

# ROLLING ALONG

SUMMER 2020

NORTH DAKOTA MOTOR CARRIERS ASSOCIATION PUBLICATION

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1937 East Capitol Avenue  
P.O. Box 874 Bismarck, ND 58502  
701.223.2700 Fax: 701.258.8865

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### NDMCA STAFF

OFFICE MANAGER  
**Kacey M. Heidrich** [kacey@ndmca.org](mailto:kacey@ndmca.org)

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The North Dakota Motor Carriers Association has been publishing the Rolling Along magazine since 1948. Each issue provides members with information concerning their association and the issues impacting the trucking industry.



Rolling Along is published quarterly (April, July, October and January) by the North Dakota Motor Carriers Association. Statements of fact and opinion are the responsibility of the authors alone and do not imply an opinion on the part of the officers, members or staff of the North Dakota Motor Carriers Association.

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# SAVE THE DATE



JOIN US **Sept. 21-22, 2020**  
**75TH North Dakota Motor Carriers Association Annual Convention**

Holiday Inn, Fargo

Visit [www.ndmca.org](http://www.ndmca.org) to register

Deadline Sept. 14, 2020

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# MESSAGE FROM THE PRESIDENT

## HELLO MEMBERS,

Many of you have been wondering and asking about the 75th Annual NDMCA Convention. I am pleased to tell you that we are still planning this event for September 21-22 at the Fargo Holiday Inn. Although the schedule will be modified from years past, I am confident that we can pull off a successful event that provides networking for our industry, celebration of our hard work over the past 6 months and recognition to the professionals who show a commitment to safety. The NDMCA Foundation Golf Tournament will kick the event off at the Fargo Country Club. I hope that you are able to attend. More details can be found on page 5.

Over the last 6 months most of us have made changes and adapted to this “new normal” we all keep hearing about. Thank you all for doing what you do.

Our Industry is the lifeblood of our economy. The hard work and the sacrifices you make everyday helps to keep our economy and industry moving.

Enjoy the rest of your summer and I will see you in September!

PAT



PAT SEVERSON



Our Industry is the lifeblood of our economy. The hard work and the sacrifices you make everyday helps to keep our economy and industry moving.



## CONTRIBUTE TO TRUCKPAC ND

We need your support to keep up the fight and ensure North Dakota remains a trucking-friendly state! TruckPAC North Dakota supports elected officials that are key in helping fight off regulations that negatively impact our industry, bottom line, and safety ratings.

<https://shopndmca.org/truckpac-north-dakota/>

## VISION CAMPAIGN



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Dennis Gustafson	Mark Wolter	Mike & Jennifer Gerhart

### FOUNDERS CLUB

Pro Transport & Leasing Inc.

# CONVENTION INFORMATION & SCHEDULE

## 2020 NDMCA ANNUAL CONVENTION

September 21–22, 2020 • Fargo, ND • Holiday Inn

### Monday, September 21, 2020

#### NDMCA Foundation Scholarship Golf Tournament

Presenting Sponsor RDO Trucks Centers

10:00 am – 11:45 am Golf Registration and Lunch  
11:45 pm Foundation Golf Tournament

#### NDMCA Annual Convention

5:00 pm Convention Registration  
6:00 pm – 7:00 pm Fun Night Social *Sponsored by Freightliner Corp, Fargo Freightliner, Forks Freightliner, Istate Truck Center, Westlie Truck Center*  
7:00 pm – 7:30 pm Fun Night Dinner  
7:30 pm – 7:45 pm Golf Tournament Awards  
7:45 pm – 9:15 pm **Mike Armstrong**, Comedian  
*Sponsored by Interstate PowerSystems*  
9:30 pm Fun Night Dessert  
*Sponsored by Allstate Peterbilt Group*

### Tuesday, September 22, 2020

7:00 am Breakfast  
*Sponsored by Johnsen Trailer Sales*  
8:00 am Opening Remarks  
8:30 am – 9:30 am Industry Segment Meetings  
– Allied Conference: **Kelly Krapu**, Chair  
– LTL Conference: **Eric Bischke**, Chair  
– Private Conference: **Gary Pederson**, Chair  
– Specialized Conference: **Alan Coldwell**, Chair  
– Truckload Conference: **Tracy Buzick**, Chair  
9:45 am – 10:30 am General Session – **William T. Panos**,  
Department of Transportation Director  
*Sponsored by Holland Enterprises, Pro Transport & Leasing, CrossCountry Freight Solutions*  
10:30 am Break  
*Sponsored by Nelson International*  
10:45 am NDMCA Annual Board Meeting  
12:00 pm Member Lunch with Keynote speaker –  
**Randy Guillot**, ATA, Chairman  
*Sponsored by Wallwork Truck Centers*

Following ATA Speaker: Annual Safety Awards *Presented by Great West Casualty Company; Supporting Sponsors – Dixon Insurance & ITL, Vaaler Insurance, Lahr Agency, Butler Machinery, PrePass Safety Alliance*

### SAFETY AWARDS LUNCHEON

Each year the North Dakota Motor Carriers Association gathers at our annual convention to give special recognition to industry professionals who go above and beyond and show an unwavering commitment to safety. Awards for Fleet Safety, Service Technician of the Year, Service Manager of the Year, Safety Professional of the Year, Trooper of the Year and Driver of the Year will be given in 2020 in recognition for achievements in the previous year.



