



SWIFT



Sustainability in Transportation

August 31, 2011

Educated in trucking



- 1966 – one truck
- Diesel was \$.25 a gallon
- Regulation
- De-regulation
- 16,900 trucks today
- SmartWay Charter Member





- Eliminate federal excise tax (12% on new trucks)
- Fuel tax is for roads – trust fund, spend wisely
- Large incentives for solar and wind, very limited incentives for the transportation industry
- Need infrastructure for alternative fuel tractors
 - LNG, CNG, electric etc...
- The technology isn't quite there for alternative fuel vehicles, power remains an issue

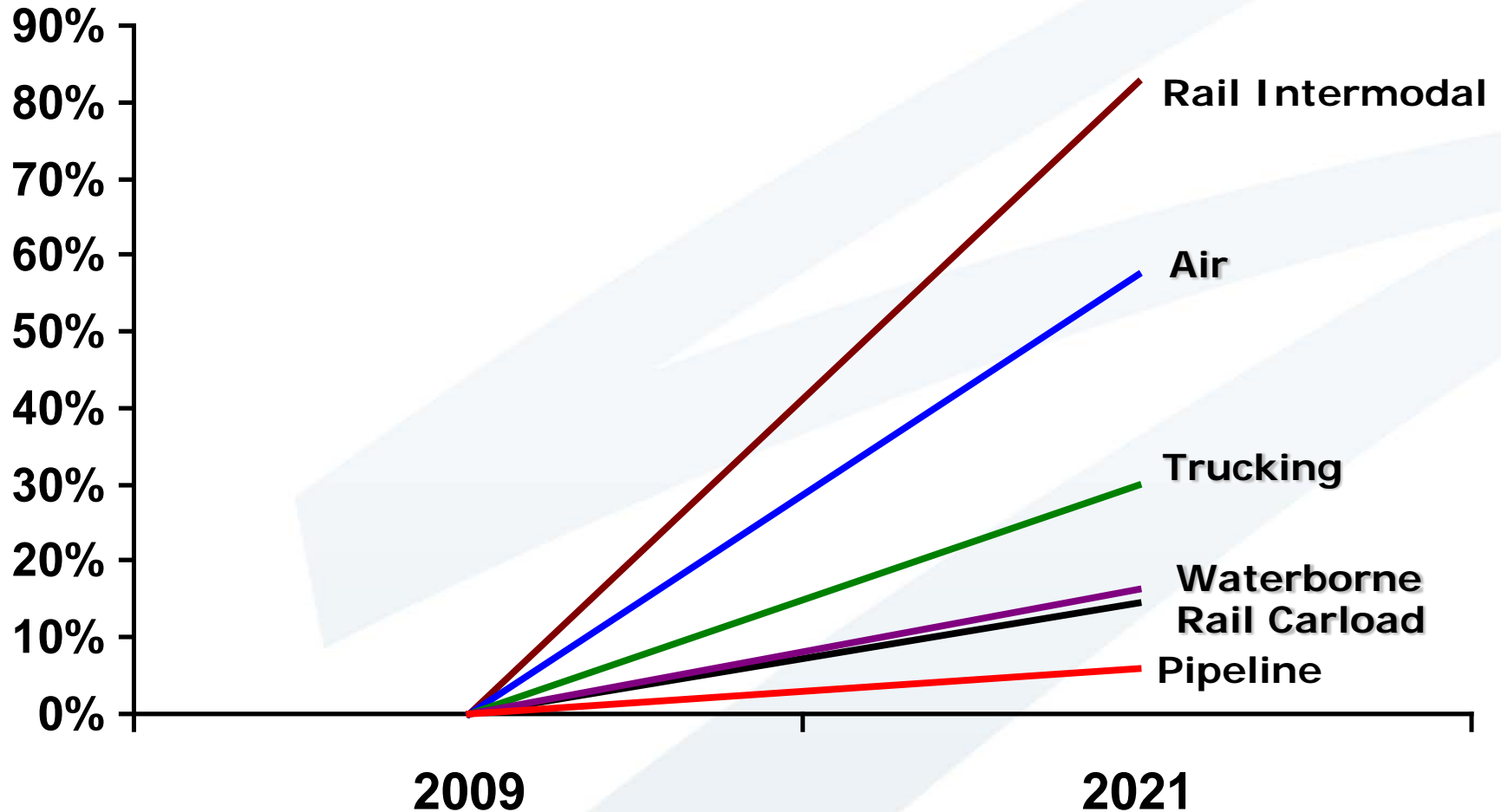


- Size and Weight increases – If this was the answer it would have been done
 - Great safety risks – much longer stopping distances etc..
 - Infrastructure damage – roads, bridges etc..
 - Majority of the industry's equipment can not handle the weight requirements
- Cross border trucks
 - Mexican trucks are much worse for pollutants but are not subject to the same restrictions as the US trucks
 - The border crossing is very efficient as is

