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## November 2017

### Key findings

- Carrier sentiment for business conditions in November 2017 was 7.14, up significantly from November 2016 (5.71).
- Respondents with up to 100 power units rated November at 6.63, while respondents from fleets with more than 100 power units rated November at 7.33. (*Page 4*)
- Month-over-month business conditions improved markedly from October to November, with 37.9% of all respondents saying it was better and 5.2% saying it was much better. Survey respondents are bullish about business conditions in the next six months, with 84.5% forecasting improvement (88.1% of those with more than 100 power units and 56.3% of those with up to 100 power units). (*Pages 5 & 6*)
- 68.8% of respondents from fleets with up to 100 power units and 69.0% of respondents from fleets with more than 100 power units plan to add full-time employees in the next six months, while 20.7% of all respondents plan to maintain current employment levels. (*Page 6*)
- 59.5% of respondents with more than 100 power units plan to increase the size of their fleets in the next six months, compared to just 31.2% of respondents with up to 100 power units. (*Page 7*)
- Driver availability is the top concern for 80.5% of all respondents, well ahead of freight pricing (8.8%) and the political climate in Washington (3.5%). (*Pages 7 & 8*)

### Quotes of the month

- **Up to 100 power units:** “ELD mandate does not seem to be affecting anyone anywhere that we've heard about least of all from the customer's ability to move the freight.”
- **More than 100 power units:** “All is good for us. Pricing getting better and very busy. Years ago when it was like this you could really make money. Now we can't really run the trucks any harder as we already go as hard as we can all the time on e-logs.”

**Table of Contents**

**Methodology ..... 2**

**November 2017 MarketPulse ..... 3**

Breakdown by type of operation ..... 3

Breakdown by fleet size ..... 3

Business conditions rating..... 4

Business compared to last month..... 5

Business compared to same month last year ..... 5

Business expectations ..... 6

Plans for workforce..... 6

Plans for fleet .....7

Major concerns.....7

General comments ..... 9

### Methodology

The November 2017 CCJ MarketPulse report is based on an ongoing survey sent to 200 senior executives of for-hire trucking companies who had agreed to participate monthly. The panel includes executives of carriers that operate at least 10 power units and does not change except to add new panel members that agree to join or to remove those who fail to participate for several consecutive months.

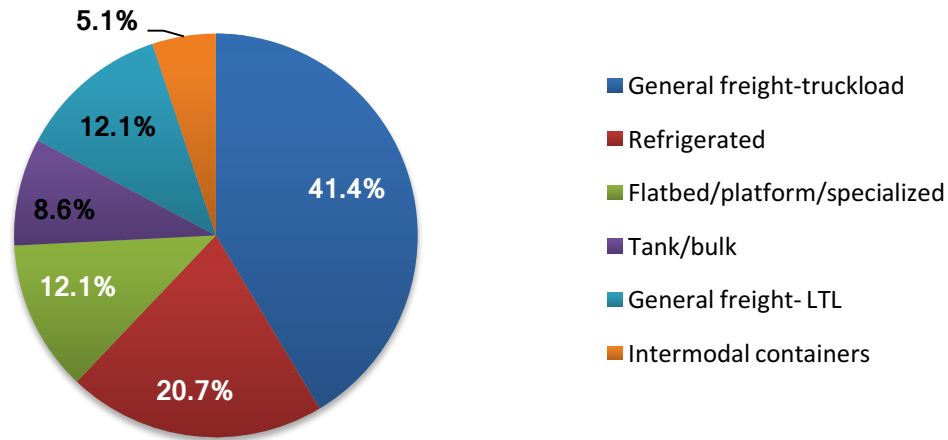
No attempt is made to weight the results to match the make-up of the trucking industry. The goal of MarketPulse is to provide a directional assessment of market conditions by polling a relatively stable panel of respondents each month. Variations in the respondent pool will, however, cause some fluctuations.

The survey was sent initially on December 12, 2017 with a reminder sent out on July 19 and July 24, 2017. Out of the total pool, 73 carrier executives completed the questionnaire.