### REGISTRATION INFORMATION:

Register Online at [www.ndmca.org](http://www.ndmca.org)

Registration Deadline – 9-14-2020

- ▶ First Member Company Rep. (Excludes Golf) – \$200.00
- ▶ Additional Member Company Rep. (Excludes Golf) – \$185.00
- ▶ Fun Night Ticket – \$100.00
- ▶ Tuesday Only – \$100.00
- ▶ Golf – Individual – \$80.00
- ▶ Golf – Team – \$320.00
- ▶ Fun Night Dinner Sponsor – \$300.00
- ▶ NDMCA Foundation Golf Hole Sponsor – \$200.00
- ▶ NDMCA Foundation Golf Lunch Sponsor – \$300.00
- ▶ NDMCA Foundation Golf Hole Contest Sponsor – \$250.00

Registrations are transferable.

Due to the modified schedule there will be no Vendor Booths this year.

### LODGING INFORMATION

The North Dakota Motor Carriers Association has secured a room block at the Holiday Inn at the special rate of \$119/ night until September 8th. Reservations can be made by calling 701-282-2700

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# CONVENTION SPEAKERS



## **RANDY GUILLOT**

*President, Triple G Express, Inc.  
Chairman, American Trucking Associations*

Randy has more than 33 years of experience working in the trucking industry and is President of Triple G Express, Inc. and Southeastern Motor Freight, Inc. Since 1983, Randy has carried on the family tradition of trucking by working for

Southeastern Motor Freight, which his grandfather, Aswell Pitre, founded in 1945. In 1985, Randy helped launch Triple G Express, Inc. and he now oversees, collectively, more than 125 employees and contractors. The two companies haul mostly intermodal containers, primarily servicing the Port of New Orleans, but also operate short-haul dry-vans. During his time in trucking, Randy has worked in all aspects of the business, ranging from sales and driving to dock work and safety.

Randy is the Chairman of American Trucking Associations, the largest national trade association for the trucking industry. Through a federation of 50 affiliated state trucking associations and industry-related conferences and councils, ATA is the voice of the industry America depends on most to move our nation's freight.

The Guillot family has been longtime active members of the American Trucking Associations, with Randy's father, Elmo Guillot, instilling a strong commitment to serve the industry and the ATA federation. Randy is an Executive Committee Member and Board Member of American Trucking Associations and is Past Chairman of Louisiana Motor Transport Association, one of ATA's affiliated state trucking associations. He is also the Chairman of ATA's Intermodal Motor Carriers Conference, and Treasurer and Board Member of the North American Chassis Pool Cooperative.

Randy graduated from Southeastern Louisiana University with a BA in Business Administration. He has been married to his wife Renee' since 1983 and the couple has 3 grown children and one grandchild.



## **WILLIAM T. PANOS**

William T. "Bill" Panos is the 22nd Director of the North Dakota Department of Transportation (NDDOT). Governor Doug Burgum appointed Bill in September 2019. The NDDOT has 982 employees and a biennial budget of \$1.4 billion to build and maintain a safe, efficient transportation system consisting of approximately 8,622

miles of roadway and 1,722 bridges. Annually, the department processes more than 1 million vehicle registrations and serves over 500,000 licensed drivers at branch offices located throughout North Dakota.

Bill previously served as Director of the Wyoming Department of Transportation from 2015 to 2019 and as director of the Wyoming Department of School Facilities from 2013 to 2015. Prior to moving to Wyoming, he obtained 37 years of experience in leading private and public sector organizations.

Bill is a native of California and a graduate of the California State University where he studied physics and forensic science. His previous work has included engineering and leadership positions with the TRW Corporation, the Commonwealth of Massachusetts, the State of Washington and local government.

Bill also plays a leadership role in infrastructure issues for the United States. He served on the Board of Directors for the American Association of State Highway Transportation Officials (AASHTO), the National Operations Center of Excellence, and was Chairman of the AASHTO Committee on Transportation System Operations. In 2018, he was named a Henry Toll Fellow by the Council of State Governments. Previously he served as Director for the Port of Sacramento, Advisor to the President's Council on Sustainable Development, and Special Assistant to the Chancellor of the California State University System.

