude fuel surcharge revenue.



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Spot Market Rates

(Index; January 2020 = 100)



Trucking.org

Source: ATA using DAT.com data



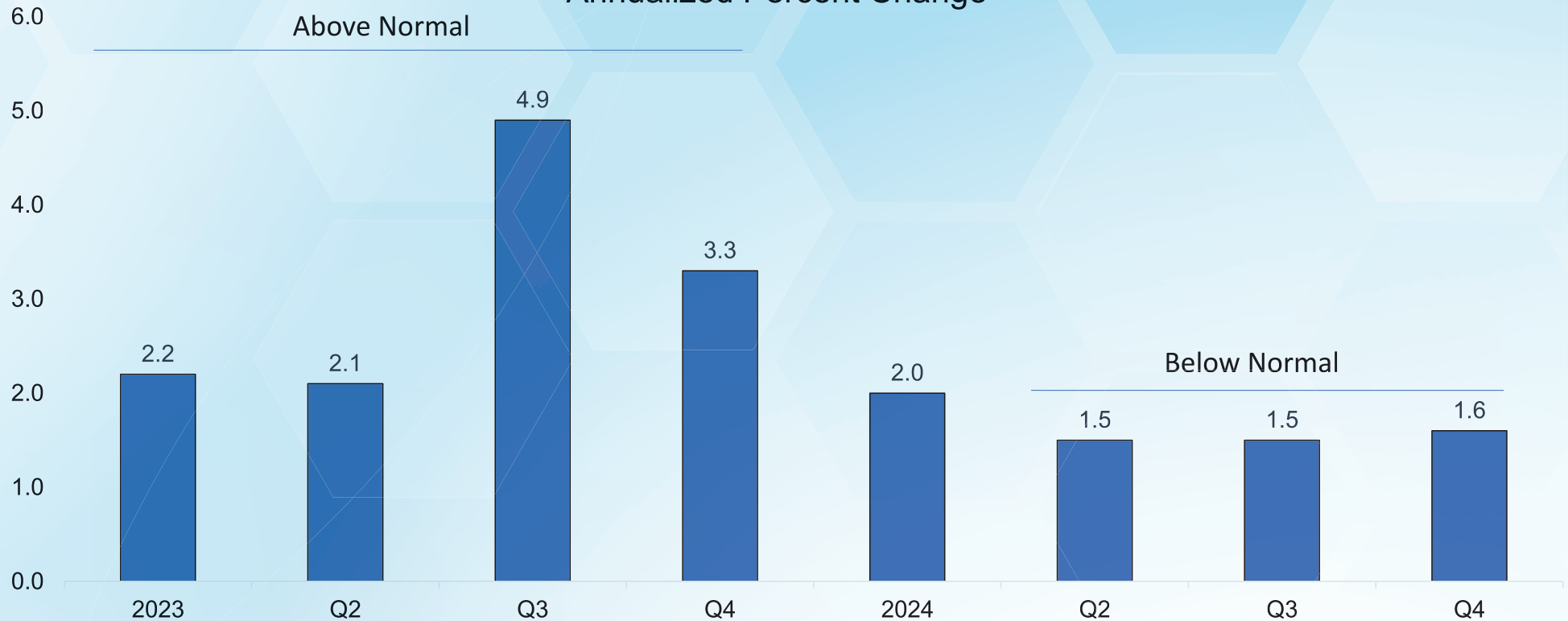
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Real Gross Domestic Product

Annualized Percent Change



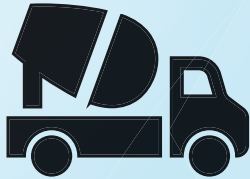
Trucking.org Sources: BEA, ATA, S&P Markit



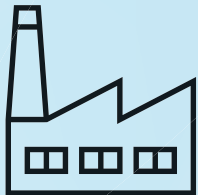
Three Big Sources of Truck Freight



Household Consumption/Retail



Construction: Home & Non-residential



Factory & Industrial

2023 Top Industry Issues

1. **Economy (5)**
2. **Truck Parking (3)**
3. **Fuel Prices (1)**
4. **Driver Shortage (2)**
5. **Driver Compensation (4)**
6. **Lawsuit Abuse Reform (10)**
7. **Driver Distraction (#7 in 2018)**
8. **Driver Retention (7)**
9. **Detention / Delay at Customer Facilities (6)**
10. **Zero-Emission Vehicles**

