Five Important Trends In Trucking
Introduction

The trucking industry is the lifeblood of the U.S. economy, moving nearly 70% of all freight tonnage according to the ATA and playing a central role in virtually every industry. According to the ATA, 81% of the total revenue earned in the shipping industry can be attributed to trucking. The ATA expects revenue to continue to increase by 66% in 2022.

Despite being a stable and mature industry, the trucking industry is not without its internal challenges and technological changes. With driver shortages, advances in technology, and a consumer base that demands rapid delivery at cheap prices, the trucking industry will evolve more in the next ten years than it has in the last fifty. Here are five trends to look for in the coming years.
Trend #1
Automatic Emergency Braking

In this day in age, trucks are very safe. However due to the high demand of trucking, the rate of accidents increases with how often trucks are on the road. [J1] According to the Federal Motor Carrier Safety Administration, over 4000 people are killed and another 70,000 are injured annually in collisions with trucks. The economic costs of these accidents total more than $100 billion each year. The industry needs ways to reduce the severity and rate of crashes.

Automatic Emergency Braking (AEB) is a safety feature that will most likely see widespread use in the next few years. Automatic emergency braking isn’t a new concept, in fact, it’s been implemented on large trucks since 2006. The American Trucking Organization (ATA) is also urging vehicle manufacturers to implement AEB as a standard feature.

During September of 2015, the NHTSA declared that it had reached an agreement with ten major automakers to make AEB systems standard on new passenger vehicles. The ATA claims that the trucking industry should be no different. ATA Executive Vice President Dave Osiecki stated “...we hope Congress and the Department of Transportation will soon address a number of ATA’s top safety priorities, so it is time for us to look to the future. We believe technology like automatic emergency braking will play a huge role in that future.”
Trend #2
Electronic Stability Control

Despite major advances pushing the trucking industry forward, one major challenge cannot be solved by such innovations. In recent years, the industry has faced rather massive driver shortages. With low unemployment and many older drivers retiring, finding qualified and willing drivers has become more and more difficult.

An increasing demand for goods by a consumer market that has become expectant of rapid delivery through online shopping, the ATA predicts that the industry will need 890,000 new drivers through 2025 to meet demand. However, Drivers make relatively low pay, with an average of $40,060 a year, with highs being around $43,660, and even with the high number of individuals currently retiring, there are few new drivers to replace them. Even when the vacancies are filled, new drivers typically do not stay for very long; the annual driver turnover rate averages out to 100 percent.

Very recently, a federal regulation has passed that requires drivers to install an electronic logging device (ELD). While ELDs have proven to be very beneficial for safety, the decision still remains controversial in the industry. ELDs records key information on the driver and vehicle operation to create an auditable record of the driver’s hours of service, but many of these devices are able to provide additional detail to fleets, such as vehicle location. Drivers are worried that their privacy is being invaded, saying that this is an unnecessary measure to take to achieve hours of service compliance.

The driver shortage is only exacerbated by regulator’s controversial decisions. The industry must find a solution rapidly, if Trucking is to remain as the backbone of the American economy.
Trend #3
Driver Shortages

Despite major advances pushing the trucking industry forward, one major challenge cannot be solved by such innovations. In recent years, the industry has faced significant driver shortages. With low unemployment and many older drivers retiring, finding qualified and willing drivers has become increasingly difficult.

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Truck Driver Shortage

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Trend #4
Video Event Recorders

Another piece of technology that is finding its place in the industry is On-Board Video Event Recorders. These are cameras that record either continuously or in an event-based mode to provide objective information about incidents that occur on the road. The National Traffic Safety Board claimed that these cameras would be invaluable in evaluating the circumstances of a crash.

In June of this year, Knight Transportation, a leading carrier, opted to install (Which brand? Name It) SmartDrive event recorders in all of its trucks to protect drivers and promote safer driving. The results of the SmartDrive tests showed an 84% reduction in reckless driving, clearly showing a positive impact on driver safety and Knight will install SmartDrive into its entire fleet of 4,700 trucks and 5,000 drivers.

Knight was initially worried about the driver reaction of installing cameras into vehicles, but the carrier discovered that most of the drivers had already installed cameras into their trucks. Knight also discovered that most drivers were still against installing driver-facing cameras, claiming that that was an invasion of privacy; because of this, Knight decided to drop the driver facing camera.
Trend #5  
Driver Incentives

The driver shortage is causing companies to think smarter about how they can cost-effectively improve driver compensation, and many are taking a progressive approach to crafting sophisticated compensation methods, according to Deborah Lockridge of Truckinginfo.

Prime Inc is another company that offers safety incentive. Prime claims on their website that independent contractors can earn five cents a mile for safe driving and on-time delivery. They also offer monetary bonuses for driver referrals, paying up to $350 for drivers referred to Prime Inc.

Many carriers are providing monetary benefits for driver actions to reduce driver turnover, as well as creating programs to help driver safety through financial rewards. One notable carrier that practices this is Martin Transportation Systems. Martin awards drivers for a variety of actions including passing clean inspections, passing clean inspections with no violations, keeping idle time below 40%, keeping an average MPG of 6.5 or greater, etc.
Conclusion

The Trucking Industry continues to be a solid lynchpin in the American economy, but that isn’t to say trucking is not going to change. In the next few years, we will see important changes, whether they be in adding new technologies to improve safety and increase efficiency manage or launch new compensation structures to incentivize drivers.

About Peloton

Peloton Technology develops automated and connected vehicle technology for heavy trucks to improve the safety, fuel efficiency, and analytics of freight transportation. Commercial motor vehicle crashes cost over $87 billion/year, and the trucking industry spends more than $140 billion/year on fuel. Peloton’s driver-assisted Truck Platooning System applies vehicle-to-vehicle communications, active safety systems, vehicle control algorithms, and real-time monitoring to link pairs of trucks in aerodynamic platoons, reducing crash, maintenance and fuel costs for trucking fleets.