

The Future of Freight

2017 Rural Transportation Summit

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Arizona Trucking Association

- **Mission Statement**

- ATA's mission is to represent our members before legislative regulatory and enforcement agencies, to serve as the trucking industry's primary voice on transportation and other public policy issues and to provide members with cost-effective services that can help them comply with all relevant laws and



Advocacy



Promotion & Education



Safety



VRS & Discount Services



Certified Escort Training

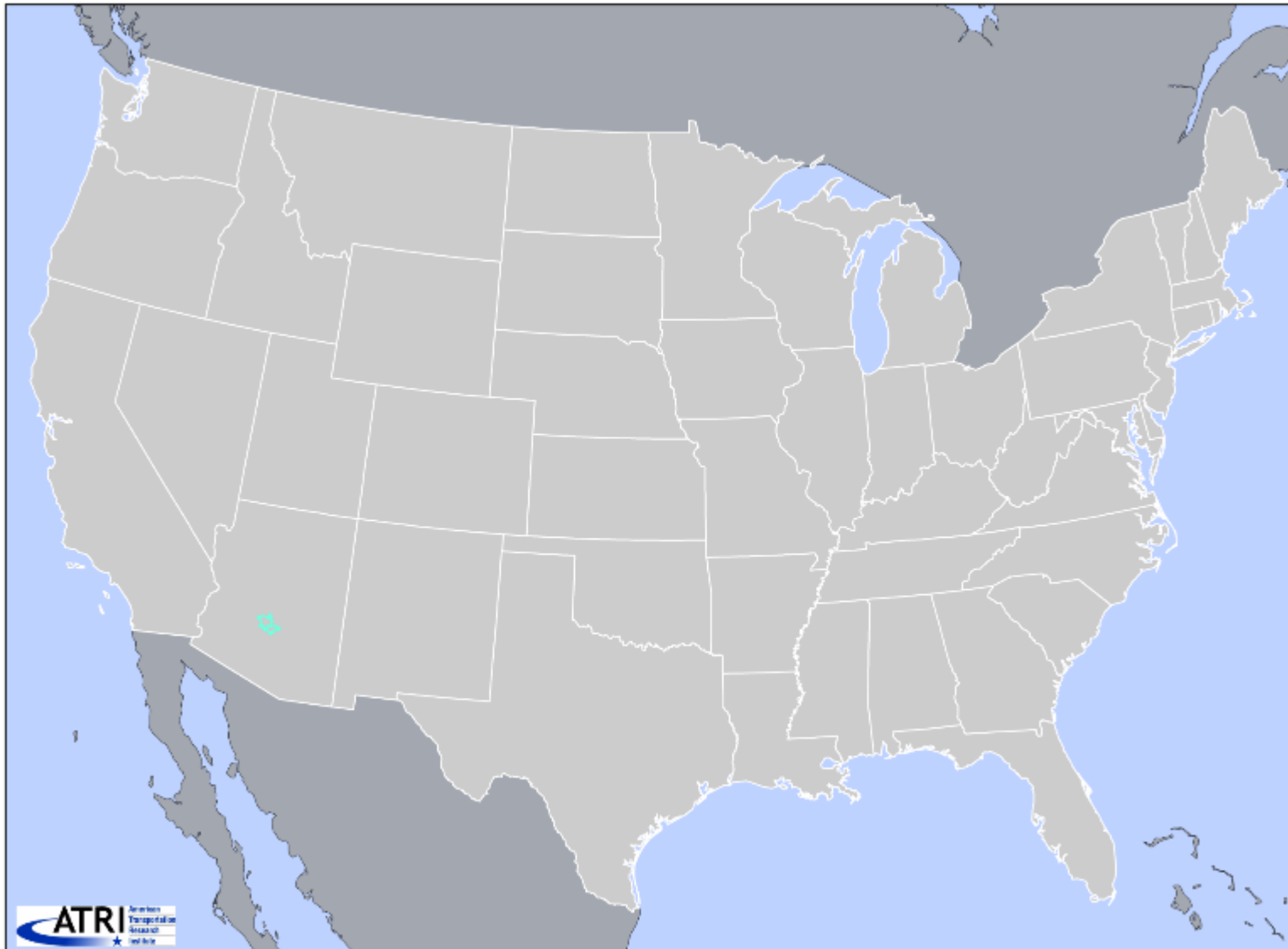


Networking and association

Arizona Trucking Industry

- **Employment**
 - 105,940 jobs, or one out of 21 in the state
- **Wages**
 - Wages exceeded \$4.7 billion
 - Average annual industry salary of \$44,459
- **Small Businesses**
 - 7,410 trucking companies in Arizona, most of them are small, locally owned businesses
- **Essential**
 - Trucks transported 86% of total manufactured tonnage or 127,886 tons per day
 - 84.7% of AZ depends exclusively on trucks to move their goods

