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North
America

Transportation's Top Stories

Air Transport Updates

CANADA

✈️ Soaring to New Heights: Manulife and Aeroplan Partner to Give Millions of Canadians Access to Rewards in New, First-of-its-Kind Canadian Partnership

Manulife, one of Canada's leading insurance providers, and Aeroplan, Canada's premier travel loyalty program, are excited to announce a new, multi-year loyalty partnership. Through this first-of-its-kind agreement in Canada, the millions of Canadians who are eligible Manulife Group Benefits members will have the ability to earn Aeroplan points by engaging in behaviours and activities that encourage health and wellbeing. This spring, Manulife will launch a modernized and upgraded benefits platform to offer members a digital-first user experience that integrates health, wellness and benefits into one place. With the addition of Aeroplan in early summer 2024, eligible Group Benefits members will be able to earn points for health and benefits-related activities, all while managing their overall wellbeing – from prevention to getting care – through an integrated and personalized experience. By engaging in health and wellness challenges, members will have the opportunity to earn points for completing healthy initiatives, like exercise minutes, mindfulness practices, and more. In addition, points will be rewarded for completion of educational courses and helpful benefits tips and tricks, like downloading the digital benefit card.

Soaring to New Heights: Manulife and Aeroplan Partner to Give Millions of Canadians Access to Rewards in New, First-of-its-Kind Canadian Partnership, January 23, 2024, www.aircanada.ca

✈️ Air Canada Honoured as a Top Employer for Young People in Canada 2024

Air Canada is proud to announce that it has been recognized as one of the top employers for young people in Canada in 2024, the first time the airline has received this recognition. This honour, awarded by Mediacorp Canada Inc., celebrates the nation's leading organizations for their commitment to developing and nurturing young professionals, through innovative and forward-thinking programs for young workers, including mentorship, training, career opportunities, and social responsibility.

Air Canada Honoured as a Top Employer for Young People in Canada 2024, January 24, 2023, www.aircanada.ca

✈️ TD and Air Canada celebrate the 10th anniversary of Aeroplan partnership with a compilation of the top travel trends



Source: Air Canada

Toronto-Dominion Bank is celebrating a 10-year milestone as the primary credit card issuer for Aeroplan, Canada's Top Airline Loyalty Program. The first TD Aeroplan credit cards were issued in January 2014, and have provided more than 1 million Canadians with accelerated Aeroplan point-earning potential, Air Canada travel benefits and flexible redemption options ever since: 1. TD Aeroplan credit cardholders have travelled to over 1,800 destinations worldwide with Air Canada and 45+ partner; 2. Aeroplan members earned over 300 billion Aeroplan points on TD Aeroplan credit cards; and 3. TD

Aeroplan credit cardholders have redeemed more than 6 million rewards. They're redeeming not just on flight rewards for big destinations, but also for short-haul flights for as few as 6,000 points, car rentals, hotels, everyday purchases like Starbucks rewards and more.

TD and Air Canada celebrate the 10th anniversary of Aeroplan partnership with a compilation of the top travel trends, January 24, 2023, www.aircanada.ca

US/WORLD

✈ IATA & ICAO Extend Cooperation on Standards for Dangerous Goods Shipments



Source: IATA

The International Air Transport Association (IATA) and the International Civil Aviation Organization (ICAO) have extended their long-standing cooperation on setting and implementing global standards for the safe carriage of dangerous goods by air. An agreement to this effect was concluded at the IATA Executive Offices in Geneva during a visit by ICAO Secretary General Juan Carlos Salazar during which greater collaboration between the two organizations was discussed. IATA began issuing guidance for the carriage of Dangerous Goods on aircraft back in 1956 and has been updating and devising standards ever since.

IATA & ICAO Extend Cooperation on Standards for Dangerous Goods Shipments, January 22, 2024, www.iata.org

✈ Preparing for Asia-Pacific's resurgence



Source: IATA

Globally, up to November 2023, aviation had reached approximately 99% of pre-pandemic traffic levels. Asia-Pacific—the last of the regions to embrace the recovery—achieved 93% of 2019 traffic levels thanks to the reopening of major markets in China, Japan, and Korea. “In the context of the previous three years it was a positive 12 months for the region,” says Philip Goh, IATA’s RVP for Asia-Pacific. “But international traffic was at 83% of the 2019 level in November 2023 so we continue to lag the other regions. “China’s opening was a surprise and greatly benefited Asia-Pacific as it can comprise 30% of some countries’ international traffic,” he explains. “But that opening is not yet fully realized. Group travel, which is a big element of Chinese travel, only really started again in the second half of 2023.”

Preparing for Asia-Pacific's resurgence, January 22, 2024, www.iata.org

✈ JetBlue, Spirit appeal ruling blocking \$3.8 billion merger



Source: AJOT

JetBlue Airways Corp. and Spirit Airlines Inc. said they're appealing a federal judge's ruling blocking their planned \$3.8 billion merger in a last-ditch effort to save a deal that many analysts believe is dead. The carriers filed the one-sentence notice of appeal in court Friday, January 19, 2024 that didn't specify reasons for the move. Earlier, the airlines said US District Judge William G. Young erred in concluding on Jan. 16, 2024 that the merger will lead to higher ticket prices or fewer choices for customers. Spirit had previously said the deal was still in effect as it explores ways to shore up its liquidity. Spirit shares jumped as much 17% in after hour trading, while JetBlue fell as much as 2.2%. JetBlue needs Spirit's 200 aircraft and about 3,000 pilots at a time when both are in short supply across the industry. Without them, JetBlue has limited growth opportunities and will continue to be relegated to second-tier status behind the big four carriers. But Spirit's financial situation and operations have declined since the deal was struck, reducing its value for a buyer. Analysts have speculated that a standalone Spirit may be forced into bankruptcy. "It is clear to us that Spirit is pressing JetBlue to appeal the antitrust ruling, but we continue to believe the chances of success are low," Savanthi Syth, a Raymond James analyst, said in a note Friday.