During his career, his work has intersected with numerous government and business issues, including large-scale infrastructure development, public safety and law enforcement, disaster preparedness, institutional reform and transformation, capital finance and asset management, public policy and regulation, multi-site operations, advanced risk assessment, and government relations.



## **MIKE ARMSTRONG**

Join us for a night of laughs at the NDMCA Annual Convention Fun Night with the comedian Mike Armstrong.

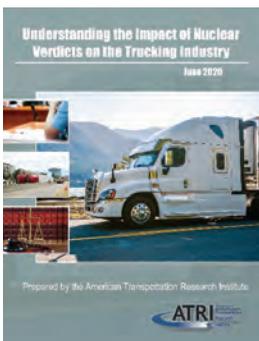
He's an ex-cop – the kind of cop that most people hope for when they get pulled over. "I'd stop cars and warn the speeding drivers about the speed traps up ahead.

I think that when I quit the police department three other cops lost their jobs. They simply didn't need that many internal affairs officers anymore!"

## UNDERSTANDING THE IMPACT OF NUCLEAR VERDICTS ON THE TRUCKING INDUSTRY

The American Transportation Research Institute recently released comprehensive research that confirms that large verdicts against trucking fleets are increasing dramatically, both in number and in size of awards.

ATRI's research is partially based on a newly created trucking litigation database that provides detailed information on 600 cases between 2006 and 2019. In the first five years of the data, there were 26 cases over \$1 million, and in the last five years of the data, there were nearly 300 cases. The number of verdicts over \$10 million nearly doubled in that time.



In response to arguments that nuclear verdicts reflect real-world cost increases, the research documents that from 2010 to 2018, the size of verdict awards grew 51.7 percent annually at the same time that standard inflation grew 1.7 percent annually and healthcare costs grew 2.9 percent annually.

The research also surveyed and interviewed dozens of defense and plaintiff attorneys as well as insurance and motor carrier experts, and generated a qualitative analysis for why the litigation landscape has changed, recommendations for modifying pre-trial preparations, litigation strategies and mediation approaches, and how large verdict awards impact both safety and insurance.

At 80+ pages, ATRI's report is a data-rich analysis with important findings that motor carriers, their defense attorneys and their insurers can implement to mitigate the frequency and size of large verdicts.

### Pre-Crash Actions by Motor Carriers are Critical

- Both attorney bars emphasized that crash avoidance is everything and that strictly adhering to safety and operational policies is essential to staying out of court and/or reducing award sizes.
- Almost any failure to adhere to Federal Motor Carrier Safety Regulations (FMCSRs) or company safety policies will be the focus of plaintiff arguments.
- From a litigation standpoint, motor carriers should consider FMCSRs as minimum standards that can and should be exceeded. The ability of defense attorneys to document carrier or driver safety activities that exceed FMCSRs carries great weight with juries.

### Litigation Preparation is – and should be – Both Complex and Costly

- Risk Assessments must be thorough and objective. Case vulnerabilities and potential liabilities must be acknowledged, and vetted against realistic financial damage projections.
- The ultimate strategy-driving question internally posed by most plaintiff attorneys and successful defense attorneys is: “What operational, safety or training factors could have prevented the crash in the first place?”
- Experience matters. Both defense and plaintiff attorney bars noted that attorneys inexperienced in trucking litigation are harmful to all parties.

### When Mediation and Settling Makes Sense

- There was general agreement that mediation and settlements are missed opportunities, particularly by the defense when they do not believe that negligence by the carrier and/or driver exists.
- If mediation and settlements are pursued, initial offers should be realistic and equitable. Multiple plaintiff attorneys describe the frustration and consequence of initial “low-ball” offers.
- Settling early reduces costs. ATRI's quantitative analysis found that, on average, a 1 percent increase in time between crash and verdict increases verdict size by \$3 million (mean = 1,319 days between crash and verdict).

### Expert Witnesses and Plaintiff Claims Matter

- When the defense uses expert witnesses and the plaintiff does not, awards decrease by 13 percent. When both use expert witnesses, the defense still benefits. There were five issues in ATRI's litigation database where the defense lost every case, including HOS and logbook violations.

### Litigation Strategies and Models: Success versus Failure

- The defense and plaintiff bars have different underlying business models. The defense bar is party to an economic model focused on “cost minimization,” as dictated by the client (e.g. motor carrier, insurance firm). Client efforts to reduce costs will often cut corners on detailed risk analyses, litigation preparation expenses and expanded legal representation. Alternatively, the plaintiff bar recognizes that litigation failure will generate little to no revenue, but with “high risk, can come high reward.”
- Knowledge dictates good vs bad litigation outcomes, yet information-sharing models between defense and plaintiff attorneys are stark and disparate. Respondents generally



described defense attorneys as being more secretive and competitive in their approaches and strategies. The result is minimal sharing of tactical and strategic information among defense attorneys and firms. Alternatively, every year the plaintiff bar holds dozens of open-door and closed-door conferences on successful litigation approaches and tactics.

