



# ROAD TALK

VOL. 21, NO. 1 / MARCH 2017

AN OFFICIAL PUBLICATION FOR TRUCKING PROFESSIONALS

## Trucks vs Trains

### Trucks losing ground at ports

Losses by container carriers last year are expected to be in the \$5 billion to \$10 billion range. In response, shiplines and port authorities around the world are making significant adjustments to their facilities, equipment and business operations in order to compete in a rapidly changing environment.

Throughout the past year, the shipping industry has endured low freight rates, weak demand, and overcapacity. Large mergers and acquisitions that appear to be strategic tactics are looking more like survival moves to avoid a financial collapse as was the case with Hanjin Shipping.

Larger ships that require wider, deeper waterways and more vertical bridge clearance were mostly located in Asia and Europe, but are becoming more commonplace in the U.S. and adding to the woes of an already unstable market.

The Panama Canal having recently created a new wider set of locks has paved the way for these megaships. Today's vessels are able to transport 18,000 TEUs, more than double

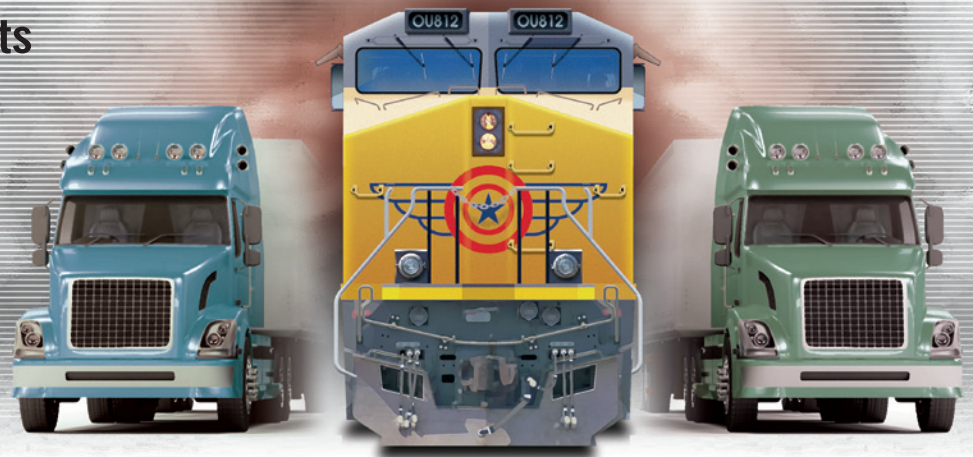
the average of just a few years ago. Port authorities are very aware that larger ships translate into fewer port calls giving them more of a reason to use every creative solution possible to be the port of choice. This means upgrading their facilities to accommodate the larger ships, increasing efficiency within the port, reducing congestion in and around the port for faster cargo movement and creating less in-berth time.

What are ports doing specifically? Currently, they are: constructing bigger bridges; upgrading cranes that can reach across 22 or more rows of containers at 20 stories high; deepening and widening channels; increasing rail length and double stacking rail cars; reducing truck traffic

on port roads and adjacent roads; setting appointments for pickups; moving more containers by rail instead of drayage trucks; and introducing autonomous drayage vehicles. In addition to these efforts, ports are faced with community concerns over the environmental impacts of ships and trucks. In response, they have initiated environmentally-friendly programs that ban certain trucks from entering the ports, require ships to use electricity to power their vessels while berthed and are quickly moving towards a zero-emission environment.

The long-term effect of these changes reveals a significant reduction in the role of the trucking industry in the areas surrounding the ports. Take for example,

Continues on pg. 4



# CARGO SECUREMENT



You've likely been trucking for many years and securing cargo is second nature to you, but according to our claims and loss prevention teams, even the best of us need to review the basics from time to time. Properly securing a load is critical to the protection of the cargo, your safety and safety of those you share the roads with. Be sure you know the legal requirements and account for ample time to do the job right.

Whether you have a flatbed trailer or van, cargo must be secured against movement in all directions. Per federal regulations, each cargo securement system must be able to withstand a minimum amount of force in each direction. Forward Force - 80% of cargo weight; Rearward Force - 50% of cargo weight; Sideways Force - 50% of cargo weight; and Upward Force - 20% of cargo weight.

To start, you'll need to know three things: the cargo weight; the Working Load Limit (WLL) of your restraints; and the Aggregate Working Load Limit (AWLL). The WLL is the maximum load that may be applied to a component of a cargo securement system (tiedown, chains, etc.). The WLL is usually labeled on the component. However, you can check Default WLLs for unmarked tiedowns in the FMCSA Driver's Handbook on Cargo Securement. The AWLL is the sum of the WLLs of each device used to secure an item to a vehicle. Federal regulations require the AWLL to be at least 50% of the weight of the cargo being secured.