CRITICAL ISSUES IN THE TRUCKING INDUSTRY – 2023



Prepared by
The American Transportation Research Institute
October 2023



Atlanta, GA • Minneapolis, MN • Washington, DC • Sacramento, CA

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2023 Top Industry Issues

Rank	Commercial Drivers	Motor Carriers
1	Driver Compensation	Economy
2	Truck Parking	Driver Shortage
3	Fuel Prices	Lawsuit Abuse Reform
4	Speed Limiters	Driver Retention
5	Detention / Delay at Customer Facilities	Fuel Prices
6	Driver Training Standards	Insurance Cost / Availability
7	Economy	Zero-Emission Vehicles
8	Broker Issues	Truck Parking
9	ELD Mandate	Diesel Technician Shortage
10	Autonomous Trucks	Driver Distraction



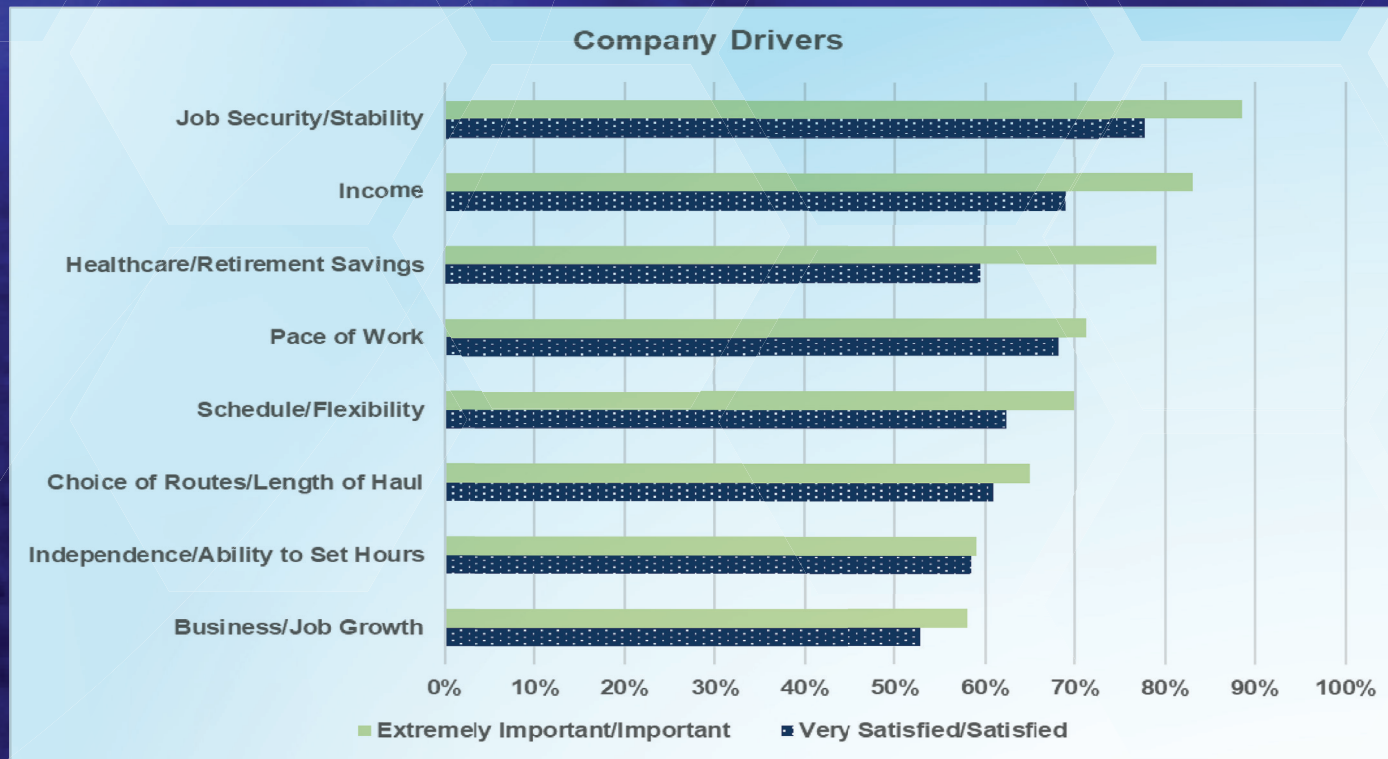
2024 Top Truck Bottlenecks



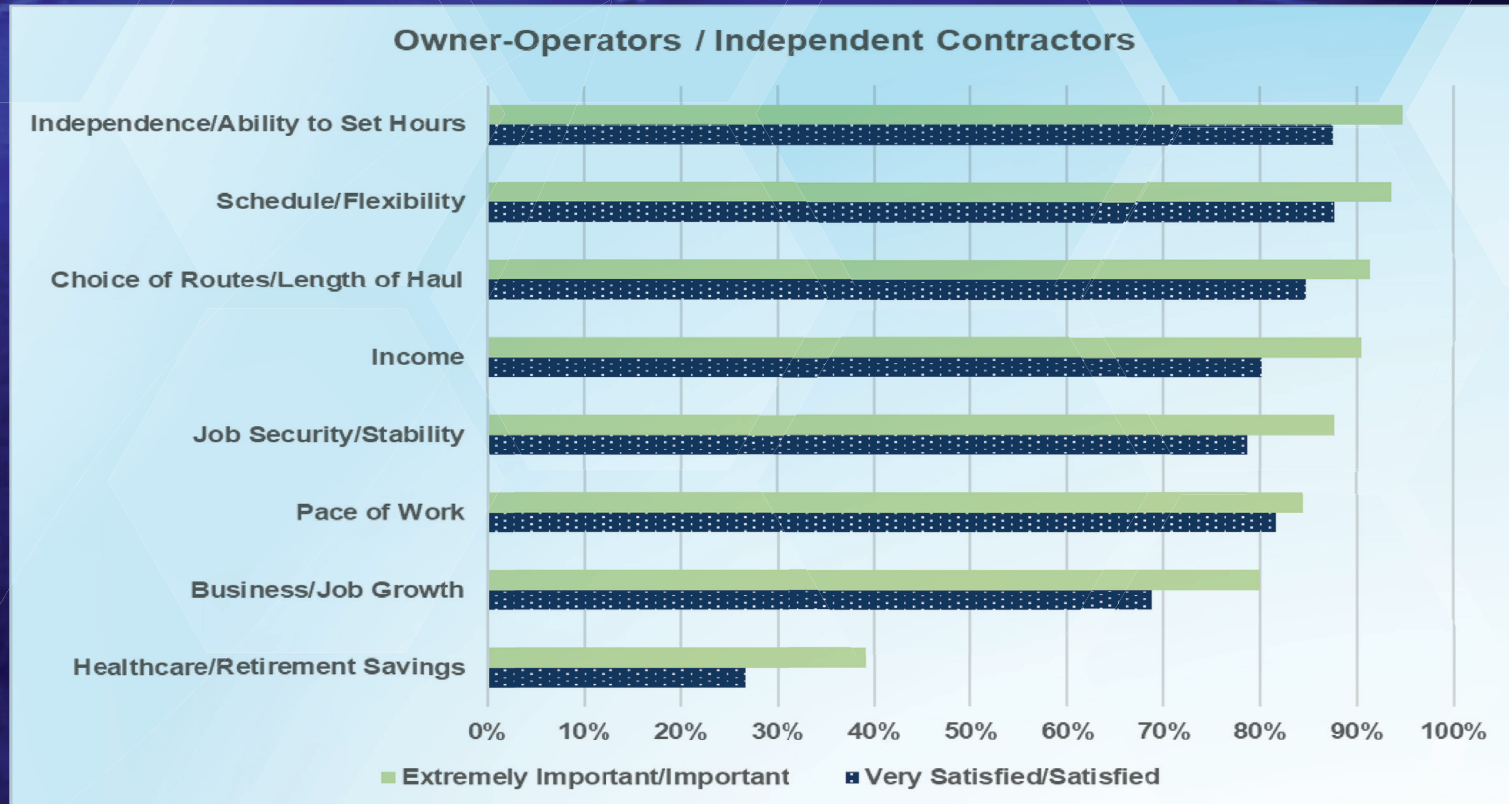
2024 Top 10 Truck Bottlenecks

Rank	Location	Average Peak Speed	Y-o-Y Change in Average Peak Speed
1	Fort Lee, NJ: I-95 at SR 4	19.9	-1.4%
