



Surface Transportation's New Reality

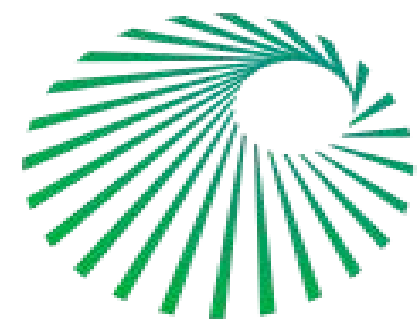
- * "This may well be one of the most unpredictable and quickly changing freight environments that many of us have ever experienced." — Doug Waggoner, Echo Global Logistics
- * "On some lanes you can go to 50 carriers and not get a yes." — Ben Cubitt, Transplace
- * "The trains are not running on time right now ... it's hard to make projections on when to move chassis in and have them ready." — Ron Joseph, DCLI
- * "I think, basically, motor carriers are optimistic they can find drivers. I don't think they're optimistic they can keep them." — Lana Batts, Driver IQ
- * "There are going to be times in which we will have to do unique things to provide capacity that comes with an additional cost." — Brian Meents, Hub Group

Rate Pressure Rising Across the Landside Landscape

- * Trans-Logistics Group North American Truckload Rate Index shows 17-25% annualized increase on average across 14,700 lanes in January
- * DAT Solutions US average dry-van truckload spot rate up 59 cents year-over-year in January at \$2.26 per mile
- * Cass Truckload Linehaul Index up 6.5% in January, Intermodal Pricing Index up 5%
- * InTek Domestic spot intermodal rates up 29% year-over-year Feb. 20

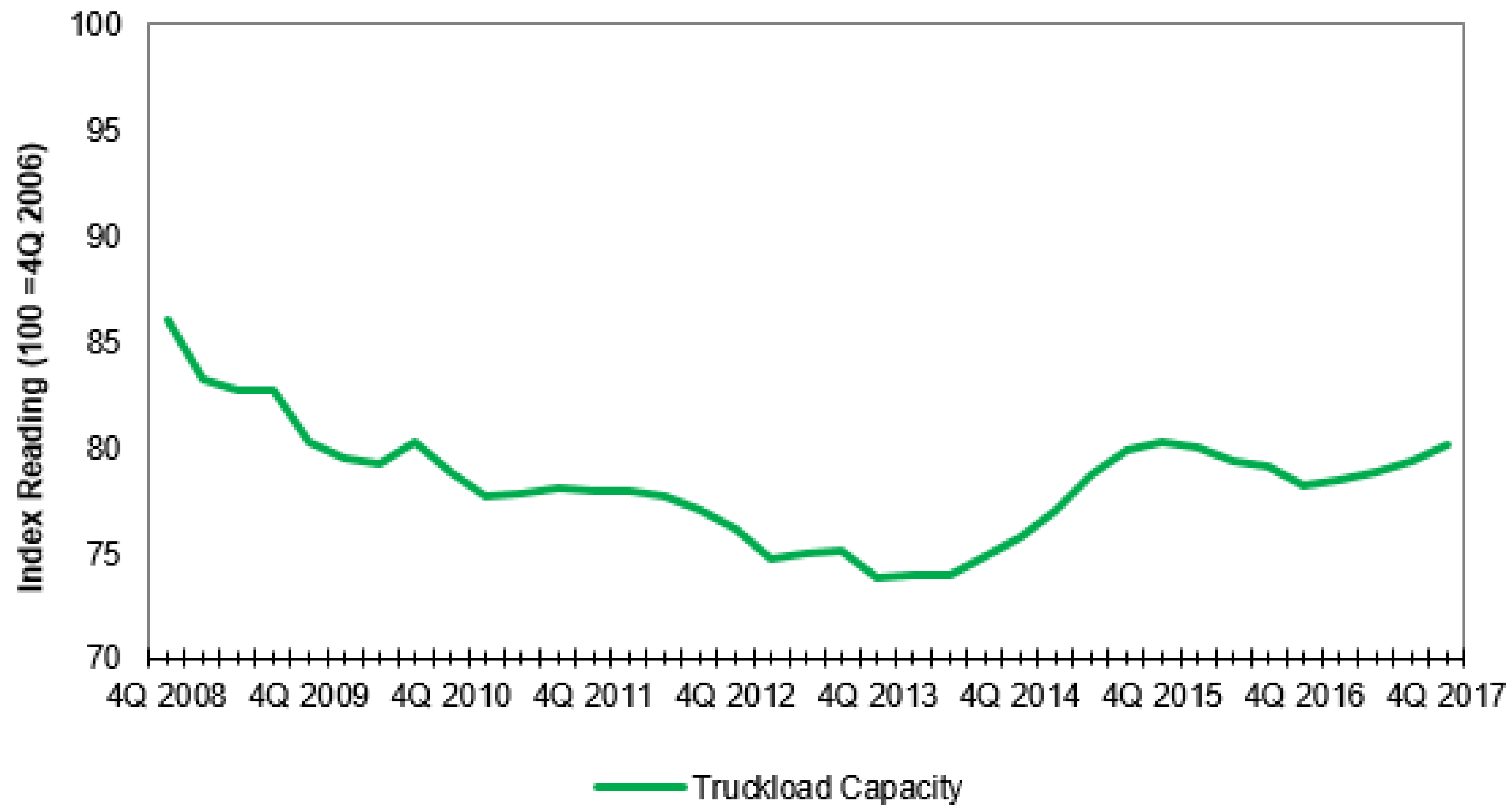
Components of Capacity: More than assets

- * Trucks
- * Trailers, Containers, Chassis
- * Terminal Doors
- * Warehousing Space
- * Drivers, other workers
- * TIME



Large truckload fleet truck capacity not far from low mark

JOC Truckload Capacity Index



Source: Company reports, JOC analysis

© 2018 IHS Markit



“We’re no longer going to be able to push the easy button.”