



Trucking in Missouri

**2011 Mid-America Freight Coalition
Conference & Annual Meeting**

April 27, 2011



Quick Facts Missouri - Trucking

- **Employs 1 out of every 15**
- **Small Business: 41,725**
- **81.2% of tonnage**
- **72% of Communities solely served by Truck**



Fees

- **Typical 5 Axle Combination**
- **\$5,278 state fees & taxes**
- **\$8,959 federal fees & taxes**
- **In addition to normal business taxes**

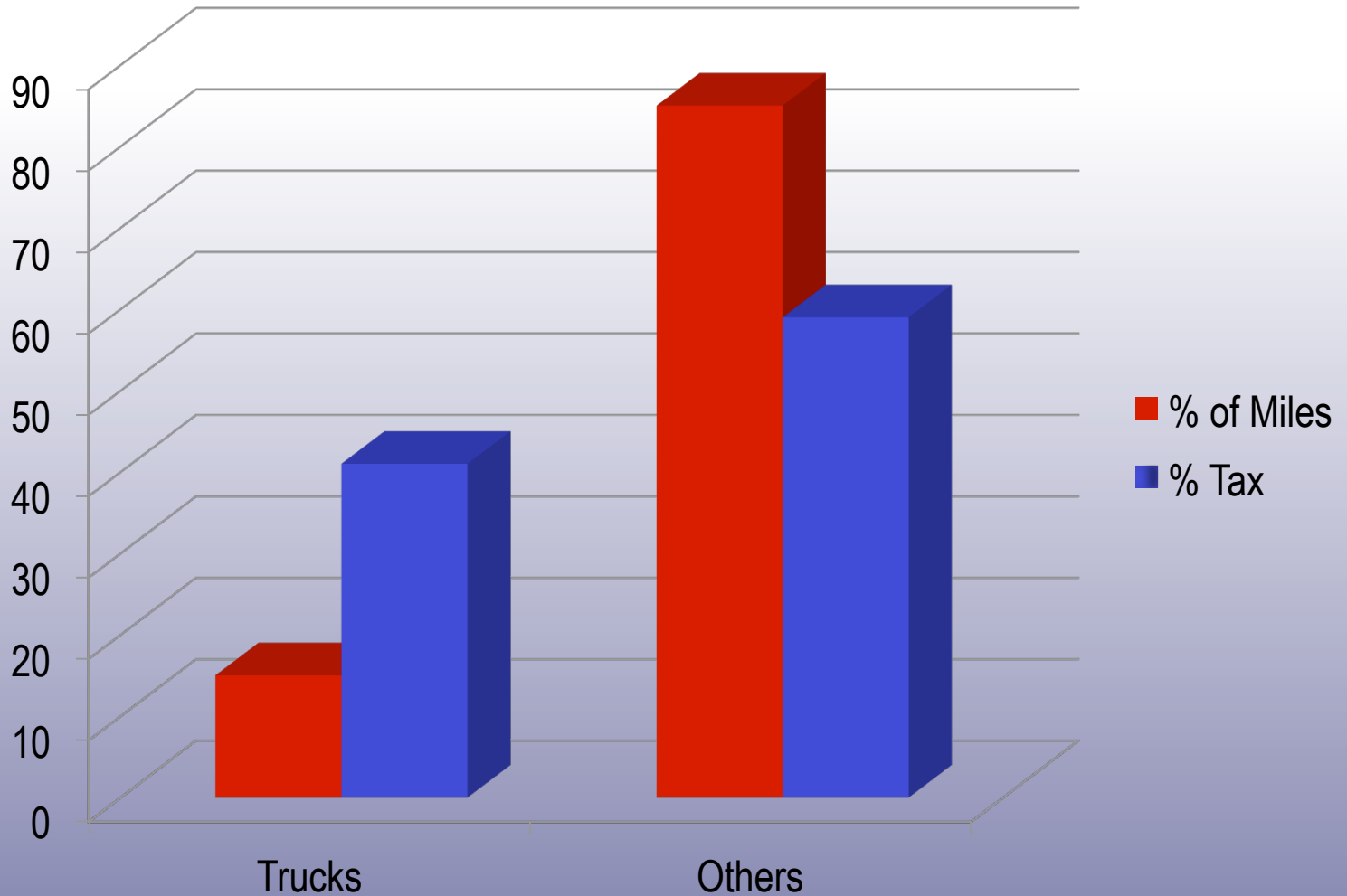


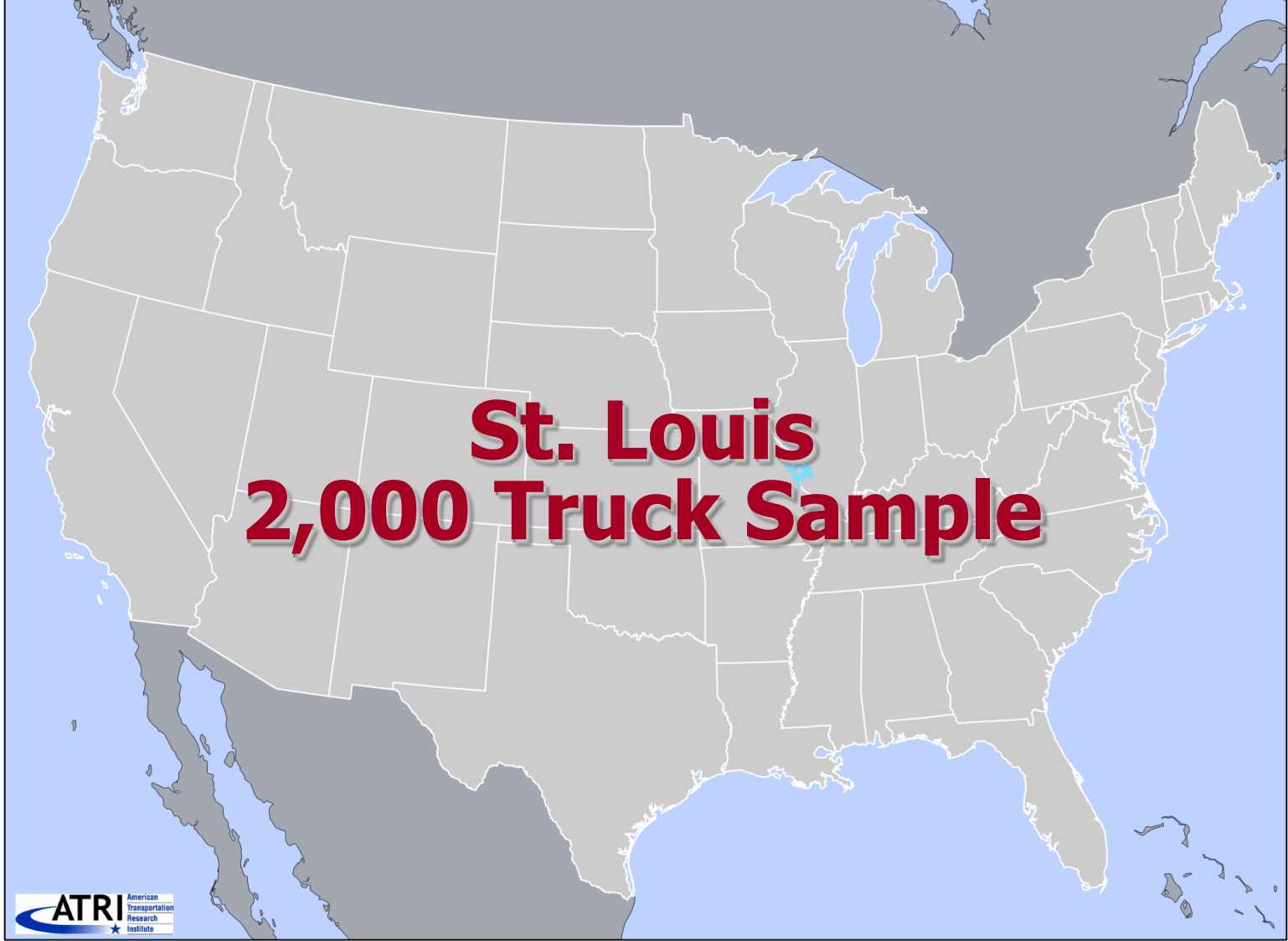
Safety

- **MO Lowest Level – Trend**
 - **2010 - 819 fatalities** (Source : MoDOT)
- **Federal Level**
 - **2008 - 1.64 / 100 million miles**
 - **Lowest Point since tracked**
 - **Since '74 dropped 64%**



2008 Miles vs. Tax In MO





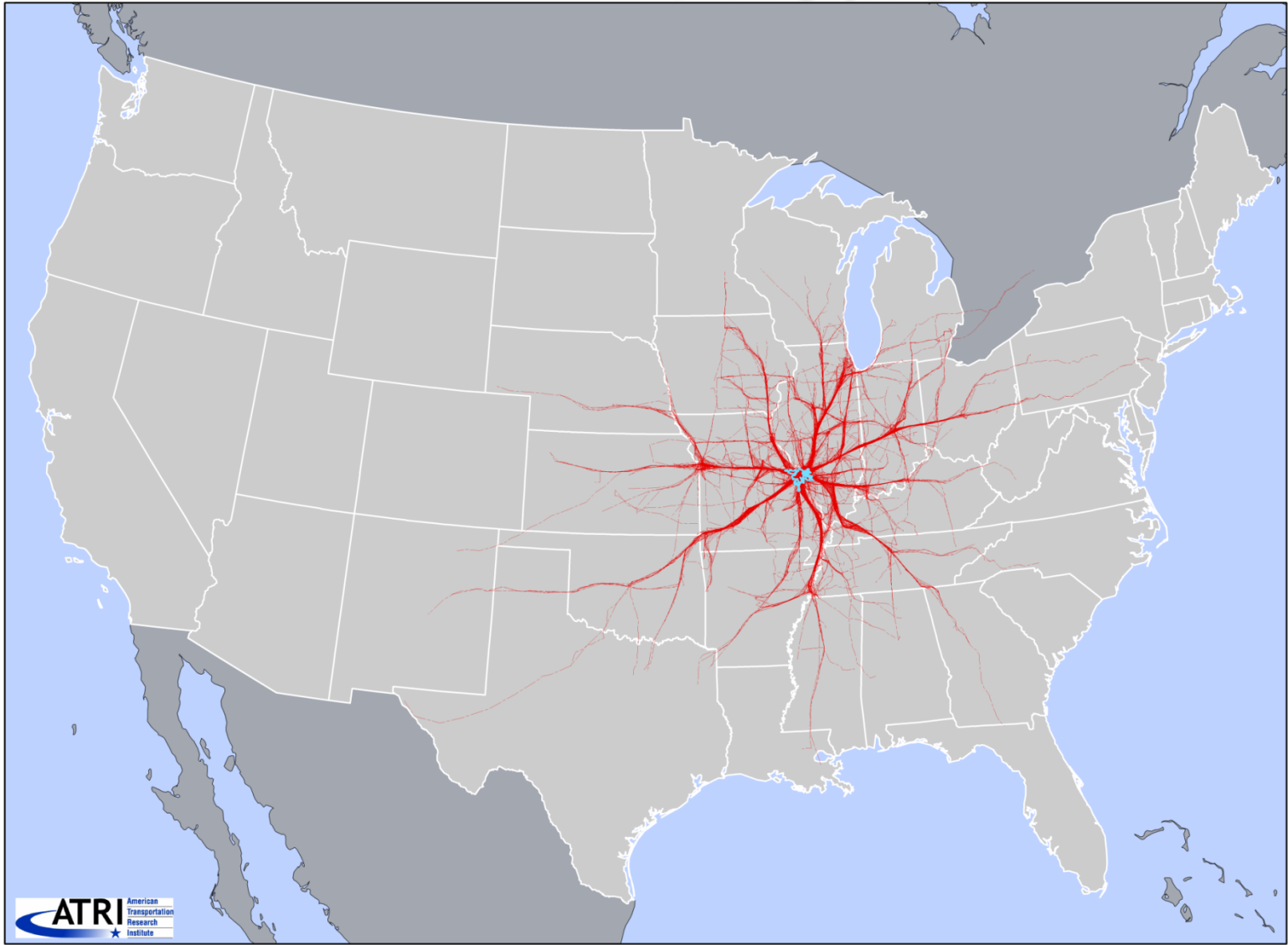
MISSOURI
TRUCKING ASSOCIATION



Good stuff.



24 Hours



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Good stuff.