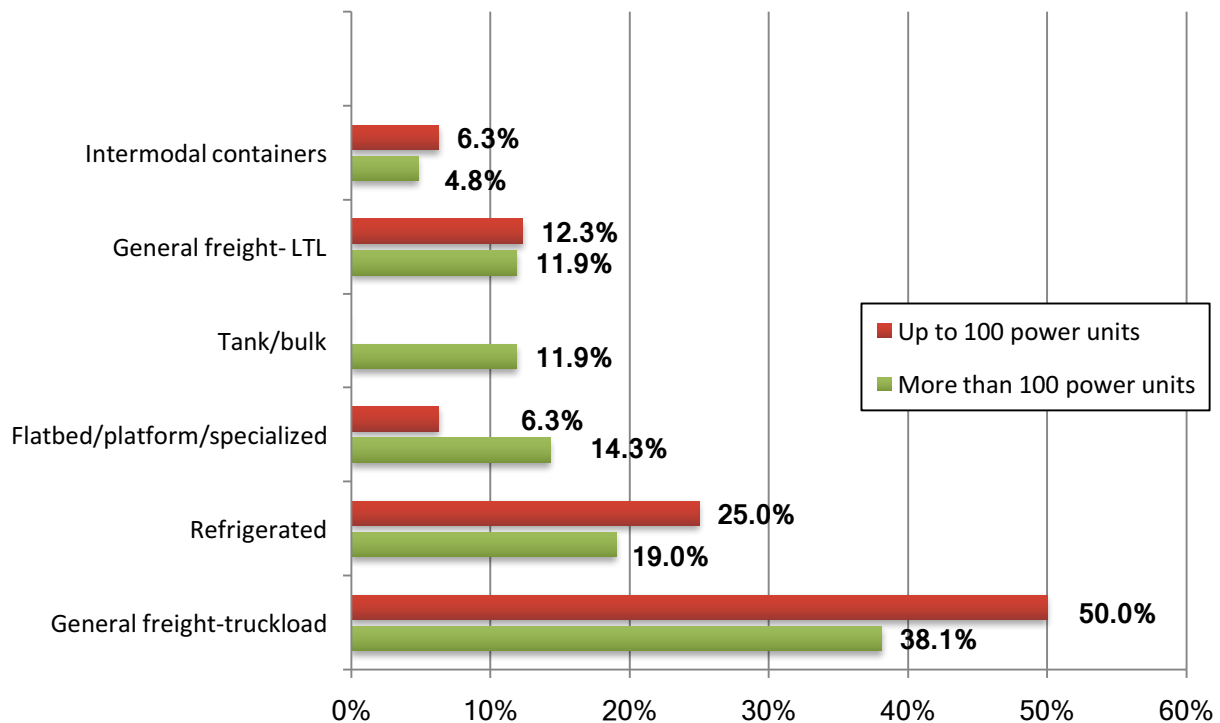
### Demographics

73 respondents

Which of the following represents the largest portion of your operation?