JetBlue, Spirit appeal ruling blocking \$3.8 billion merger, January 21, 2024, www.ajot.com

Porter celebrates first flight between Toronto and San Francisco

Porter Airlines on January 25, 2024 launched daily, roundtrip service between Toronto Pearson International Airport (YYZ) and San Francisco International Airport (SFO). Passengers travelling between Toronto and the Bay Area will begin their trip enjoying Porter's famous style, care, and charm. Porter's elevated economy experience includes complimentary beer, wine, and premium snacks for all passengers. The brand new, 132-seat Embraer E195-E2 operating the route has a two-by-two configuration, which means there are no middle seats on any Porter flight.

Porter celebrates first flight between Toronto and San Francisco, January 25, 2024, www.flyporter.ca



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and Transport

North
America

Transportation's Top Stories

Rail Transport Updates

CANADA

CN's Robinson: 'Our Pivot to Profitable Growth Is Under Way'



Source: Railway Age

The CN network “is in great shape”; “we have the right people”; “CN-specific growth initiatives are producing”; and “our pivot to profitable growth is under way,” said Tracy Robinson, CN President and CEO and Railway Age’s 2024 Railroader of the Year. “Through 2023, our team of dedicated railroaders leveraged our scheduled operating model to deliver exceptional service for our customers and remained resilient in the face of numerous external challenges,” said Tracy Robinson, President and CEO of **CN**, the first of the six Class I railroads to issue fourth-quarter and full-year 2023 financial results. “While economic uncertainty persists, we have the momentum to deliver sustainable profitable growth in 2024.” Fourth-quarter 2023 revenues came in at C\$4.471 billion, down 2% or C\$71 million from the same quarter in 2022 (C\$4.542 billion), according to CN’s financial report released Jan. 23, 2024. The railroad said the decrease was “mainly due to lower shipments of intermodal and grain, as well as lower container storage fees and lower fuel surcharge revenues as a result of lower fuel prices; partly offset by freight rate increases and higher shipments of potash, natural gas liquids, and refined petroleum products.” Operating income for the quarter was C\$1.818 billion, down 5% or C\$94 million from the prior-year period’s C\$1.912 billion. For

the three-months ended Dec. 31, 2023, CN’s operating ratio was 59.3%, up 1.4 points from the same period in 2022. CN reported net income of C\$2.130 billion, a 50% increase or C\$710 million over fourth-quarter 2022’s C\$1.420 billion. Adjusted net income was C\$1.305 billion, down 8% or C\$115 million. Diluted EPS came in at C\$3.29, an increase of 57%; adjusted, it was C\$2.02, a decrease of 4%. The railroad said year-over-year adjusted diluted EPS was “impacted by lower revenues, as well as short-term impact of carrying additional headcount through volume downturn.” Operating expenses for the quarter rose 1% to C\$2.653 billion, when compared with the same period in 2022. CN said the increase was “mainly due to higher labor and fringe benefits expense mainly driven by general wage increases and higher average headcount and higher personal injury and legal claim provisions; partly offset by lower fuel prices.”

CN’s Robinson: ‘Our Pivot to Profitable Growth Is Under Way’, January 23, 2024, www.railwayage.ca



CN Announces Fourth Quarter and Year-End Results

CN on January 23, 2024 reported its financial and operating results for the fourth quarter and year ended December 31, 2023. For the Full-year 2023 compared to full-year 2022 the results were: 1. Revenues of C\$16,828 million, a decrease of C\$279 million or 2%. 2. Operating income of C\$6,597 million, a decrease of C\$243 million, or 4%. 3. Operating ratio of 60.8%, an increase of 0.8 points, or an increase of 0.9- points on an adjusted basis. 4. Net income of C\$5,625 million, an increase of C\$507 million, or 10% and adjusted net income of C\$4,800 million, a decrease of C\$334 million, or 7%. 5. Diluted EPS of C\$8.53, an increase of 15% and adjusted diluted EPS of C\$7.28, a decrease of 2%. 6. The Company generated free cash flow of C\$3,887 million, a 9% decrease. 7. Return on invested capital (ROIC) of 16.8%, an increase of 1.0-point and adjusted ROIC of 14.5%, a decrease of 1.4-points.

CN Announces Fourth Quarter and Year-End Results, January 23, 2024, www.cn.ca

CN Announces New Normal Course Issuer Bid for Share Repurchase and 7% Dividend Increase

CN announced on January 23, 2024 that its Board of Directors has approved a 7% increase in the 2024 dividend on the Company's common shares outstanding as well as the repurchase of its shares under a new normal course issuer bid (Bid). The Bid permits CN to purchase, for cancellation, over a 12-month period up to 32 million common shares, representing 5.63% of the 568,002,080 common shares issued and outstanding of the Company not held by insiders on January 18, 2024. On that date, 642,832,885 common shares were issued and outstanding. Ghislain Houle, Executive Vice-President and Chief Financial Officer, CN said "CN has continued to deliver good financial results and free cash flow despite challenging market conditions. Our performance and expectations support maintaining our uninterrupted growth in dividends since privatization. We are also announcing a new share repurchase program that is consistent with the announcement we made at our May investor day to gradually increase our leverage over time, subject to economic conditions."

