OUTSOURCE

VOLUME 8, ISSUE 7 July 2020

THE SOURCE

Blacklisting of Chinese Firms Rattles American Supply Chains

Apple, Ralph Lauren among customers of manufacturers penalized over alleged links to human-rights abuses

By Dan Strumpf and Liza Lin, WSJ, July 21, 2020

HONG KONG—The addition of 11 Chinese companies to a U.S. trade blacklist of entities Washington says are linked to human-rights abuses of the Uighur minority group in Xinjiang is entangling major brands and likely to further a reordering of supply chains that feed American consumers. U.S. authorities on Monday punished the suppliers—which include textile makers and component suppliers that sell products to major Western firms— by blocking them from buying U.S. technology without a license. Among those to have done business with the targeted manufacturers are Apple Inc. and clothing marquees Ralph Lauren Corp. and Tommy Hilfiger, according to a report earlier this year by the Australian Strategic Policy Institute, a think tank based in Canberra.

The blacklistings illustrate the growing risks to U.S. companies with extensive and often opaque supply chains in China. Beyond additional compliance burdens on American exporters and importers, analysts say reputational risks are likely to dissuade U.S. companies from doing business with firms tied to Xinjiang. That, in turn, may accelerate the decoupling of supply-chain links between the two countries.

In reaction to the move, a Chinese foreign ministry spokesman said Tuesday that the U.S. was using human rights as an excuse to abuse the use of export controls. Such moves went against the basic principles of international relations and interfered with China's domestic affairs, the spokesman said. China would take the necessary measures to protect the legal rights of its companies, he added. Western governments and human-rights groups say China has detained more than a million people, mostly Muslim minority Uighurs, in camps across the far western Xinjiang region. Many have been forced to perform work and have been forcibly relocated, they say. The Chinese government has said it is fighting extremism in the region and has described the camps as vocational-training schools.

In recent months, the Trump administration has pushed U.S. companies to more closely evaluate their supply chains for potential exposure to abuses of Uighurs. Earlier this month, the Commerce Department released a business advisory warning of growing evidence of forced-labor practices tied to abuses in Xinjiang, including subsidies to build factories in Xinjiang that utilize workers from internment camps, involuntary transfer of Uighurs to factories across China and forced labor in prisons. Many of the corporates added to the list Monday are suppliers and contractors providing garments and basic goods, and they can be replaced by other manufacturers elsewhere in Asia, said Dennis Meseroll, the executive director of business consultancy Tractus Asia Ltd. "From a reputational perspective, these firms are now tainted meat," said Mr. Meseroll, whose firm helps corporates decide on foreign investment and supply-chain strategies. "The major brands will have little if anything to do with them. They will find alternative suppliers to work with."

The latest entries on the blacklist join more than three dozen entities that have been called out since October over alleged abuses in Xinjiang. The additions stand out in that some are more directly involved in the supply chains of U.S. firms, who in turn sell smartphones, accessories and clothing to American consumers. Those barred previously include surveillance-camera maker Hangzhou Hikvision Digital Technology Co., artificial-intelligence companies SenseTime Group Inc. and a number of Chinese public-security bureaus.

Inside this issue

Cover Story:

US highlights Slave Labor in China

OUTSOURCE
THE FREIGHT MANAGEMENT COMPANY

Stop & Shop expands e-commerce operations as demand climbs

By Jessica Dumont, **SupplyChainDive.com**, 7/2/2020

Dive Brief:

- Stop & Shop will add three new warerooms and bring pickup service to at least 50 more locations in 2020 to keep up with elevated e-commerce demand, the company announcedin a press release.
- The retailer currently operates 21 warerooms, which are e-commerce fulfillment spaces that are typically attached to brick-and-mortar stores and feature manual order picking and packing, according to a Stop & Shop spokesperson. Grocery pickup, which Stop & Shop launched last summer, is currently available at 212 stores, and orders are available for customers to collect in as little as four hours.
- The grocer also recently expanded its partnership with Instacart, which now offers same-day delivery service from 321 Stop & Shop stores. Stop & Shop first partnered with the company in 2017.

Dive Insight:

Stop & Shop's latest moves are intended to simplify online grocery access, support growth in e-commerce and add capacity for pickup and delivery as more people choose to shop both in-store and online as a result of the COVID-19 pandemic. Company president Gordon Reid said in a statement that a seamless omnichannel experience was a strategic priority for Stop & Shop before the pandemic, and with rapid adoption of online grocery in recent months the retailer is working to continue improving its digital infrastructure.

Stop & Shop has quickly accelerated the availability of grocery pickup. When it was introduced last June, same-day pickup was available from just 20 stores in Connecticut, Massachusetts, Rhode Island and New York. The service's rapid growth over the last year and the addition of more warerooms suggests the retailer is seeing a positive response from customers. Stop & Shop's e-commerce growth is also creating a need for additional workers. The company said it has hired more than 750 new employees since March to support online operations. Last fall, Stop & Shop made a push to hire 250 people to staff warerooms, where employees manually pick orders.

The expansion with Instacart is also a major step forward for Stop & Shop's delivery capabilities. It brings the number of Stop & Shop locations where Instacart offers service to 321, meaning same-day contactless delivery is now available from about 75% of Stop & Shop's stores.

