

Tis The Season 2010

Tis The Season To Be Jolly - or so they say. As 2010 rolls to a close it looks like we should be celebrating. With holiday sales coming in at their best level since 2007, it looks like we will avoid an economic double dip. However, after this quick check in the 2010 rearview mirror, it is time to look ahead to 2011.

There is no doubt that in doing so we need to review the impact the Comprehensive Safety Analysis (CSA) will have on the transportation marketplace in 2011. This program will measure how well large commercial motor vehicle carriers and drivers are complying with safety rules. There will be winners and losers as the government rates drivers and carriers. FMCSA Administrator Anne Ferro said, "CSA is an important new tool that will help reduce commercial vehicle-related crashes and save lives," This is surely a winner.

What we also see is that CSA has the potential to have a significant a negative impact on the supply side of the transportation marketplace. The imposition of strong driver performance requirements is projected to reduce the number of truck drivers on the road today by 5% to 8%. This means truck rates will be rising as carriers will have to increase pay to attract and retain qualified drivers.

Carriers will be measured and scored. The Safety Measurement System (SMS) uses seven safety improvement categories called BASICS to score carriers.

- ▶ Unsafe Driving — Operation of commercial motor vehicles (CMVs) by drivers in a dangerous or careless manner.
- ▶ Fatigued Driving (Hours-of-Service) — Operation of CMVs by drivers who are ill, fatigued, or in non-compliance with the Hours-of-Service (HOS) regulations including maintaining an incomplete or inaccurate logbook.
- ▶ Driver Fitness — Operation of CMV by drivers who are unfit to operate due to lack of training, experience, or medical qualifications.
- ▶ Controlled Substances/Alcohol — Operation of CMVs by drivers who are impaired due to alcohol, illegal drugs, and misuse of prescription or over-the-counter medications.

- ▶ Vehicle Maintenance — Failure to properly maintain a CMV, brakes, lights, and other mechanical defects.
- ▶ Cargo-Related — Failure to properly prevent shifting loads, spilled or dropped cargo, overloading, and unsafe handling of hazardous materials on a CMV.
- ▶ Crash Indicator— Histories or patterns of high crash involvement, including frequency and severity.

Under the old measurement system, carrier performance was assessed in only four broad categories. By looking at a carrier's safety violations in each SMS category, state law enforcement will be better equipped to identify carriers with patterns of high-risk behaviors and apply interventions that provide carriers the information necessary to change unsafe practices early on.

After a measurement is determined, the carrier is then placed in a peer group (e.g., other carriers with similar numbers of inspections). Percentiles from 0 to 100 are then determined by comparing the BASIC measurements of the carrier to the measurements of other carriers in the peer group. These scores will be published and made available to the public. A research report by Jon Langenfeld, transportation analyst at Robert W. Baird & Co., showed that some of the bigger names in the industry received alerts for a CSA violation.

Prudent shippers will recognize that their company has to exercise a new element of caution and due diligence in the carrier selection process. Now that there is a published carrier scoring protocol, a carrier's CSA score should be a consideration the selection process.

To find a carrier's CSA score you can go to <http://ai.fmcsa.dot.gov/sms/> and enter your carrier's USDOT# or MC#. If you do not know either of these identification keys you can go to <http://safer.fmcsa.dot.gov/CompanySnapshot.aspx> and enter the carriers name to obtain your carrier's USDOT# or MC#.

We want to remind shippers that you should have a contract with every carrier, and know the CSA scores for every carrier with whom you do business.