CN Announces New Normal Course Issuer Bid for Share Repurchase and 7% Dividend Increase, January 23, 2024, www.cn.ca

AAR: North American Rail Volume Down Through Week Three



Source: Railway Age

North American rail volume for the first three weeks of this year on 12 reporting U.S., Canadian and Mexican railroads came in at 1,778,528 carloads and intermodal containers and trailers. Cumulative volume in the U.S. was 1,272,263 carloads and intermodal units, down 5.3% from 2023; in Canada, 424,647 carloads and intermodal units, down 9.8%; and in Mexico, 81,618 carloads and intermodal units, up 17.7%. For the week ending Jan. 20, 2024, U.S. Class I railroads hauled a total of 397,553 carloads and intermodal units, falling 13.2% from the prior-year period, according to **AAR**. This comprises 173,371 carloads, down 22.4% from 2023, and 224,182 containers and trailers, down 4.5% compared with last year. Canadian railroads reported 74,967

carloads for the week ending Jan. 20, 2024, a 21.5% fall-off, and 54,327 intermodal units, a 15.6% decrease compared with the prior-year period.

AAR: North American Rail Volume Down Through Week Three, January 23, 2024, www.railwayage.com

US/WORLD

STB Calculates Five-Year Change in Railroad Productivity



The Surface Transportation Board (STB) on Jan. 18, 2024 presented its calculation for the change in railroad productivity for the 2018-2022 averaging period. Comments are due by Feb. 5. According to the agency, each year it calculates the change, if any, in how efficiently railroads move freight. The **STB** calculates this figure by comparing year-to-year the average cost of producing a unit of railroad output. The STB proposes to adopt 1.011 (1.1% per year) as the measure of average (geometric mean) change in railroad productivity for the 2018-2022 (five-year) period (download decision below). This represents a decrease of 1.6% from the average for the 2017-2021 period, it said.

STB Calculates Five-Year Change in Railroad Productivity, January 22, 2024, www.railwayage.com

U.S. Department of transportation approves \$2.5 billion in private activity bonds allocation for brightline west project

The U.S. Department of Transportation (DOT) on January 23, 2024 announced the approval of \$2.5 billion in private activity bonds authority allocated for the Brightline West High-Speed Intercity Passenger Rail project connecting Las Vegas, Nevada, and Southern California. The 218-mile, high-speed rail line will primarily run along the I-15 median with trains capable of reaching 186 mph or more, cutting

the trip to two hours – half the time to travel by car. Brightline West's \$12 billion high-speed rail project will be a fully electric, zero-emission system to become one of the greenest forms of transportation in the U.S. The project will bolster tourism, create 35,000 good-paying jobs, ease traffic on I-15, and cut more than 400,000 tons of carbon pollution each year.

U.S. Department of transportation approves \$2.5 billion in private activity bonds allocation for brightline west project, January 23, 2024, www.dot.gov

For CSX 4Q23, Revenue Down, Volume Up



Source: Railway Age

CSX issued its fourth-quarter 2023 earnings after Wall Street's closing bell on Jan. 24, reporting lower revenue as the effects of volume growth and "favorable merchandise pricing were more than offset by lower intermodal storage revenue, reduced fuel surcharge, the effect of lower global benchmark coal prices, and a decline in trucking revenue." Revenue came in at \$3.68 billion for the three months ending Dec. 31, 2023, declining 1% from the prior-year period's \$3.73 billion. Total volume of 1.56 million units was 1% higher than 2022, with Merchandise volume up 3%, Coal volume up 3%, and Intermodal volume flat. Other fourth-quarter 2023 financial highlights: 1. Operating income of \$1.32 billion was down 10% from the fourth-quarter 2022's \$1.46 billion. 2. CSX's operating ratio came in at 64.1% vs. 60.9% in the prior-year period. 3. Diluted EPS of \$0.45 decreased 8% from \$0.49 in fourth-quarter 2022. 4. Net earnings of \$886 million (or \$0.45 per diluted share) were down 13% compared with \$1.02 billion (or \$0.49 per diluted share) in 2022.

For CSX 4Q23, Revenue Down, Volume Up, January 23, 2024, www.railwayage.com

Federal Railroad Administration Issues Final Rule

Requiring Emergency Escape Breathing Apparatuses in Trains Carrying Hazmat

The Federal Railroad Administration (FRA) on January 25, 2024 announced a final rule to improve employee safety on freight trains transporting hazardous materials. The rule requires railroads to provide emergency escape breathing apparatuses (EEBAs) for train crew members and other employees who could be exposed to an inhalation hazard in the event of a hazardous material, or hazmat, release. Railroads must also ensure that the equipment is maintained and in proper working condition and train their employees in its use. This rule was advanced after the Norfolk Southern derailment in East Palestine.

Federal Railroad Administration Issues Final Rule Requiring Emergency Escape Breathing Apparatuses in Trains Carrying Hazmat, January 25, 2024, www.dot.gov

UP 2023: 'Improved Resource Utilization Drives Strong Service Metrics'



Source: Railway Age

Like much of the industry, Union Pacific's fourth-quarter and full-year 2023 results reflected growing momentum in the year's final quarter and into what promises to be a stronger 2024. While full-year earnings per diluted share dropped 7% and net income fell 9% compared to 2022, 4Q23 earnings per diluted share and net income both rose 1%. UP's 4Q23 net income of \$1.7 billion, or \$2.71 per diluted share, improved from 4Q22's net income of \$1.6 billion, or \$2.67 per diluted share. Reported net income for full-year 2023 was \$6.4 billion, or \$10.45 per diluted share, compared to full-year 2022 net income of \$7.0 billion, or \$11.21 per diluted share. For 4Q23, "increased volume and core pricing gains offset by lower fuel surcharge revenue led to flat operating revenue," UP said. "Operating revenue of \$6.2 billion was flat driven by increased volume and core pricing gains offset by reduced fuel surcharge revenue and business mix. Revenue carloads were up 3%. The operating ratio was 60.9%, an improvement of 10 basis points. Operating income of \$2.4 billion was flat."