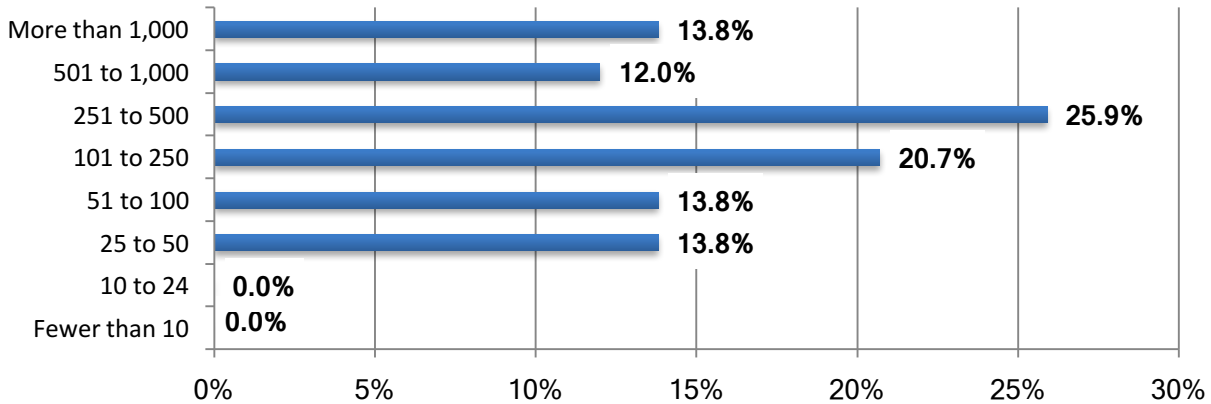


### By fleet size



## November 2017 MarketPulse Report

**How many power units does your company operate (including owned, leased or independent contractors)?**

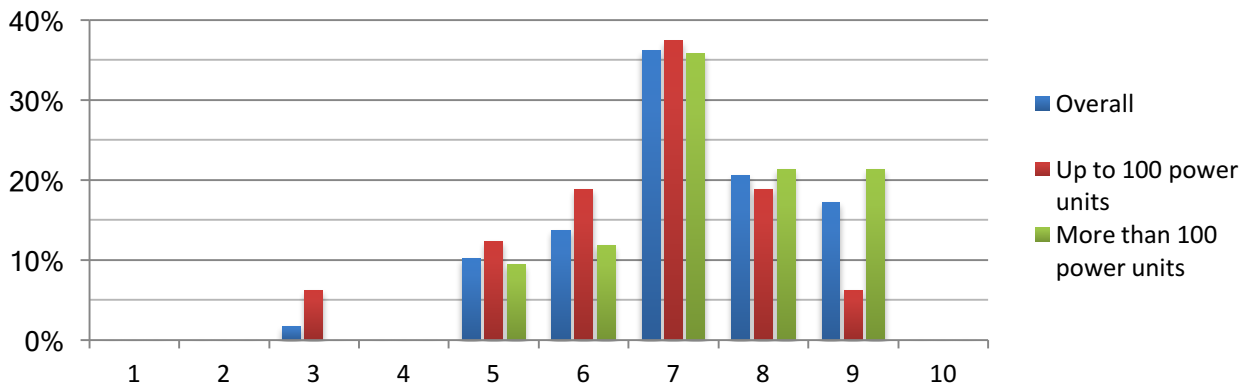


## Business conditions

**On a scale of 1 to 10 (where 1 is the worst month ever and 10 is the best month ever), how would you rate overall business conditions during November 2017?**

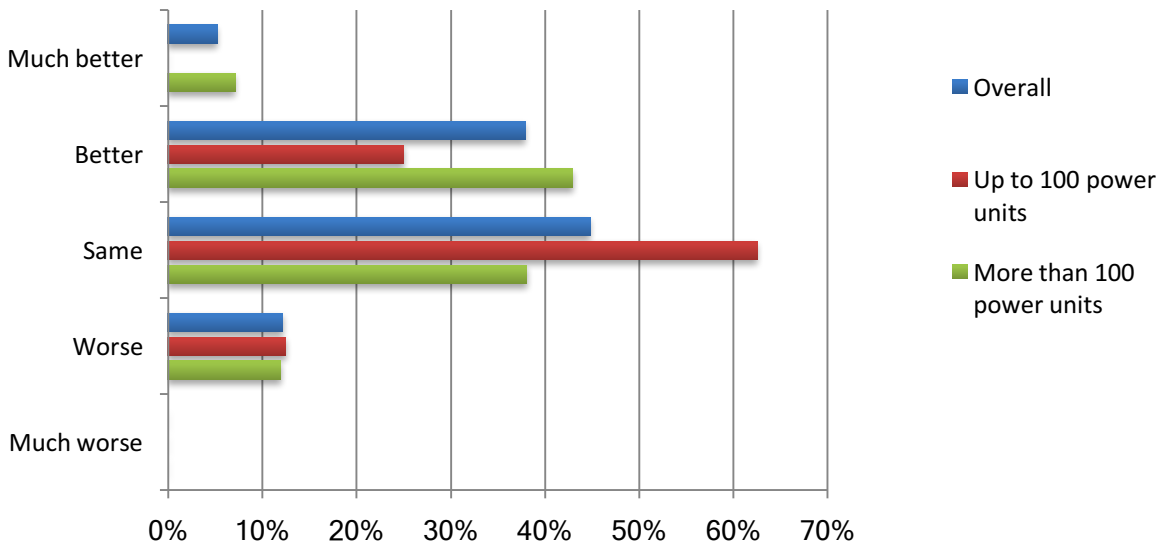
	November 2017	October 2017
Average response	7.14	6.95
Up to 100 power units:	6.63	6.5
More than 100 units:	7.33	7.12

