

## **Our Future? By Brian Bouchard**

With crude oil prices bouncing between \$125 and \$150 per barrel and diesel fuel prices to match, the World economies will need to make adjustments. I see these adjustments, and the uncertainties that come with them, plaguing those industries that are heavy users of petroleum fuels relative to revenue. Trucking and forest products industries are the two that are the closest to my thoughts. The problems we see were a long time getting here and I expect there will be reasons for concern for quite some time.

Those of us who earn our livings in these industries must be as proactive as possible. Business as usual will not be an option. Those who are successful must change their ways. Letting \$3.70 fuel go up the stack and earn no revenue is no longer an option.

The one technology area above all others that is important for the future of the heavy - duty truck business is fuel conservation. Fuel conservation will not be merely a question of price. It soon will be a question of economic survival. Trucking can no longer ignore any of the four major disciplines of fleet efficiency and conservation:

- Engine and drive train technology;
- Heavy-vehicle aerodynamics;
- Preventive maintenance; and
- Driver skills and practices.

Each of these disciplines carries roughly the same potential for savings, but used together, they represent a more powerful force than any government agency mandate.

So, while there is no need to panic, it is certainly a good time for all facets of the trucking industry to move quickly in all areas of fuel efficiency.

Based on the International Energy Agency's World Energy Outlook numbers in 2006, the demand for petroleum looked like this: Global oil demand in 2006 was 83 million barrels per day. It is projected by 2020 that oil demands will rise to 115 million barrels per day. Couple that with the projected increase in truck movement to be 75% more in 2020 than in 1998 and we have ourselves some long term concerns that we in this country had better address.

Cianbro Chairman, Peter Vigue, has a vision for an East/West Highway thru Maine that has the potential to make a difference in our economy by providing shippers a more efficient and cost effective way to the marketplace. I personally am a supporter of this vision and accept the fact that if we build it they will come. I do wish, however, that we could level the playing field in competing with Canadian trucking companies by the United States adopting similar weight regulations to those in Canada.

We in Maine and the rest of the country, for that matter, need to look at size and weight regulations that handcuff our opportunities to take the transportation of goods and services into the 21<sup>st</sup> century. Increased truck productivity on our Interstate highways are necessary, if we are to compete in the world economy.

Why do we take a back seat to our neighboring country when it comes to efficiently moving goods? Trucking is responsible for 69% of the freight by volume moved in this country and 84 % of the revenue. Truck tonnage is expected to increase greatly by 2020.

The projection is for 2.7 million more trucks on America's roads by 2020. Where will the drivers come from? Where will the trucks travel? A reliable network of highways is crucial to our industry's ability to deliver goods safely, efficiently and on schedule.

In many ways, the United States has the most restrictive size and weight regulations of any developed country. At the same time, America's freight transportation demands are greater than any other nation, and we have the world's most well-developed highway system. Therefore, the potential productivity benefits of changes to size and weight regulations very significant.

More important, however, are the possible safety benefits of size and weight reform. Research demonstrates that more productive trucks can be as safe as or safer than existing configurations. Furthermore, because fewer truck trips will be needed to haul a given amount of freight, accident exposure, and therefore the number of accidents, will be reduced.

If we continue to ignore the need for size and weight reform, we will prevent the industry from effectively responding to the enormous challenges that lie ahead, and ignores the great potential for this reform to significantly improve the trucking industry's productivity and safety.

Now more than ever we need to take our opportunity seriously and do what we can to assure that we have an industry for future generations in Maine.

- Brian Bouchard, President, H.O. Bouchard, Inc.

*While this article is aimed primarily at management personnel, we feel Brian raises issues that should be in the forefront of everyone's mind. Drivers are encouraged to share this information with their employers. Brian can be reached at 207-862-4070, Ext. 114 or brianb@hobouchard.com - ed*