48 Hours



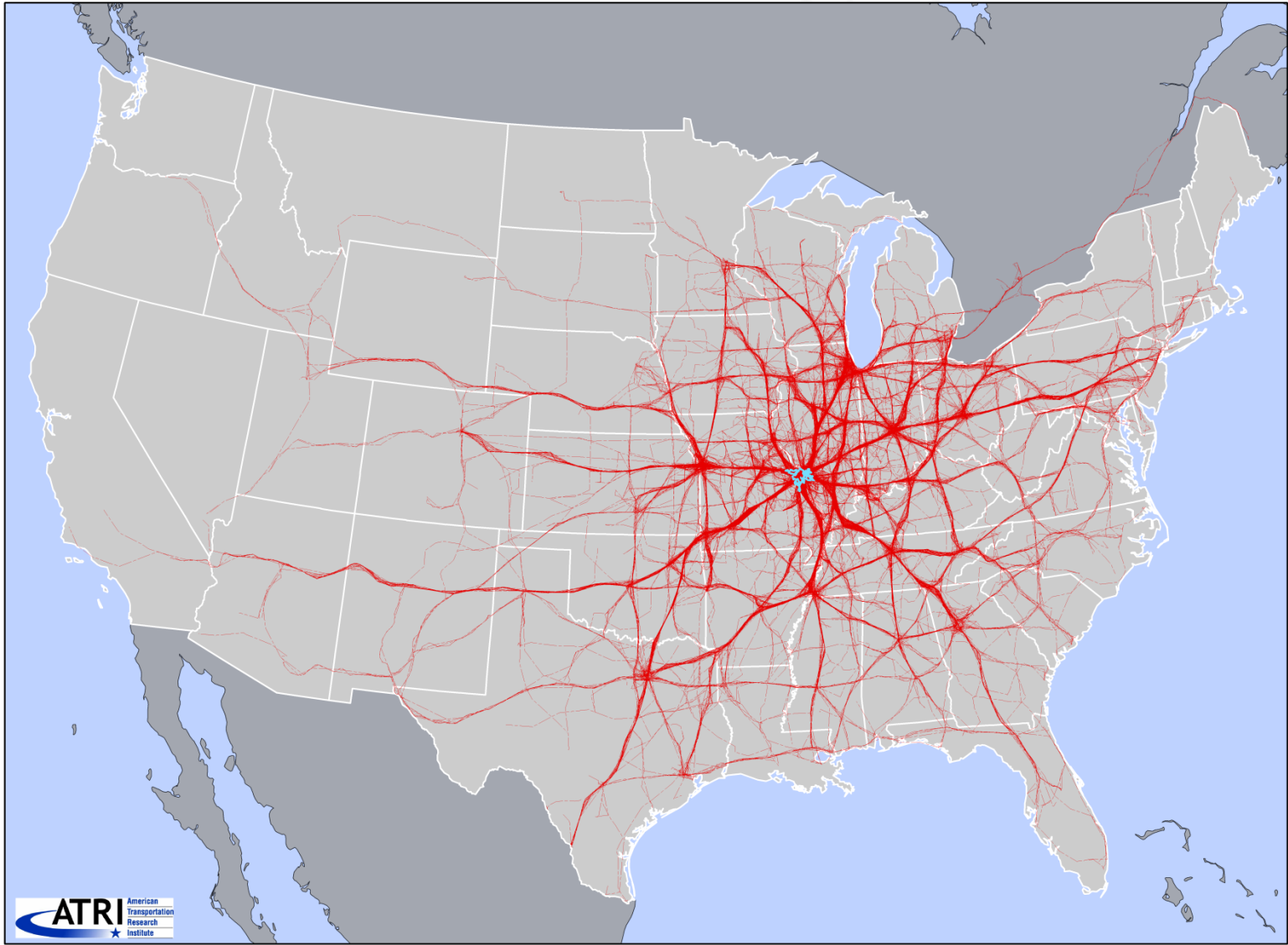
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72 Hours



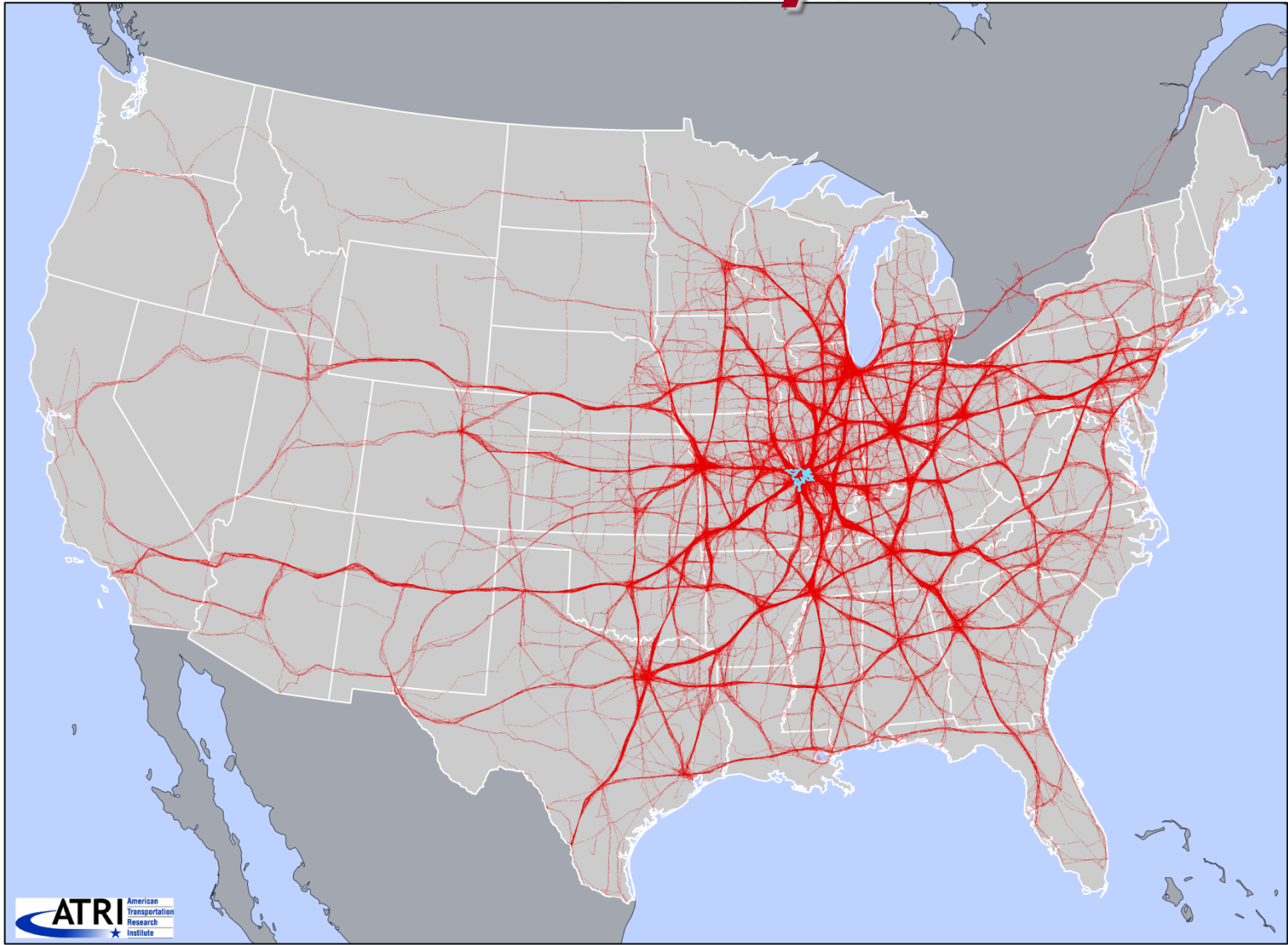
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5 Days



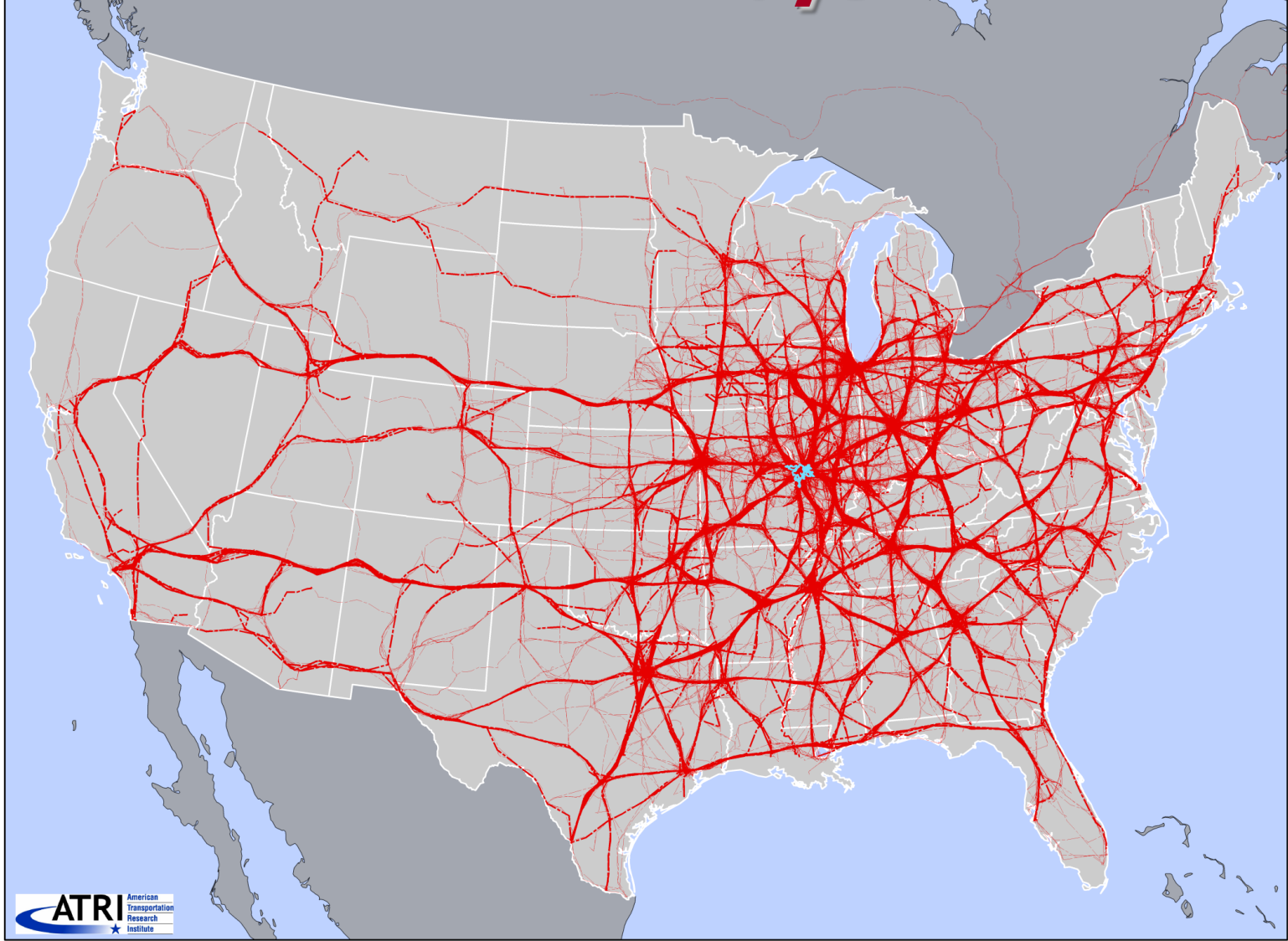
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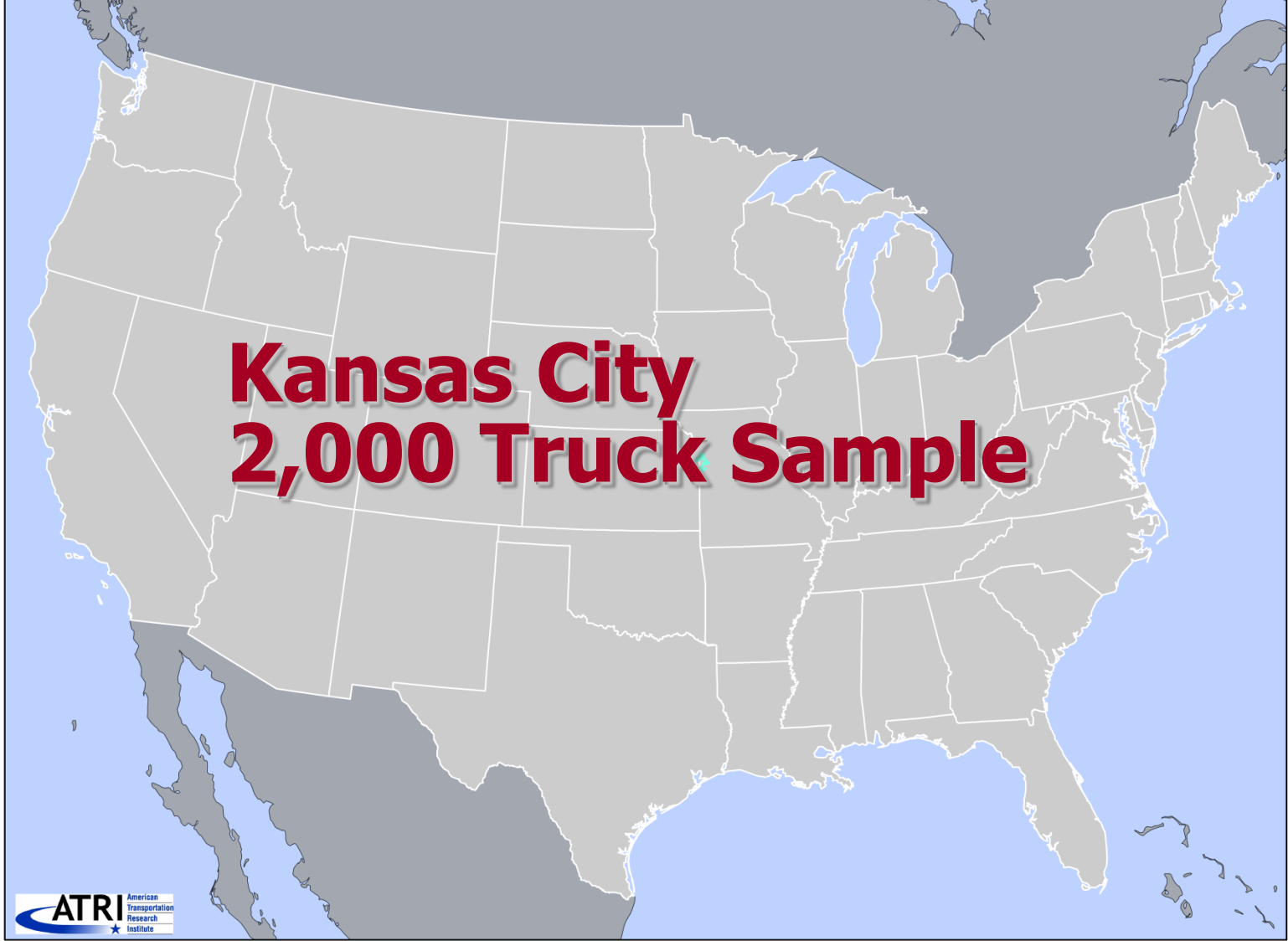


