

JARRETT SUPPLY CHAIN REPORT



MARKET

- The Cass Freight Index, which measures overall North American freight volumes and expenditures, reported shipment counts rose 0.5% month over month (m/m) in November, but were down 0.7% year over year (y/y). Freight expenditures rose 0.9% m/m, and are down 3.8% y/y. ([Cass Information Systems December 2024](#))
- Negotiations between the International Longshoremen's Association and the US Maritime Alliance have stalled for the past month, with a potential strike looming on Jan. 15, 2025. ([JOC December 2024](#))
- U.S. manufacturers are stockpiling imported parts and raw materials in anticipation of President-elect Donald Trump imposing new tariffs next year. Buying activity among North American manufacturers, measured in a survey of 27,000 businesses worldwide by GEP and S&P Market Intelligence, in November hit its highest level in more than a year. ([WSJ December 2024](#))
- DAT Freight & Analytics, announced Dec. 17 that it has acquired capacity visibility platform Trucker Tools from ASG, making a strategic move to enhance DAT's capacity for carrier engagement, load optimization and fraud prevention technology. ([FreightWaves December 2024](#))
- The average price of diesel fuel in the U. S. was \$3.494/gallon the week of Dec. 16. It is down 10.3% y/y. ([US EIA December 2024](#))

Less-than-Truckload (LTL)

- U.S. LTL shipments, tonnage and revenue are dropping in the fourth quarter, pulled down by still-weak U.S. industrial output. However, that has not stopped carriers from seeking high single-digit rate increases in their 2025 freight bids. ([JOC December 2024](#))
- Regional LTL carrier Pitt Ohio has acquired Midwest carrier Sutton Transport. Sutton Transport has 13 terminals in Illinois, Minnesota, Missouri and Wisconsin. The company's fleet includes 384 power units and 455 drivers. Pitt Ohio will now be the 12th-largest LTL carrier in the U.S. with more than \$1 billion in revenue. ([FreightWaves December 2024](#))

- Latest Yellow terminal sales to fetch \$192.5M. Privately held LTL carriers Estes and R+L Carriers are the named suitors. ([FreightWaves December 2024](#))
- Car hauler Jack Cooper appears to be one step closer to entering the LTL arena. Jack Cooper was in talks to acquire Standard Forwarding, a Teamsters-staffed LTL carrier. The Teamsters announced a new five-year deal with more than 350 drivers at Standard Forwarding. Jack Cooper Freight has a tentative master freight agreement with the International Brotherhood of Teamsters. ([FreightWaves November 2024](#))
- An investor group is acquiring a majority stake in LTL carrier Roadrunner. The deal, announced on Nov. 22, sets the stage for further organic growth and acquisitions by the direct point-to-point LTL trucking company at a time when the U.S. LTL sector is preparing for expansion, building out networks and raising rates. ([JOC November 2024](#))

TRUCKLOAD (TL)

- U.S. trucking companies increased hiring in November, adding 2,100 jobs to non-seasonally adjusted payrolls after two months of declining employment. But there are still fewer workers on loading docks and behind the wheel than a year ago, according to data released by the U.S. Bureau of Labor Statistics. ([JOC December 2024](#))
- Schneider National announced on Nov. 25 that they have entered into an agreement to acquire Cowan Systems for \$390 million. The deal will significantly expand Schneider's dedicated unit. Baltimore-based Cowan is a 100-year-old dedicated truckload carrier serving the retail, food and beverage, industrial and building materials verticals with a fleet of over 1,800 trucks and 7,500 trailers. It also has a contracted carrier network with 500 owner-operators. ([Freightwaves November 2024](#))
- Trucker Kal Freight Filed for bankruptcy. The company's chapter 11 filing marks one of the biggest bankruptcies so far this year in the trucking industry. Founded in 2014 with six trucks, Kal Freight now has nationwide operations that include warehouses and terminals in California, Texas, New Jersey and Indiana, along with 800 drivers, more than 800 trucks and more than 2,200 trailers. ([WSJ December 2024](#))
- U.S. truckload rates remained flat in November when compared to October. Dry van spot rates were flat m/m, and are up 0.5% y/y. Flatbed spot rates increased 0.8% m/m, and are up 2% y/y. The number of spot loads posted in November decreased 25.7% m/m, and are down 7.5% y/y. ([DAT Freight & Analytics December 2024](#))

PARCEL

- FedEx, UPS 2025 fee hikes will wallop bulky package shippers. Both FedEx and UPS have effectively doubled delivery surcharges for packages considered large or oversized in the past five years, according to Reveel. That pricing pressure will continue under the carriers' upcoming rate increases, which include double-digit price hikes for a range of bulky package surcharges. UPS changes will take effect Dec. 23, while FedEx's will begin Jan. 6, 2025. ([SupplyChainDive December 2024](#))
- Parcel carriers OnTrac and GLS US announced upcoming rate hikes. OnTrac's shipping rate hike, taking effect Jan. 1, 2025, amounts to a 5.7% average increase. The GLS US base shipping rates will jump by 5.9% on average starting Dec. 23. ([SupplyChainDive December 2024](#))
- UPS is increasing rates and delivery area surcharges for its SurePost services starting on Jan. 13, 2025. SurePost is typically used as a cost-effective shipping method for non-urgent, lightweight home deliveries. ([SupplyChainDive December 2024](#))
- Efforts to broker a settlement and end a strike that has effectively shut down Canada's postal agency were suspended as the mail operator and the labor union remain far apart on critical issues. ([WSJ November 2024](#))

INTERNATIONAL

- Container lines, after months of trying to maintain a low profile, are pushing harder on the need for automation at U.S. East and Gulf coast ports as longshore labor refuses to negotiate on the technology issue and the union's Jan. 15 strike threat nears. ([JOC December 2024](#))
- The Port of Los Angeles saw a total volume of 884,315 of 20-ft. equivalent units in November — usually a lull period following the peak shipping season — an increase of 16% from November 2023. It was also 15% above the port's five-year running average for the month of November. ([FreightWaves December 2024](#))
- CMA, CGM and Mediterranean Shipping Co. are seeking an extra \$40 per TEU for shipments traversing the Panama Canal from Asia to North America to recoup higher operating costs tied to the waterway's new reservation system. ([JOC December 2024](#))

- Busan is planning to spend \$9.8 billion to develop a new container port by 2045 that could handle ships up to 30,000 TEUs as part of a wider plan to transform the South Korean gateway into a North Asia powerhouse. ([JOC December 2024](#))
- The Drewry WCI Composite index, which measures the bi-weekly ocean freight rate movements of 40-ft. containers in seven major maritime lanes, was \$3,529 per 40-ft. container on Dec. 12. It remained unchanged from the previous week, and is down 40.5% from its 12 month peak of \$5,937 the week of July 18, 2024. ([Drewry November 2024](#))