Demand for Tonnage



Total Increase from 2009 to 2021 may not be accurate due to reduction in product size (TVs, Cereal, detergent etc)



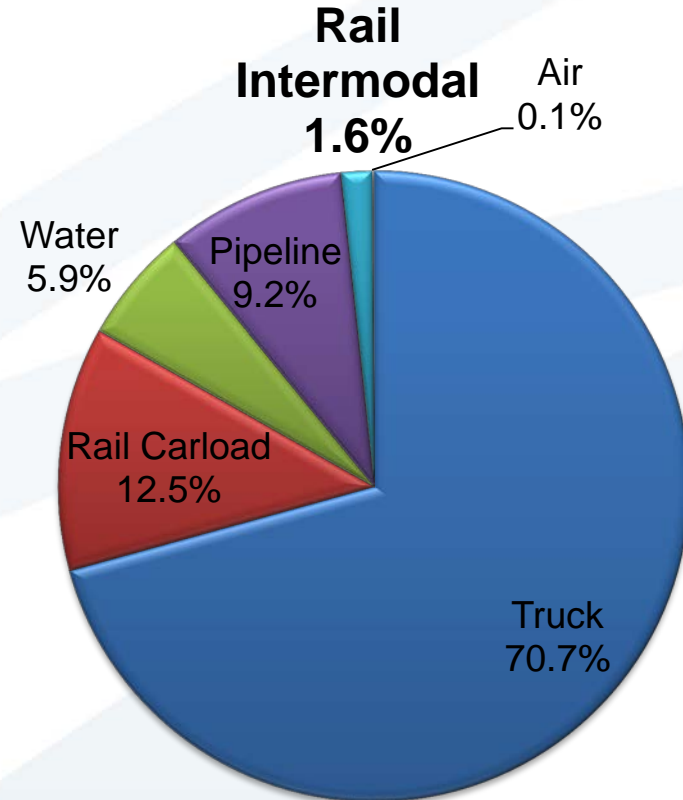
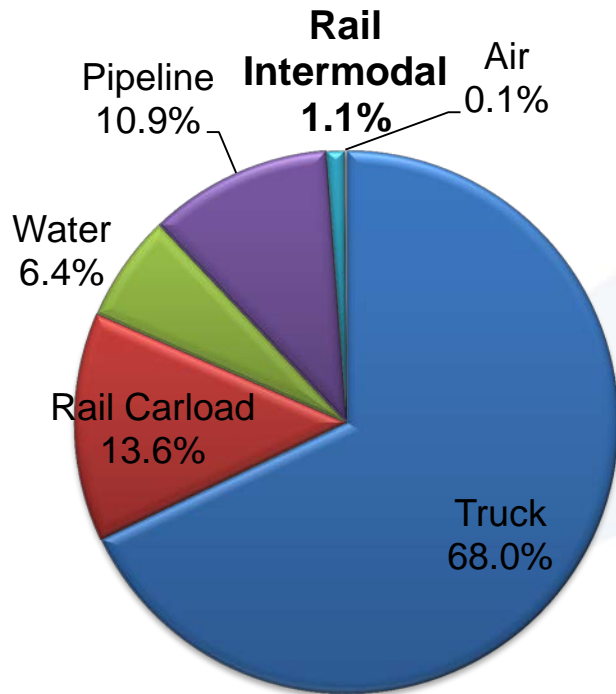
Distribution of Tonnage by Mode:



