

U.S. Transportation Industry Update



Industry Impacts on Carrier Productivity

As part of an ongoing series, this report provides a brief overview of updates within the U.S. Transportation Industry. Quotes are included from established industry analysts and researchers to ensure comprehensive coverage of current and expected conditions.

As mentioned in previous issues of Armada's U.S. Transportation Industry Update, various key legislation and regulatory rules are expected to have a significant negative impact on carrier productivity. These changes, coupled with an ongoing driver shortage, are resulting in carriers becoming increasingly more selective in where they deploy their resources.

Armada works to improve network efficiency for its clients. This maintains access to capacity, ensures high service levels and effectively manages the cost of transportation.

Armada continuously works to ensure that:

- Dwell times are optimized (targeting load/unload in one hour or less)
- Drop and hook operations are maximized (where velocity warrants)
- Scheduled transportation is optimized (setting sailing schedules)
- The number of extended transit shipments are limited (minimizing excess transit time)
- Flexible shipping/receiving windows are facilitated (including nights and weekends)

This approach has a dual benefit of also positioning Armada as a carrier's customer of choice. At Armada's recent annual Carrier Summit, key carriers shared their insight on how this approach effectively makes Armada's business more attractive to their companies.

The National Industrial Transportation League (NITL) and Truckload Carriers Association (TCA) have collaborated on creating a "Voluntary Guide to Good Business Relations for Shippers, Receivers, Carriers and Drivers" to facilitate increased network efficiency and position shippers and receivers as a carrier's customer of choice. For more information, contact NITL at (703) 524-5011 or www.nitl.org or TCA at (703) 838-1950 or www.truckload.org.

Several carriers have also announced that they are implementing social media apps that will allow their drivers to communicate amongst themselves. One likely outcome of using these apps is that drivers will share their experiences — good or bad — with other drivers. Given the growing tendency of carriers to not force dispatch their drivers to locations in which the drivers do not prefer to go to, it will be increasingly important to ensure that every location has positioned itself as a carrier's customer of choice.

Armada's Field Services team works with all of its client stakeholders to evaluate their operations in order to identify opportunities for efficiency improvements and position them as a carrier's customer of choice. For more information, contact your Field Services Representative.

For more information about Armada's Transportation Solutions or ReDistribution operations, contact:

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Sources:

- National Industrial Transportation League (NITL)
- Truckload Carriers Association (TCA)