Phoenix 1,000 Truck Sample



Same Trucks After 24 Hours



Same Trucks After 48 Hours



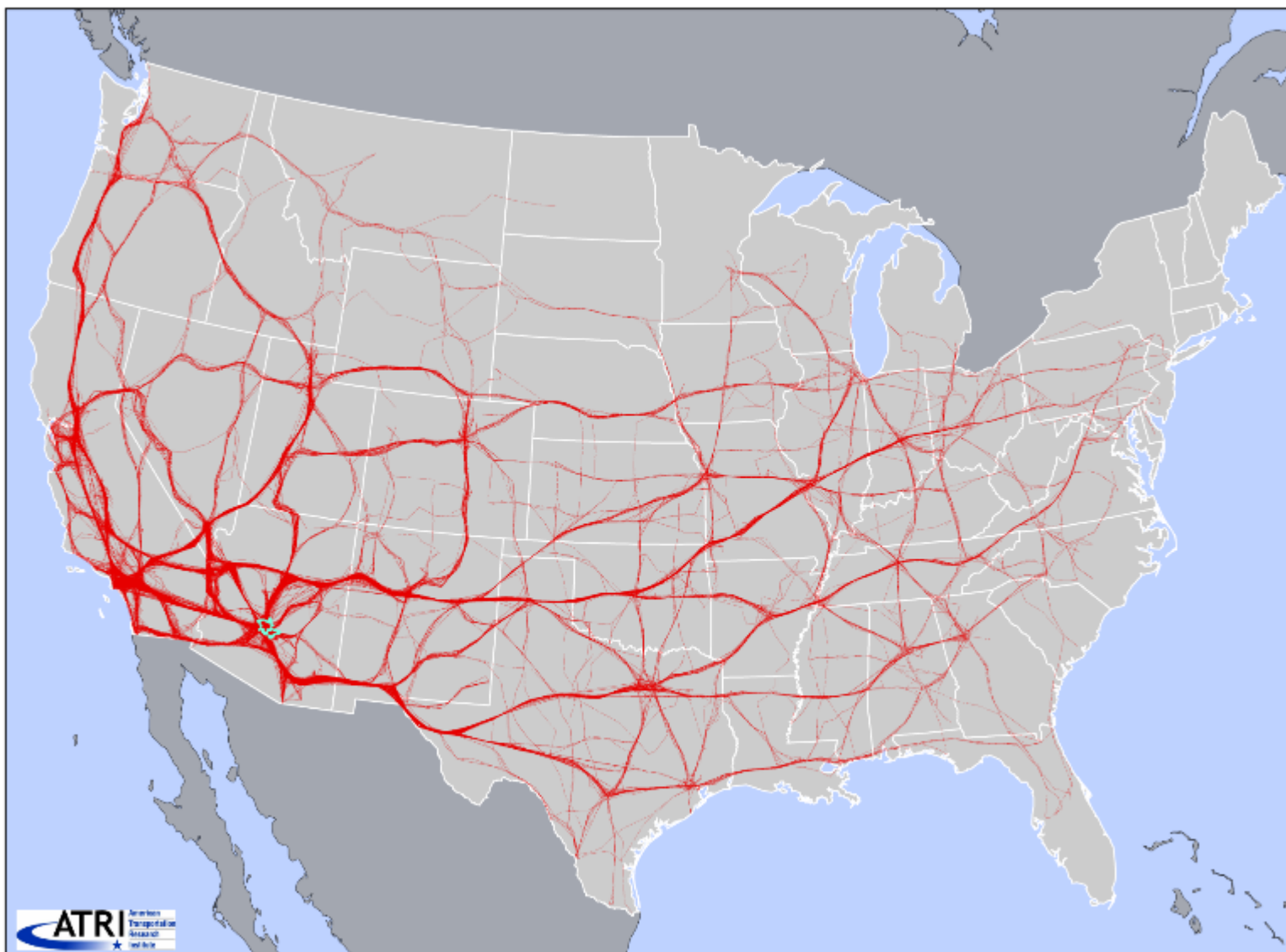
Same Trucks After 72 Hours



Same Trucks After 5 Days



Same Trucks After 7 Days



Trucks set to dominate US freight industry for next ten years