## Distribution of responses

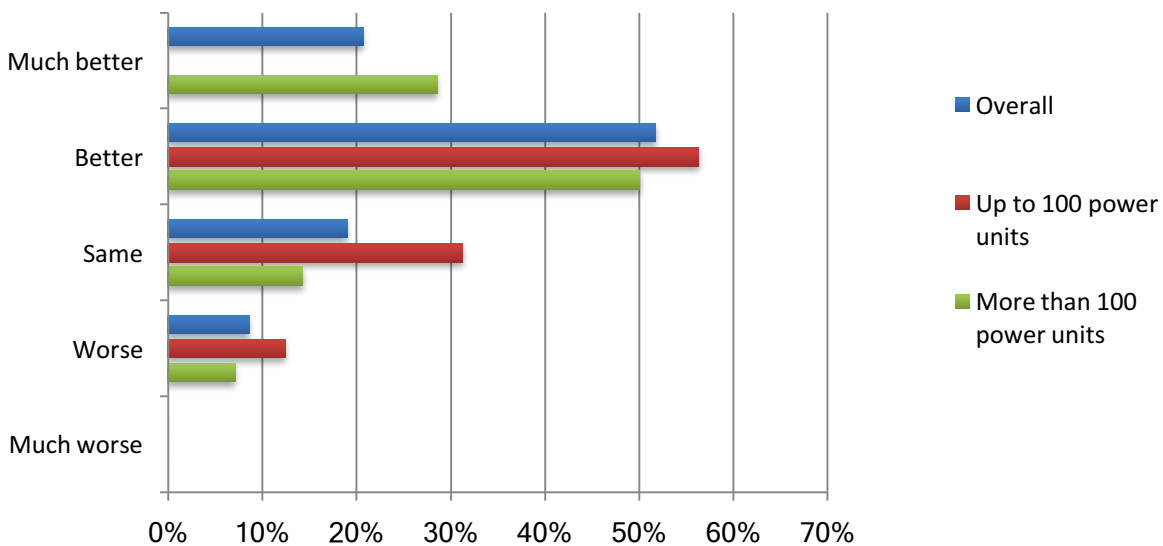


## November 2017 MarketPulse Report

How is your business doing in November 2017 compared to October 2017?

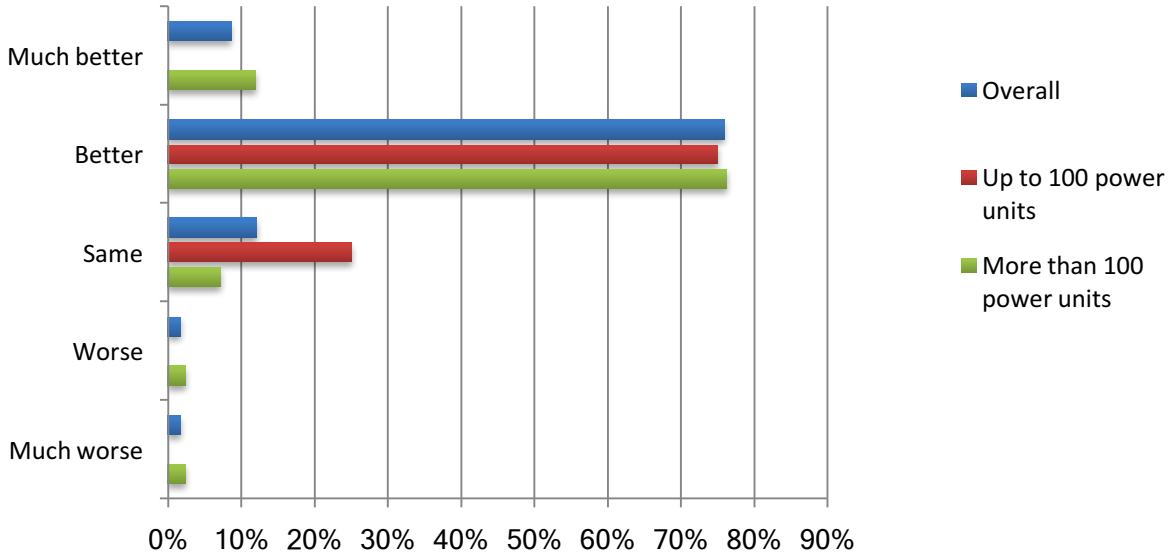


How is your business doing in November 2017 compared to November 2016?