In general, when each end of a securement component is anchored, you will simply add the WLL of that component to the subtotal to get the AWLL. However, there are some exceptions, so to calculate the AWLL, add together: 50% of the WLL

of each end section of a tiedown that is attached to an anchor point and 50% of the WLL of each end section that is attached to, goes over, around or through the cargo. **IMPORTANT:** If you are using securement devices with different WLLs, failure is most likely at the weakest point, so never use more than the lowest WLL to calculate the AWLL.

When cargo IS NOT PREVENTED from forward movement (by the headboard, bulkhead, other cargo, or tiedown attached to the cargo), secure the cargo according to the following requirements: 5 ft or shorter and 1,100 lbs. or lighter use a minimum of 1 tiedown; 5 ft or shorter and over 1,100 lbs. use a minimum of 2 tiedowns; more than 5 ft but 10 ft or less use a minimum of 2 tiedowns; longer than 10ft use 2 tiedowns plus 1 for every additional 10 ft, or part thereof. When cargo IS PREVENTED from forward movement (by the headboard, bulkhead, other cargo, or tiedown), secure the cargo with 1 tiedown for every 10 ft or part thereof.

- One twist in your tiedown strap between the top of the load and the trailer can reduce vibration and stress on the strap.
- Do Not tip load hooks. The latch must never support the load.
- Tiedowns should be fastened inside of trailer rails whenever possible.

Tiedowns attached to the cargo work by counteracting the forces acting on the cargo. The angle where the tiedown attaches to the vehicle should be shallow (ideally less than 45°). To counteract movement, attach the tiedown so it pulls the cargo in the opposite direction of the expected movement. Example: to counteract rearward movement, attach the tiedown so it pulls the cargo toward the front of the vehicle.

Edge protection is extremely important to the protection of the cargo and must be used if a tiedown could be compromised when touching an article of cargo. The edge protection itself must also resist crushing, cutting, and abrasion.

## Proposed Rule issued Vehicle-to-Vehicle Communications

The National Highway Traffic Safety Administration has published a Notice of Proposed Rulemaking to establish a new federal motor vehicle safety standard mandating vehicle-to-vehicle (V2V) communications for new light vehicles and standardize the message and format of those transmissions.

V2V communication lets vehicles broadcast their position, speed, steering-wheel position, brake status, and other data to other vehicles within a few hundred yards. Other vehicles within range can use this information to forecast trouble and alert their drivers. Onboard computers process the data being broadcast by other vehicles 10 times every second seeking out scenarios that may lead to a collision. Warnings could come in the form of flashing lights and/or voice announcements and vibrations - one could only imagine the arcade like scenario driving around a major city. The downside of this technology would be the limited communication sent and received until more vehicles are equipped with the onboard devices.

The agency believes that V2V has the potential to revolutionize motor vehicle safety by providing drivers with timely warnings of impending crash situations.

Comments must be received on or before April 12, 2017 (Docket No. NHTSA-2016-0126).

Some articles have a tendency to roll. To prevent rolling, provide more than one point of contact: Lift the cargo off the deck AND/OR place chockes, wedges, a cradle, or other equivalent means that prevent rolling. The method used to prevent rolling must not become unfastened or loose while the vehicle is in transit and must be secured to the deck. For articles that have a tendency to tip: Prevent tipping or shifting by bracing the cargo (reduce instability and flexibility).

Lastly, while you cannot inspect the inside of sealed loads, you should check that you don't exceed gross weight and axle weight limits. If the trailer you're hauling is loaded but not sealed, always ensure that the contents are secured properly.

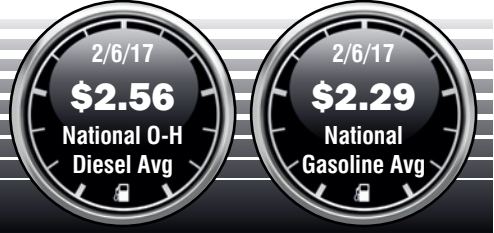


# FUEL UPDATE

## According to the U.S. Energy Information Association (EIA),

U.S. regular gasoline retail prices averaged \$2.35 per gallon in January, an increase of 10 cents/gal from the December level. EIA expects gasoline prices to fall to an average of \$2.27/gal in February. Retail gasoline prices are forecast to average \$2.39/gal in 2017 and \$2.44/gal in 2018.

U.S. average low-sulfur diesel fuel prices averaged \$2.58/gal in January and is on the decline at \$2.51/gal for the first week of February. On-highway ULS diesel prices are forecast to average \$2.72/gal in 2017 and \$2.85/gal in 2018.



