



PERFECT STORM

TRUCKING FORECAST **2018/2019**



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WHO IS FORTIGO:

We are about helping our Customers create opportunities to improve their fleets' performance. This is at the very core of our mission. The future of transportation is technology. Controlling data through technology gives our Customers greater control over decisions and challenges that affect their fleet's performance...and ultimately it's operating cost.

We are...
Technology

We are...
Service

We are...
Performance



PERFECT STORM

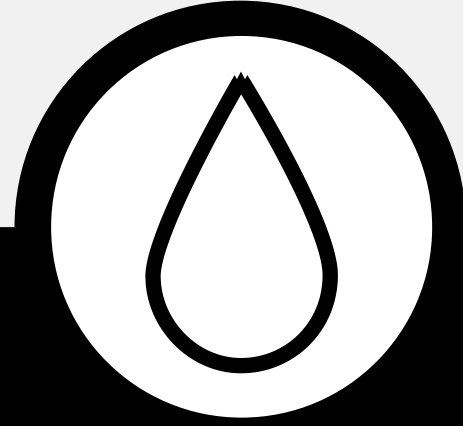
TRUCKING FORECAST 2018/2019





SERVICES HOURS

Drive for 11 hrs in a 14 hr shift and then rest for
10 hours



ELD (ELECTRONIC LOGGING DEVICE) Mandate effective Dec. 18, 2017

Manage driver hours of services

Enforced in April 2018

1/3 of drivers did not have devices installed before December

12-20% reduction in carrier productivity

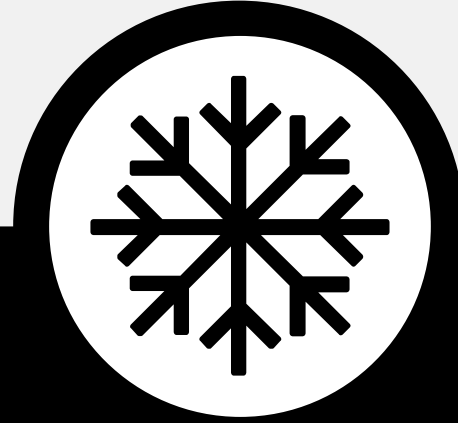
Reduced drive miles than the pre-ELD period



WAGE INCREASE

22% Increase in the past 18 months

But not enough to attract new drivers...



INDUSTRY BOOM

Drivers make more and drive less

Congestion, Waiting Time, Wastes Time



DRIVER SHORTAGES

Hire 900,000 drivers to support demand



EQUIPMENT SHORTAGES

50/1 Ratio of loads to available equipment

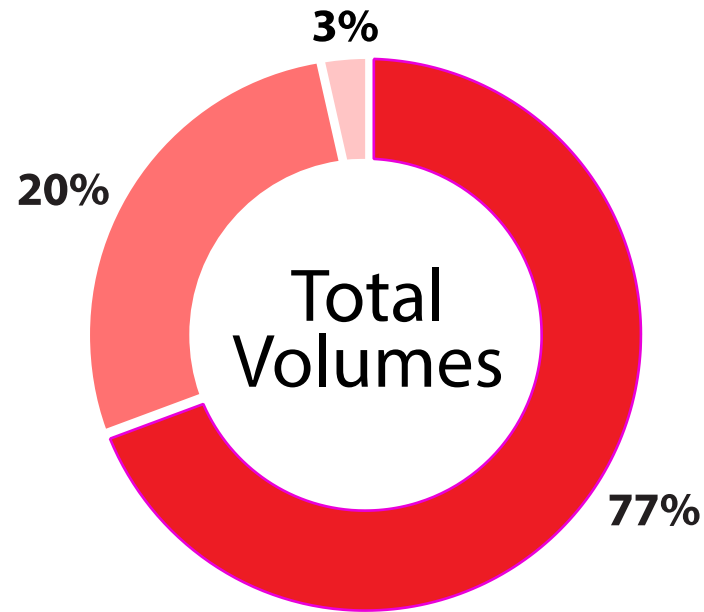
JANUARY 2018 LOADS VOLUMES

MoM

+41%

YoY

+81%



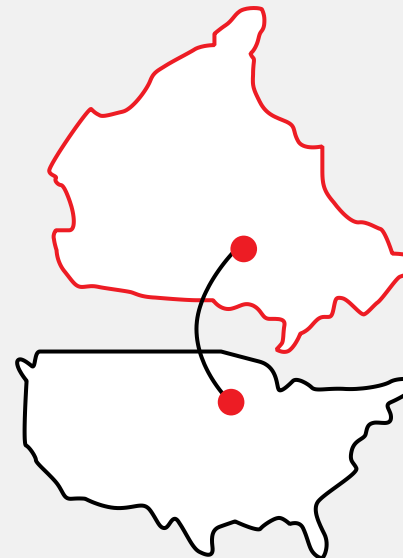
Category	Percentage
Cross-Border Load	77%
Intra-Canada Loads	20%
Other	3%



Compared to January 2017

+51%

Intra-Canada Loads



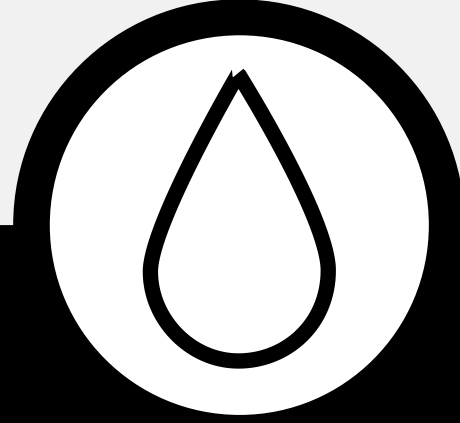
Compared to January 2017

+99%

Loads Leaving Canada

+92%

Loads Coming into Canada



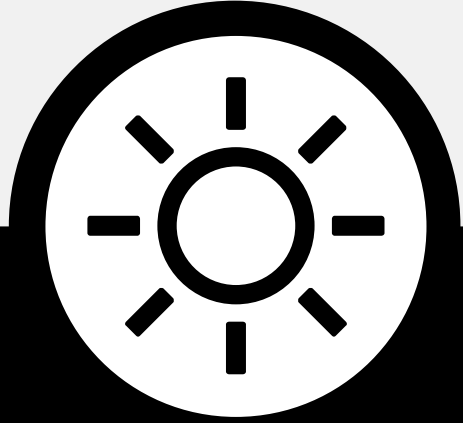
INCREASE FUEL PRICE

Diesel increased 15% CY17 and is expected to increase an additional 11% in CY18



HURRICANES

Houston & Florida continue to pay top dollar for
trucks



THE PERFECT STORM

Reduced driver
productivity + driver/equipment shortage + Inc.
cost = **HIGHER TRANSPORTATION COSTS**



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