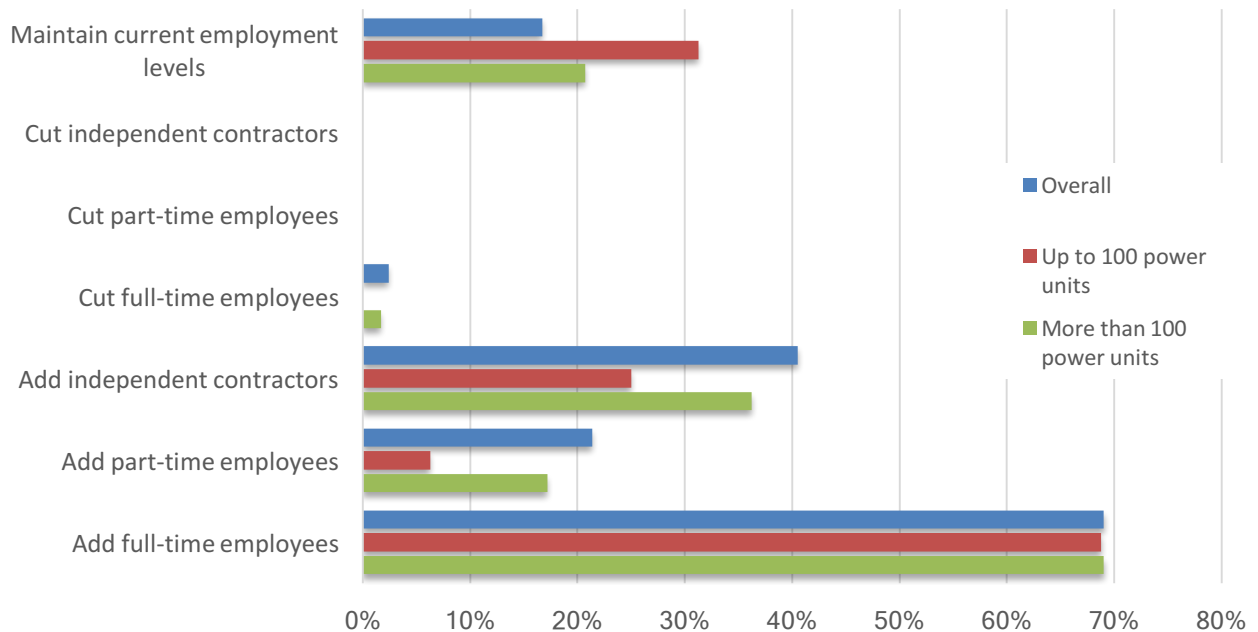


## November 2017 MarketPulse Report

**Adjusting for seasonality, how do you see business in the next 6 months?**

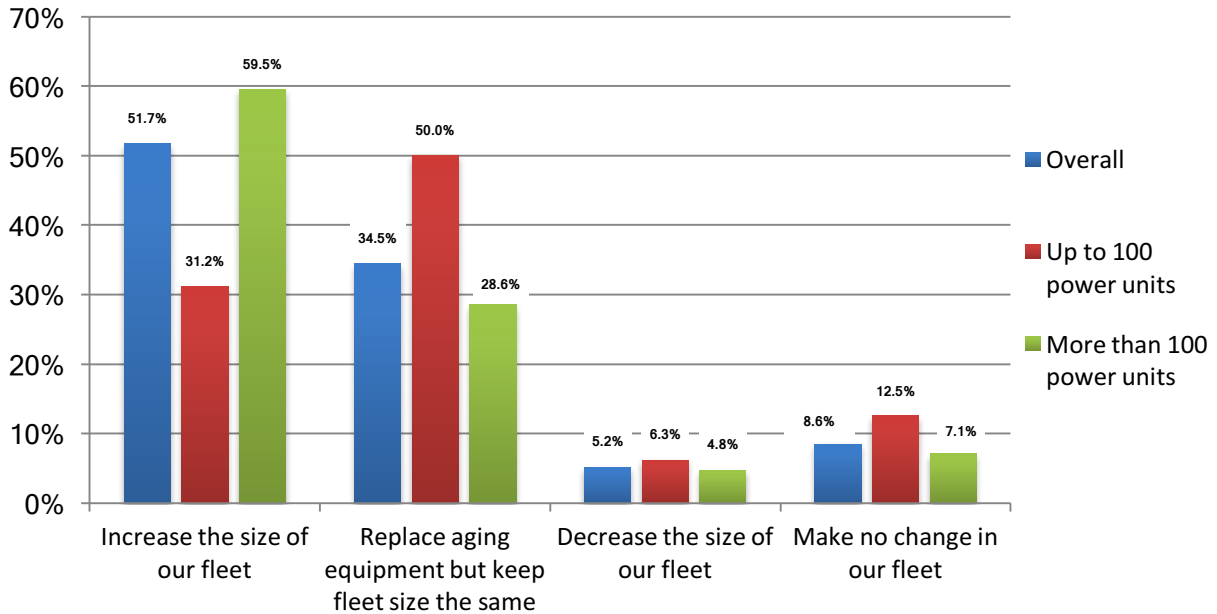


**Not counting seasonal employees, in