On-highway Diesel Fuel Prices			
Region	2/6/17	1/9/17	2/8/16
East Coast	2.618	2.648	2.087
New England	2.661	2.677	2.201
Central Atlantic	2.763	2.813	2.224
Lower Atlantic	2.508	2.526	1.959
Midwest	2.492	2.547	1.929
Gulf Coast	2.403	2.448	1.896
Rocky Mtns	2.515	2.541	1.914
West Coast	2.856	2.873	2.236
California	2.944	2.953	2.369

Prices listed above are diesel averages in dollars per gallon.

Up-to-date statistics are available from the Department of Energy at [www.eia.gov](http://www.eia.gov).

# America's Aging Infrastructure

The U.S. has a failing infrastructure and we have to find a way to pay to upgrade it now. That was the reoccurring message delivered during a recent Senate hearing on *Building a 21st Century Infrastructure for America*.

According to the Senate panel and those testifying before the panel, underdeveloped ports, failing locks, constrained rail, crumbling bridges, congested roads and insufficient waterways are all part of an aging U.S. infrastructure that is straining to meet the demands of the 21st century population and commerce. Testifying before the panel, AFL-CIO President Richard Trumka provided an estimate that the U.S. infrastructure deficit is approaching \$4 trillion.

Five experts representing different areas of the U.S. economy were on-hand to opine on the state of the country's network of movement and industry. During the hearing there were suggestions on how to relieve stress and congestion throughout the network, but in no way did anyone suggest that stress relievers would fix the underlying and costly need for maintenance and upgrade. Conversely, David MacLennan, CEO of Cargil (representing food and agriculture) stated that the consequences of inaction will have a rippling effect all the way up the supply chain. MacLennan made specific reference to the devastating effect on corn prices paid to farmers following hurricane Katrina in 2005 that represented \$3 billion in lost market value.

Like a broken record from previous hearings, the consensus was that the country's infrastructure is deficient, but funding the effort to fix it remains elusive. The favored method of payment discussed during the hearing was an increase in the federal fuel tax indexed for inflation and a user fee to address those that are less reliant on fuel but no less reliant on the system. Fedex CEO, Frederick Smith stated "the entire country is moving away from internal combustion engines" making the current fuel tax insufficient. Additionally, he suggested the use of RFID modules on vehicles to track distance traveled as a way to calculate the user fee.

As part of his first 100 days in office, President Trump has pledged to fill the \$1 trillion gap noted by the National Association of Manufacturers as improvements needed to our transportation systems over the next 10 years. We can only hope that not only will this happen within that time, but it will happen in a manner that brings the country together. That would be Huge.



**AMERICAN HIGHWAY  
CARRIERS ASSOCIATION**  
P.O. BOX 3190  
CERRITOS, CA 90703-3190

4 Roadtalk Newsletter

## TRUCK vs TRAINS

(Continued from pg.1)

the California port of Long Beach which is spending \$1 billion to upgrade its rail program for the Pier B Rail Project. This project seeks to allow 10,000 feet of track with doublestacked rail cars. Per the port, currently each train loaded on-dock eliminates up to 750 truck trips from local freeways. One container ship entering the Port generates as much as five trains' worth of intermodal cargo. By using on-dock rail, the Port expects to eliminate 3,750 truck trips for every vessel call. Currently, 25% of the port's containers leave the terminals via ondock rail, the goal is to double that amount.

At the port of Savannah, GA the Georgia Port Authority broke ground last month on a new inland terminal – the Appalachian Regional Port. Port officials estimate the CSX rail route from the new terminal will reduce Atlanta truck traffic by 50,000 moves annually. Per the port, each container moved by rail from the inland terminal will offset 355 truck miles on Georgia highways.

The port of Miami touts its rail over trucking boasting “absolute lead times that match or exceed those of trucking, but with greater reliability and reduced carbon emissions.”

There's a new breed of ships making berth at ports around the world and port authorities are doing whatever it takes to get their business. Unfortunately, the trucking industry looks like it will take a big hit from rail service in and around the ports in the coming years.

### SUPPLEMENTAL NOTICE

## FMCSA to Address Carrier Fitness

The Federal Motor Carrier Safety Administration (FMCSA) has announced that it will file a Supplemental Notice of Proposed Rulemaking (SNPRM) in regards to a motor carrier's safety fitness determination. FMCSA published a NPRM in January 2016 with the extended comment period ending in June. The Agency now states that the SNPRM is the appropriate next step in order to evaluate and possibly incorporate comments received, and to address recommendations from a study conducted by the National Academy of Sciences (NAS) on the CSA program. The SNPRM allows for comments when significant changes have been made between the NPRM and the final rule. Considering the change in the country's Adminsitration, it is unclear when the SNPRM will be filed in the Federal Register.

Docket No. FMCSA-2015-0001