New report predicts rail will lose market share, but intermodal traffic will increase

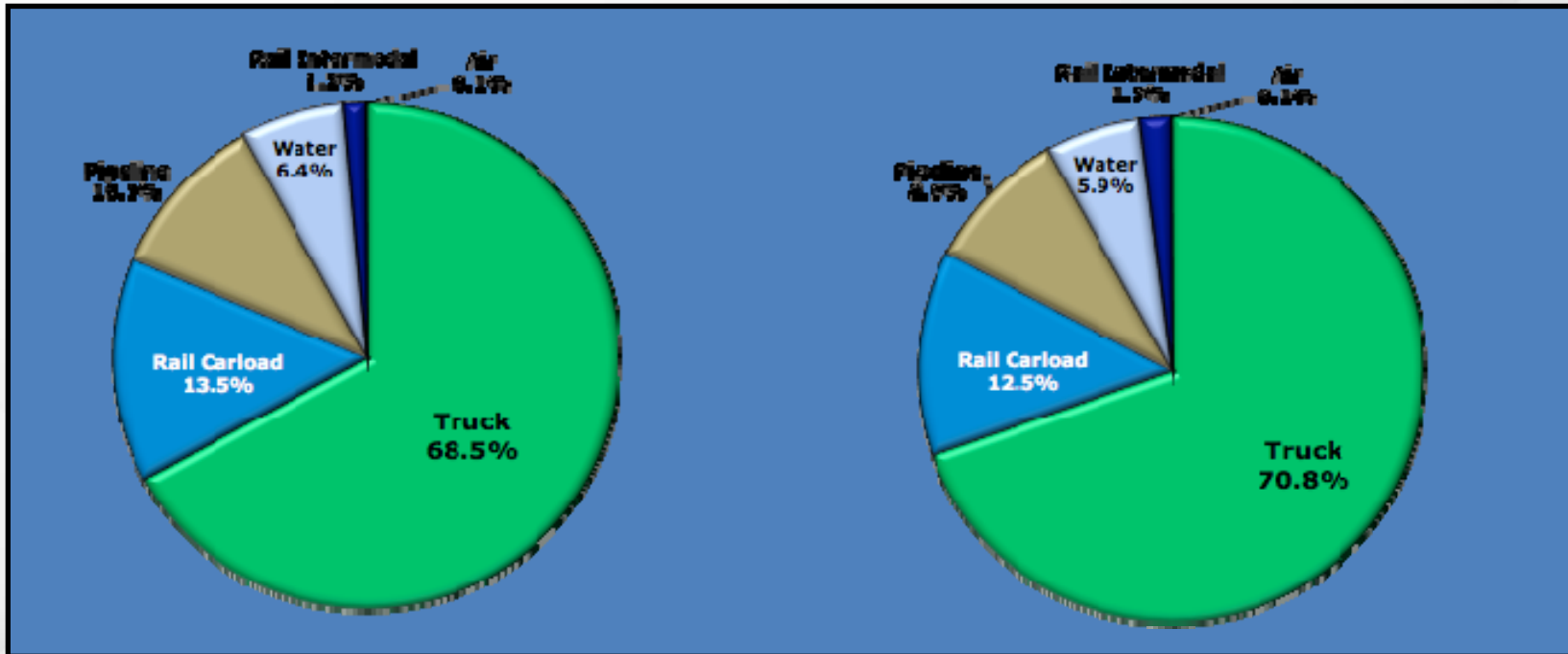
Trucking is expected to continue to "dominate" US domestic transportation over the next ten years, taking market share from the railway.