the next 6 months, do you plan to:**

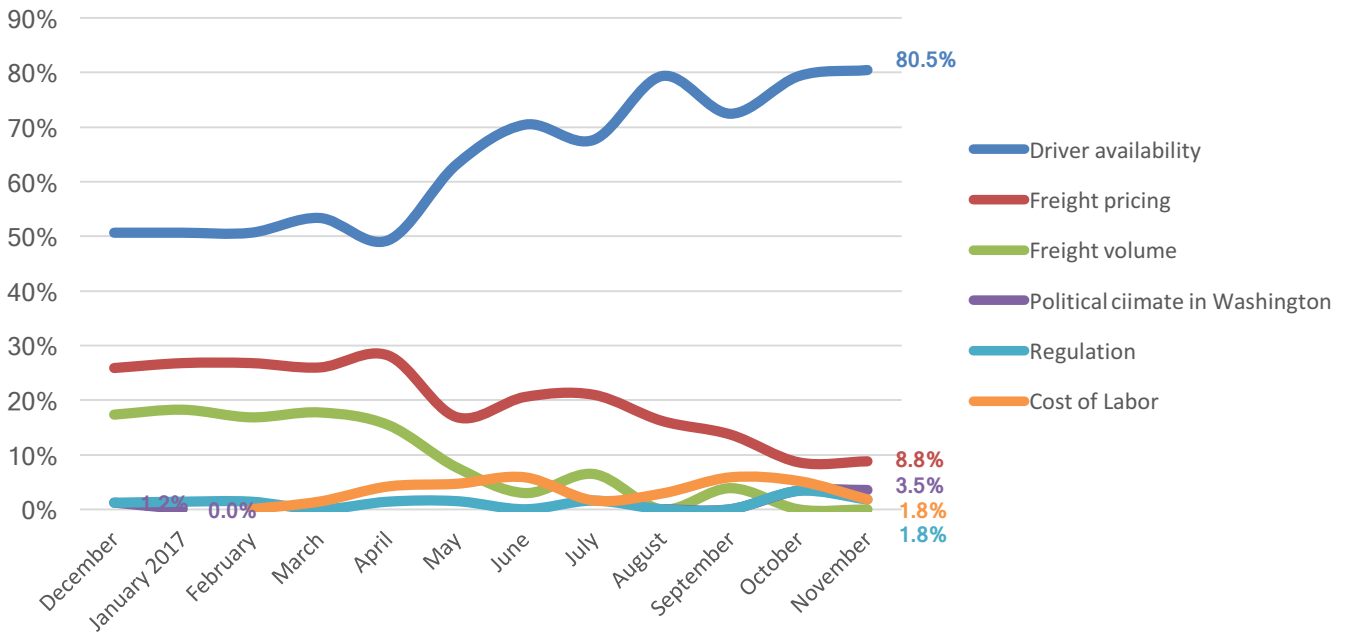


## November 2017 MarketPulse Report

In the next 6 months, we plan to:



Please rank your top five concerns right now (with 1 being the biggest concern).