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7 Days





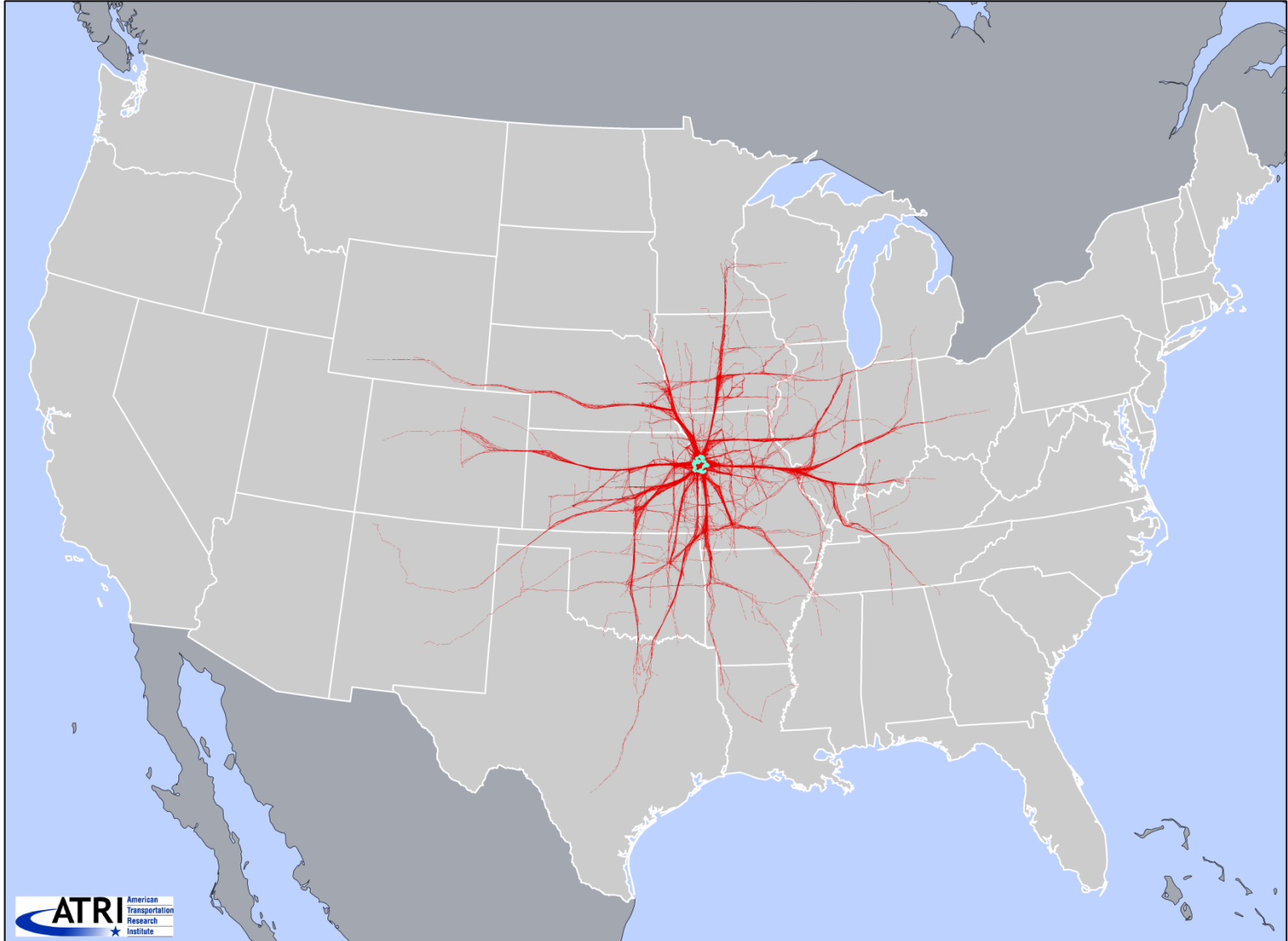
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24 Hours



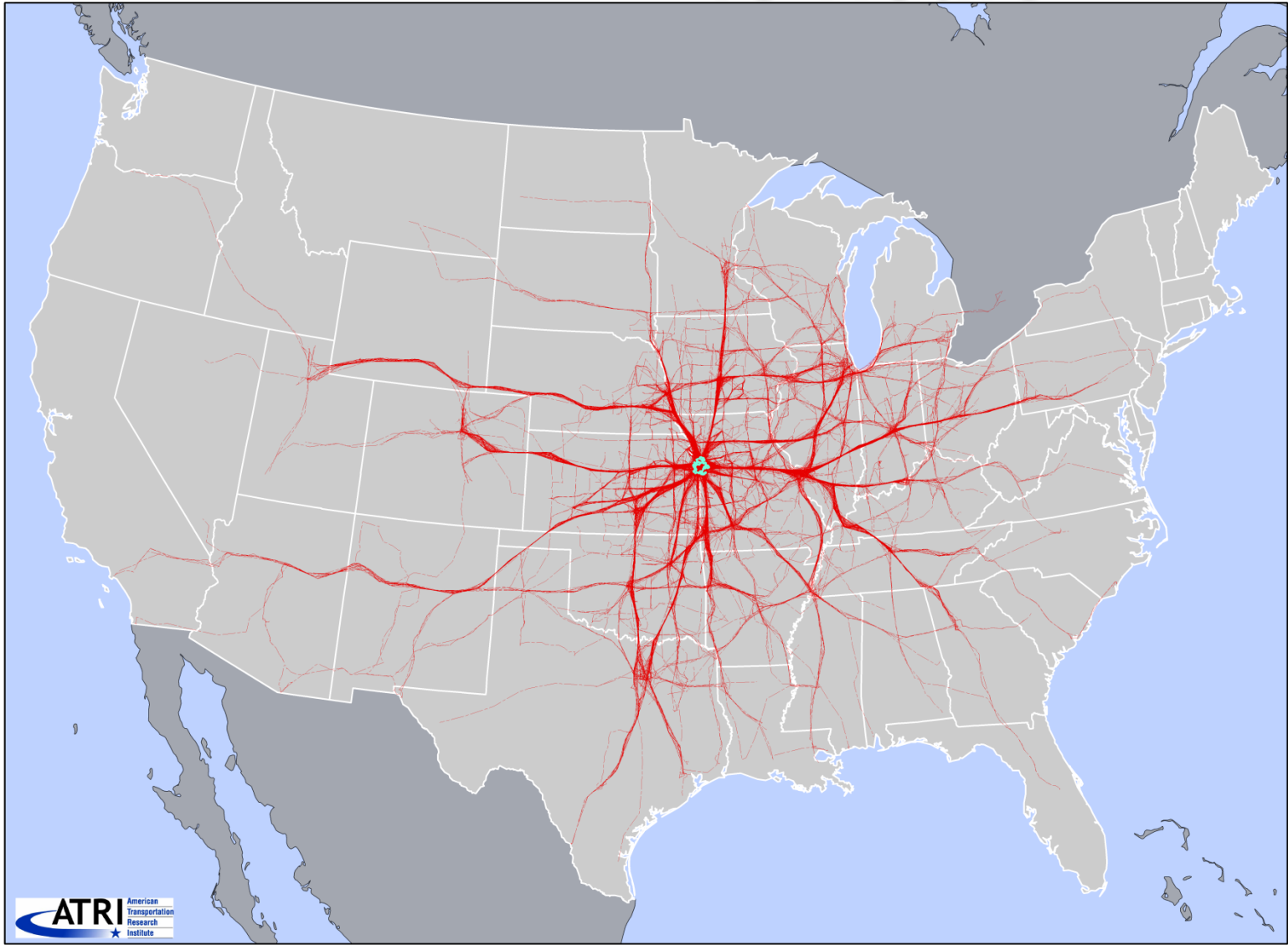
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48 Hours