2	Chicago, IL: I-294 at I-290/I-88	35.4	-6.4%
3	Chicago, IL: I-55	25.2	0.3%
4	Houston, TX: I-45 at I-69/US 59	20.9	-3.6%
5	Atlanta, GA: I-285 at I-85 (North)	26.8	-5.9%
6	Atlanta, GA: I-20 at I-285 (West)	36.4	0.3%
7	Los Angeles, CA: SR 60 at SR 57	35.2	-1.5%
8	Houston, TX: I-10 at I-45	26.3	-4.9%
9	Atlanta, GA: I-285 at SR 400	30.2	-10.3%
10	Nashville, TN: I-24/I-40 at I-440 (East)	28.3	-7.4%

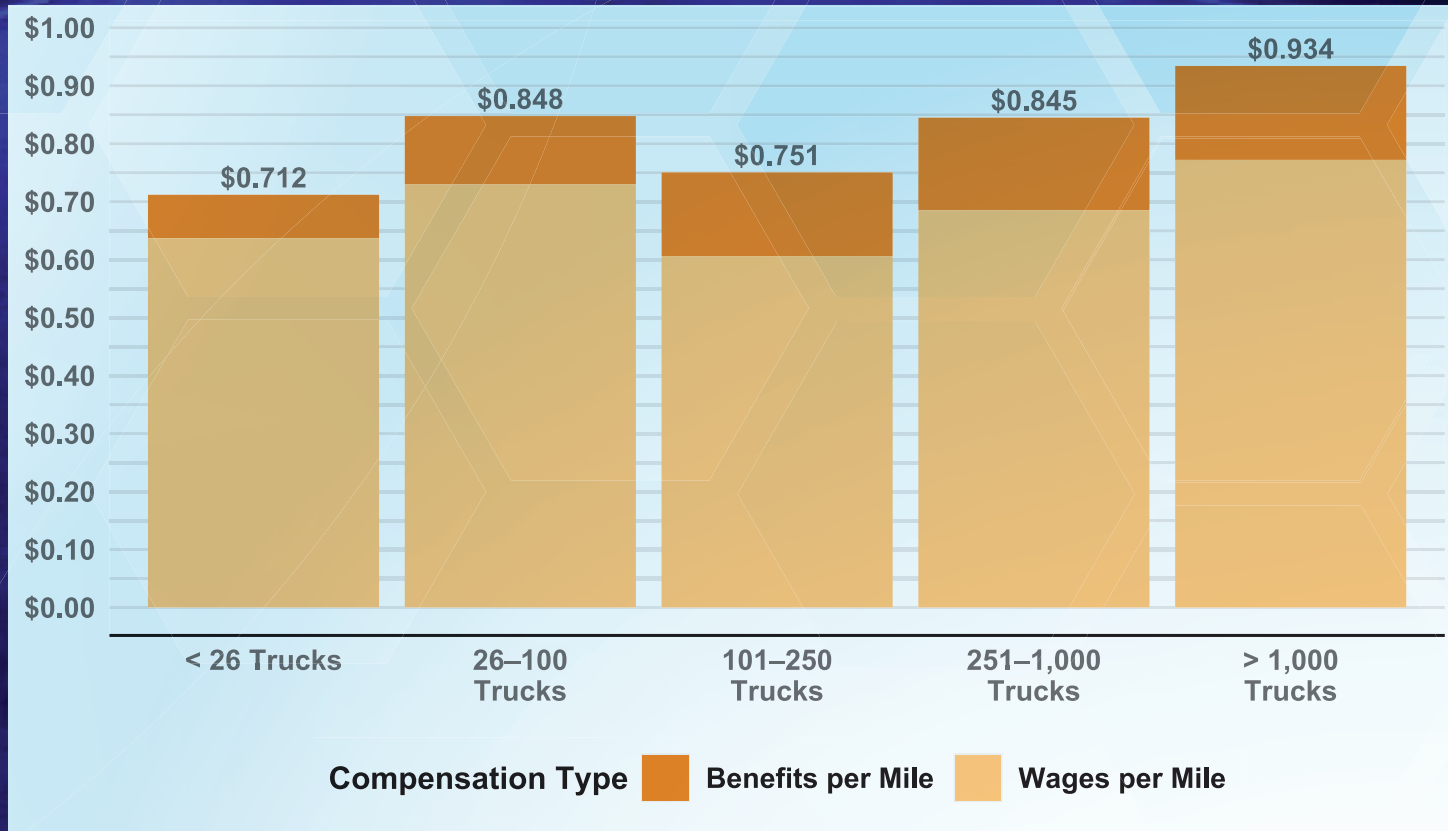
Company Drivers – Motivators/Level of Satisfaction