- Several defense attorneys also described their own inability to obtain detailed and critical information from their own clients.
- While there was much discussion and debate on the existence and role of the “reptile theory,” there was general consensus that emotion, egos, and sentiment play a crucial role in “winning over the jury.” The defense often relies on logic, technical witnesses, compliance with FMCSRs and other rational arguments. Plaintiff attorneys oftentimes rely on emotional pleas and “heart string” stories to win over the jury with sympathy and empathy. The example provided was juxtaposing a mechanical engineer describing brake stopping distances vs a child testifying about the loss of a sibling.
- Multiple attorneys proffered a solution or response to this by noting that defense arguments should highlight the critical role of the trucking industry in the nation’s economy, a fleet’s role in the community as both an essential employer and corporate citizen, and stories about truck drivers being devoted family members who would never intentionally harm someone.
- In terms of expert witnesses, it was recommended to avoid “technical overkill.” Since likeability plays a key role in believability, rely on a down-to-earth mechanic to discuss certain issues versus an automotive engineering professor.

#### **Unfavorable Practices will Destroy Case Potential**

- Any type or degree of spoliation, aka destroying evidence, when proven in court almost always ensures immediate jury sympathy for the plaintiff. If the credibility of the defendant is destroyed through documented proof that evidence was tampered with, “all hope is lost.”

**A copy of the full report – Understanding the Impact of Nuclear Verdicts on the Trucking Industry – is available for free from ATRI’s website at [TruckingResearch.com](http://TruckingResearch.com).**

*ATRI is the trucking industry’s 501c3 not-for-profit research organization. It is engaged in critical research relating to freight transportation’s essential role in maintaining a safe, secure and efficient transportation system.*

## STATE GOVERNMENT



Hello,

My name is **Damir Bicanic**. I have been in the Motor Carrier area of NDDOT’s Motor Vehicle Division for ten months. I started out as a Licensing Specialist. As a specialist I learned all of the procedures for titling and registering vehicles.

I have recently moved into my new role as the supervisor within NDDOT’s Motor Carrier area, where I have been learning even more about the procedures and establishing my role as a leader within the department. I drove truck for several years before, being hired on with the NDDOT. I bring hands-on experience with the open road to my position.

Going forward I will serve as a main contact for any issues that arise with titling and registering. I am excited to apply my real-world knowledge of the trucking industry to help improve services for customers.

Thank you,  
Damir Bicanic



Greetings.

My name is **Kyle Larson** and I am the new Motor Carrier Manager for NDDOT. I graduated from the University of Mary in 2014 and have been in the Motor Carrier industry ever since.

In the six years that I have worked in the Motor Carrier section of NDDOT’s Motor Vehicle Division, I have held three different positions. Starting as a processor helped me lay the groundwork for learning exactly what we do, and why we do it. Secondly, I moved into a supervisory role. This role assisted me in establishing myself as a leader at the NDDOT. It also helped me learn our systems, and how we can improve them for the customer.

Lastly, I moved into Management. Having vast product knowledge has assisted me in making great change for our Motor Carriers. In any change that we make, we must look at what is best for our clients, and the trucking industry.

NDDOT’s Motor Carrier office will be enhancing our online systems, simplifying processes, and extending education for those that need it. We will also be utilizing the Record Review program, which will greatly help the new entry carriers. I look forward to working with you all!

Thank you,  
Kyle Larson





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## FBI WARNS TRUCKERS THAT HACKERS COULD TARGET ELD DATA

The following article originally appeared in *Transport Topics* July 30, 2019, Eric Miller

The FBI issued a cautionary notice warning truckers that cyber criminals could target electronic logging device vulnerabilities as a means of seizing business information, but industry experts note that hackers have as yet not found a way to crack into ELD data.

“Although the ELD mandate seeks to provide safety and efficiency benefits, it does not contain cybersecurity requirements for manufacturers or suppliers of ELDs, and there is no requirement for third-party validation or testing prior to the ELD self-certification process,” the FBI said in a Private Industry Notification dated July 21.”

“The agency’s warning did not, however, reference any specific attempts to hack into ELDs.” That concurs with information from American Trucking Associations’ Fleet CyWatch program, which assists members with information about trucking-related internet crimes, cyberattacks and cyber threats that may impact their operations.

ATA director of technology and engineering policy Ross Froat told *Transport Topics* that the group isn’t aware of any ELD attacks, and said vulnerabilities have only been exposed via research and testing.

“There have not been any cyber crime reports of trucks or their technology applications, especially by way of an ELD. The FBI notification is for informational awareness from their industry activities,” he said. Sharon Reynolds, chief information security officer at Omnitracs, agreed.”