UP 2023: 'Improved Resource Utilization Drives Strong Service Metrics', January 25, 2024, www.railwayage.com



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and Transport

North
America

Transportation's Top Stories

Marine Transport Updates

CANADA

Zim launches its own Asia-Western Canada express service



Source: JOC

Zim Integrated Shipping has launched its first standalone express container service between Asia and the Port of Vancouver, augmenting the carrier's slot-sharing agreement with Mediterranean Shipping Co. for service to the west coast of Canada. Zim's Pacific Northwest Xpress (ZPX) service kicked off with the Jan. 21 departure of the GSL Valerie from Vietnam's Port of Cai Mep. It's scheduled to arrive in Vancouver on Feb. 12. The ship will be one of seven with an average capacity of 3,500 TEUs that will be in the ZPX service string, according to Sea-Intelligence Maritime Analysis.

Zim launches its own Asia-Western Canada express service, January 23, 2024, www.joc.com

Conciliators appointed in BC ports negotiations

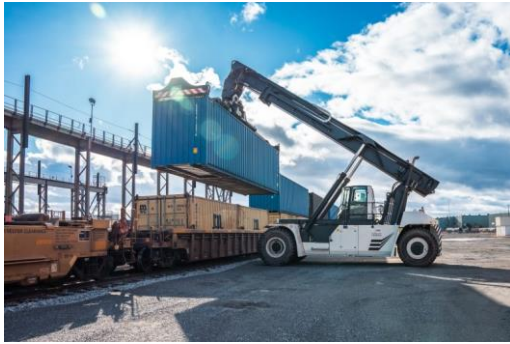


Source: Inside Logistics

Federal conciliators have been deployed to help negotiate a settlement between dockworkers and BC ports. On January 10, 2024, the British Columbia Maritime Employers' Association (BCMEA) filed a Notice of Dispute, seeking conciliation assistance from the Federal Mediation and Conciliation Services in an effort to conclude a negotiated collective agreement with ILWU Local 514 Ship and Dock Foremen. In response, the Minister of Labour appointed three conciliation officers to assist the parties in reaching a negotiated settlement.

Conciliators appointed in BC ports negotiations, January 24, 2024, www.insidelogistics.ca

Intermodal service opens between Hamilton and Montreal



Source: Inside Logistics

Hamilton Container Terminal (HCT), in collaboration with Hamilton-Oshawa Port Authority (HOPA Ports), and Canadian National Railway (CN), have launched a direct intermodal rail service between Hamilton, Ontario, and Montreal. The new rail terminal is located at Pier 18 on Hamilton's Bayfront, operated by the Hamilton Container Terminal (HCT).

Intermodal service opens between Hamilton and Montreal, January 23, 2024, www.insidelogistics.ca

Port Saint John celebrates completion of West Side Modernization Project



Source: AJOT

The \$205M Port Saint John West Side Terminals Modernization Project at Port Saint John has come to a close, transforming the port and attracting significant private investment in the process. Funded equally by the Federal Government, Province of New Brunswick, and the Port, this construction project has been completed on time, on budget, and with increased scope despite challenges arising during the COVID-19 pandemic and global supply chain disruptions. Thanks to this critical infrastructure investment, the west side container terminal is enjoying increased laydown capacity of over 160% or 325,000TEU. Other improvements include a 345-meter berth, the addition of new

refrigerated towers, dredged the main channel to be deeper and wider and an expanded intermodal yard. Though only newly finished, the project's clear benefits have been attracting world-class private sector partners and private investments to the tune of \$560M since the signing of the project's funding agreement in 2016. Our value proposition to importers and exporters has grown as our private sector partners are investing more than \$560M in rail and terminal upgrades. Port Saint John is the only port in eastern Canada that connects to three class one rail lines via our short line rail partners at NB Southern Rail offering unmatched optionality and in 2016 signed a long term agreement with DP World, a world class terminal operator, who have invested millions including two new post-panamax cranes in 2023.

Port Saint John celebrates completion of West Side Modernization Project, January 25, 2024, www.ajot.com

US/WORLD



European wheat shipments are bypassing the Suez Canal



Source: AJOT

European wheat vessels increasingly are being rerouted to avoid the Suez Canal amid rising security risks in the key trade lane. The share of shipments from the European Union, Ukraine and Russia using alternative routes on their way to Asia and Africa surged to 42% by mid-January from 8% last month, the World Trade Organization said in its wheat dashboard. The number of cargoes transiting via the Suez Canal is down by 40% from a year ago. Commodity carriers have been forced to bypass the Suez Canal, taking longer and more expensive routes to their destinations, because of Houthi militant attacks on merchant ships in the Red Sea. Grain markets have been upended by a number of shipping disruptions over the past couple of years including those caused by the war in Ukraine and low water levels at the Panama Canal. It's a reminder of how fragile food supply

the port as the top international container gateway in the Gulf of Mexico.

Port of New Orleans gets \$226M for international container terminal, January 23, 2024, www.joc.com



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North
America

Transportation's Top Stories

Road Transport Updates

CANADA

Stars aligning for a busy year in M&A: Tenney Group



Source: Today's Trucking

Rapidly deteriorating market conditions last year put the brakes on many mergers and acquisitions, but valuations are normalizing, paving the way for more activity this year. Speaking on a Truckload Carriers Association webinar this week, Spencer Tenney, CEO of M&A advisors Tenney Group, said total transaction values of deals in 2023 were down 82% from the prior year, while the total number of deals fell 33%. “There was a short supply of sellers. We’ve never seen anything like this. You’ve got the freight market causing major problems, 12 interest rate hikes since 2022, the rapid normalization of equipment valuations and a very dramatic swing in terms,” Tenney said in recapping the year that was. Many prospective sellers put the brakes on the process after suffering 20-30% performance declines month over month after entering into a letter of intent, he added. The deals that did get done were structured to minimize the buyer’s risk. “Deal structure played a major role,” Tenney said. “The only way to bracket risk is through the deal structure, or don’t do a deal at all. Buyers and sellers were creatively trying to understand what are the real risks –

not blanketing everything – and putting structure around those defined risks in a way that allowed the seller to participate in the upside of whatever they produce, but also provide some protection for the buyer should conditions get worse.”