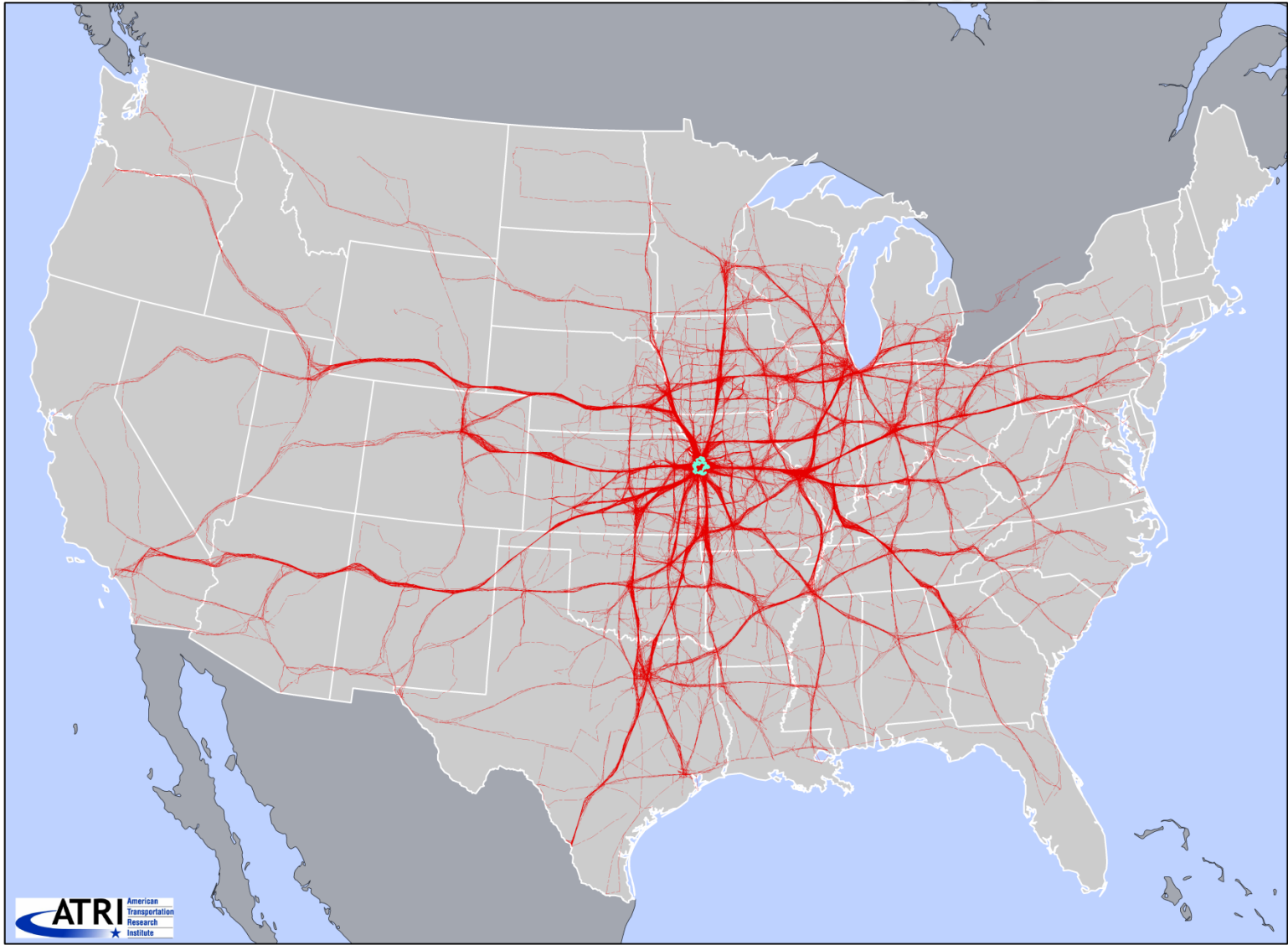
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72 Hours



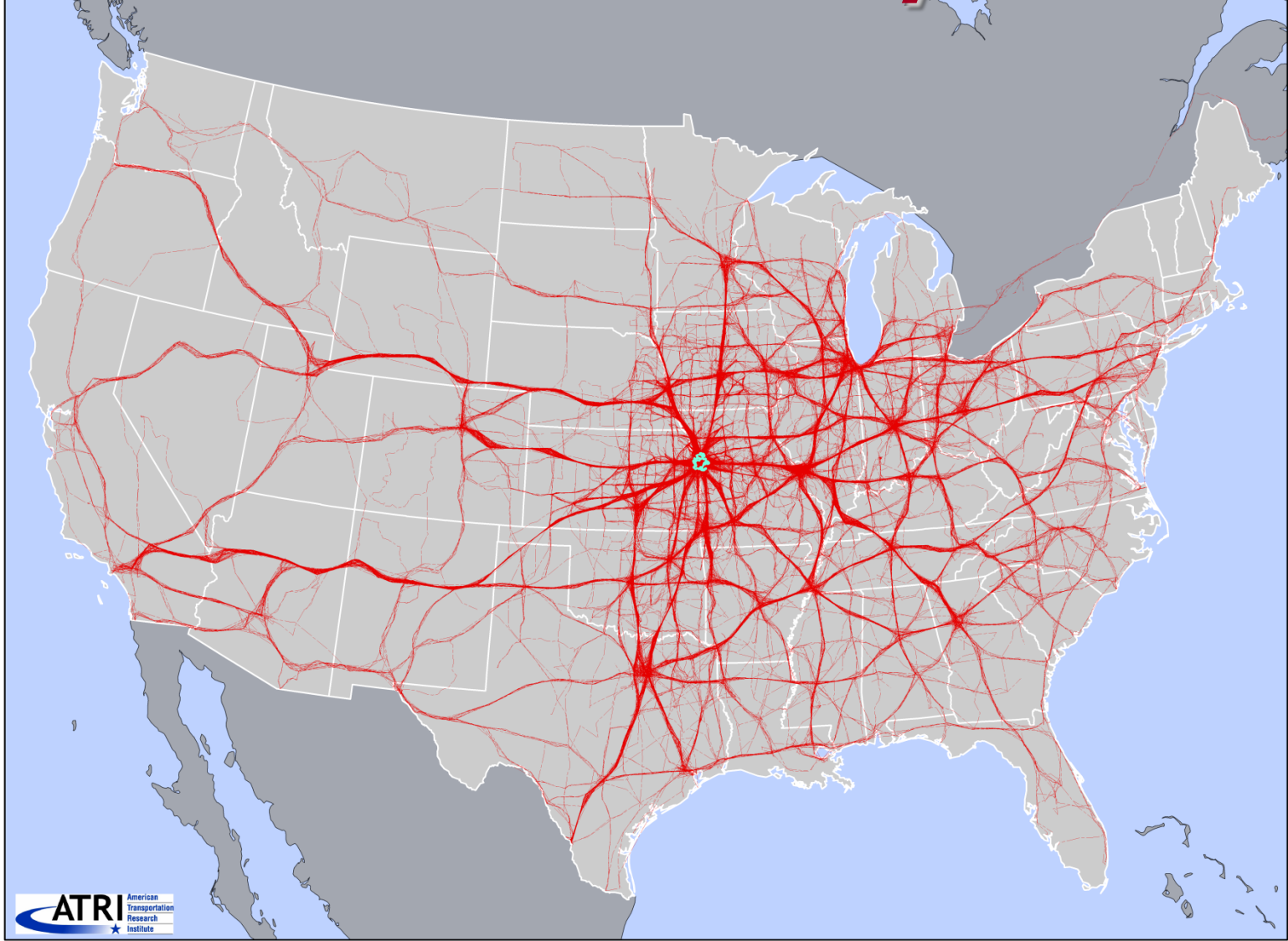
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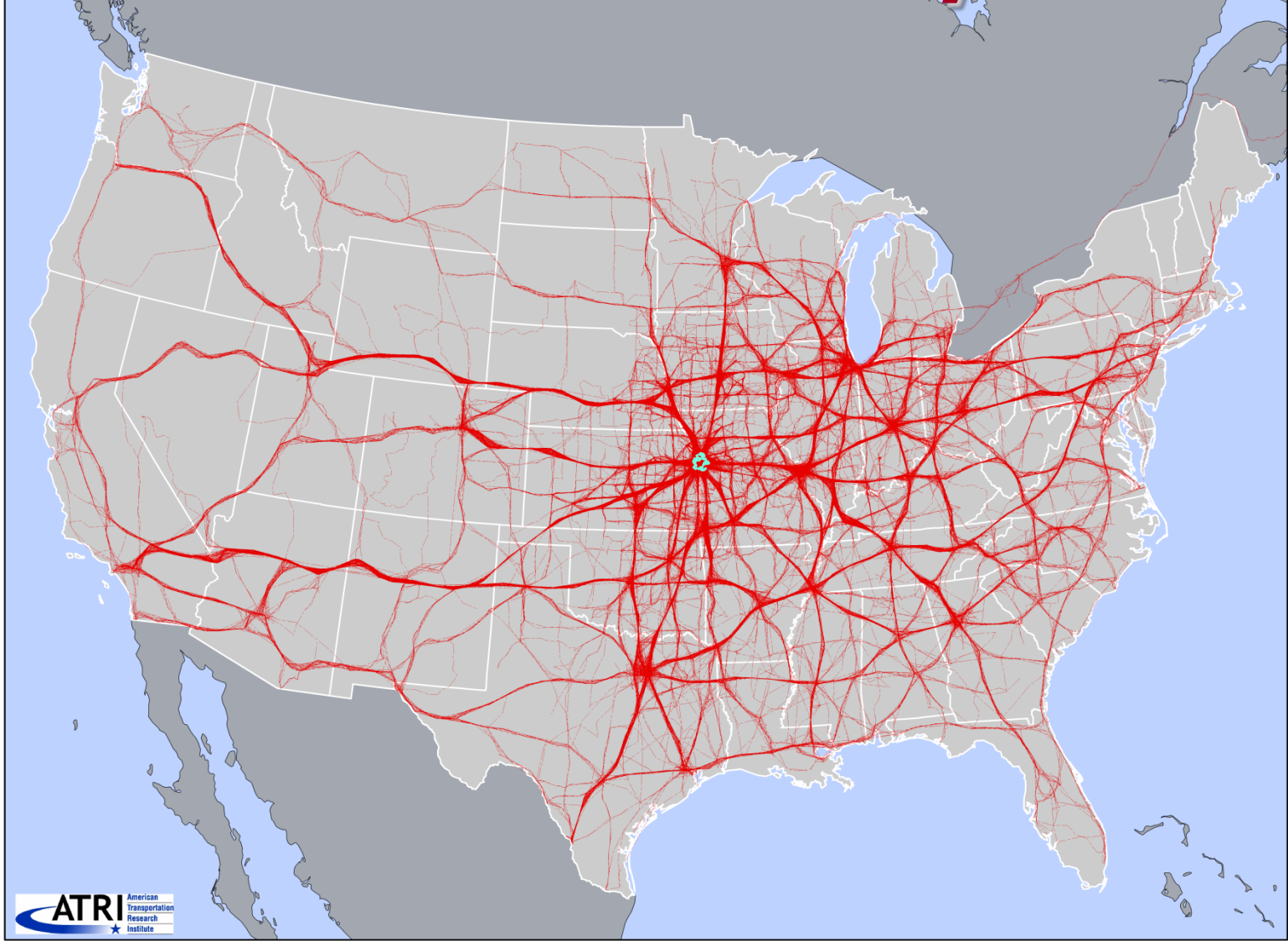
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TRUCKING ASSOCIATION



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7 Days



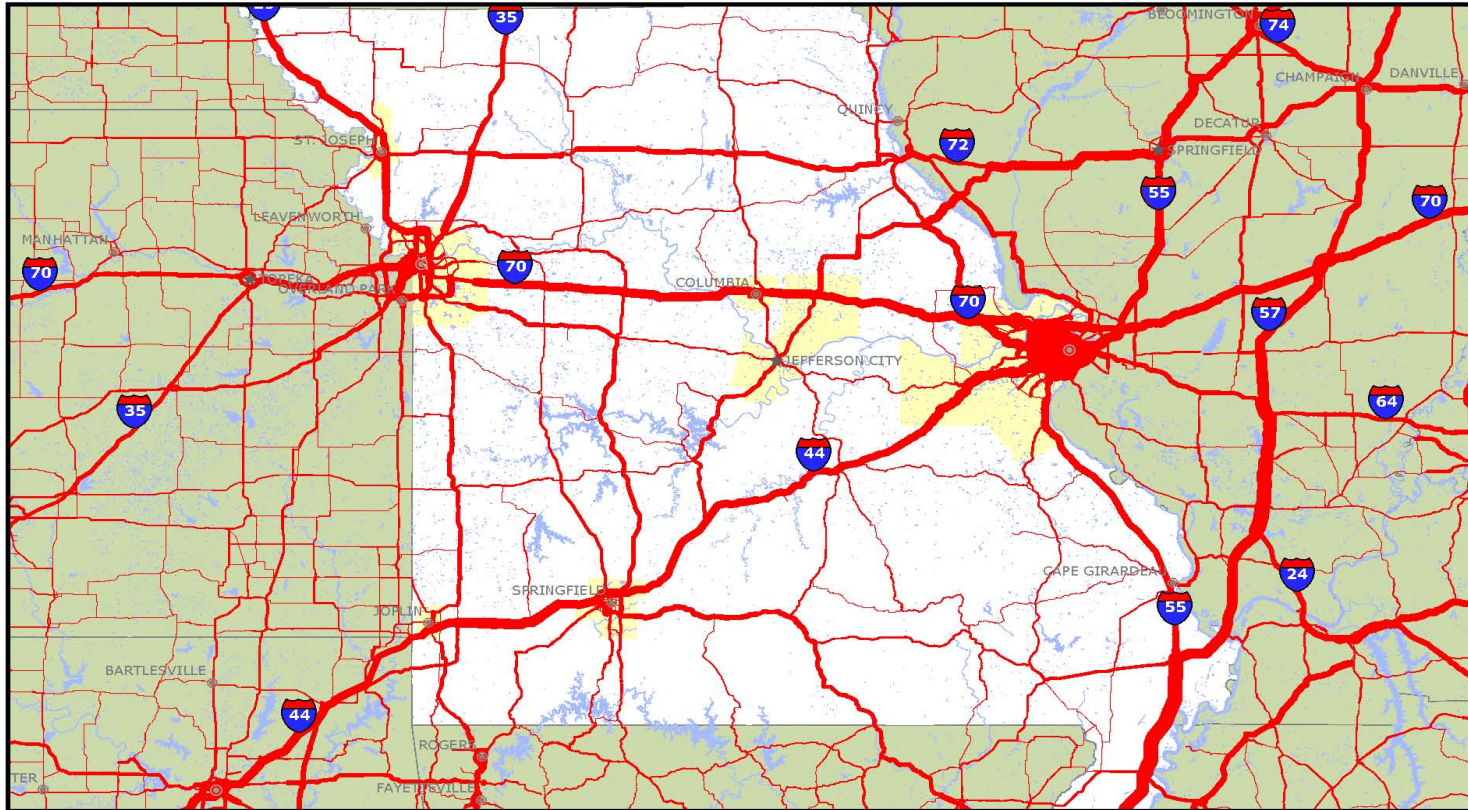


Freight Movement Has International Scope

- **NAFTA**
 - **Truck (equip.) Issues**
- **Foreign Trade Zones**
- **China Hub in St Louis**
- **Regardless of mode, Trucks are involved in nearly every first and last mile**