“There are no current ELD hacks that we are aware of,” Reynolds told TT. “The FBI notice for the industry was a proactive exercise in order to create a better security posture and avoid potential future hacks.”

The FBI said as much in its notice, stating that it issued the warning “in furtherance of public- private partnerships.” The agency added, “The FBI routinely advises private industry of various cyber threat indicators observed during the course of our investigations. This data is provided in order to help systems administrators guard against the actions of persistent cyber actors.”

“The notification said that companies choosing an ELD can mitigate their cyber risk by following best practices tailored to ELDs. “This includes asking the ELD’s supplier specific questions, some of which are identified in this [notification],” it said.

The Federal Motor Carrier Safety Administration’s ELD mandate, effective Dec. 16, 2019, required that most commercial truckers install ELDs on their trucks, and log their hours electronically.”

Froat noted that while some research has suggested that ELDs are easy targets for hackers, this is more true on what he described as “unsecured” electronic logging systems like some that rely on internet of things technology.



An Omnitracs ELD. CISO Sharon Reynolds says, “There are no current ELD hacks that we are aware of.” (Omnitracs)

“It’s important to know industry accepted ELDs are secure,” he said. “Remember, ELDs’ primary role is to record hours of service and have mandated cybersecurity protocols. They just need to follow these protocols and enhance themselves with industry-recognized best practices.” Froat added, “We’re happy that the FBI private” industry notification was

released, but this activity shouldn’t be new to our members. Through ATA Fleet CyWatch and the Technology & Maintenance Council’s cybersecurity task forces and conferences, ATA has been very engaged improving the industry’s cybersecurity posture.”

The FBI notification defined ELDs as devices that electronically send inspection reports to FMCSA, and are required to connect to a vehicle’s electronic control module in order to track date, time, location information, engine hours, vehicle miles, user identification data, vehicle identification data and motor carrier identification data.

“Industry and academic research into a selection of self-certified ELDs found the sample of devices did little to nothing to follow cybersecurity best practices and were vulnerable to compromise,” the notification said. “The sample included ELDs that could be purchased off the shelf at superstores and ELDs supplied by well-known companies.” Commands passed into the vehicle network through an ELD could affect functions such as vehicle controls and the accuracy of the console display, the FBI said.

“Cyber criminals interested in stealing data such as personal information, business and financial records, location history and vehicle tracking, or other proprietary data such as lists of customers and cargo can use vulnerabilities in ELDs as a way in to access trucking companies’ enterprise networks and databases,” it noted.”

## PANDEMIC FORCES SOME FLEETS TO FURLOUGH DRIVERS, BUT OTHERS HAVE BEEN QUICK TO HIRE THEM

The following article originally appeared in *Transport Topics* July 27, 2020, Mindy Long

As the coronavirus pandemic took hold, it disrupted freight demand in many segments of the economy, forcing some carriers to furlough drivers while others were quick to hire those furloughed drivers as a way to swiftly onboard experienced commercial vehicle operators.

As the coronavirus pandemic took hold, it disrupted freight demand in many segments of the economy, forcing some carriers to furlough drivers while others were quick to hire those furloughed drivers as a way to swiftly onboard experienced commercial vehicle operators.

At the same time, COVID-19 changed hiring and employment practices at fleets and compelled carriers to rethink their recruiting and onboarding efforts.



Kendra Patton, director of recruiting at U.S. Xpress, said the fleet was able to hire and continues to hire drivers that have been furloughed, specifically within its over-the-road and dedicated divisions, to meet increased demand in the grocery, retail and consumer goods sectors.

Patton

“We felt this was a great opportunity to add experienced, top talent to our fleet,” Patton said.

Refrigerated carrier Grand Island Express didn’t have to furlough any drivers and was able to continue hiring during the pandemic, said Deen Albert, vice president of operations at the Grand Island, Neb.-based fleet.

“There was a smaller pool of companies actually continuing to hire, and, yes, with the furloughs that took place, there was a slightly larger pool of applicants looking for their next opportunity,” he said.

The current situation is similar to the 2008-09 recession, said Jeremy Reymer, CEO of DriverReach, a driver recruiting company based in Indianapolis.

“In many cases, there were a lot of really good drivers available as a result of that. Through no fault of their own, they were out of work,” he said, adding that it was the same earlier this year.

That afforded opportunities to companies that wanted to hire drivers due to new work or simply were looking to hire the best and safest drivers, Reymer said.

There was a window of a few weeks where talent was available, said Jeff Jackson, senior vice president of operations for dedicated contract carriage at Penske Logistics.

Penske was able to capitalize on some of it, even though it had to

lay off drivers in some areas or move drivers to sectors that were surging. He added that demand picked up a lot faster than the company had anticipated.

