

## Trucking Industry Leader, Andy Ahern, of Ahern & Associates, Announces Industry Growth Despite Increased Regulation for Transportation and Logistics Industry

Andy Ahern, CEO of transportation and consulting firm Ahern & Associates, announces forecast on the state of the trucking industry with Hours of Service (HOS) Revision and increased regulation.

**PHOENIX, AZ – June 12, 2014** – Trucking industry expert Andy Ahern, of <u>Ahern and Associates</u>, shared insight on trucking and the state of the transportation economy in 2014. The harsh winter conditions earlier in the year led to high heating bills; combined with volatility in global stock markets and the expiration of emergency unemployment benefits, these factors have all contributed to an increasingly speculative economic forecast for 2014. However, as cargo shipments and transportation needs rise, Ahern has advised the trucking industry will continue to experience moderate, sustainable growth, yet business owners must understand the implications and opportunities presented within this dynamic industry.

"It's important to note that the trucking industry has seen a rebound because there is no truck capacity," said Ahern, noting that drivers are in short supply. Earlier in the year, Ahern explicitly outlined the importance of forecasting economic growth in tandem with capacity in the industry-acclaimed newsletter, the *Ahern Advisory*, which garners over 500,000 readers.

Ahern pointed out that capacity is an issue for all parties involved in trucking. "My overall analysis is that there will be sustainable long-term growth over a number of years, but we are still not where we need to be," said Ahern. Now, the trucking industry is seeing a large surge as industries across the board rebound from the restrictions of the harsh winter, and the trucking industry grows through a substantial amount of consolidation.

Drivers and truck capacity are not the only factors contributing to the health of the trucking economy; however, outside legislation and changes in driving regulations, such as the updated Hours of Service Revision, have major implications on drivers and the ability to attract this workforce to such a dynamic industry. The Hours of Service Revision (HOS) has dramatically impacted the amount of "drive time" that a truck drive can be on the road; wait time is not considered drive time. Drivers are now only allowed 70 hours behind the wheel per week.

The increased regulation of the trucking industry, along with an unfavorable public opinion, has been counterproductive at best. However, statistics tell a different story: The trucking, transportation, and logistics industry employs nearly 8.9 million people - 3.8 of whom are drivers - and 70-80% of all freight transported within the continental United states per year relies on truck drivers. HOS limits were put in

place in order to ensure that these drivers had strict logs on fuel, driving, sleeping, loading, and unloading.

While these revisions are meant to better regulate the industry, Ahern is quick to point out that the top 10 trucking companies govern their trucks in terms of speed, weight, time management, and scheduling. In fact, 35% of professional truck drivers have extended education and must execute precise time management. "Due to the fact that the trucking industry is so highly regulated, our industry is able to grow, despite the general economy failings," said Ahern.

Supply and demand for many manufacturing and shipping industries over the first two quarters of this year has certainly been muted, which directly impacts the trucking industry as a whole. However, Ahern and Associates has long-championed drivers and trucking business owners to understand how to adapt and better plan for industry trends and changes. "In the trucking industry, I continually emphasize the importance of planning for the unexpected and focusing on the plan," said Ahern. "Transportation needs to stay ahead of the curve."

For more information on how your trucking or transportation business can stay ahead of the curve or for more information on Ahern & Associates, please call 602-242-1030 or visit <u>http://www.ahern-ltd.com</u>.

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## About Ahern & Associates, Ltd.

Ahern and Associates is North America's leading trucking and transportation management consulting firm. The skilled consultants at Ahern and Associates specialize in mergers and acquisitions of trucking and logistics companies as well as the restructuring and evaluation of existing carriers that seek to increase operating efficiency and improve profitability. You can follow Ahern and Associates through their industry newsletter The Ahern Advisory for frequent industry updates and advice from the leading minds in trucking and logistics.

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