## November 2017 MarketPulse Report

### Top concerns for carriers with up to 100 power units

	1 - (Biggest concern)	2	3	4	5
Freight volume	0.0%	6.3%	18.7%	12.5%	6.3%
Freight pricing	18.8%	31.3%	12.5%	6.3%	6.3%
Cash flow	0.0%	0.0%	6.3%	0.0%	6.3%
Fuel costs	0.0%	12.5%	0.0%	0.0%	18.7%
Driver availability	68.6%	12.5%	0.0%	0.0%	12.4%
Cost of labor	0.0%	18.5%	6.3%	24.8%	0.0%
Maintenance costs	6.3%	6.3%	18.7%	12.5%	6.3%
Cost of equipment	0.0%	6.3%	18.7%	6.3%	12.4%
Unionization	0.0%	0.0%	0.0%	0.0%	0.0%
Access to credit	0.0%	0.0%	0.0%	0.0%	0.0%
Cost of credit	0.0%	0.0%	0.0%	6.3%	6.3%
Regulation	6.3%	6.3%	0.0%	6.3%	12.4%
Taxes	0.0%	0.0%	12.5%	6.3%	6.3%
Political climate in Washington	0.0%	0.0%	6.3%	18.7%	6.3%
Other	0.0%	0.0%	0.0%	0.0%	0.0%

### Top concerns for carriers with more than 100 power units

	1 - (Biggest concern)	2	3	4	5
Freight volume	0.0%	9.8%	19.5%	9.8%	15.4%
Freight pricing	4.9%	22.0%	24.4%	7.3%	7.7%
Cash flow	0.0%	0.0%	0.0%	0.0%	0.0%
Fuel costs	0.0%	2.4%	2.4%	4.9%	2.6%
Driver availability	85.4%	9.8%	0.0%	0.0%	5.1%
Cost of labor	2.4%	39.0%	12.2%	9.8%	2.6%
Maintenance costs	0.0%	7.3%	14.6%	14.6%	7.7%
Cost of equipment	0.0%	0.0%	9.8%	14.6%	12.8%
Unionization	0.0%	0.0%	0.0%	0.0%	0.0%
Access to credit	0.0%	0.0%	0.0%	4.9%	0.0%
Cost of credit	0.0%	0.0%	0.0%	0.0%	5.1%
Regulation	0.0%	4.9%	4.9%	19.4%	7.7%
Taxes	2.4%	2.4%	2.4%	4.9%	17.9%
Political climate in Washington	4.9%	2.4%	9.8%	9.8%	15.4%
Other	0.0%	0.0%	0.0%	0.0%	0.0%

### General comments

#### Up to 100 power units

- Lots of daily spikes in business levels in Sept/Oct whereas more than we could handle or equipment sitting. Backhaul rates still too low on most SE lanes when using brokers. ELD mandate does not seem to be affecting anyone anywhere that we've heard about least of all from the customer's ability to move the freight.
- More pessimistic about meaningful tax reform for 'S' corp companies.
- Current President much better for economy than previous one. Now we need a better Prime Minister in Canada to make an awesome team.

### General comments

#### More than 100 power units

- It's a good time to be a trucker!!!
- Business remains steady and we expect an uptick in 2018.
- Business is booming. Freight pricing is up. Customers are willing to pay more for capacity. Driver availability is good, turnover is low. An administration in Washington that is business friendly, and business taxes are about to become lower. A good time to be in trucking!
- All is good for us. Pricing getting better and very busy. Years ago when it was like this you could really make money. Now we can't really run the trucks any harder as we already go as hard as we can all the time on e-logs.
- North of the border our liberal government is doing everything possible to stifle business. Usually when the American economy picks up, Canada follows suit. So far we are still waiting. On the other hand marijuana will be legal this summer, maybe that will solve our problems?
- Flatbed freight levels remain strong into the second week of December. We are wrapping up a decent year. Expectation is a significant amount of rate increases will be passed to drivers through various forms of increased compensation.
- Freight demand and pricing still being negatively impacted by non-compliant operations. The enforcement of ELD compliance is disappointing to carriers looking to improve highway safety and offer drivers better pay and benefits.
- With the ELD Mandate looming, shippers are looking to shift freight from non-asset to asset based carriers, to ensure they are using compliant carriers, therefore assets are in demand.