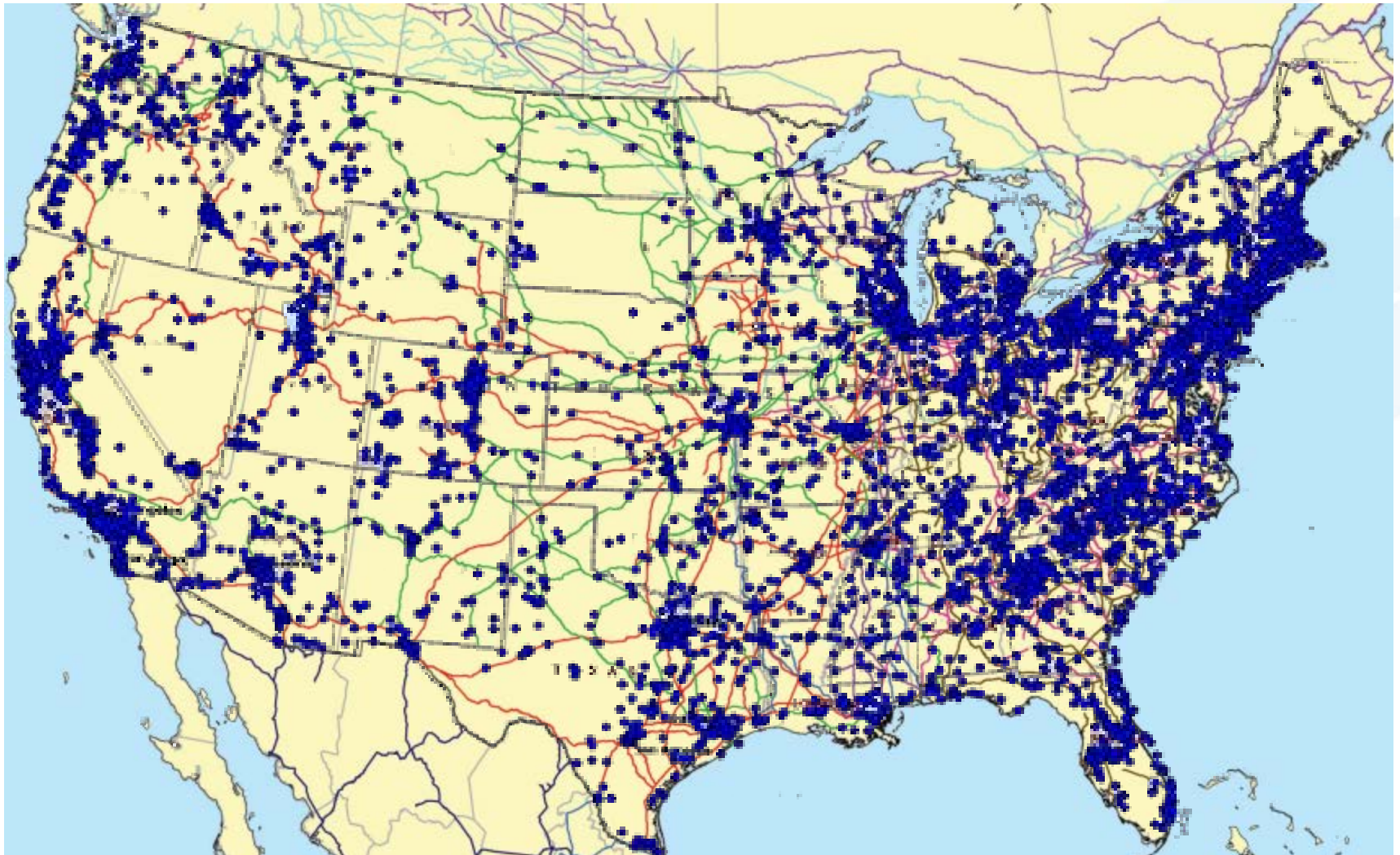
2009

vs.

