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## ELDs THE EXTRA BENEFITS




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# ELD<sub>s</sub>

## THE EXTRA BENEFITS



Photo: DQ Technologies

BY MICHAEL CATAREVAS, MANAGING EDITOR

Now that the mandate for ELD usage is underway, fleets and drivers are discovering additional gains, both subtle and obvious, gleaned from the devices.

These days, ELDs mean different things to different people. For some they're Error-Laden Drags. To others—Excellent Little Doo-hickies! It all depends on who's judging.

Of course, ELDs (electronic logging devices) have been making news for over a year now, since officially becoming part of the trucking industry lexicon last Dec. 18, when their usage was mandated for most commercial truckers by the Federal Motor Carrier Safety Administration (FMCSA) and Dept. of Transportation (DOT) in order to improve road and personal safety. ELDs have generated a lot of talk, action and reaction. Various organizations and associations have sought exemptions and delays in having to use them, mostly without success. There have been exemptions for short-haul operations within a 100-air-mile radius and agricultural operations within a 150-air-mile radius.

"If all you see in ELDs is a tendency to generate extra costs and remove truck capacity from the market, you're focus-

ing on the wrong things," said Will Salter, CEO of Paragon Software Systems, which provides routing and scheduling software used by global transportation operations. "There's a fantastic opportunity to drive significant improvements for everyone by mining the rich data from ELDs. Using routing and scheduling software, that information can be leveraged to create unprecedented levels of efficiencies in truck operations."

Reza Hemmati, vice president of product management at Spireon, which produces fleet and trailer tracking software, is in agreement.

"Telematics data allows fleets to evaluate load margins, improve asset utilization, understand loading and unloading habits of customers to reduce detention time, and reduce the cost of insurance," he explained. "The combination of ELD and telematics data offers a new world of possibilities for fleets to improve safety, efficiency and their bottom lines, and the industry is still very ripe for innovative ways to further achieve these goals."

Some benefits, such as improved safety, reducing driver time on deliveries, and the administrative tasks related to logging, were anticipated when ELDs were legislated on to trucks.

While many long-time truckers have grouched over having to change course from notating their data in paper logbooks well into their careers, *Fleet Owner* was told by ELD manufacturers, trucking firm executives, and technology consultants that there are many more gains from the devices than had been expected.

Here are their thoughts on the benefits, intended and otherwise.

**• More data means more ways to perfect the system.** "Fleets which have gone the full-featured ELD route now have a ton of data on fleet operations that they didn't have before," noted Brian McCoy, vice president, MiX Telematics, a global provider of fleet management, driver safety, and vehicle tracking services and solutions. "That's enabling them to drill down and find additional opportunities for improvement; preventive maintenance, scheduling, staffing, you name it. Data and measurement are crucial for operational improvement."

Eric Witty, vice president of product at Trimble Transportation, which provides integrated onboard computing and

*"The GPS tracking capabilities on ELD systems should help with flexibility."*



mobile communications systems enabling fleets to get data-driven business intelligence, noted that more than the driver and fleet owner can benefit from ELDs.

"Adding them can provide data to make better decisions and be more efficient," he said. "In addition, if the right product is purchased, the ELD technology can be a platform that opens the door to using third-party applications, customer-created applications, and other features that the technology itself enables. ELD products are becoming more open and collaborative and enabling technology versus the traditional purpose-built systems of the past. In other words, buy the right system and you can get ELD and other telematics capability, but the door opens to integrate and enable solving new and future problems because of the new technology."

Taken a step further, Ozzie Flores, marketing and product manager, Teletrac Navman, which provides cloud-based GPS fleet-tracking software, said that "the GPS tracking capabilities on ELD systems should help with flexibility as it gives carriers better insight into where a driver is located and why a driver is in a certain situation in regard to their shipments.

"Notation capabilities through ELDs allow fleet managers and carriers to see if a driver is stuck in traffic or off the road due to adverse weather, off duty at shops for repairs, or waiting to load or unload, which can build the case for revisiting the

splitsleep berth provision," he continued.

• **Easier to pinpoint route problems and other issues.** "ELDs are showing carriers where the inefficiencies and delays are in their customer bases and routes, if they are looking," said Thomas Bray, a transportation industry consultant with J. J. Keller & Associates Inc., which provides electronic logging and mobile technologies, training materials and tools, consulting, and managed services. "Progressive carriers are using this data to drive discussions with their customers and drivers.

"Other carriers have seen the introduction of the ELD as an opportunity to incorporate improvements, such as better communications with the driver, position and route tracking, delay tracking, driver performance tracking, and actual fuel mileage tracking," Bray said. "In many cases before ELDs, the carrier knew or had seen inefficiencies and issues within the operation but was unable to get accurate tracking to see where the problems actually were since many drivers using paper logs were very good at hiding the inefficiencies and issues. When an ELD with extended capabilities is used, the actual issues become visible and then they can be addressed. This then can help the bottom line."

Andy Oleson, product manager at Verizon Connect, explained that ELDs allow drivers more time for addressing other concerns now that they don't have to fill out daily written logbooks.