OO/IC – Motivators/Level of Satisfaction



Driver Compensation: Truckload



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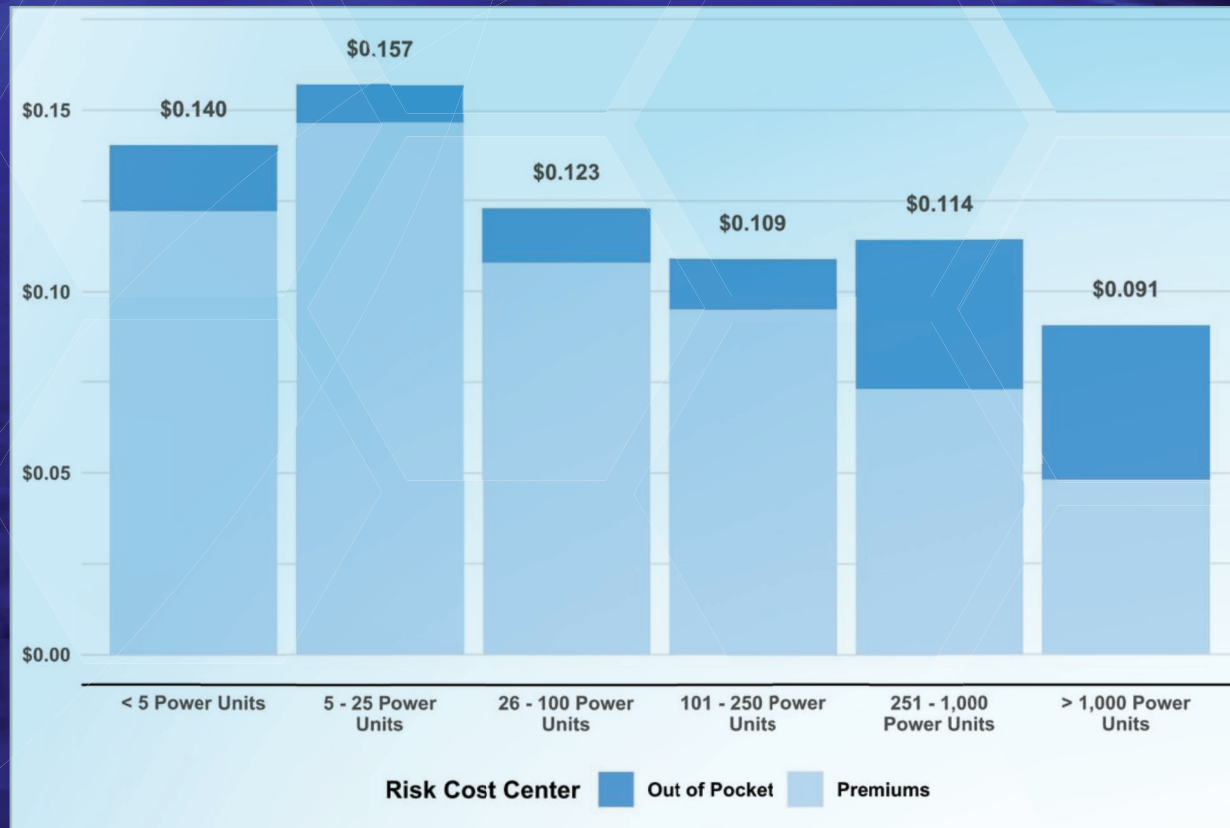
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Insurance Costs over Time