Infrastructure Growth Options: Perception Meets Reality in 2020





US Department of Transportation
Federal Highway Administration
Office of Freight Management and Operations
Freight Analysis Framework

Estimated Average Annual Daily Truck Traffic: 2020

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About the US Freight Forecast

- **Conducted annually by IHS Global Insight for 15 years - ATA only commissions & publishes the report**
- **Used by federal & state public policy makers, motor carriers, industry suppliers, investors**
- **ATA commissions the study because there is a large gap in government data regarding freight transportation**
- **Since trucks are often the “first and last” mile for the other modes, we want a forecast for all modes**



Forecast Methodology

- **Bottoms-up approach – They start with the freight.**
- **Then they move the freight through a transportation model, which is derived from data from several sources including:**
 - 1. IHS Global Insight's TRANSEARCH*
 - 2. Government data (e.g., CFS)*
 - 3. Industry data (ATA, AAR)*
- **Includes primary shipments only**
- **Domestic moves only**
- **Forecasts completed in January 2010**
 - Recovery is slightly better than projected then.*
 - Completed before Health-care was passed.*
- **Focus is on the long-run, not what will happen over the next 18 months**



Transportation Forecasts

Assumptions:

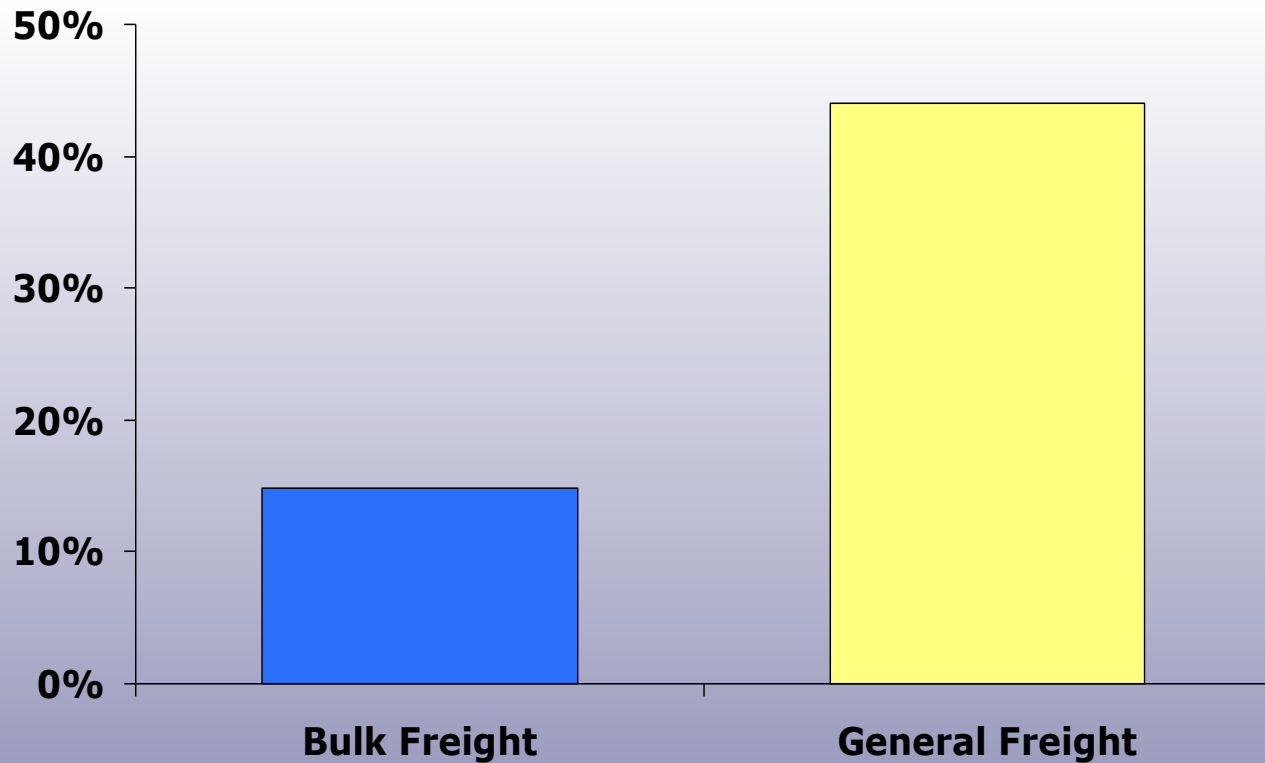
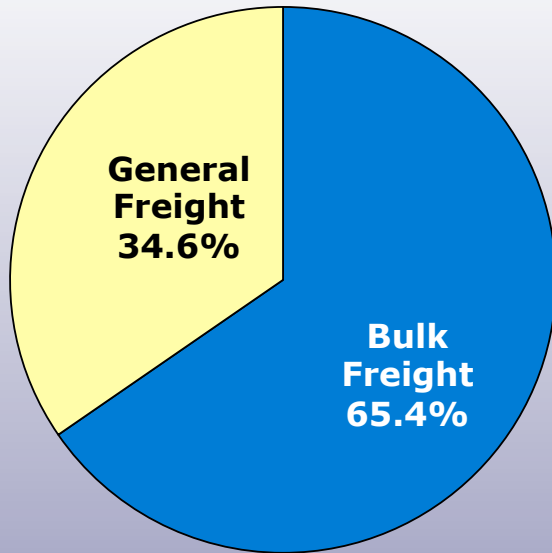
- **Capacity shortfalls will NOT limit traffic for any mode**
- **No changes in truck size and weight**
- **No major changes in regulations for the modes - FMCSA Dec 2010 Announced Rules Trucking**
- **Driver shortage will again return to the TL market – it has already**



Bulk Freight vs General Freight (Tonnage)