“Where we felt we had a surplus of drivers, it flipped to having to hire a lot of drivers again over the course of a couple of weeks,” he said.

Penske, based in Reading, Pa., ranks No. 15 on the Transport Topics Top 100 list of the largest for-hire carriers in North America.

Ryder Supply Chain Solutions also had to furlough some drivers due to customers that either dialed back operations or had significant volume drops, said Steve Martin, senior vice president of dedicated transportation solutions for Ryder System Inc.

“In some areas, we did not have to furlough drivers but could move them into other sectors that were experiencing increases,” he said, adding that business is pretty much back to normal. “Businesses have come back online, so we have brought back almost all of the drivers we had on furlough.”

Ryder Supply Chain Solutions is based in Miami and ranks No. 10 on the TT100 list of for-hire carriers.



Chrulski

Tim Chrulski, operations director for Garner Trucking, based in Findlay, Ohio, said the carrier didn’t have to furlough any drivers. Still, the company did relax its recruiting efforts.

“From April through mid-May, we just wanted to make sure we kept everyone whole and busy and maintain our current employment,” he said.

“We shut down the training program for those that had already started and completed it back when we started things back up in mid-May.”

Since then, Garner Trucking has experienced an uptick in recruiting and in the quality of the candidates, Chrulski said. “The training program right now is almost full,” he said.

Even with available drivers, companies are being very thoughtful about who they bring into the mix, said Max Farrell, CEO of WorkHound, which offers a platform for drivers to share anonymous feedback.

“During this time, it isn’t just who can fill the truck,” he said. “It is who is the right culture fit.”

## Driver Retention

Many fleets have experienced improved driver retention throughout the pandemic.

Dave Osiecki, CEO of Scopelitis Transportation Consulting, said that is a natural outcome when the job market is uncertain.

The U.S. unemployment rate surged to 14.7% in April, but has since eased somewhat to 11.1% by June, according to the Bureau of Labor Statistics.

“The broad job market is a little scary right now,” Osiecki said. “If you have a good driving job right now, you’re pretty happy, and most drivers are staying put.”

Farrell said turnover rates are lower than they have been historically.

**The grass may not be greener on the other side,” he said, adding that while drivers may be prospecting and considering another carrier, they aren’t necessarily taking the leap.**

Penske Logistics’ turnover rate has dropped.

“In 2019, our driver turnover was 29%. This year we’re trending at 23% through May,” Jackson said.

Driver retention also improved for U.S. Xpress.

“Especially during the earlier days of COVID-19, uncertainty was greater, and more drivers decided to stay put in their current positions,” Patton said.

Farrell said many companies are over-communicating with drivers to increase their comfort level during the pandemic.

Penske Logistics initiated a driver communication campaign, sending various communications and creating a COVID hotline and a website with frequently asked questions.



Ryder’s procurement organization mobilized early to find personal protective equipment and got creative when supplies were short. (Ryder)

“Drivers were not only concerned with COVID, but also with personal schedules that were in flux,” Jackson said, adding that drivers have appreciated the fleet’s enhanced sanitation with trucks and facilities. “From a [personal protective equipment] standpoint, we were ahead of pretty much every mandate with securing PPE. We also implemented temperature checks prior to the mandate. The drivers felt really good that we were putting this energy into it.”

Martin said Ryder’s procurement organization mobilized early to find PPE and cleaning suppliers and got creative when supplies were short. When the company couldn’t find hand sanitizer in small individual bottles, it purchased 55-gallon drums and broke it down into smaller containers.

“It has since gotten easier, but we are still actively looking for and maintaining those supply lines on PPE,” he said.

Patton said U.S. Xpress, which is based in Chattanooga, Tenn., and ranks No. 24 on the TT100, is listening to the experts at the Centers for Disease Control and Prevention and communicating regularly with existing and incoming drivers to ensure everyone feels informed and safe.

“We are taking extreme measures to ensure our terminals and office space are regularly disinfected,” Patton said. “We’re also monitoring class sizes and socially distancing our drivers in orientation.”

Ryder has emphasized driver communication, sharing updates and informing drivers of the safety equipment and protocols the fleet has available to protect drivers. The fleet leveraged its driver app to survey drivers on the supplies they needed and the level of communication they were getting.

“We were able to quickly identify and triage where we might have gaps in the process,” Martin said.

## Driver Onboarding and Safety

Scopelitis’ Osiecki said one of the most significant benefits of hiring experienced drivers is safety.

“Driving experience is positively correlated with safety as confirmed in study after study, including a 2017 FMCSA study that found the risk of being assigned the critical reason in a crash was 17% higher for drivers with less than five years of experience,” he said.

What’s more, hiring experienced drivers can help them get behind the wheel faster.