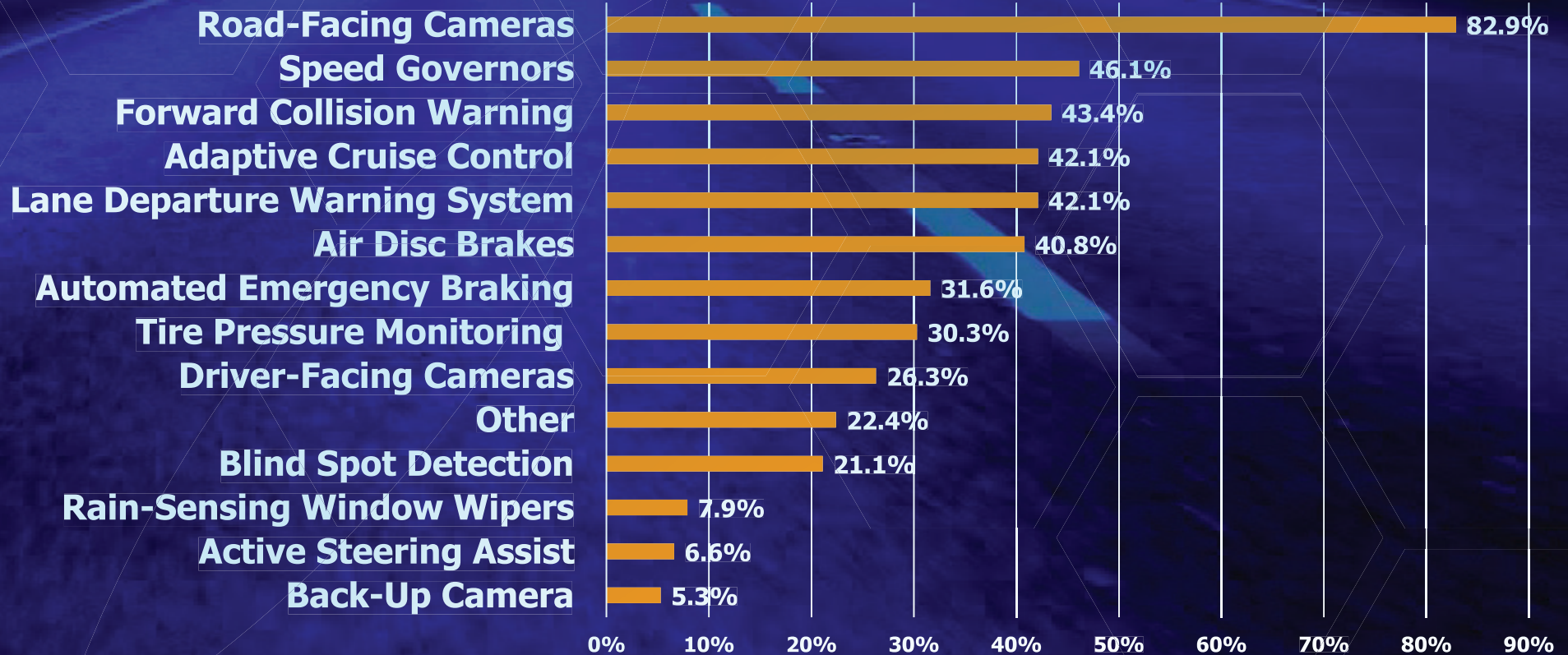


- **Auto liability premium costs per mile rose by 40% in the last ten years**
- **The rate of increase moderated in recent years, rising 5% from 2018 to 2022**

Insurance Cost Impacts by Fleet Size



Safety Technology Deployment 2018 - 2020



Top 10 Crash Predictor Behaviors

Driver Behavior	Future Crash Likelihood Increase
Failure to Yield Right-of-Way violation	141%
Failure to Use / Improper Signal conviction	116%
Past Crash	113%
Reckless Driving violation	104%
Failure to Obey Traffic Sign conviction	85%
Failure to Keep in Proper Lane conviction	78%
Improper or Erratic Lane Changes conviction	77%
Reckless / Careless / Inattentive / Negligent Driving conviction	62%
Improper Lane / Location conviction	61%
Failure to Obey Traffic Signal / Light conviction	55%



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Top 5 Stable Predictors of Crash Risk

Driver Behavior	Median Crash Likelihood Across All Four ATRI Crash Predictor Models
Reckless Driving violation	114%
Failure to Use / Improper Signal conviction	89%
Past Crash	88%
Failure to Yield Right-of-Way violation	85%
Improper or Erratic Lane Changes conviction	79%



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Most Common Predatory Practices

- Excessive Hourly or Per-Pound Rates (82.7%)
- Unwarranted Additional Equipment / Labor Charges (81.8%)
- Excessive Daily Storage Rate (77.7%)
- Vehicle Release Delays or Access Issues (71.7%)