Total Increase: 2009-2021

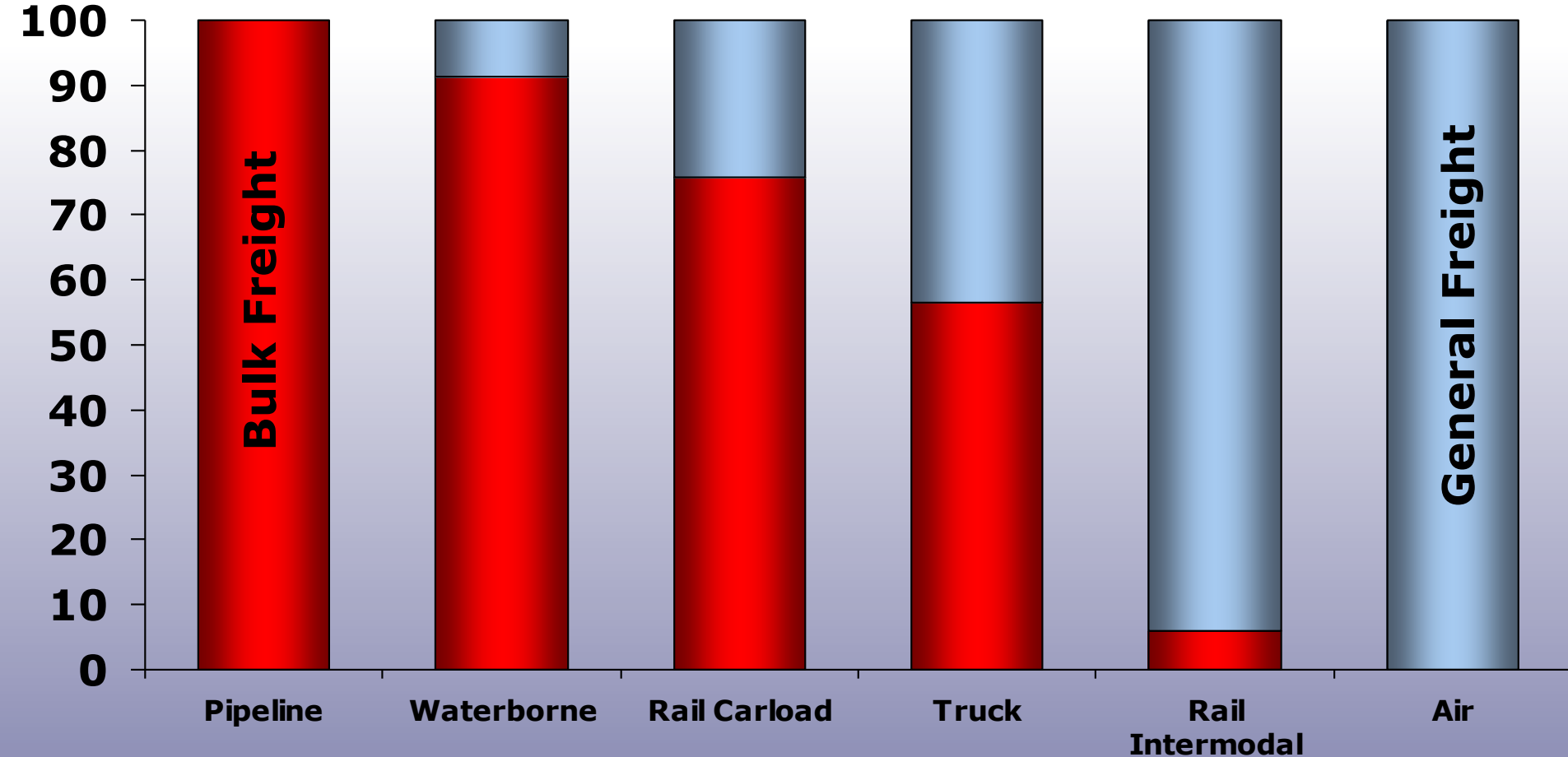
2009





Distribution of Tonnage by Mode - 2009

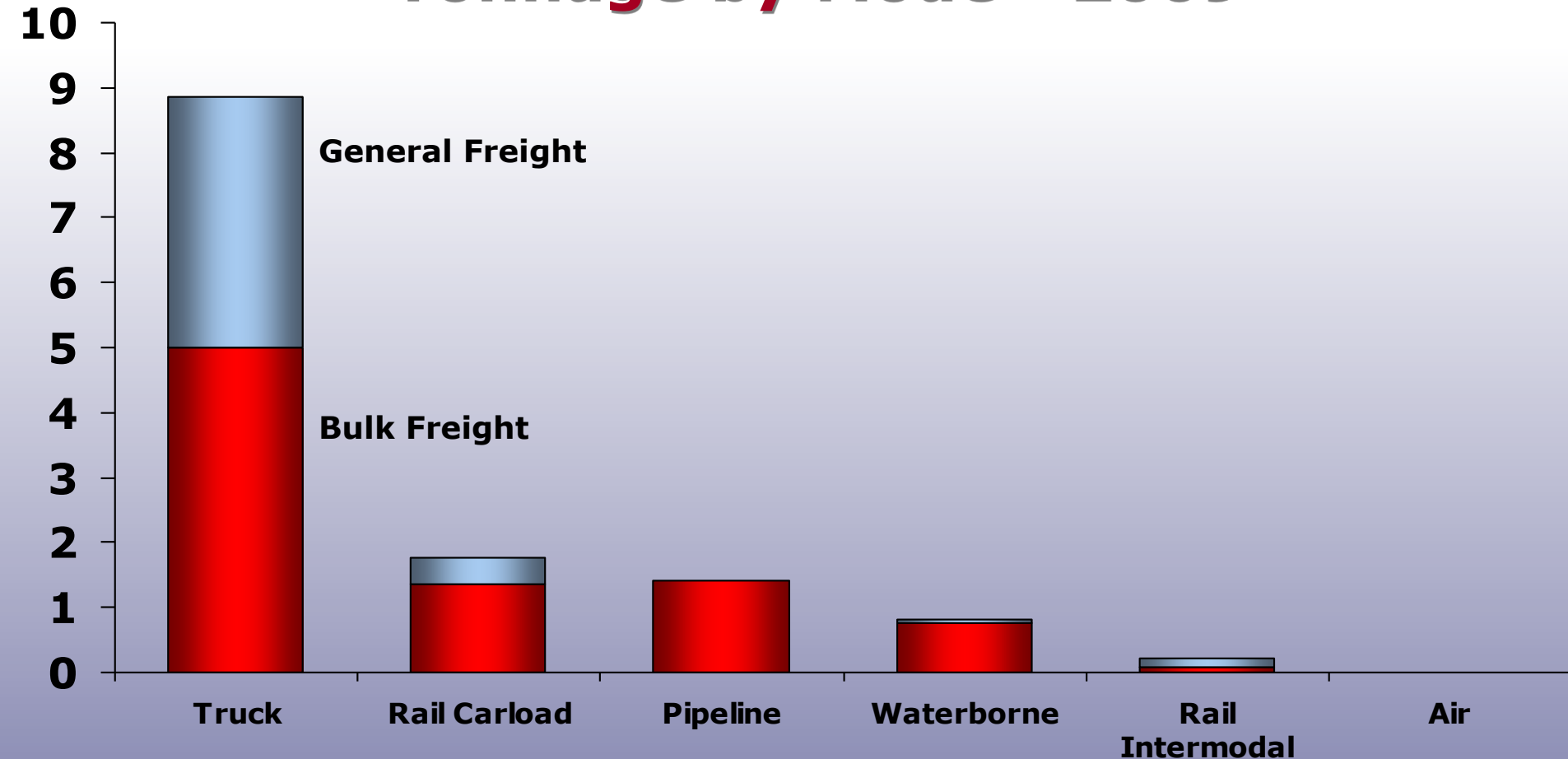
Percent





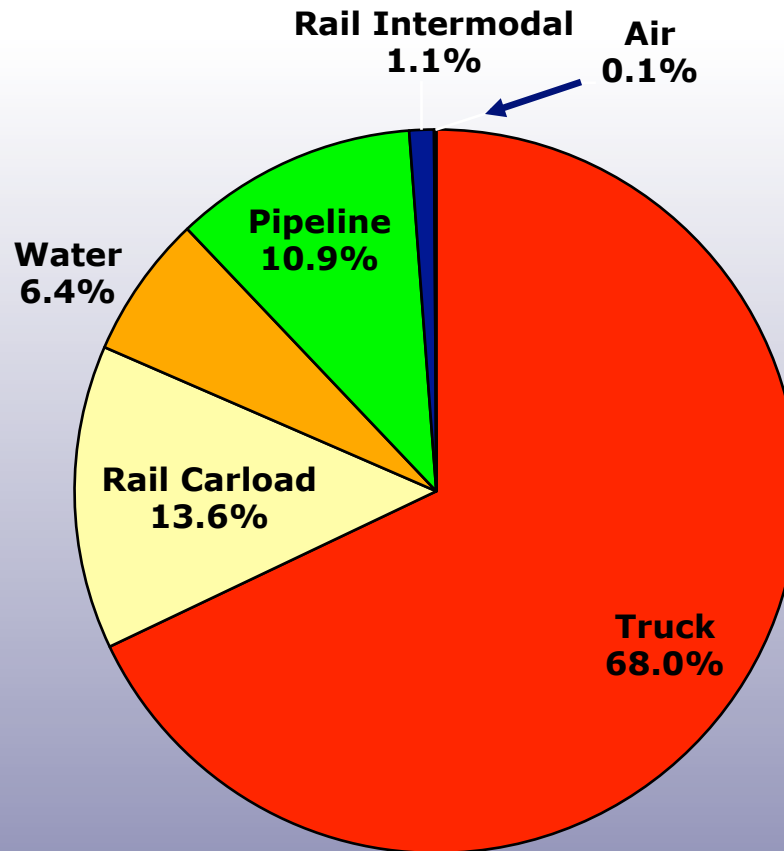
Tonnage by Mode - 2009

Billions of Tons





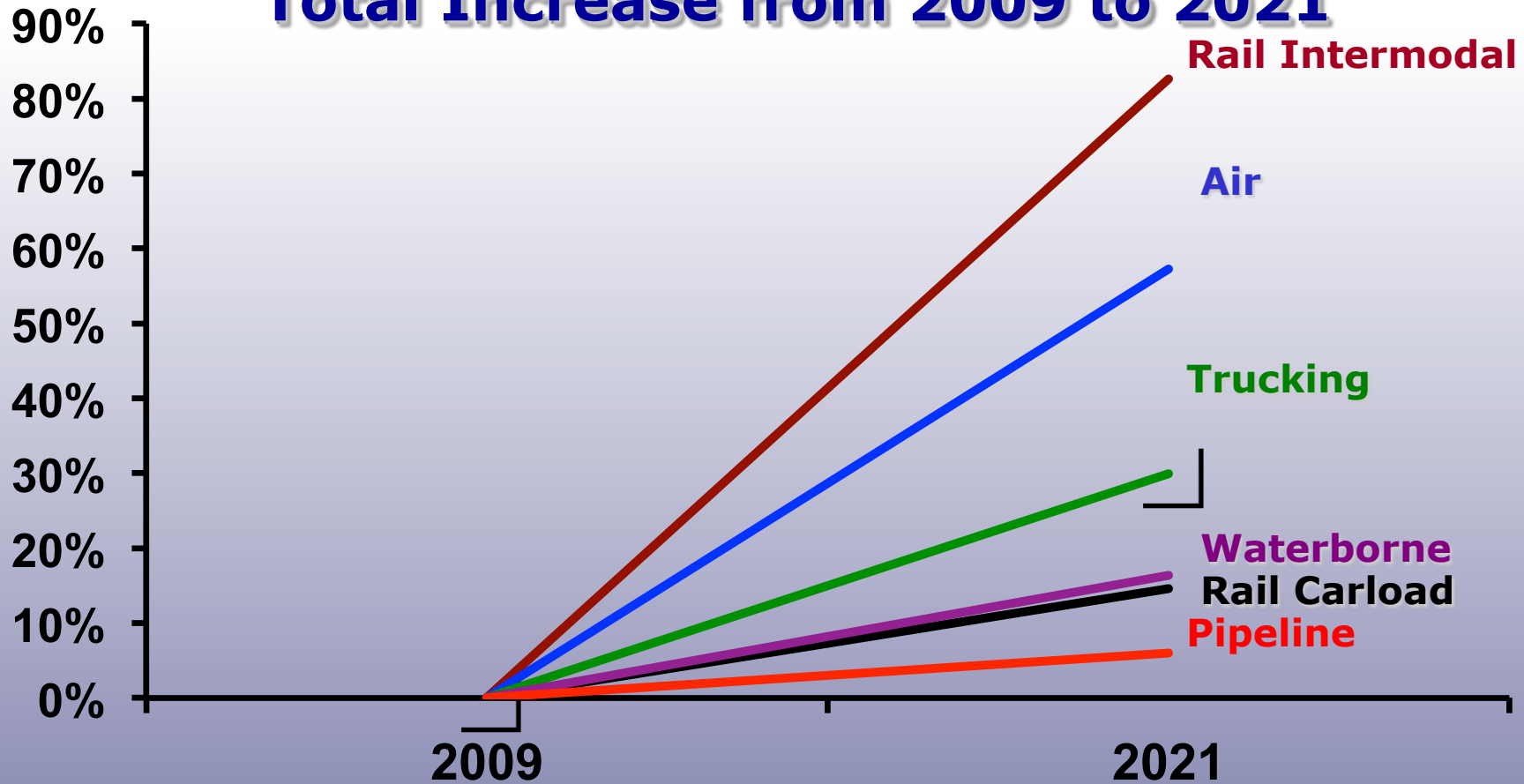
Distribution of Tonnage by Mode: 2009