Stars aligning for a busy year in M&A: Tenney Group, January 19, 2024, www.todaystrucking.ca

Truckload rates near floor, LTL rates to stay flat, freight index says

For the first quarter of 2024 LTL rates are expected to remain relatively flat with subtle fluctuations, and truckload rates to continue hovering near the floor established in Q2 of last year. For parcel, expect seasonal growth consistent with established patterns, but at more muted levels than previous years as lower overall demand clashes with the general rate increase (GRI) and other carrier pricing actions. AFS Logistics, an industry-leading third-party logistics (3PL) provider, and TD Cowen released these predictions as part of their first quarter (Q1) 2024 release of the TD Cowen/AFS Freight Index, a snapshot with predictive pricing for truckload, less-than-truckload (LTL) and parcel transportation markets.

Truckload rates near floor, LTL rates to stay flat, freight index says, January 19, 2024, www.insidelogistics.ca

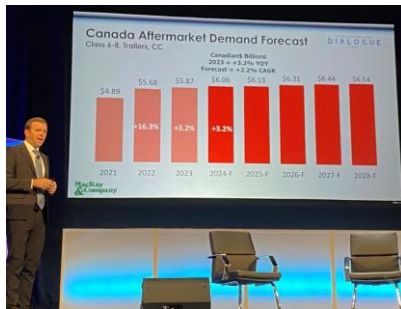
Urban public transit, November 2023



Source: Statcan

In November 2023, Canada's urban transit systems logged 135.3 million passenger trips, the second highest monthly total since restrictions came into force in March 2020 to combat the COVID-19 pandemic. This compares with passenger trips of 117.3 million a year ago. Overall ridership reached 82.1% of November 2019 levels, marking the second highest rate of recovery since the onset of the pandemic. Total revenues excluding subsidies for November 2023 was 327.1 compared to 285.6 a year ago. *Urban public transit, November 2023, January 22, 2024, www.statcan.gc.ca*

Canada's heavy-duty aftermarket grew in 2023, but headwinds remain



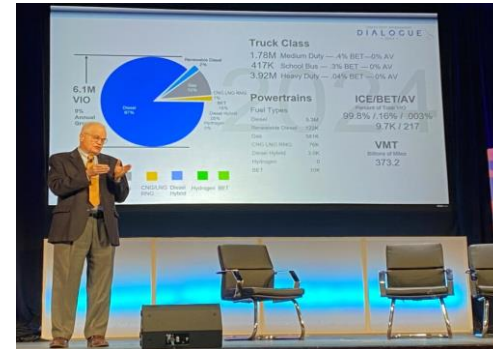
Source: Today's Trucking

The total value of Canada's heavy-duty parts aftermarket, including Classes 6-8 trucks, trailers, and container chassis, increased 3.2% last year to CDN\$5.87 billion. And MacKay & Company anticipates it will grow by the same amount this year, bringing its value to \$6.06 billion. Travis Kokenes, research manager for MacKay & Company, updated attendees on the state of the aftermarket at Heavy-Duty Aftermarket Dialogue in Dallas, Texas, this week. Canadian Class 8 retail sales, at 30,000 units, were up 3% in 2023, while trailer sales rose 2% to 42,000

units and Classes 6/7 retail sales totaled 9,000 sales, up 13%. Canada now has 375,000 Class 8 trucks on the road, but will shed 0.4% of its size to 373,000 units by 2028, MacKay & Company suggests. *Canada's heavy-duty aftermarket grew in 2023, but headwinds remain, January 23, 2024, www.todaystrucking.ca*

US/WORLD

Predicting trucking's evolution through 2050 and its impact on the aftermarket



Source: Today's Trucking

By 2050, 30.6% of Class 8 trucks will be battery-electric and only 10% diesels, with 357,000 of the 6.3 million Classes 6-8 trucks on the road autonomous. If that scenario plays out as predicted by Derek Kaufman, managing partner, Schwartz Advisors, who was speaking at the Heavy-Duty Aftermarket Dialogue this week, then the aftermarket parts industry will look vastly different than it does today. By this time, Kaufman said, autonomous trucks will no longer have a cab, and aerodynamics will be built around the trailer itself. Battery-electric trucks will account for 46% of new truck sales, but batteries will be solid state, more powerful than today, more compact, and will offer better range. The U.S. heavy-duty parts aftermarket will be worth about US\$90 billion by then – about double its value today – and of that, battery-electric trucks will command about \$31 billion of that while those autonomous trucks will represent an aftermarket parts value of about \$9.1 billion – or 10% of the total market. Dave Kalvelage, senior market analyst with MacKay & Company, added by this time, 53% of Class 8 trucks on the road will be fueled by new technologies while less than half are powered by internal combustion engines. But Kaufman said the industry should push the EPA and California Air Resources Board (CARB) to give greater consideration to clean technologies beyond battery-electric. “We believe the BET (battery-electric truck) solutions they are pushing are outstripping the

infrastructure that supports them,” he said, noting renewable fuels should receive more consideration.