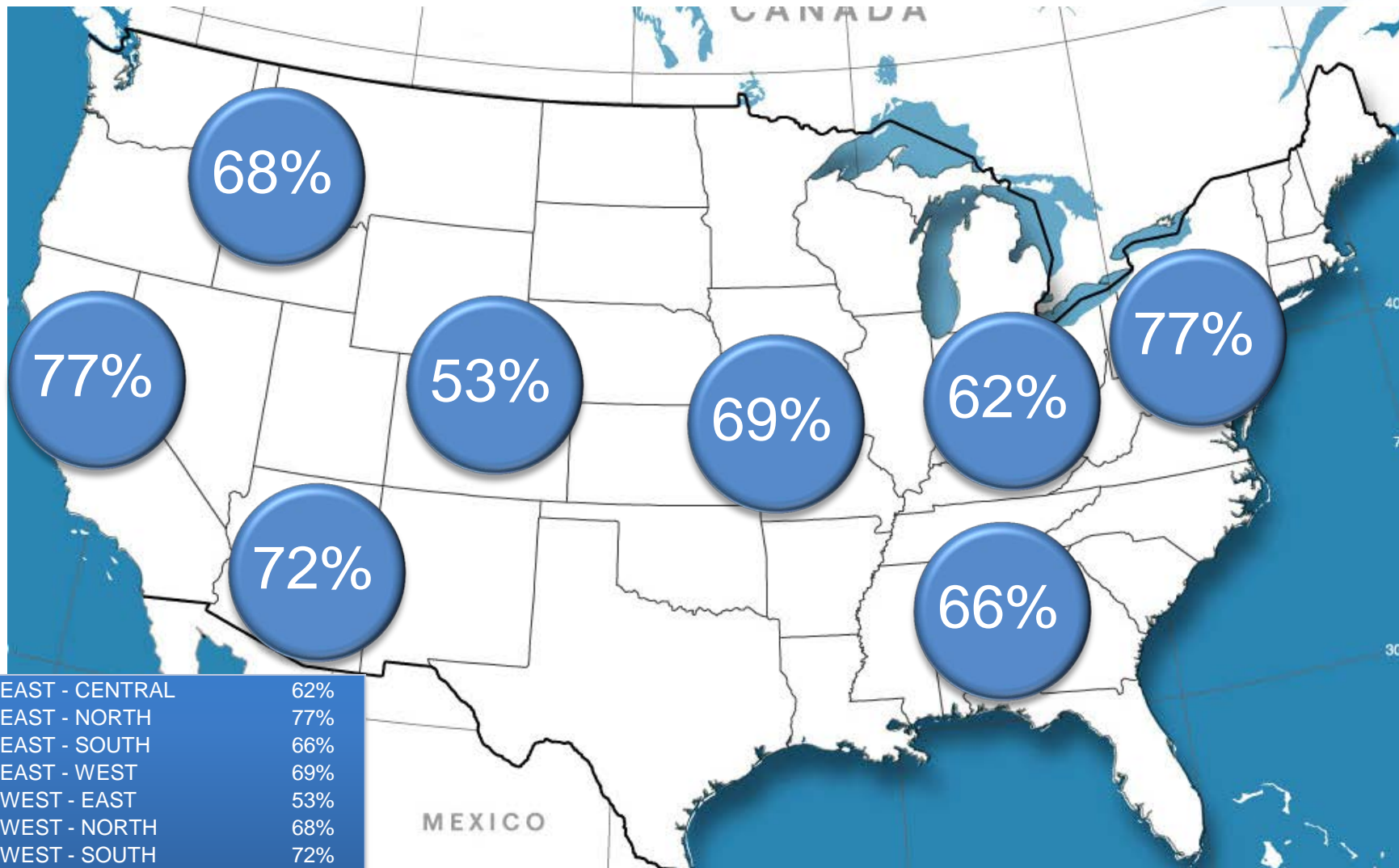
2021



Rail vs. Swift Customers



% of Freight <500 miles



EAST - CENTRAL	62%
EAST - NORTH	77%
EAST - SOUTH	66%
EAST - WEST	69%
WEST - EAST	53%
WEST - NORTH	68%
WEST - SOUTH	72%
WEST - WEST	77%
TOTAL	70%

Trucking vs. Rail



- Trucking is nimble
- Hurricane Irene for example
 - Instant response
 - Reroute trucks to deliver around road that are out
 - Rail is closed
 - Flexible to surge



Fuel efficiency requirements – What works



- Let the industry make decisions – more effective ways to reduce our carbon footprint (8% of Swift's miles are run in CA)
 - Trailer skirts – \$50 million cost to Swift for little advantage
- Price of fuel drives behavior to cut costs, increasing mpgs
- MPG requirement legislation
 - Swift is well ahead of the requirements
 - This hurts the small business sector



What works



- Reduce speed limit of tractors on the road (Swift is governed at 62 mph)
- Tires (regular psi testing and low rolling resistance)
- Driver Behavior – education, incentives, rewards
 - Reductions driver idle
 - Driving style
- Newer trucks – Swift trade cycle is 48 months



Summary



- We need to spend wisely
- We all share the same goal
- “How can I save a gallon of fuel”
- Let the industry build in efficiencies
- Let’s all work together



Thank You



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TRANSPORT TOPICS 08/22

