



NATIONAL PRIVATE TRUCK COUNCIL NEWSLETTER

ACTIVITIES AND EVENTS OF THE NATIONAL PRIVATE TRUCK COUNCIL



By Gary Petty,
President and CEO of
the National Private
Truck Council. His
column appears monthly
in FLEET OWNER. The
council's website is
www.nptc.org.

NPTC 2007 BENCHMARKING SURVEY REAFFIRMS PRIVATE FLEET VALUE

In the face of a turbulent business environment and mounting corporate expectations, today's private fleets continue to enhance their value proposition by providing cost-managed/cost-effective transportation in addition to pre-eminent customer service, according to the 2007 Private Fleet Benchmarking Survey, released earlier this summer by the National Private Truck Council.

Some 72% of the respondents report the primary reason for operating a private fleet is because it provides better customer service to key customers. This is up slightly from the 65% of the respondents in last year's survey and up from 52.8% of the respondents in the previous study.

With a predominant customer service profile, it should come as no surprise that outbound freight movements account for nearly twice the volume (66%) compared to inbound freight (34%). Companies report that their private fleets handle their finished products with a greater degree of care, pride and attention to detail than what is available in the for-hire market.

One of the more significant trends identified by the report is the growing professionalism exhibited by private fleet managers who are equally – if not more – concerned about optimizing the transportation solutions for their company, not just optimizing the private fleet. In fact, 45% of the respondents report operating a “blended” fleet. In these cases, dedicated carriers haul 22% of the inbound freight and 19% of the outbound freight. The remainder of the freight is hauled by commercial for-hire carriers.

This year, slightly more than one quarter of all private fleet miles run is reported as empty (27.8%), a slight deterioration from last year, when private fleets reported that one out of four miles run were empty. In 2005, the empty mileage ratio is 23%. To combat the slight increase in inefficiency as represented by the percentage of empty

2007 NATIONAL SAFETY CONFERENCE

NPTC will hold its fifth annual National Safety Conference September 13-14, 2007 at the Holiday Inn in Arlington, VA, just outside of Washington, D.C. The theme of the conference is “Building Blocks for Safety.”

“Private fleets have a well earned reputation for unsurpassed safety excellence,” said Charlie Rottmund, NPTC Director of Safety & Compliance. “Programs such as the National Safety Conference, in which leaders from throughout the industry share their insights, best practices, and winning strategies, are one of the reasons why.”

This highly acclaimed conference features a unique format of presentations, discussions with key government representatives, expert panels and problem solving workshops - all designed to provide attendees with insights into implementing strategic safety programs and lowering their cost of risk.

The program, which also features a tabletop exhibit and numerous networking opportunities, will focus on the following topics:

- Defensive Driving
- Technology Review
- Legislative and Regulatory Updates
- Driver Wellness Programs
- Driver Training and Recruiting

Fleet safety and security professionals interested in assessing safety best practices; exploring new options; reducing costs, enhancing their company's safety and security decisions; justifying expenditures in safety technology; or reducing accidents and injuries; are strongly encouraged to attend this conference.

For more information about the National Safety Conference, visit NPTC's website at www.nptc.org.

WEBINARS FOCUS ON IMPLEMENTING DRIVER PERFORMANCE TECHNOLOGY

Earlier this summer, NPTC teamed with J. J. Keller & Associates, Inc. to present two webcasts related to Performance Management Technology. The webcast, which was free for all NPTC members, drew a combined total of more than 150 listeners.

Technology is capable of addressing more aspects of the fleet operation and, as such, it is commanding an increasing share of the private fleet professional's attention. The first seminar addressed how fleets could build the case for technology, while the second dealt with implementation strategies, an ideal topic for those evaluating whether or not to add on-board systems or to upgrade or replace existing technology.

The webcasts can be downloaded for free from the following web address: <http://www.jjkeller.com/nptcinfo>.

COMING EVENTS

Mark your calendars now and reserve your space at the following upcoming events:

UPCOMING BOARD AND COMMITTEE MEETINGS

September 12, 2007 – Arlington, Virginia

NPTC 2008 PRIVATE FLEET MANAGEMENT INSTITUTE

January 12-16, 2008 – Jacksonville, Florida at the Crowne Plaza Jacksonville Riverfront Hotel

2007 NATIONAL SAFETY CONFERENCE

September 13-14, 2007 – Arlington, Virginia

NPTC ANNUAL CONFERENCE 2008

April 27 – April 29, 2008 - Cincinnati, Ohio at the Hilton Netherland Hotel and the Duke Energy Center

miles, half of the respondents in the survey report having for-hire authority.

Those fleets that have for-hire authority operate at an average cost per mile that is 5% better than the rest of the private fleet population. They also report seeing a 25% improvement in empty backhauls as compared to fleets without such authority.

While many private fleets list labor issues as a significant challenge, they nevertheless report retention and turnover performance far better than their for-hire colleagues. In fact, NPTC members report turnover of 14%, down slightly from the 16% levels recorded over the previous two years.

Part of the improvement in driver turnover can be attributed in the fact that driver pay (as reflected in W-2 annual wages) continues to increase. Starting pay for drivers crested \$47,000 for the year while the upper limit for the most experienced drivers maxed out at more than \$65,000 annually.

Yet another effective strategy private fleets have employed to help reduce their costs is the deployment of on-board technology to track and monitor their assets, driver performance, fuel economy, safety and on-time performance. The number of fleets deploying on-board technology continues to increase to 62% compared to 48% two years ago.

The results of this increased professionalism are impressive. Some 79% of the respondents report that they expect their fleet to handle more freight over the next five years. Compared to all respondents, those fleets expecting to grow reported lower turnover rates, higher technology penetration rate and greater efficiency (as expressed by cost-per-mile and more slip seating).

The message is clear: private fleets have responded to the dramatic challenges by delivering more value-added, integrated supply chain management and superior customer service at costs generally better than market rates.

CTP CLASS OF 2008 NOW FORMING

Candidates for the Certified Transportation Professional® (CTP) program are encouraged to register now for their places in the Class of 2008. The Eligibility Application deadline is October 1, 2007.

By earning the CTP designation, you join a group of transportation professionals who have made a commitment to the private fleet industry, to an ongoing pursuit of career advancement, and to continuing enhancement of their knowledge and skills. Top management will readily identify you as a professional with the experience and knowledge to direct and administer a private fleet, traffic, or transportation operation.

Since 1993, nearly 500 transportation professionals have earned the right to use the CTP® designation after their names. To learn more about the CTP® program, visit www.nptc.org, or contact Kristen Feeney at kfeeney@nptc.org or (703) 683-1300.

NPTC MOVES CORPORATE HEADQUARTERS

On Monday July 9, 2007, the National Private Truck Council moved its corporate headquarters to Arlington, VA. The new address is:

National Private Truck Council
950 N. Glebe Road, Suite 530
Arlington, VA 22203-4183

The main phone (703-683-1300) and fax (703-683-1217) numbers for NPTC will remain the same. However, individual staff phone extensions will change. Please check our website for more information at www.nptc.org.



**950 N. Glebe Road, #530
Arlington, VA 22203-4183
Tel: (703) 683-1300
Fax: (703) 683-1217
www.nptc.org**

YES, I'm interested in NPTC Membership!

Name _____ Title _____
 Company _____
 Address _____
 City _____ State _____ Zip _____
 Telephone _____ Fax _____
 Email _____