

# S T A T E O F T H E TRUCKING INDUSTRY



The trucking industry has experienced a steady driver shortage increase for over 15 years. The American Trucking Association predicts the trucking industry will have to hire 900,000 more drivers over the next ten years to meet increasing demand<sup>1</sup>. Trucking companies have vehicles sitting idle because they can't find drivers<sup>2</sup>. Read more below about the current state of the trucking industry and what Palmer Holland is doing to mitigate this cost pressure.

**+70%** OF GOODS CONSUMED IN THE U.S. ARE TRANSPORTED BY TRUCKS<sup>1</sup>



DIESEL FUEL COSTS ARE UP **29%** vs 2017<sup>2</sup>

AVERAGE NUMBER OF CARRIERS SHIPPERS HAD TO CHOOSE FROM DECREASED FROM **200** TO **50** IN THE SECOND HALF OF 2017<sup>2</sup>



**1** TRUCK AVAILABLE FOR EVERY **12** LOADS THAT NEEDED TO BE SHIPPED AT THE BEGINNING OF 2018. THIS WAS THE LOWEST RATIO SINCE 2005<sup>1</sup>

“Managing inventory is always the best way to mitigate freight costs. Better planning and forecasting allows for longer lead times which increases the rate of success for getting a truck at the rate you want<sup>3</sup>.” Through our core LTL carrier group, Palmer Holland is focusing on maintaining the best service for our customers even through increasing rates and diminishing capacity.

#### SOURCES

1. [HTTPS://WWW.NPR.ORG/2018/01/09/576752327/TRUCKING-INDUSTRY-STRUGGLES-WITH-GROWING-DRIVER-SHORTAGE](https://www.npr.org/2018/01/09/576752327/trucking-industry-struggles-with-growing-driver-shortage)
2. [HTTPS://WWW.TRUCKS.COM/2018/05/22/SHIPPERS-TRUCKERS-SOARING-FUEL-LABOR-COSTS](https://www.trucks.com/2018/05/22/shippers-truckers-soaring-fuel-labor-costs)
3. STEVE RATZ. “HIGHER RATES, TIGHTER CAPACITY.” COMPOUNDINGS, JULY 2018, 21-26