Predicting trucking’s evolution through 2050 and its impact on the aftermarket, January 22, 2024, www.todyastrucking.ca

Seventh straight quarter of contraction recorded for transport sectors

Activity across the transport and logistics sector remained in contraction territory for the seventh straight quarter in Q4 of 2023. Tradeshift’s latest Index of Global Trade Health, which analyses the flow of purchase orders and invoice traffic across global supply chains, revealed that transaction volumes across the transport and logistics sector grew at six points below its expected range in Q4. Activity levels across the manufacturing sector also stayed in contraction territory in Q4, rising at six points below the baseline. Total trade activity across all sectors showed modest signs of improvement in Q4, albeit from a relatively low base. Global trade transaction volumes improved to four points below the baseline in Q4, having sunk to six points below anticipated levels in the previous quarter.

Seventh straight quarter of contraction recorded for transport sectors, January 22, 2024, www.insidelogistics.ca

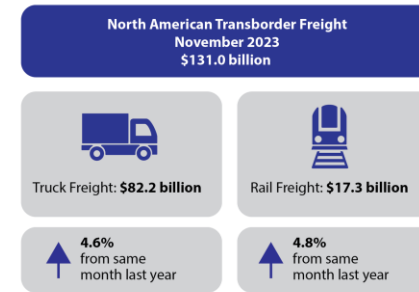
FHWA Announces \$729 Million to Repair Roads and Bridges Damaged by Natural Disasters and Extreme Weather Events

As part of the U.S. Department of Transportation’s coordinated approach to help states repair and rebuild roads and bridges, the Federal Highway Administration on January 23, 2024 announced it is providing \$729.4 million to 34 states, the District of Columbia, the U.S. Virgin Islands and Puerto Rico. The funds will be used to support repair needs following natural disasters, extreme weather, or catastrophic events, such as hurricanes, flooding and mudslides. These events will receive federal reimbursement funding under the FHWA’s Emergency Relief (ER) program as the result of major disaster declarations.

FHWA Announces \$729 Million to Repair Roads and Bridges Damaged by Natural Disasters and Extreme Weather Events, January 23, 2024, www.dot.gov



North American Transborder Freight up 4.1% in November 2023 from November 2022



Source: Bureau of Transportation Statistics, TransBorder Freight Data, <https://data.bts.gov/stories/s/mybq-rmfq>

Source: BTS

Total Transborder Freight (U.S. and North American countries Canada and Mexico) by Border in November 2023, Compared to November 2022 were as follows: 1. Total transborder freight: \$131.0 billion of transborder freight moved by all modes of transportation, up 4.1% compared to November 2022; 2. Freight between the U.S. and Canada totaled \$65.2 billion, up 2.8% from November 2022; 3. Freight between the U.S. and Mexico totaled \$65.8 billion, up 5.4% from November 2022; 4. Trucks moved \$82.2 billion of freight, up 4.6% compared to November 2022; 5. Railways moved \$17.3 billion of freight, up 4.8% compared to November 2022; 6. Pipelines moved \$10.5 billion of freight, down 4.7% compared to November 2022; 7. Vessels moved \$10.4 billion of freight, up 11.5% compared to November 2022; 8. Air moved \$4.9 billion of freight, down 3.7% compared to November 2022; and 9. Multiple modes declined due to decreases in value of oil and energy commodities. US-Canada trade in both directions were as follows: 1. Truck \$36.0 billion; 2. Air \$9 billion; 3. Pipeline \$10 billion; 4. Rail \$3.1 billion; and 5. Vessel \$2.9 billion.

North American Transborder Freight up 4.1% in November 2023 from November 2022, January 25, 2024, www.bts.gov



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Institute of Logistics
and Transport

North
America

Transportation's Top Stories

Other Transport Updates

CANADA

Travel between Canada and other countries, November 2023



Source: Statcan

In November 2023, the number of non-resident visitors to Canada accounted for 85.1% of the number observed in November 2019, before the COVID-19 pandemic. Meanwhile, the number of returning Canadian residents reached 88.5% of the level recorded in November 2019. Residents of overseas countries took 300,400 trips to Canada in November 2023, and US residents took 1.2 million trips. At the same time, Canadian residents returned from 3.7 million trips abroad.

Travel between Canada and other countries, November 2023, January 23, 2024, www.statcan.gc.ca

Federal use of Emergencies Act against Freedom Convoy unreasonable, judge rules



Source: Inside Logistics

A judge has ruled it was unreasonable for the Liberal government to use the *Emergencies Act* to quell “Freedom Convoy” protests in the national capital and at key border points two years ago. In a decision released Jan. 23, Federal Court Justice Richard Mosley said invocation of the Act led to the infringement of constitutional rights. The Canadian Civil Liberties Association and several other groups and individuals had argued in court that Ottawa ushered in the emergency measures without sound statutory grounds. The government contended the steps taken to deal with the pan-Canadian turmoil were targeted, proportional, time-limited and compliant with the *Charter of Rights and Freedoms*. The Public Order Emergency Commission, which carries out a mandatory review after invocation of the *Emergencies Act*, found the government met the very high legal standard for using the law. Mosley heard arguments in court over three days last April. In his ruling, Mosley said he revisited the events with the benefit of hindsight and a more extensive record of the facts

and the law than the government had when it proclaimed a public order emergency.

Federal use of Emergencies Act against Freedom Convoy unreasonable, judge rules, January 23, 2024, www.todaystrucing.ca

US/WORLD

Borderlands: Nearshoring forecast to boost US-Mexico trade in 2024

Cross-border operators expect 2024 to be a busy year, with more tractor-trailers passing between the United States and Mexico daily, carrying everything from cars and auto parts to electronics and fresh produce. With shippers attempting to return to normal freight seasonality amid uncertain economic conditions, Mexico is positioned to take advantage of potential nearshoring opportunities, according to Sri Laxmana, vice president of Americas at freight broker and 3PL giant C.H. Robinson. “Mexico is an important region for us for various reasons. We do feel that the macroeconomics and geopolitical landscape of the world is certainly changing,” Laxmana told FreightWaves. Almost 40% of shippers have already taken advantage of nearshoring manufacturing operations to Mexico, or are considering it, according to C.H. Robinson’s 2023 shipper survey and nearshoring is forecast to boost US-Mexico trade in 2024.

