

## Trucking and Transportation Consulting Firm Ahern & Associates Announces 2014 Industry Highlights and 2015 Predictions

Notable points of 2014 include HOS changes, diesel price changes, software and technology, driver shortages, and more.

Phoenix, AZ (<u>PRWEB</u>) January 01, 2015 -- Industry-leading transportation consulting firm Ahern & Associates has announced some of the trucking and transportation industry's most notable points of 2014, along with some expectations and predictions for 2015.

Hours of Service (HOS) rules continued to put pressure on the industry over the year, as a declining availability of drivers has become an exacerbated issue only made more dire with the HOS changes that came in mid-2013. The American Trucking Associations predict that the industry will continue to experience a shortage in drivers. Currently, the ATA has identified that there is a shortage of about 30,000-35,000 drivers, a deficit that gets incrementally worse as time goes on. By 2025, the Associations suggests that the industry could be up to 232,000 drivers short. In order to combat the drop in drivers, the industry will need to look at adding nearly 100,000 drivers per year over the next decade. Back in July of 2014, Andy Ahern, CEO and Founder of Ahern & Eamp; Associates, advised that all carriers review each customer's rates, lane and fuel surcharges, maximize utilization of each truck, monitor how quickly customers pay, and raise overall rates for drivers.

"While the driver pool is aging and new drivers are not entering fast enough to satisfy demand, the Hours of Service ruling impacts the industry too because smaller carriers cannot continue to compete with all of the technology, EPA requirements, and CSA rulings and expect to survive," explains Ahern.

The dwindling presence and sustainability of those smaller carriers is another point that made its mark in 2014 for the industry. "If the FMCSA [Federal Motor Carrier Safety Administration] continues to utilize its pattern of aggression, it will drive many small carriers out of business. There have already been 10,000 additional trucks taken out of system the first quarter of 2014," he states. "What I don't think the legislatures understand, nor does the general public understand, is that with the new HOS rules, coupled with the chronic driver shortage and a weak economy, small carriers will not survive, which means that impacts the economy and ultimately, the consumer's pocketbook."

Technology is a third point of 2014 to be highlighted. "It's very important that all trucking companies treat each truck as a profit center," explains Ahern. He goes on to explain that freight brokers need to be able to calculate their bottom-line net profits for every shipment they handle, and there are software programs available that will measure their total cost of doing business.

"Too many times we make trucking more difficult than it is. Trucking is a cyclical business; it's a pennies business, and you must constantly adjust and readjust, based upon market conditions," he explains. Ahern, along with Analytical Management Techniques, offers an affordable, state-of-the-art software program designed specifically for trucking companies. More information on this and other industry software offered by Ahern can be found on the official Ahern & Samp; Associates website.

While the rising cost of fuel made headlines through much of 2014, the year comes to a close on a good note – according to the Department of Energy, the price of diesel has plunged 13.8 cents to \$3.261 per gallon as of December 22, 2014. The drop was the biggest in over six years, when diesel fell 14.5 cents on November 24,



2008. In fact, trucking's main fuel has dropped by 74 cents since March of 2014, when it peaked at \$4.021 per gallon.

So how does 2015 look for the trucking industry? Most experts and leading analysts agree that overall, 2015 will be a year of increasing truck tonnage, an increase in North American truck sales of 9 percent, and an increase in driver rates of about 3.2 percent. Diesel prices are also expected to decline in 2015, trucking companies will continue to vamp up recruiting and retention efforts, and the need for trucking companies to know the right information, the impact of the global economy and the necessity of embracing technology will be more important than ever.

Overall, the general outlook is seen as promising and growth-directed. Following suit, Ahern & Damp; Associates is looking forward to 2015 as its 28th year in business, and expects a year of growth and positive advancement.

For more information on Ahern & Samp; Associates or the software programs available for the trucking industry, interested parties can call 602-242-1030 or visit <a href="http://www.ahern-ltd.com">http://www.ahern-ltd.com</a>.

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About Ahern & Damp; 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. Since 1987, Ahern and Associates has aided hundreds of buyers in the acquisition of trucking and logistics companies throughout the U.S. and Canada as well as assisting many transportation and logistics companies in reducing their overall operating costs and increasing their profitability.



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