

2020 State of the Industry
American Trucking Associations President and CEO Chris Spear
October 26, 2020
***As Prepared for Delivery**

Good morning, and welcome to the 2020 Management Conference and Exhibition... the first in ATA's 87-year history to be held virtually.

2020 has been a year of endless challenges. But like our great industry, the American Trucking Associations hasn't shut down, backed down... or sat things out. We've rolled up our sleeves and we're getting the job done.

We began this year with tremendous optimism. The passage of the U.S. Mexico Canada Agreement and over half of a new agreement with China secured, these trade deals gave us confidence that 2020 would feel more like 2018. Two months later, those hopes were dashed, replaced by a global pandemic that brought swift responses from all levels of government. The following national economic shutdown quickly spilled into the supply chain. Governors and mayors, many whom have never worked directly with the trucking industry, issued decrees that prevented our members from serving customers, communities and those most in need. And we all felt the result, with nearly 15 percent of our nation out of work... the highest unemployment rate since the Great Depression.

ATA and our state association executives responded, securing federal "essential" status from the Department of Homeland Security, and temporary FMCSA exemptions from Hours of Service requirements. We were able to secure the reopening of public rest areas shuttered by several Governors. And we were successful in getting state DMV extensions on the issuance and renewal of CDL's, CLP's and medical certificates as well as federal COVID relief for our industry and customers. While others in DC panicked, the ATA led... giving direction and certainty to our members when it mattered most.

We got loud... taking our story about the vital importance of trucking to the national airwaves, drawing the attention and respect of our nation's elected officials. Our efforts brought ATA and its members to the table, including the President's Great American Economic Revival advisory group. Our Chairman, Randy Guillot, testified before the House and Senate on the critical importance and timing of passing an infrastructure bill. And the ATA engaged on federal regulatory relief and permanent flexibilities, all while underscoring the safety and health of our industry. Our combined efforts have helped put America on a path to full recovery... and the numbers prove it. Unemployment insurance claims dropped from a peak of 6.9 million in March to 860,000 just last month, while the unemployment rate has been cut nearly in half. There's more work ahead, but the results and trends are encouraging.

Our association is not only strong, it's now battle-hardened. We're meeting these seemingly endless challenges because of you... our members, our drivers. Thank you. Your support, direction and unwavering commitment to a unified voice inspires each of us at ATA to excel on your behalf. And you have my personal commitment that these efforts will only continue.

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Throughout this pandemic, trucking has done what it does best – care. Reflected in the mission of the Trucking Cares Foundation, we restocked depleted shelves and delivered medical supplies and test kits to first responders. At the same time, we kept our own safe... distributing nearly 1,000 gallons of hand sanitizer, 250,000 KN-95 masks and helped FMCSA distribute over one million more, free of charge. And we again answered the call when disasters struck, immediately responding to Hurricanes Laura, Sally and Delta, bringing truckloads of relief to those displaced by damaging winds and floods.

America is paying attention to trucking. From ACT 1's continued support of Trucking Moves America Forward to ATA's new trucking.org website, our image has benefited... soaring to unimagined heights. In April, our drivers returned to the South lawn of the White House, receiving the appreciation they deserve. The President and Secretary of Transportation "thanked God for truckers," and Americans agreed. Over 480 million social media impressions poured in, spurring a flood of earned thanks to the 3.6 million drivers for a job well done. Four of our female America's Road Team Captains, with a combined 7.6 million accident free miles, took things further, drawing national attention when they drove our ATA Image truck and a specially wrapped trailer from the steps of our nation's Capital to Laramie, Wyoming... where Louisa Swain cast the first vote by a woman 150 years ago.

ATA doubled-down on its media efforts, receiving widespread national coverage, including: Good Morning America, the Today Show, the CBS Evening News, Tucker Carlson, Fox & Friends... and a Wall Street Journal editorial just to name a few. In the last year, earned media reached 25.2 million viewers... Our social media reach also grew... thanks in part to multiple retweets by the President, Vice President and Department of Transportation officials. Total impressions surged in 2020 from 1.9 million to 8.2 million. And over the last four years, the number of ATA social media subscribers has tripled, with Facebook doubling, Linked-In jumping eight-fold, and Twitter growing 60 percent.

Our image is what we make of it. These gains are significant. ATA, members and drivers earned them all... and we did it, not by seeking undue credit or attention... but by simply doing what's right.

