

Motor Carrier CSA Perspectives

A few interesting observations from carriers regarding CSA. Particularly interesting is the difference in perspectives from a large carrier vs small carrier viewpoint.

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ATRI Research Reveals Motor Carrier CSA Perspectives

The American Transportation Research Institute (ATRI) has released a report detailing the impact CSA has had on the daily operations of trucking companies.

The ATRI report also describes and analyzes motor carrier attitudes toward and comprehension of FMCSA's new regulatory program, based on survey data collected from 695 motor carriers.

While first year CSA impacts have not been dramatic, **carriers who self-reported having one or more BASICS above threshold were markedly more likely to experience negative changes to their shipper and broker utilization, and insurance rates.**

While insurance costs have remained largely unchanged in CSA's first year of deployment, a small proportion of carriers (12.2%) who did experience a change almost equally reported insurance costs rising versus lowering since CSA's national implementation.

This certainly makes sense. Insurance carriers are going to either minimize their risk by not insuring violators at all OR be adequately compensated for taking more risk with carriers who have violations above threshold. Many in the industry believe that eventually insurance carriers will place a heavy value on carrier CSA scores as a means to reflect safety and risk. If this does indeed happen, along with all the other issues facing poor performing carriers, insurance may well be the straw that broke the camel's back in putting them out of business.

It also appears that smaller carriers are more closely scrutinized than their larger counterparts even though they had fewer self-reported BASICS above threshold. **This is not particularly surprising. The larger the carrier, the more visibility and inspections they incur; consequently these larger companies especially asset-based carriers have more resources to invest in safety and will do so in order to remain viable.**

Large carriers, on average, had a greater number of self-reported BASICS above threshold than carriers with smaller fleets, the report notes. Yet, after controlling for the number of deficient BASICS, fleet size was inversely related to shipper utilization, broker utilization, insurance costs and requests for non-public BASIC scores. This means that, safety profiles being equal, small carriers are more scrutinized and less utilized as a result of CSA.

Overall, however, most carriers believed CSA represents an improvement over SafeStat, and that it will remove unsafe carriers and drivers from the industry and improve safety. Carriers also displayed a high level of knowledge on ATRI's 14-item CSA knowledge test, although knowledge varied with certain carrier traits and attitudes.

This is the second release by ATRI examining CSA impacts; earlier this year ATRI

released the results of its commercial driver CSA survey.

"Our plan is to conduct both of these CSA surveys annually," commented Rebecca Brewster, ATRI President and COO, "and believe that both surveys will become key annual indicators of CSA impacts and progress over time."

Later this year ATRI will release its full CSA study, juxtaposing carrier and driver CSA impacts, along with additional CSA statistical analyses.

A copy of the motor carrier and driver survey results are available from ATRI at www.atri-online.org.

Highlights

* More than 70 percent of carriers reported having no safety concerns under the former system, SafeStat; however, half of all respondents now have at least one BASIC above threshold. **With more safety categories being measured, it is not surprising that more carriers are now experiencing potential problem areas.**

* For the most part, CSA has not been influential in carrier decisions to utilize onboard technologies in their fleets. In fact, nearly all carriers reported that they had chosen to implement or not implement their respective technologies prior to CSA and have not changed course as a result of the program. The only three exceptions to that general rule included electric onboard recorders; speed limiters; and tire pressure monitoring systems, which 19.3%, 14.8% and 6.8% of carriers began deploying due to CSA, respectively.

Interesting statistics. While Melton had already planned to implement EOBRs on all trucks, the advent of CSA did encourage us to accelerate our conversion to electronic logs. Melton has taken advantage of speed limiters and tire pressure monitoring systems for several years.

* Since CSA began, more than half of the motor carriers surveyed indicated that they have elevated or otherwise altered their hiring standards. For instance, nearly 70% of carriers have begun using the Pre-Employment Screening Program (PSP) as part of their hiring process. 37% use PSP for all applicants, while 9% said they had no plans to use PSP data. Further, 23% said they hadn't yet used PSP data yet but plan to start. **Regardless of CSA, recruiting and hiring quality drivers has become increasingly difficult for the past several years. Melton uses Pre-Employment Screening Programs extensively to assist in better pre-qualifying driver candidates.**

Of the 32 percent of carriers who are not yet using PSP, three primary reasons were cited. After factoring out the 7.2% of carriers who have not used PSP because they have not done any new hiring since the program's initiation, roughly a third of the respondents choosing not to use PSP felt that the fees associated with pulling PSP records were too high; another third were comfortable with their existing hiring practices.

* Attitudes toward CSA are more positive than negative, though less positive in terms of FMCSA allowing shippers, brokers, insurers and the general public to have access to the data.

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