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Distribution of Tonnage by mode: 2012 vs 2024



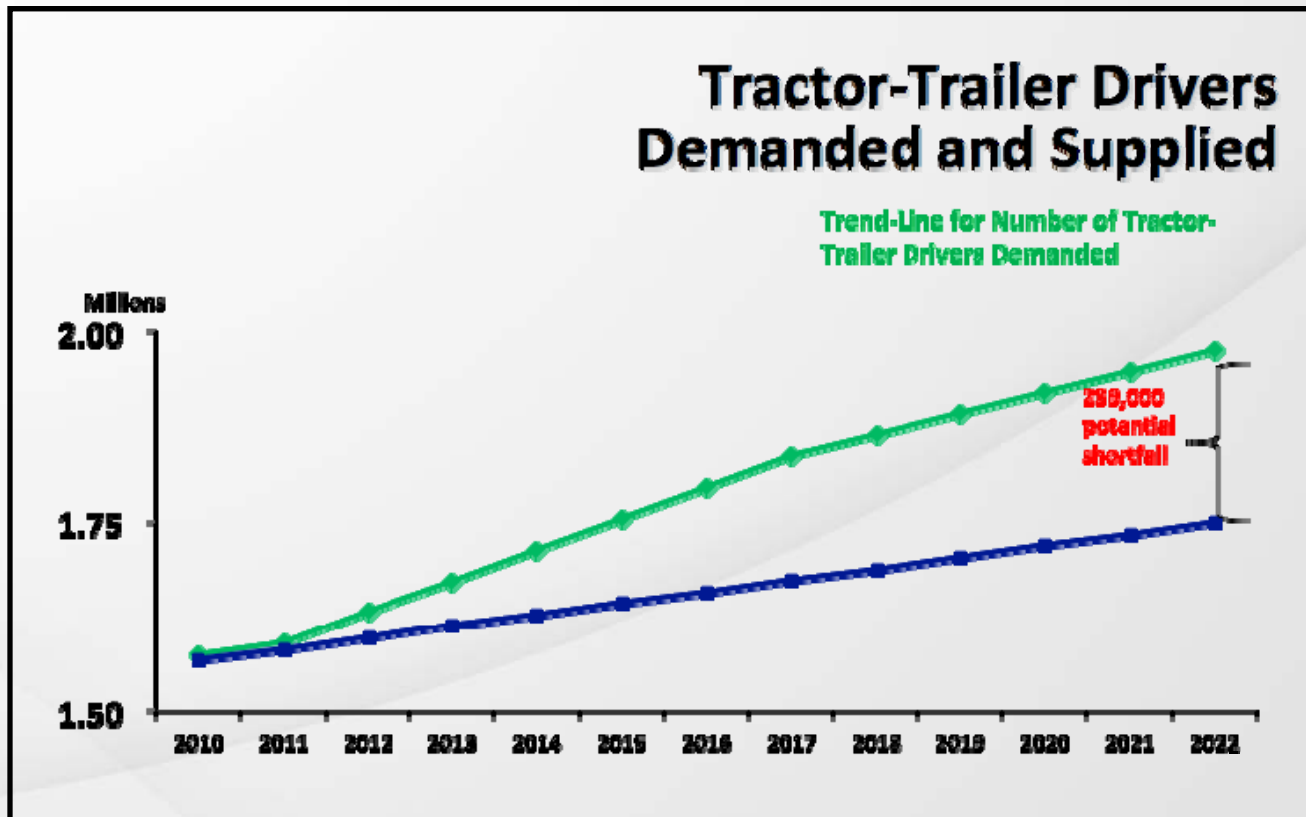
Source: American Trucking Association: See www.trucking.org for white-paper



“The Year 2000 will be the age of press-button transportation. Rocket belts will increase a man’s stride to 30 feet, and bus-type helicopters will travel along crowded air skyways. There will be moving plastic-covered pavements, individual hoppicopters and 200 mph monorail trains operating in all large cities. The family car will be soundless, vibrationless and self-propelled themostatically. The engine will be smaller than a typewriter. Cars will travel overland on an 18 inch air cushion.”

