



# PGT BULLETIN

## Key Issues Facing the Trucking Industry

JUNE 2023

The PGT Bulletin addresses current issues within the trucking industry that impacts PGT Trucking, our customers and the supply chain. PGT closely monitors these concerns and works to implement innovative solutions for our customers, advancing transportation through the Future of Flatbed®.

**Sustainability.** Freight transportation continues to be a leading contributor of carbon emissions in the U.S., responsible for over half of the nitrogen oxide total emissions inventory in the country. The trucking industry moves about 72.2% of America's freight tonnage, making motor carriers a primary focus for sustainability efforts. Battery electric vehicles can be a viable option for both carriers and customers, but long-haul applications will be better served through hydrogen fuel cell electric vehicles.

[PGT Trucking, Nikola and Nucor Partner to Launch Clean Energy Supply Chain Initiative](#)

[HDT Announces 2023 Top Green Fleets](#)

**Infrastructure.** The trucking industry moves 10.93 billion tons of freight in the U.S., which is estimated to increase 1.4% per year through 2050. Despite this growth, the country's infrastructure continues to decline, with no notable improvements across any category. There is even an estimated \$2.59 trillion gap in funding through 2029 to repair these systems. In June 2023, a portion of Interstate 95 in Northeast Philadelphia collapsed due to a tanker truck fire, causing a two-week closure of the highway. Around 160,000 vehicles are estimated to travel the affected area daily. While the overpass was rated in good condition by the Pennsylvania Department of Transportation, the closure caused heavy traffic congestion and freight delays for several days.

[America's Infrastructure Scores a C-](#)

[I-95 Closure is Having an "Outsized" Impact on Commuters and Shipping](#)

**Truck Parking.** For more than a decade, lack of available truck parking has been a primary concern for truck drivers, negatively impacting the transportation industry and supply chain. Truck drivers waste an average of 56 minutes of drive time per day looking for a safe parking spot, and for new entrants to the industry, a lack of proper trip planning could force them to shut down their day early or drive past their allowable hours while looking for a parking space. Legislation has been introduced in Congress to provide much needed funding for the transportation industry, but in some areas, there simply is not enough land to expand along major highways.

[House, Senate Introduce Bill to Expand Truck Parking](#)

[Pennsylvania Turnpike Is Adding More Truck Parking Spaces as a Dangerous Shortage Persists](#)

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**Independent Truck Drivers.** There are approximately 350,000-400,000 Owner-Operators in the U.S. Recently, the independent contractor model has been challenged through reclassification laws, with attempts to label independent truck drivers as company employees. On a federal level, the Department of Labor is expected to decide on a proposed rule to reclassify workers in early 2024. Independent truck drivers are vital to the U.S. economy, supporting the supply chain and growing commerce.

[Trucking Trade Association Meets with Congress to Discuss Independent Contractor Model](#)

**Economy.** The annual inflation rate in the U.S. dropped to 4.0%, and in June, the Federal Reserve announced they would skip another rate increase while continuing to observe the economic trends across the country. The financial world also experienced three high profile bank collapses, further impacting consumer confidence in the U.S. economy. With a cautious economic forecast, a decrease in consumer demand and workforce shortages, manufacturers have slowed production, focusing on reducing inventory levels to cover only their most immediate needs.

[Inflation Has Eased, but Economists Are Still Worried](#)

[U.S. Manufacturing Near Three-Year Low; Casts a Shadow Over the Economy](#)

**Equipment.** Carriers are struggling to acquire and maintain equipment, forcing them to run high mileage units longer. Truck and trailer payments increased by 18.6%, and the industry still faces shortages in parts and labor, impacting the carriers from maintaining the performance of their current fleets. While new Class 8 truck orders have slowed, OEMs are still working through a backlog of orders from the previous two years. Older trucks can negatively impact customer service and driver retention, as neither customers nor drivers appreciate time and revenue lost during a lengthy repair process.

[ATRI's Newest Operational Costs Research Details Spikes in Equipment, Wage, and Total Costs in Trucking](#)

[The Rise of the Million Mile Truck](#)

## PGT TRUCKING UPDATES

PGT Trucking continues to offer advanced shipping solutions, adding a second Nikola Tre BEV unit to our fleet. Our zero emission trucks are actively being used in local, dedicated lanes with return-to-base situations.

[PGT Trucking Appoints New Vice President, Managed Projects](#)

Through the Future of Flatbed®, PGT is working to improve our industry, integrating innovative technologies and sustainable practices while nurturing young talent.

[PGT Trucking Breaks Ground On New Laredo Terminal Facility](#)