*"ELDs are showing carriers where the inefficiencies and delays are in their customer bases and routes."*



Illustrations: Getty Images

"From a broader fleet management perspective, it's important to use fleet compliance software that complements e-logs drivers use to record hours of service," he stressed. "By doing so, drivers will have a streamlined process to record hours of service that will keep mistakes to a minimum and reduce the stress of completing a daily HOS log."

• **More rest for drivers.** "With the flexibility of paper logs being gone, drivers using AOBRDs/ELDs properly (not falsifying) are actually getting more rest than in the past," said Bray. "This is because several of the tricks that were available

*"We're hearing anecdotally that the rule has increased safety overall."*



when using paper logs to shorten the 10-hour break are not 'transferable' to electronic logs. When using an electronic log, 10 hours means 10 hours, not six or seven hours plus three or four hours of delay time moved from the workday into the break (a common trick when using paper logs)."

Taylor Howerton, head of SunTrust Bank's logistics & supply chain industry vertical, had a more cautious opinion.

"We're hearing anecdotally that the rule has increased safety overall," he said. "The debate arises when looking at relative sleep patterns within individuals and the limited flexibility for a driver to take rest breaks when and where their body may be telling them they need to

on any particular day, which we know can vary greatly between individuals. Future adjustments to HOS rules will likely center on building in more flexibility around rest breaks to account for this variation."

Drivers should be able to make the decision when to rest with no worries about HOS, according to Flores.

"A professional driver should be able to determine when they need to take a rest break and manage their fatigue, but they're often forced to make difficult decisions and trade-offs between managing fatigue and dealing with operational challenges like traffic, shipper delays, or difficulties finding safe parking," he said. "If drivers are given more flexibility, it may allow them to operate more efficiently and with less fatigue, but that remains to be seen."

Flores is also optimistic ELDs will eventually make a difference. "Even though

*"A professional driver should be able to determine when they need to take a rest break."*



Illustration: Getty Images

we're a year in, I don't think we have enough conclusive data to prove ELDs have improved drivers' sleep patterns," he admitted. "However, one of the by-products of ELD implementation is the

recent discussion about potentially revising the split sleeper berth rule. ELD data can show when drivers are at a shipper or receiver and waiting in line to load or unload, as many times they're in a staging area. Parking problems alone are a reason to support flexible sleeper berth rules."

• **Lower driver turnover.** "I believe ELDs will help with driver retention over time," stated John Wilbur, CEO of Roadmaster Group, a specialized transportation company. "The number one complaint of many drivers is lack of respect. On the road this lack of respect is often communicated through time. Companies must optimize the productivity of this time to be profitable, and I would argue that most drivers have a higher level of satisfaction when they are performing activities that add value to their companies."

Introducing ELD data into routing and

## A PRAGMATIST'S VIEW OF ELDs AND WHAT'S NEEDED MOST NOW

Steve Viscelli is the author of *The Big Rig: Trucking & the Decline of the American Dream*, and Senior Fellow at the Kleinman Center for Energy Policy at the University of Pennsylvania. Here he provides his views on ELDs past, present and future.

Most drivers at big trucking firms were already working with on-board recorders so not much has changed in the actual recording of time and the limits that implied. What has changed is that drivers and firms are talking about the limitations and using them to pressure shippers to speed up or pay. It's hard to know what effect that is having because it is coming at the same time as the broader capacity issues that are giving carriers pricing power and the rare ability to simply say 'no' to loads.

For drivers who weren't using electronic logs before, some have seen big changes, which is not surprising, since 14-hour violations were key to a lot of loads. For example, drivers would lay up at a truck stop close to a customer the night before and not start logging until after loading the next day. It's harder to do that now, and that means those loads need to be pre-loaded, relayed or will take another day. I don't think we know exactly how big a chunk of the market that is.


ELDs can definitely help drivers ask for and document detention, and since everyone has to play by the same rules now, it will prevent undercutting of practices. The problem right now is truckers aren't inclined to cut each others' throats (as much) and so it's hard to say what will happen when shippers start playing carriers more intensely. And another big problem

is that drivers are still underreporting hours spent on customer locations to preserve their driving time.

As to ELD effects on driver sleep patterns, I am hearing about drivers rushing to get loads done when they wouldn't have before. Again, this happened when bigger carriers moved to electronic as well. Drivers are feeling more pressure, so I think it cuts both ways. It prevents some abusive practices and long days, but it also forces drivers to rush and cut corners. I don't know what the net effect is in the long term.

The broader benefit of ELDs is that fleets are thinking more intently about how to use driver time efficiently. It has always cost them something to waste drivers' time or allow shippers to waste it, but now the cost of that is going up. Before you could put more of the cost on the driver, who often had to make up the time to ensure his paycheck didn't take the hit.

A lot has been left on the table with ELDs. This is because fleets are still addressing the problem through a flawed lens. ELDs address the system of the problem—drivers not recording their time accurately—not the problem itself, which is the inefficient use of drivers' time. As long as driver time is free, it will be wasted or used inefficiently. If we really want to capture the benefit of ELDs for drivers, we need to use them to automatically record driver time spent at customer locations.

One benefit of ELDs is they accurately record drivers' work time but still don't capture a huge chunk of non-driving on-duty time. We aren't going to stop wasting drivers' time until we pay for it, and we aren't going to pay for it until it is recorded. 

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