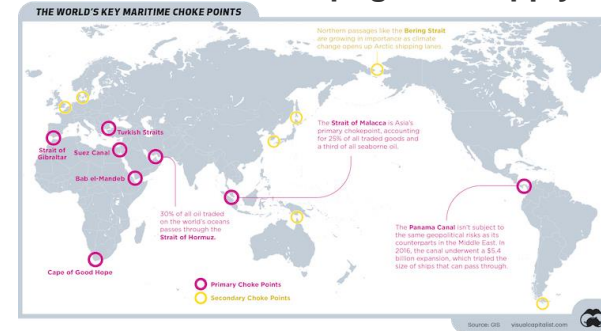
Borderlands: Nearshoring forecast to boost US-Mexico trade in 2024, January 21, 2024, www.freightwaves.com

DOT Readout of Supply Chain Stakeholder Call on Red Sea Disruptions

On Thursday, January 18, 2024, as part of the U.S. Department of Transportation’s Office of Multimodal Freight Infrastructure and Policy’s ongoing coordination efforts amid attacks in the Red Sea, DOT convened stakeholders from the federal government as well as the shipping, trucking, rail, port, and other supply chain industries to provide updates and to hear concerns from the industry about mariner safety and supply chain impacts. DOT has been in frequent communication with freight industry partners since December 2023 regarding the impacts of the situation in the Red Sea, and this call is part of a regular series of stakeholder listening sessions the Department has been hosting on the matter.

DOT Readout of Supply Chain Stakeholder Call on Red Sea Disruptions, January 19, 2024, www.dot.gov

Red Sea crisis: Suez Canal is not the only ‘choke point’ that threatens to disrupt global supply chains



Source: Inside Logistics

Global supply chains have become a lot more important for everyday life since the 1970s, so the impact of disruptions in the Red Sea is now much bigger. Also, crucially, Bab el-Mandeb is only one of several maritime choke points that are vital for world trade. But Suez Canal is not the only choke point these are shown in the figure. Another of the main choke points is currently suffering severe disruptions. The Panama Canal, which connects the Atlantic and Pacific, is experiencing an intense drought. Now water levels in the Panama Canal are so low that shipping capacity is severely limited. [Shipping giant Maersk recently shifted cargo to the railway line running in parallel to the canal.](#)

Red Sea crisis: Suez Canal is not the only ‘choke point’ that threatens to disrupt global supply chains, January 23, 2024, www.insidelogistics.ca

Government of Canada invests in projects in Quebec to improve supply chains

On January 24, 2024, the Minister of Transport and Quebec Lieutenant, Pablo Rodriguez, announced an investment of over \$2.6 million for two projects in Quebec under the National Trade Corridors Fund. The digital project and study selected for investment intend to harness data and technological solutions to generate supply chain efficiencies along key Canadian trade corridors. The Government of Canada will contribute: 1. Up to \$2.6 million to the Centre interuniversitaire de recherche en analyse des organisations (CIRANO) to implement a data science and knowledge transfer hub for trade and intermodal transportation in the St. Lawrence-Great Lakes Corridor. 2. Up to \$50 000 to CargoM to implement an automated tool to identify available indoor and outdoor storage spaces in the Greater Montreal area which will improve fluidity and reduce supply chain congestion in the Port of Montreal area.

Government of Canada invests in projects in Quebec to improve supply chains, January 24, 2024, www.tc.gc.ca

Biden-Harris Administration Announces \$4.9 Billion in Funding for Transformational Infrastructure Projects

On January 25, 2024, President Biden and U.S. Transportation Secretary Pete Buttigieg announced more than \$4.9 billion in funding from President Biden's Investing in America agenda to 37 projects through two major discretionary grant programs, the National Infrastructure Project Assistance (Mega) grant program and the Infrastructure for Rebuilding America (INFRA) grant program. The Mega program, which was created by the Bipartisan Infrastructure Law and provides \$5 billion in funding through 2026, is focused on projects that are uniquely large, complex and difficult to fund under traditional grant programs. For this round of funding, the Biden-Harris Administration is investing in 11 different projects that will generate national and regional economic, mobility, and safety benefits.

Biden-Harris Administration Announces \$4.9 Billion in Funding for Transformational Infrastructure Projects, January 23, 2024, www.dot.gov



The Chartered
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Transportation's Top Stories Other CILT News

**CILTNA Ottawa Chapter
Pub Social**

The CILTNA Ottawa Chapter hopes you can join us as we kick off the New Year with an informal social at the pub. This will be a great opportunity to reconnect with colleagues and friends, and to hear about upcoming Ottawa Chapter events that we have in store for the coming year. Snacks will be provided as well as one drink per guest. We look forward to seeing you there!

Tuesday, 27 February 2024
5 PM – 7 PM
D'Arcy McGee's, 44 Sparks St., Ottawa, ON K1P 5A8

Cost: CILTNA Members - No charge
Non-Members - \$15.00

To register, please visit:
<https://ciltna.com/events/ottawa-chapter-pub-social/>



The CILTNA Ottawa Chapter hopes you can join us on Tuesday, February 27 from 5-7 PM, as we kick off the New Year with an informal social at D'Arcy McGee's at 44 Sparks Street, Ottawa, ON. This will be a great opportunity to reconnect with colleagues and friends, and to hear about upcoming Ottawa Chapter events that we have in store for the coming year. Snacks will be provided as well as one drink per guest.

We look forward to seeing you there!