Growth in Tonnage

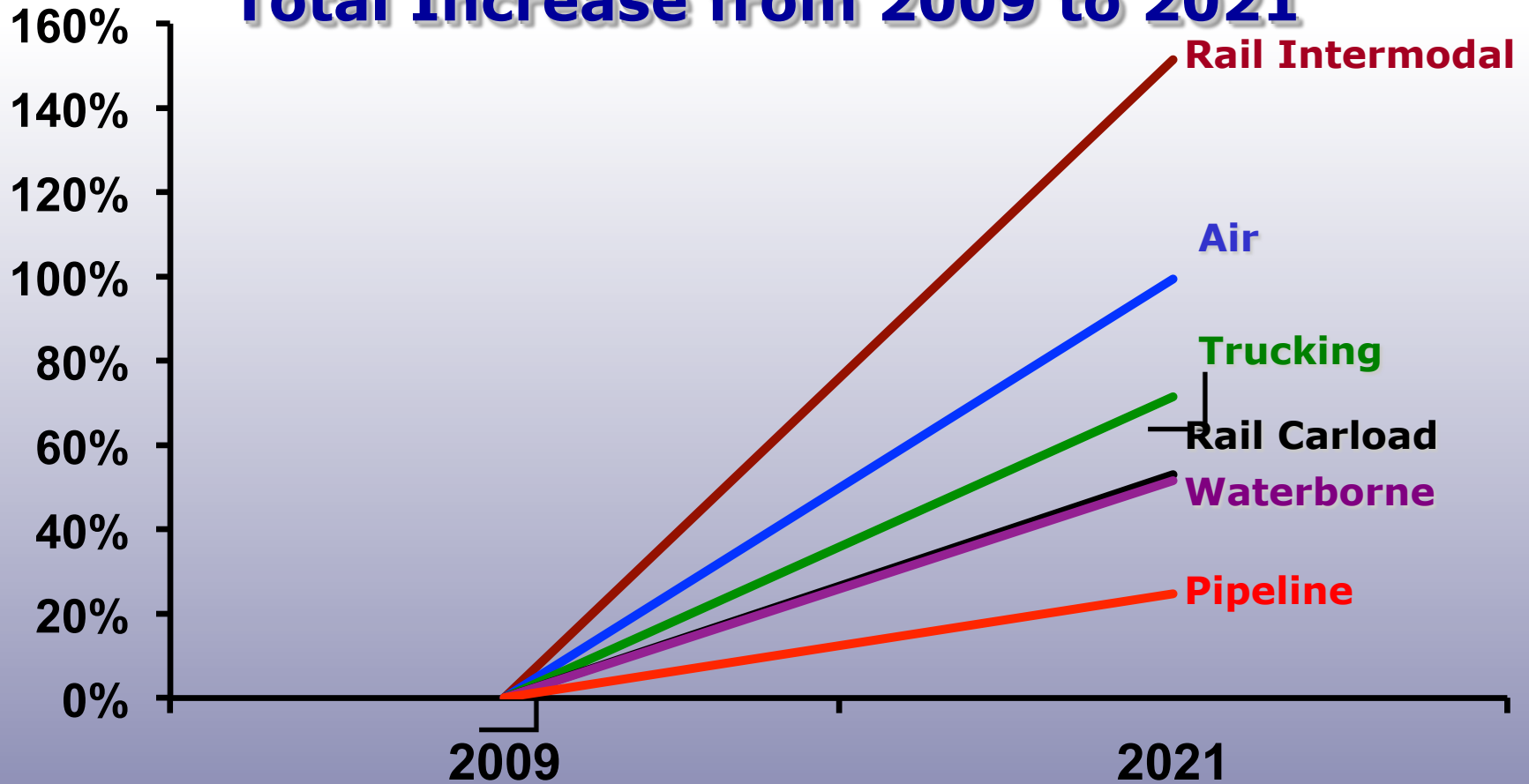
Total Increase from 2009 to 2021





Growth in Revenue

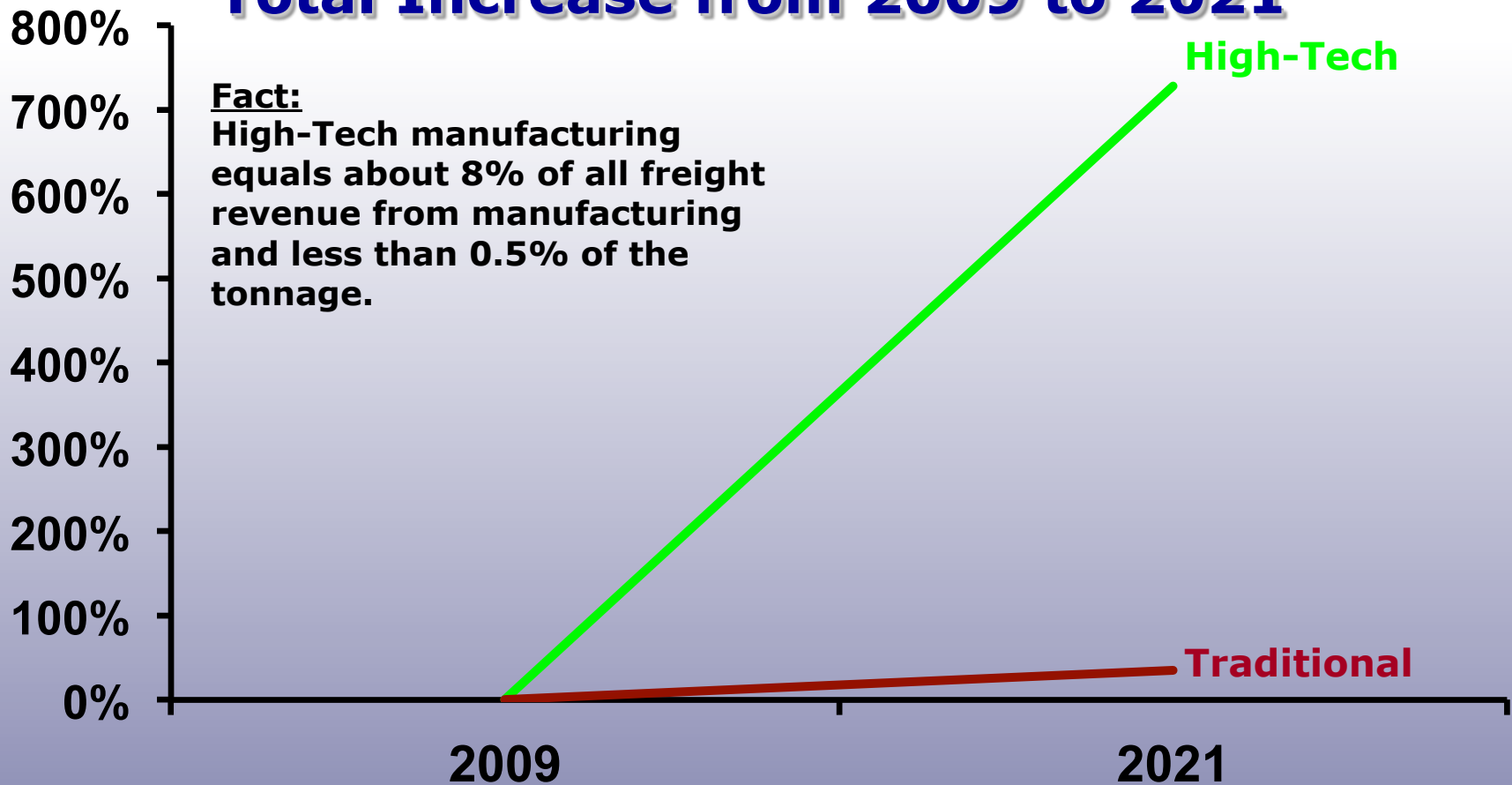
Total Increase from 2009 to 2021





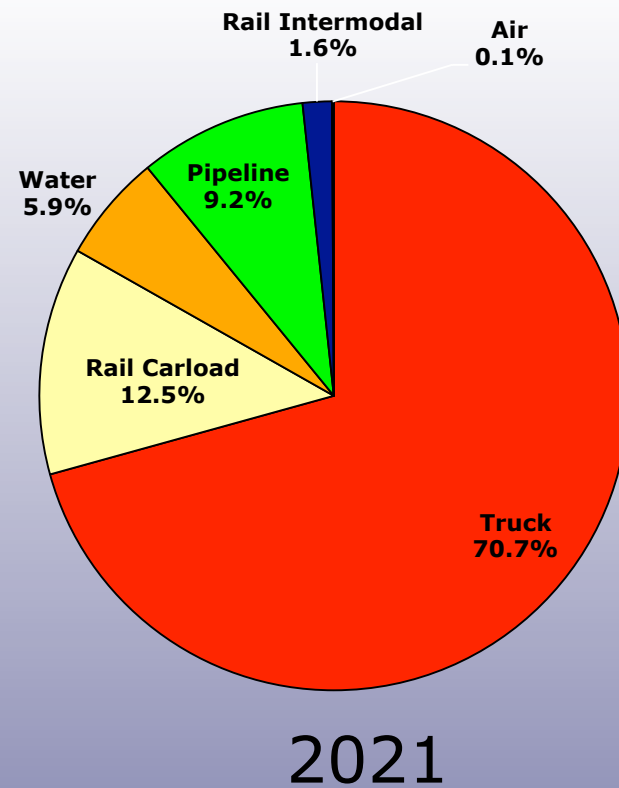
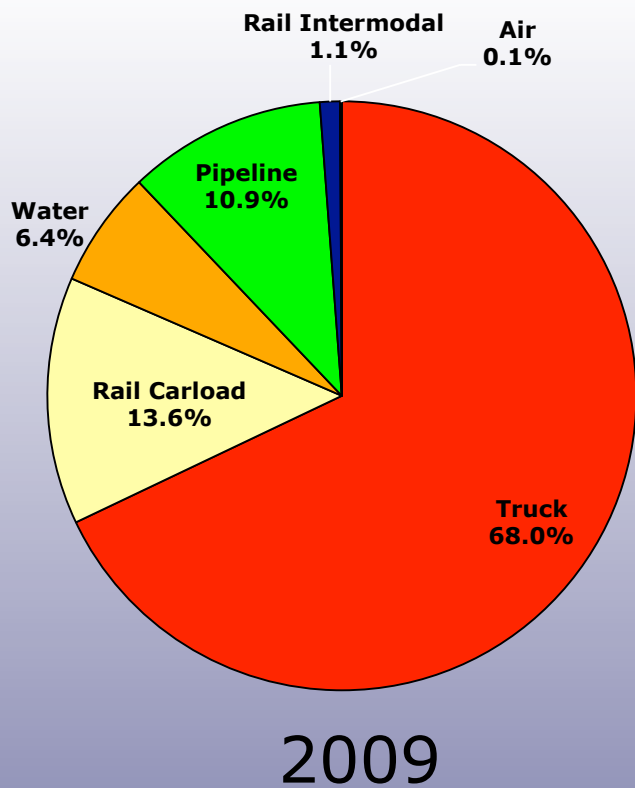
Growth in Manufacturing