American Weekend Magazine, 1961

The Future: Driver Shortage



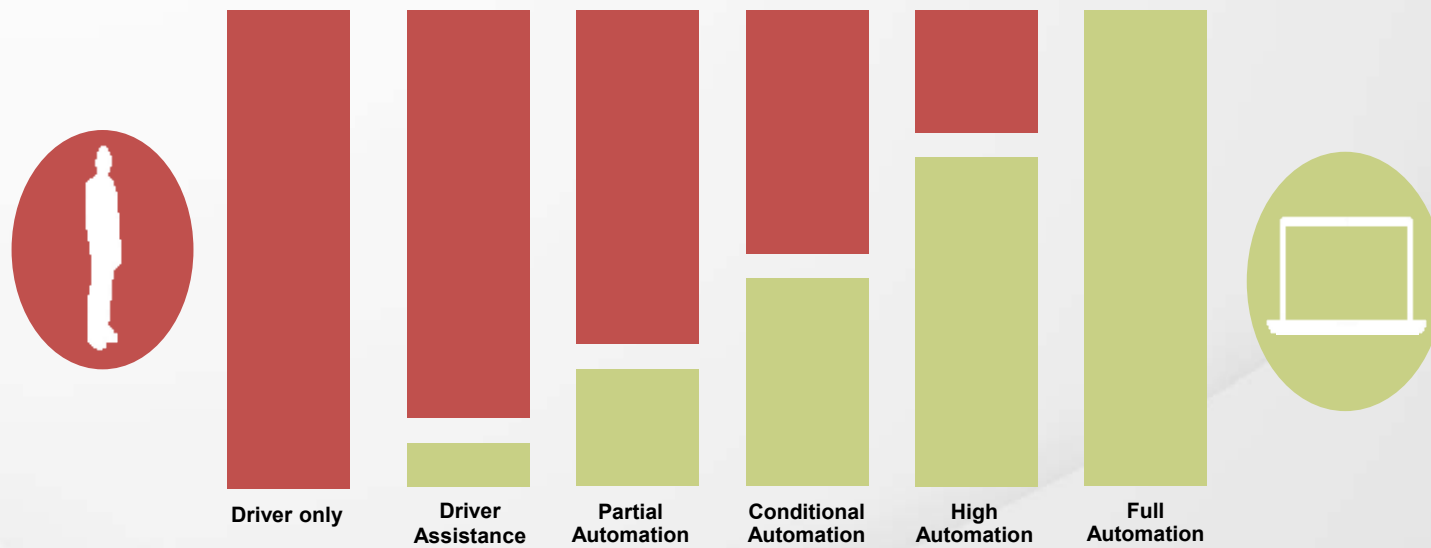
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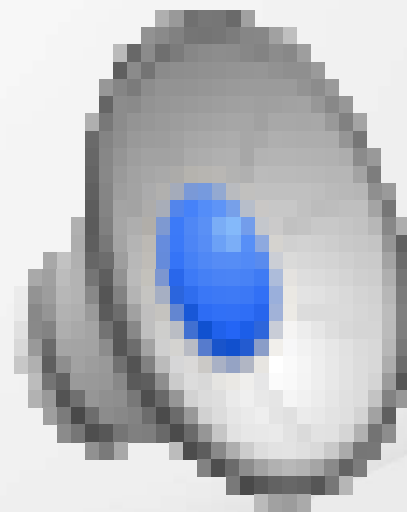