Registration:
CILTNA Members – No charge
Non-Members – \$15.00

For registration, please visit: <https://ciltna.com/events/ottawa-chapter-pub-social/>

Job Postings

* **Principal Planner: Freight Planning, North Jersey Transportation Planning Authority**

Under the direction of the Director of Freight Planning, the Principal Planner: Freight Planning will be responsible for performing a full range of technical planning, research, analysis, written reports, and outreach activities in the specialized field of freight and goods movement planning. The job requires knowledge of goods movement, the application of tools of analysis, the ability to research freight and related topics and produce reports, as well as the ability of effectively engage and interact with stakeholders in the public and private sector. To apply, please click here:

<https://njit.csod.com/ux/ats/careersite/1/home/requisition/4582?c=njit>

* **GLG, looking for consulting experts in various transportation and logistics fields**

We have been approached by GLG, a bona fide professional services organization which provides hourly consulting services, looking for experts in various transportation and logistics fields. These are done over the phone or in a web meeting (not in person). If you would like to be considered as a candidate (GLG typically pay up to \$200/hr. for these 30 minute or 60 minute consultations) for any of these please let Andrew Young know and he will put you in contact with them (uschapter@ciltna.com).

Diesel-to-Electric Battery Repowering | Trains, Trucks, or Boats

One of our clients, a railcar manufacturer, would like to speak with an expert who is knowledgeable about repowering heavy machinery, such as trains, boats, and trucks. More specifically, they're looking to better understand what it takes to go from diesel to electric battery powered,

as well as who the leading suppliers of key components are (e.g., power control systems, inverters, batteries, motors, etc.).

Project Questions

- Do you have experience repowering heavy machinery, such as trains, boats, or trucks? If so, please elaborate on your relevant experience below.
- Are you able to discuss the repowering design, specifically what it takes to transition from conventional diesel to electric battery powered?
- Are you knowledgeable about suppliers of key repowering components (e.g., power control systems, inverters, batteries, motors, etc.)? If so, please note which component suppliers you could elaborate on during a call below.

Fleet Management | Market Overview

One of our clients, a project team at a professional services firm, would like to speak with individuals that have in depth knowledge on the truck fleet management space. Topics of interest include:

- Products offered by truck fleet management companies
- Value chain
- Products
- Market size, areas for growth, and top players in the space

Please Note: Our client is working on behalf of a corporation or investment firm. GLG Network Members are not permitted to consult about their current employer(s) or provide any information that may be considered confidential or proprietary to their current or former employers or other third parties.

Project Questions

- Can you list what are the main products that a truck fleet management company offers?
- On a scale from 1-5 (1=not able to speak, 5=extremely knowledgeable), how knowledgeable are you on the following topics related to fleet management:
- Who do you believe are the 3-5 main truck fleet management companies and who has been gaining market share in the last 5 years?
- Can you speak to what is the average gross margin that fleet management companies generally have combining all products and services? (in %)

Fleet Operations | Fleet Manager Perspective

One of our clients, a project team at a professional services firm, would like to speak with professionals with fleet management experience across truck, rail, maritime, or aviation fleets.

Please Note: Our client is working on behalf of an Oil & Gas Provider. GLG Network Members are not permitted to consult about their current employer(s) or provide any information that may be considered confidential or proprietary to their current or former employers or other third parties.

Project Questions

- Roughly how many vehicles are/were included in your fleet?
- Are you involved in the evaluation and decision-making process for fuel choices and alternative products used in your fleet? Please select which best represent your relevant experience.
- Are you familiar with fuel alternative products ("green fuel", biofuels, etc.)? Please briefly elaborate on your experience in 1-2 sentences.
- Can you speak to your preference of fuel vs. fuel alternative products and your rationale? Please briefly elaborate in 1-2 sentences.
- Could you provide examples of and speak to companies that are selling fuel alternative products in the market today? What are your perceptions of these companies?
- Can you speak to the fuel alternative products in the market today? What are your perceptions of these products? What has influenced your perception? Please briefly elaborate on your ability to discuss in 1-2 sentences.
- Could you provide examples of when you have utilized fuel alternatives within your business/at your place of work? What were the advantages? The disadvantages? Please briefly elaborate on your ability to discuss in 1-2 sentences.
- Could you speak to making purchase decisions regarding fuel alternatives? What were your considerations? What ultimately influenced your decision? Please briefly elaborate on your ability to discuss in 1-2 sentences.
- Could you speak to the sources/influences that you consulted during this buying process? Please briefly elaborate on your ability to discuss in 1-2 sentences.
- Does your CURRENT company compete with Oil & Gas Manufacturers.
- Do you have current/recent experience (within 0-2 years) in fleet management across any of the following segments?

Freight Brokerage Services | Overview

One of our clients, an analyst at an investment management firm, would like to speak with a Network Member who can speak on the freight brokerage services space. Topics of discussion include:

The unique dynamics of fresh produce / temperature-controlled shipping

- Defensive actions to take during a brokerage downturn
 - Main drivers of freight brokerage financials
 - Up and coming tech platforms for freight brokerages
- GLG Network Members are not permitted to consult about their current employer(s) or provide any information that may be considered confidential or proprietary to their current or former employers or other third parties.

Project Questions

- Can you speak to the unique dynamics of fresh produce/temperature-controlled shipping? If so, please elaborate on your ability to do so below.
- Have you navigated a downturn at your brokerage? If so, can you speak on the defensive actions that were taken?
- Can you speak on the main drivers of freight brokerage financials? If so, please elaborate in 1-2 sentences on your ability to do so below.
- Can you speak on any emerging tech platforms for freight brokerages? If so, please elaborate on them below.
- Do you have any off-limit topics and/or anything you might be contractually obligated not to discuss regarding this consultation or space? If so, please briefly elaborate on the topics you are not allowed to discuss.



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