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Flanked by sound ATRI data, we're now leveraging our image for the benefit of ATA's strategic priorities. A year ago, tort and legal reform was elevated to be a tier one priority. Since then, ATA has led an army of honest, safety-minded industry stakeholders to victory in Louisiana, Iowa and Missouri, dealing countless blows to the plaintiffs' bar on issues ranging from seat belt gag rules to phantom damages. Trial attorneys are now paying attention, some even claiming that they're the defenders of safety. Really? Where were they when ELD's, cameras and technology entered our trucks? I don't recall seeing one trial attorney walking the halls of Congress when that was up for vote. Where are they as we advocate for more tools to combat the nation's war on opioid use and the widespread legalization of recreational marijuana... tools like federal hair testing authority, expanding FMCSA's drug clearinghouse or fixing the CSA program. The truth is, they haven't lifted a finger for safety. Instead, they hide behind frivolous lawsuits aimed at destroying companies, jobs and families. But thanks to you, we're takin'em to the woodshed. So to this parasitic profession, let me share some Wyoming wisdom... if your horse drops dead, it's best to get off.

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ATA is well-positioned and prepared for 2021 and beyond. Our efforts this year on infrastructure produced a comprehensive bill in the House of Representatives. Movement... that paves way for passing comprehensive reform next year, regardless of who voters elect next week. Success depends most on how infrastructure is funded... and it cannot, and will not be done via truck-only tolls. ATA has successfully litigated the Rhode Island tolling scheme to a federal trial. This is a “must win” case. Other states are watching, salivating over the notion of tolling our trucks. But this effort cannot be won on the backs of local and regional carriers. As a national association representing the interests of all sectors of trucking, it’s everyone’s responsibility to fight and win. Large or small, your help preventing the anticipated surge of flawed federal and state funding schemes rests in Rhode Island. I ask that you generously support the Lit Center and help send a message to federal, state and local officials alike – we’re not your personal slush fund.

As the economy strengthens and capacity tightens, the shortage of drivers and technicians will return. Efforts to grow our talent pool continue, with added focus on better pay, benefits and programs. We must continue our focus on hiring more veterans and exiting service men and women. And with strong, bipartisan support from Congress, FMCSA’s new pilot program to train 18 to 20-year olds how to safely and responsibly operate equipment, with training measures beyond anything 49 states currently require, is a major win for safety.

2020 opened our eyes to the importance of diversity, and the trucking industry is no exception. To that end, ATA established a diversity working group in direct support of the Workforce Development Policy Committee. This group will shine a brighter light on our efforts to expand urban hiring, including people of color and women; and, look at initiatives that increase the number of minorities in our executive ranks, including partnerships with historically black colleges and universities.

ATA will also be reaching internally, creating a new Law Enforcement Advisory Committee to further develop and strengthen our working relationships with federal, state and local officials. Our industry relies on close partnerships with law enforcement, and this new advisory committee will help improve our efforts to combat cargo theft, fraud... and defeating the scourge of human trafficking, an issue our incoming Chair, Sherri Garner Brumbaugh is quite passionate about.

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Like most businesses this year, ATA tightened its belt, including a 16 percent cost reduction. We did it without compromising your priority agenda nor undermining our talent pool. And with support from your elected ATA officers, we will end 2020 in the black. Going forward, ATA will resource and steer issues that impact our industry. We will continue to represent our association’s strategic priorities, from tax and trade policy... to infrastructure and legal reform. And ATA will now lead our industry in the debate over minimum insurance levels. Leadership and results. This is what you expect from your national association. And these are the reasons ATA grew its membership, reach and voice in 2020. ATA proudly welcomes the moving and storage industry back into its federation, housed in a newly-built ATA Moving and Storage Conference. While other associations struggle to find their voice, ours just got considerably louder.

In 2020, we’ve all had to... “get used to different.” Serving ATA while our four kids attend four schools virtually, my family and I have managed to stretch the outer limits of our home’s internet bandwidth. There’s no question this year impacted each of us... professionally and personally. For me, in the midst

of all the challenges, I lost three true friends this year... prohibited from being by their side or getting closure by attending a funeral service. And, my family and I experienced firsthand the threat of a major wildfire, as it indiscriminately destroyed more square miles than all of New York City, along with countless homes and dreams in its path. As if 2020 wasn't hard enough...

This is my fifth MC&E address as your ATA President and CEO. And each time I write my remarks, I'm reminded of the many reasons I love this job. We treat people with respect, loving each other as if members of our own family. We're unapologetic about our faith in God. We care deeply about our country. And we work hard... harder than most. So why dwell on the negatives when given reasons like these? To see so many of you call on me and my family when we were most low. To see these same reasons inspire our eldest son to stand on that fire line, protecting his community, neighbors and home. To know... that you have my back, as I have yours.

It's no surprise that America has awakened to the trucking industry. Together, we inspire others. Together, we will win and grow. And we'll always answer the call when our country needs us most. Trucking isn't just the backbone of our economy... it's the heartbeat of this nation. Thank you.