Total Increase from 2009 to 2021





Distribution of Tonnage by Mode: 2009 vs 2021





Historical Tonnage by Mode

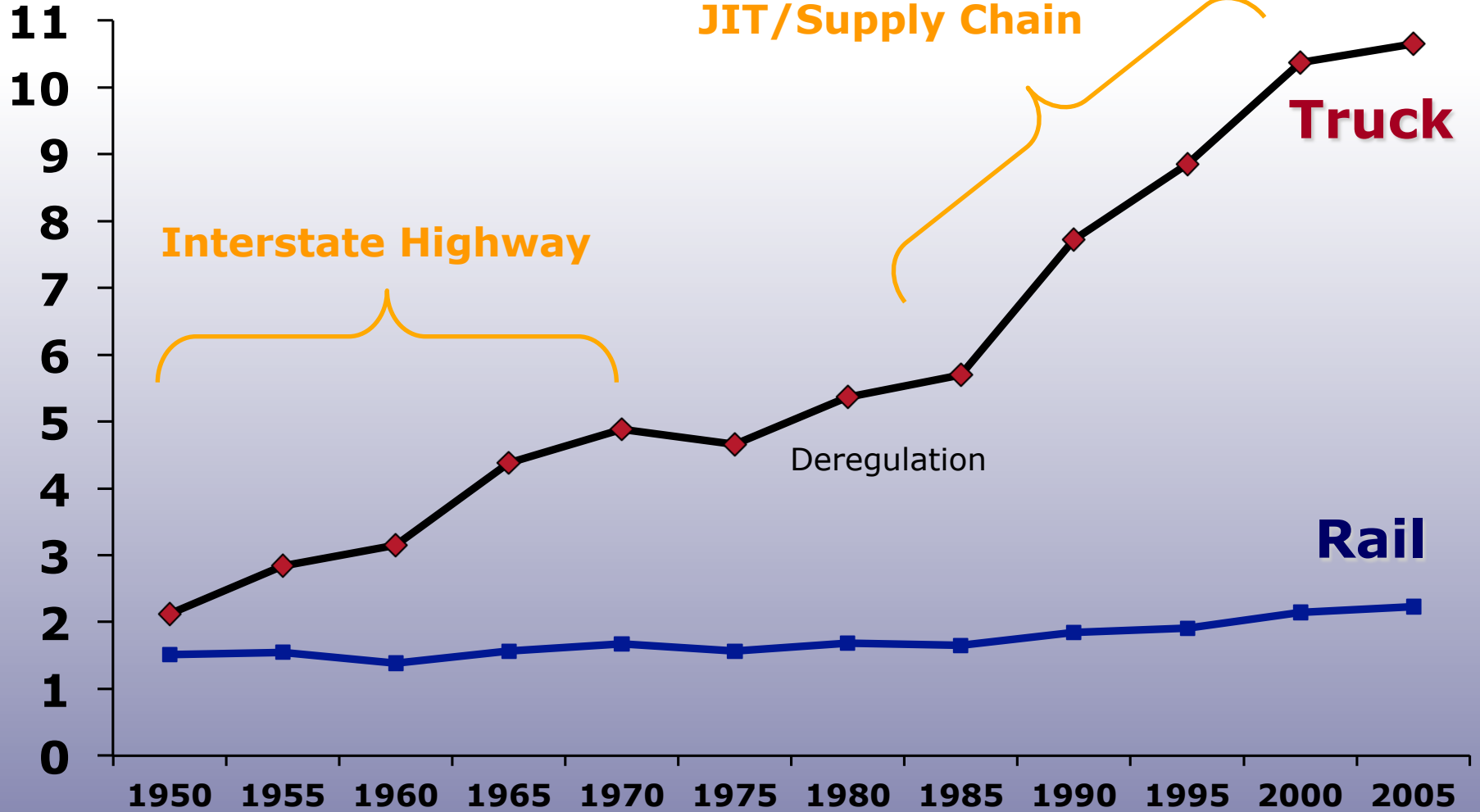
JIT/Supply Chain

Interstate Highway

Deregulation

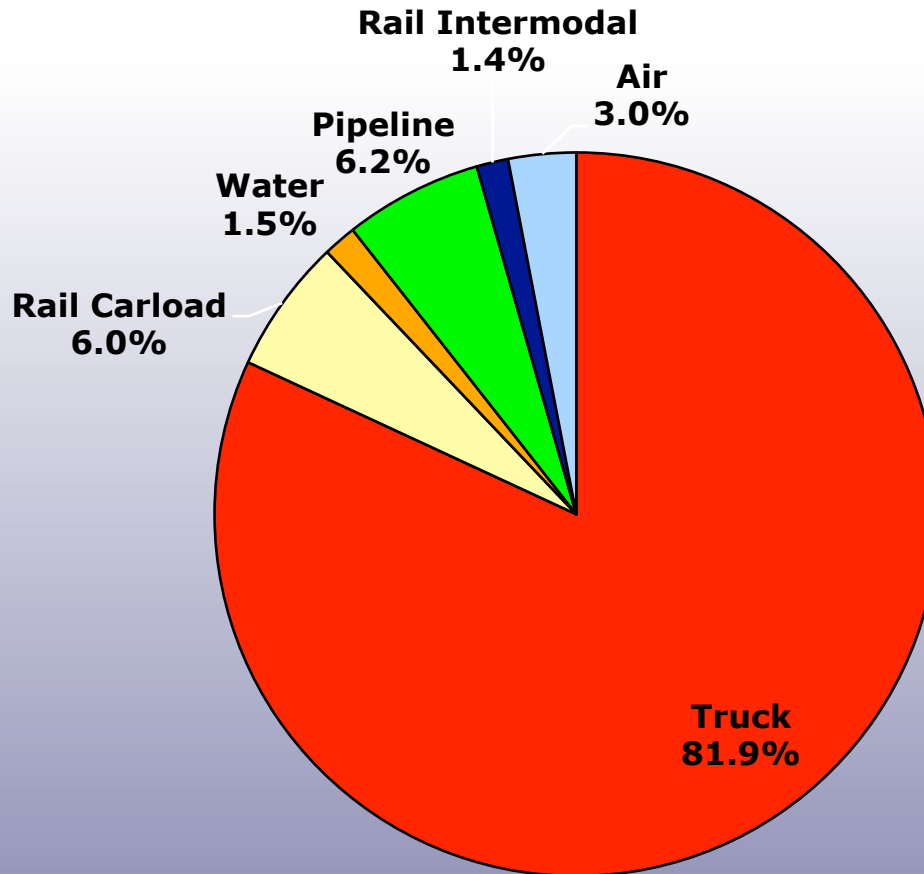
Truck

Rail





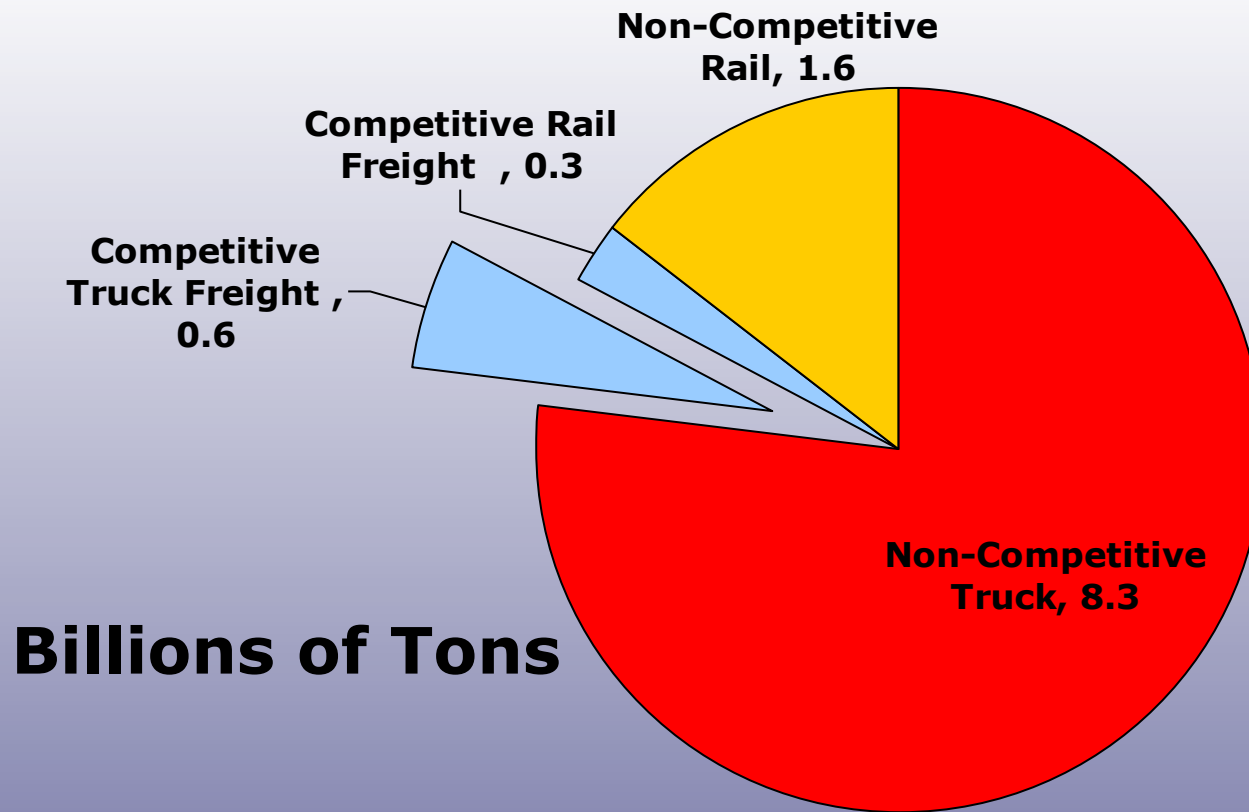
Distribution of Revenue by Mode: 2009





2009 Competitive Freight Among Truck and Rail Tonnage

Trucks and Trains Compete on a Very Limited Basis



Note: Maximum competitive freight is less than 1 billion tons in a total market (truck and rail only) of 10.7 billion tons, or less than 10%. Competitive freight includes all freight traveling at least 500 miles, but excludes coal tonnage. There is a significant amount of time definite freight in this category that really isn't competitive, but it is included. So in reality, the competitive market is even smaller than suggested here.

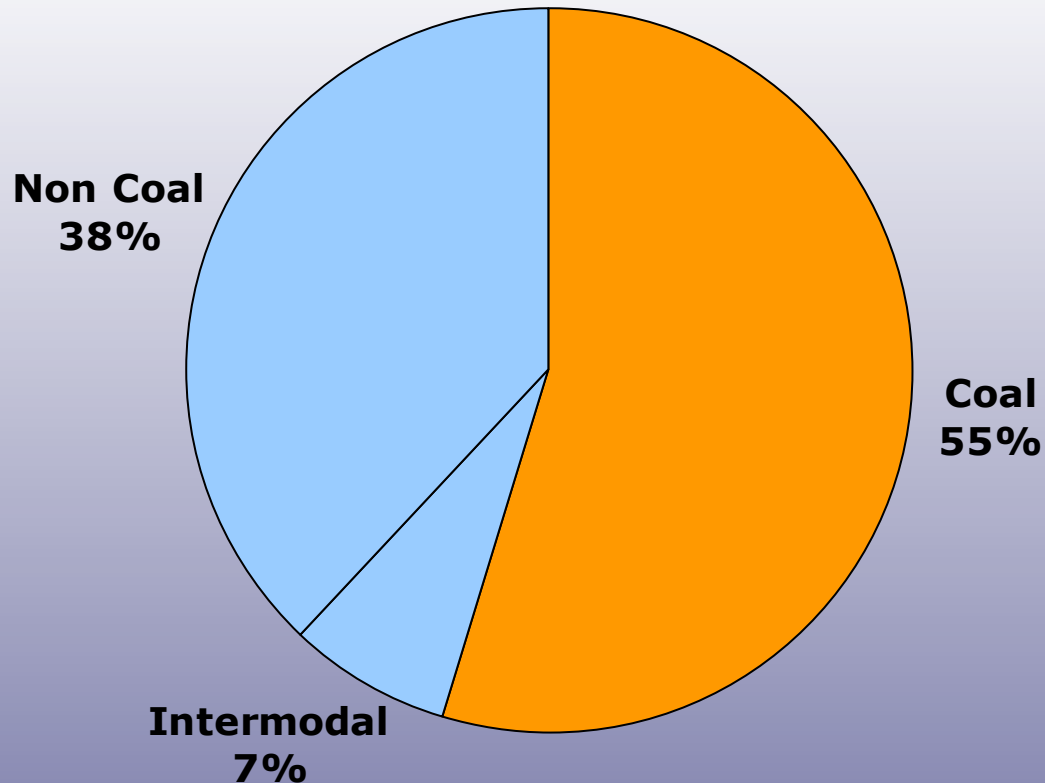
Billions of Tons



Rail Freight Tonnage

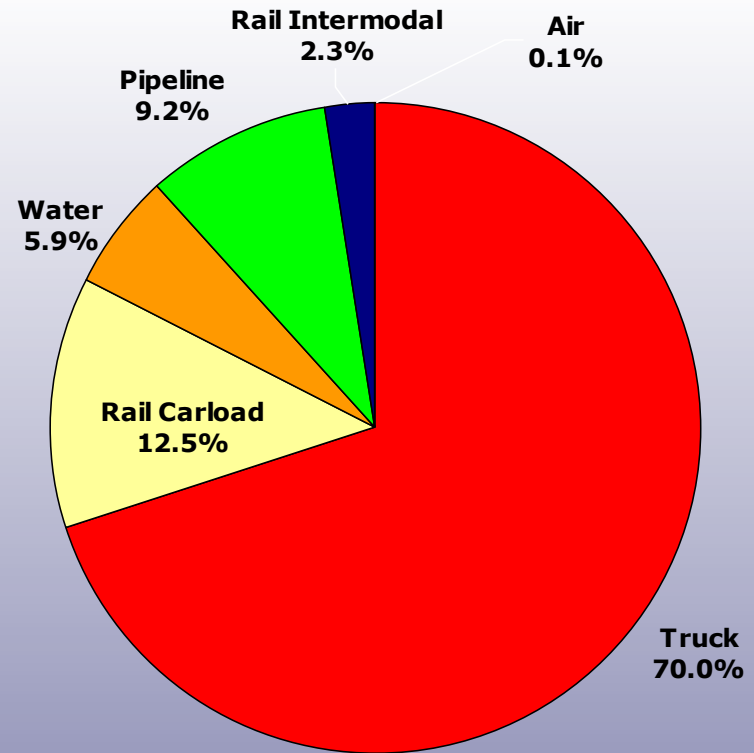
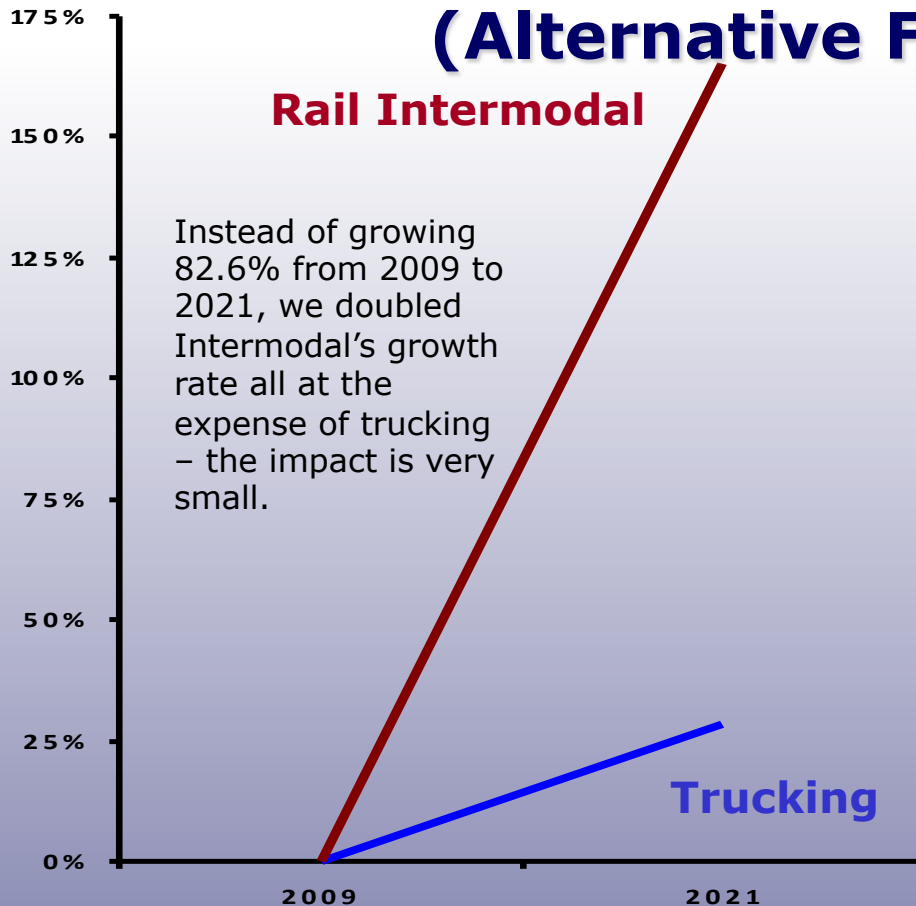
Coal accounts for 55% of all rail freight tonnage.

 Total Non Coal Freight





Tonnage Growth 2009 to 2021 & Market Share in 2021 (Alternative Forecast)





Forecast Takeaways

- **Most modes of transportation have a bright future.**
- **Major shifts in modal share are in the past.**
- **Trucking will continue to dominate the freight transportation industry.**
- **Total freight tonnage will grow slightly slower than the overall economy.**
- **Trucking also grows slightly slower than the overall economy during the forecast period.**
- **Rail intermodal and air freight tonnage will increase the fastest, but both modes remain very small in 2021.**