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Most Common Predatory Practices

- **Cargo Release Delays (61.6%)**
- **Vehicle Seizure without Cause (55.7%)**
- **Tow Operators Misreporting Nonconsensual Tows as Consensual (53.5%)**
- **Damage Due to Use of Improper Towing Equipment (59.2%)**

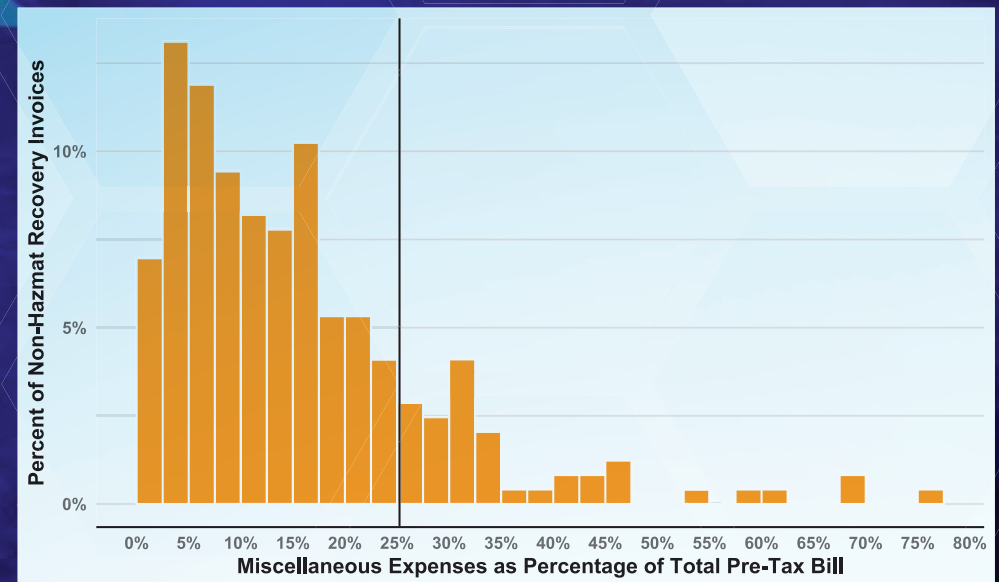
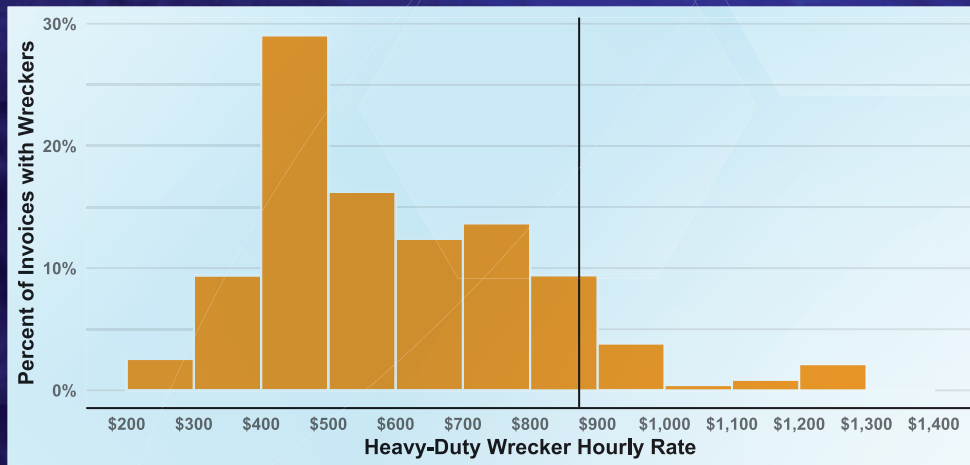


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Invoice Analysis

- 29.8% of crash-related tows resulted in some form of predatory billing



State Regulations Fall Short

- 12 states regulate maximum rates for police-initiated crash tows
- 16 states require itemized invoices
- 8 states require towing companies to release cargo
- 17 states require written authorization from a property owner prior to a private property tow



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Steps to Avoid or Address Predatory Tows

- Carriers should review invoices for rates over ATRI thresholds as well as redundant charges or a large number miscellaneous charges
- Drivers should photograph crash sites, vehicles, and the recovery process to document any improper handling or disprove any misreported invoices