Arizona Trucking Association

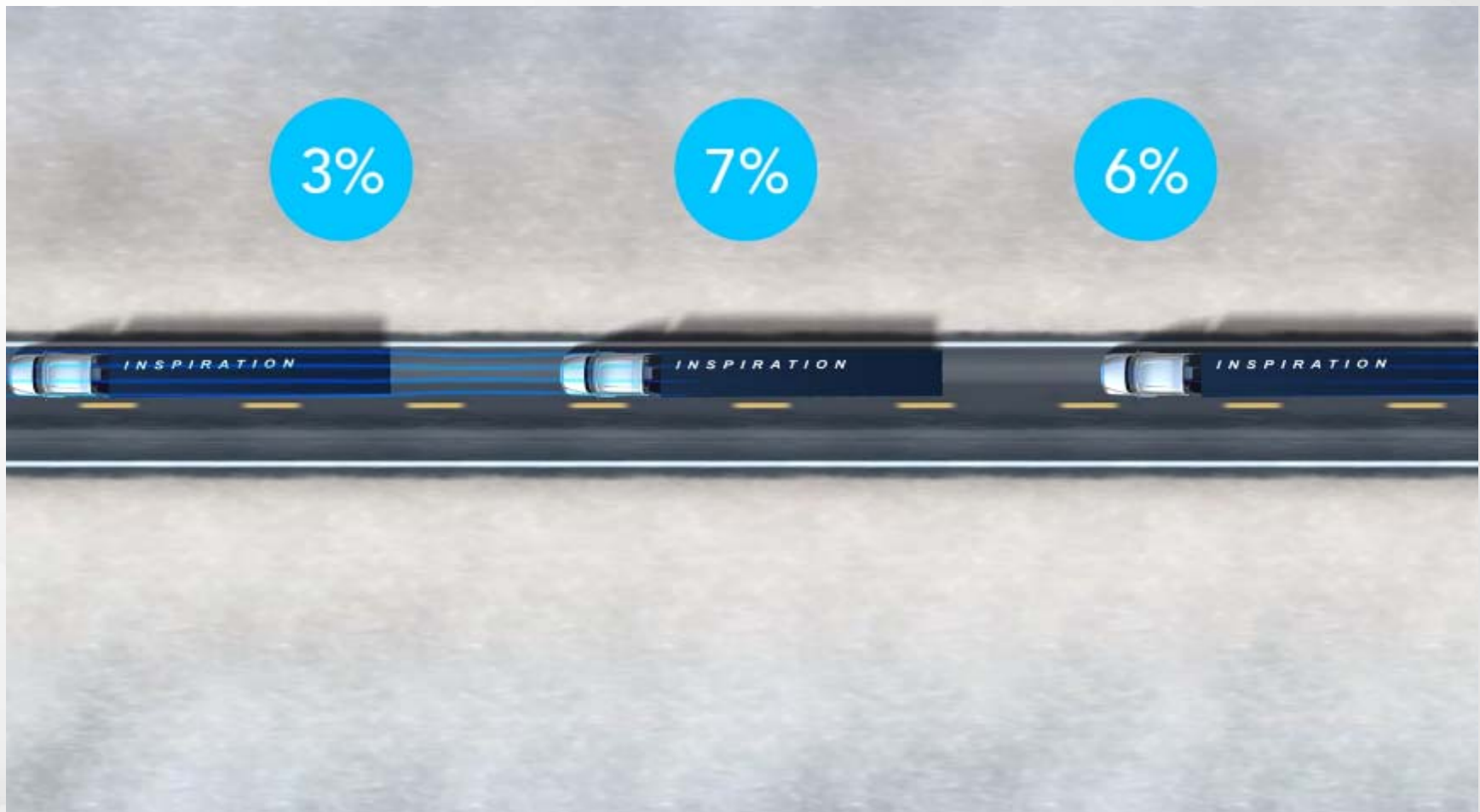
www.arizonatrucking.com

TECHNOLOGY BEING TESTED





Platooning Truck Technology



Deployment Challenges Remain

- Will Society accept the technology?
- How can we prove that this system-of-systems is safe enough?
- How can we secure the communication?
- Legal issues, driver, insurance, public acceptance, HMI, etc.?
- How will “model legislation” look to move this forward? What if there is conflicting legislation?
- NEED BETTER ROADS