“Entry-level drivers, those with less than one year experience operating a [commercial motor vehicle] requiring a CDL, are subject to additional training requirements, and carriers often take special care to ensure they are as safe as possible,” Osiecki said. “This training and onboarding process adds time for new or less experienced drivers.”

Patton of U.S. Xpress said experienced drivers already understand safety precautions and have more on-the-road experience in various weather conditions, so they onboard faster and more quickly acclimate to operations right after orientation.

Fleets can gain greater insights into those with experience, Grand Island Express’ Albert said.

“From a safety standpoint, we have some idea of the type of driver that they are. From an efficiency standpoint, we know that they’ve been exposed to some of the technology used in the industry today. From a longevity standpoint, we know that experienced drivers understand the lifestyle of an OTR driver,” he said.

However, fleets said they have had to change their hiring processes to comply with social distancing guidelines.

Garner Trucking has modified its interview process. The first interview is no longer in person, and the second interview is conducted via video chat, Chruski said.

The company also changed its orientation process. In addition to frequently cleaning all surface areas, the carrier limits how many people meet in a group and holds orientations in larger spaces

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## Pandemic Forces Some Fleets to Furlough Drivers, but Others Have Been Quick to Hire Them

so attendees can spread out. It also has utilized a conference line connected to a computer screen so each department can show its orientation remotely.

Penske has kept a core group of essential employees in the office, but other staff have worked from home.

“That impacted the support group we had to onboard drivers. It is getting better, but it did slow us down,” Jackson said, adding that Penske is conducting its Smith System driver training virtually.

Albert said it has been harder to give new hires a glimpse of the company’s culture at Grand Island Express.



Grand Island Express didn't have to furlough any drivers and was able to continue hiring during the pandemic. (Grand Island Express)

“With the vast majority of our office staff working from home, we didn’t have the face-to-face interaction that has become so important with our company,” he said. “We were able to do socially distanced luncheons with our owner and me so that our new hires got a sense of our culture.”

U.S. Xpress is also allowing the option of virtual orientation.

“Internally, we adjusted very quickly, transitioning to virtual onboarding and orientation once the pandemic hit to limit exposure risk,” Patton said.

Martin said Ryder usually conducts a manager/driver ride-along to validate skills, but now they are not getting in the cab with the driver.

“We are doing drive-behinds and completing checks that way and using the onboard Lytx system to monitor what is going on in the cab,” he said.

Meanwhile, COVID-19 has caused delays in drivers obtaining their CDLs due to DMV closings and driver testing sites being temporarily closed.

“We don’t have any specific data to definitely say how many fewer drivers are obtaining their CDLs during the pandemic, but, judging from the number of waivers and exemptions FMCSA has issued

that provide licensing-related flexibility or relief from some rules, we believe that thousands of drivers are struggling to become, and remain, properly licensed,” Osiecki said.

### Driver Efficiency and Demand

While COVID has created challenges, Chruski said the pandemic has made picking up and delivering freight easier because there is less contact.

“Drivers are picking things up, and the paperwork is already in the back of the trailer, and they’re not waiting in line,” he said. “As a result of this, we figured out a way to keep the driver as safe as we possibly can and, at the same time, make their life more efficient.”

U.S. Xpress has removed more than 6 million touchpoints and improved on-time performance by 10%, Patton said.

Penske collaborated with customers and modified operating procedures to limit touchpoints. “We verbally get the name and write it in instead of signatures,” Jackson said.

Ryder accelerated a paperless initiative it had underway to remove as much of its trip management papers and driver settlements as possible.

While hiring may have gotten easier in some areas, Martin said the fundamentals surrounding the driver shortage haven’t changed and drivers will remain in demand, particularly in some regions.



Martin

“It is challenging to recruit in the Northeast and California,” he said. “Those remain the longer lead time, time to fill areas that we have.”

Overall, the freight market appears to be rebounding, Penske’s Jackson said.

“Spot rates are on the rise, so we think there will be high driver demand,” he said. “With COVID, who knows what is going to be around the corner.”

Osiecki said as a general rule, when freight is strong, carriers are always looking for good drivers.

“If you talk to any good fleet safety director, they’ll tell you it’s not the quantity of available drivers that makes hiring difficult, it’s the quality,” Osiecki said.

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## Despite all the challenges, the pandemic might actually help attract drivers to the industry.

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“The drivers were really hailed as heroes throughout this in a variety of mediums. I think the professional driver is going to be looked upon more favorably going forward,” Jackson said. “They’re truly professionals. It is probably something from a recruiting standpoint we can leverage.”