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Steps to Avoid or Address Predatory Tows

- Drivers should never sign consent forms during police-initiated tows
- Carriers and their insurers should ensure adequate auto liability, cargo, and physical damage coverage with the same insurer to avoid delays
- Consult ATRI's towing regulations compendium

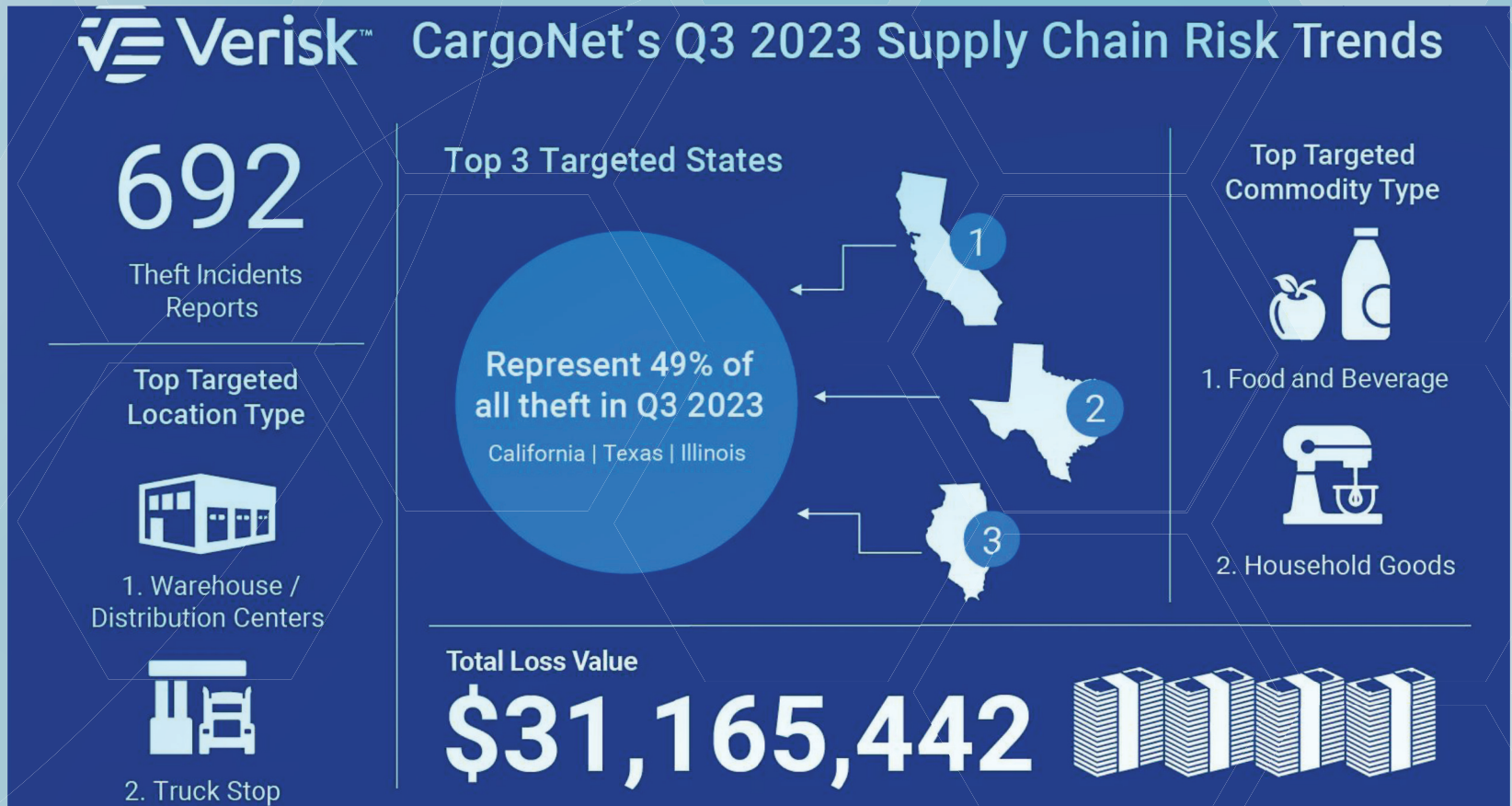


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Example 1 – Cargo Thefts





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This publication is not intended to offer legal advice or client-specific risk management advice.



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