More questions than answers



Trucking Capacity



Congestion Costs Money

Traffic Costs Truckers \$50 Billion Annually as Infrastructure Spending Lags

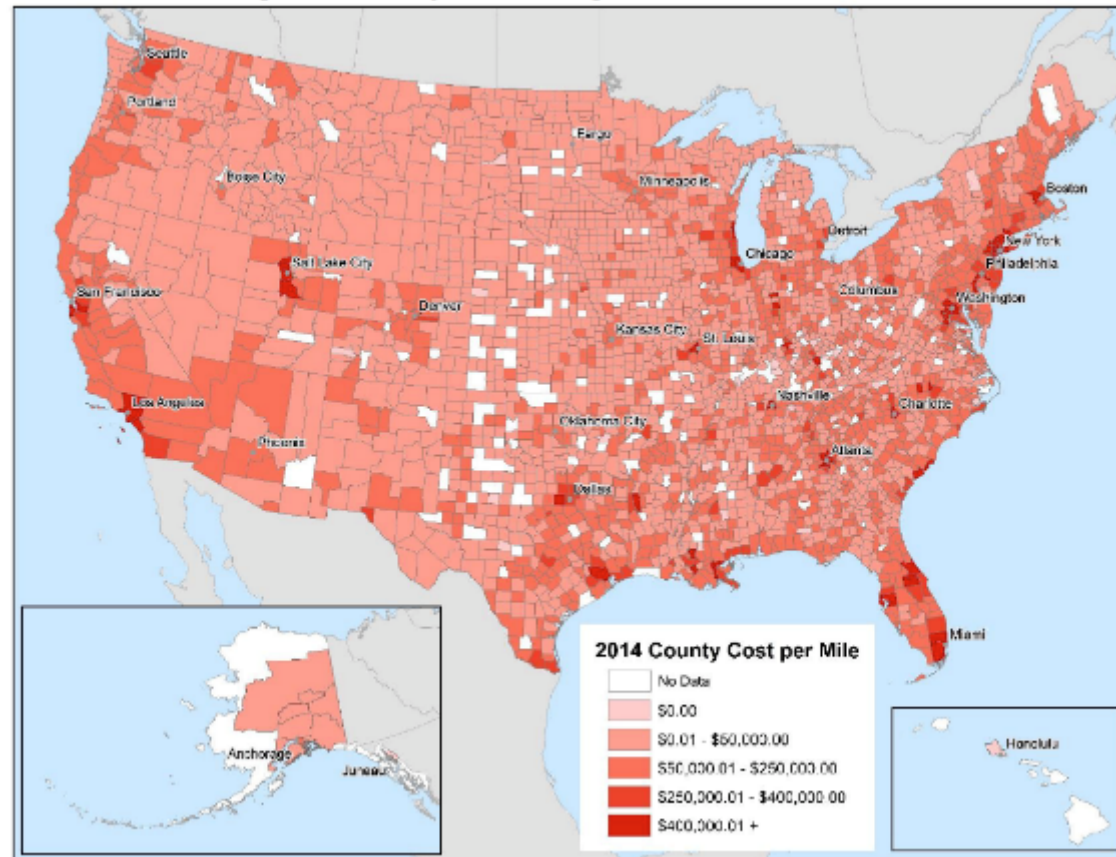
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The traffic congestion in Los Angeles is routinely ranked the worst in the country. (Photo: Luke Jones/Flickr)

Arizona Congestion Costs Trucking an Estimated \$463,002,645 year

Figure 11: County Cost of Congestion on a Per Mile Basis



Improvements to Key Commerce Corridors allow Arizona's economy to maximize its unique location.



Arizona's prime location between two existing major domestic markets in Texas and California and adjacent to the growing international market in Mexico is a key competitive advantage for our state.

Arizona Exports (\$ Billions)			
	2011	2012	Change
California	\$21.1	\$22.7	+8.0%
Texas	\$10.2	\$14.5	+33.0%
Mexico	\$3.6	\$5.6	+105%

Source: Bureau of Economic Analysis (BEA), U.S. Department of Commerce, Bureau of Economic Analysis, U.S. Department of Transportation, Bureau of Transportation Statistics, 2012-2013

California, Texas, and Mexico are Arizona's largest export trade partners. California and Texas represent over a third of all of Arizona's exports to all U.S. states.



How to solve the problem (part 1)

BE BOLD

**DON'T OVERTHINK
PROBLEM**

K.I.S.S.

How to solve the problem (part 2)

- **Efficient** - *Easy to administer and collect;*
- **Effective** - *Capable of raising the revenue needed;*
- **Enforceable** - *not reasonably open to evasion;*
- **Equitable** - *falling equally on similar situated taxpayers; and*
- **Nonintrusive** - *observant of taxpayers' concerns over privacy*

We might point out that the traditional fuel tax is, by these criteria, a good tax.

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