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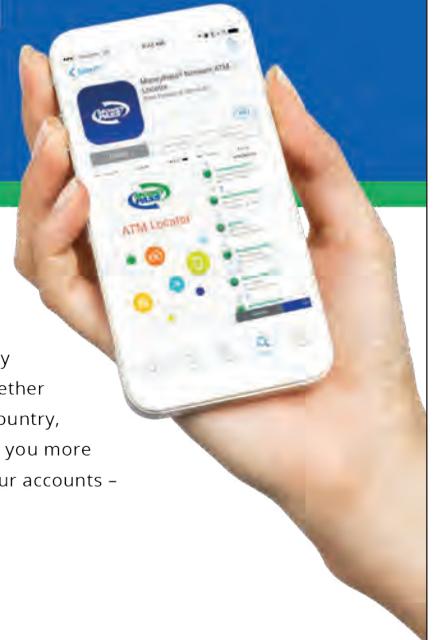
- Federal Motor Carrier Safety Regulations Pocketbook (available mid-July)
- Federal Motor Carrier Safety Regulations Handbook (available mid-August)
- HOS Handbook: The Complete Guide for CMV Drivers (available early August)



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# ORDERS FOR BIG-TICKET MANUFACTURED GOODS JUMP 7.3% IN JUNE

*The following article originally appeared in Transport Topics July 27, 2020, Martin Crutsinger*

Orders for big-ticket manufactured goods rose a solid 7.3% in June, the second big monthly gain as manufacturing tries to climb out of a spring slump triggered by the coronavirus pandemic.



A General Motors worker validates N95 masks in Warren, Mich., on April 23. (Paul Sancya/Associated Press)

The Commerce Department said July 27 that the June gain in durable goods orders, which was better than expected, followed an even bigger 15.1% increase in May. Those two increases came after sharp declines in March and April as factories shut down.

A closely watched gauge of business investment posted a strong 3.3% increase in June after a 1.6% rise in May.

Even as factories come back to life, economists caution that manufacturing could slump again if surging cases in many parts of the country derail a broader economic rebound.

“The sugar rush from re-openings has now faded and a resurgence of domestic coronavirus cases, alongside very weak demand, supply chain disruptions ... and high levels of uncertainty will weigh heavily on business investment,” said Oren Klachkin, the lead U.S. economist at Oxford Economics.

“Risks to the recovery will remain heavily tilted to the downside so long as the health situation does not improve,” he said. The June increase was led by a 20% gain in the transportation sector as orders for cars, trucks and parts surged 85.7%. That figure captures the resumption of production by big automakers. Vehicle sales offset a big decline in orders for commercial aircraft as major airlines, operating at vastly reduced capacity, cancel orders for new planes from Boeing in waves.

Excluding the volatile transportation sector, orders for durable goods, items expected to last at least three years, rose 3.3%, following a 3.6% gain in May.

## STONERIDGE-ORLACO ANNOUNCES SIDEEYE BLIND-SPOT DETECTION SYSTEM

*The following article originally appeared in Transport Topics July 24, 2020*

Technology provider Stoneridge-Orlaco introduced active camera and radar detection system SideEye, which is intended to reduce blind spots and increase safety.

The turn-assist system alerts the driver when cyclists, pedestrians or other road users are present in the blind spot of the truck.

SideEye is a turn-assist system certified by Kraftfahrt-Bundesamt, Germany’s Federal Motor Transport Authority. The system is available in the U.S., the company said.

The blind-spot warning system consists of a combination of radar signals, audio signals and camera images. Furthermore, a monitor

overlay indicates on the 7-inch display that someone is in the blind spot. SideEye provides visual and audible alerts for drivers as soon as it determines other road users are in the truck’s detection zone on the passenger side, according to the Dutch company, whose North American operations are in Jasper, Ga.

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**SEPT 21**

Fargo Country Club

- Foundation Golf Tournament

**SEPT 21-22**

Holiday Inn, Fargo

- NDMCA 75th Annual Convention

**OCT 13-14** – Bismarck

**OCT 20-21** – West Fargo

**OCT 29-30** – Dickinson

- DOT Safety Compliance and Maintenance Seminars

Day 1 provides an understanding of compliance with FMCSA Regulations. The course is designed to provide a comprehensive review of regulations and how to prepare and what to expect during an audit. Day 2 provides an overview of what is required to perform the required annual inspection.

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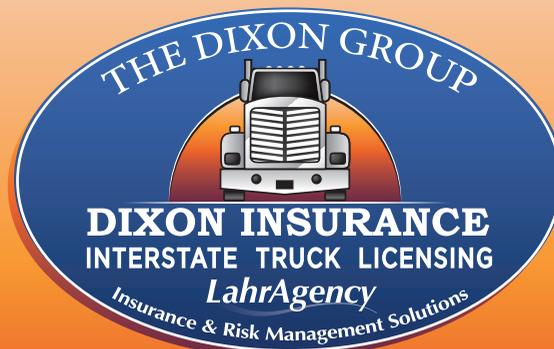


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