US, India Nearing Trade Deal, Says New Delhi's Commerce Minister

By Palash Ghosh, International Business Times, 07/21/20

India and the U.S. are close to signing a trade deal after two years of negotiations, the Indian Commerce and Industry Minister Piyush Goyal said on Tuesday.

"I believe we [will] have a… trade deal which has some of the pending matters built up over the last couple of years, which we need to get out of the way quickly. We are almost there," Goyal said. "A couple of [more phone] calls [with U.S. trade representatives] and we will sort it out." Goyal noted that India and the U.S. are "natural" partners with shared values. Goyal added that both countries should consider adding favorable trade terms on up to 100 different products and then eventually gravitate towards a long-term free trade pact.

However, regarding a long-term free trade agreement, the minister said that would require face-to-face meetings and such an occurrence may not be possible during the ongoing COVID-19 crisis, or before the crucial presidential election in the U.S. "[After] that… the U.S. and India need to sit down on the negotiating table, I do not know if that can be done before the [U.S.] elections or [after] the elections, but we need to work towards a much more sustainable, a much more robust, a much more enduring partnership in the form of a [free trade agreement]," he said. "[A free trade pact] may take longer to conclude… We can build institutional cooperation between the two nations."

The Economic Times of India reported that the U.S. would like to settle a trade deal ahead of Donald Trump's reelection bid and has indicated it may restore the Generalized System of Preferences, or GSP, benefits to India and guarantee market access for each country's agricultural products.

TRIVIA QUESTIONS

1) **The cheetah is the fastest land animal, what is the fastest aquatic animal?**
   A. Dolphin **B.** Sail Fish **C.** Mako Shark **D.** Barracuda

2) **What was the lifespan of a Tyrannosaurus Rex?**
   A. 30 years **B.** 15 years **C.** 25 years **D.** 40 years

3) **Approximately how many stars are in the Milky Way?**
   A. 50—100 Billion **B.** 400 Billion **C.** 250 Billion **D.** Unknown

4) **How big is the diameter of a Basketball Hoop?**
   A. 18.5" **B.** 18" **C.** 19" **D.** 17.5"

5) **What city and state in the US houses the "Ice Cream Capital of the World"?**
   A. Burlington VT **B.** Portland ME **C.** Le Mars IA **D.** Wassau WI

6) **Which is the only letter that does not appear in any of the names of the 50 States?**
   A. X **B.** J **C.** Z **D.** Q

Answers Later In The Newsletter

FUEL REPORT

U.S. On-Highway Diesel Fuel Prices* (dollars per gallon) http://www.eia.gov/petroleum/gasdiesel/

				Change from	
	7/06/20	**7/13/20**	**7/20/20**	**week ago**	**year ago**
U.S. National Average	$2.437	$2.438	$2.433	- 0.005	- 0.611

EIA forecasts U.S. petroleum demand will remain below 2019 levels for several more months

By: AJOT | Jul 20 2020 Principal contributor: Matt French

Consumption of U.S. liquid fuels fell in March and April 2020 as a result of reduced travel related to COVID-19 and its mitigation measures. The U.S. Energy Information Administration's (EIA) July Short-Term Energy Outlook (STEO) forecasts that U.S. consumption of total petroleum and other liquid fuels will continue increasing in the second half of 2020 as economic activity increases, but levels will remain lower than the 2019 average until August 2021. In April, consumption of liquid fuels in the United States (as measured by product supplied) reached its all-time monthly low since the early 1980s at an average of 14.7 million barrels per day (b/d). Weekly data show consumption of petroleum products has increased as states have relaxed restrictions.

Volumetrically, almost half of the decrease in U.S. consumption of liquid fuels in 2020 has come from reduced motor gasoline use. EIA expects motor gasoline consumption will average 8.3 million b/d in 2020, down 1.0 million b/d (10%) from 2019. In the second half of 2020, a forecast increase in employment leads to an increase in gasoline consumption. EIA assumes employment levels will continue to grow in 2021, and gasoline consumption will increase to 9.1 million b/d, or to about 2% less than its 2019 average.

EIA expects U.S. jet fuel consumption in 2020 to be 31% lower than its 2019 average, a much larger percentage change than gasoline (down 10%) and distillate (also down 10%). U.S. jet fuel consumption fell to an estimated 660,000 b/d in the second quarter of 2020, and EIA expects it to rise to 1.4 million b/d in the fourth quarter of this year. EIA expects jet fuel consumption to continue rising in 2021 and average 1.5 million b/d, or about 12% lower than its 2019 average.

During peak stay-at-home orders, distillate consumption was relatively less affected by COVID-19 mitigation efforts than gasoline or jet fuel consumption. Distillate consumption in the United States is driven by economic activity and is more likely affected by slowing economic growth than by travel restrictions. Distillate fuel is also used in activities that are not as directly affected by restrictions, such as by diesel engines in heavy construction equipment and as heating oil both for space heating in buildings and industrial heating.

High transPac rates despite increased capacity

By: AJOT | Jul 15 2020 | Maritime News

Key insights:

- As carriers restore capacity, ocean rates dipped slightly, but are still 72% higher than last year and up 68% from the end of May for China-US West Coast.
- Despite June's increase in volumes, volumes were down 6% compared to last year, with double digit deficits projected through October.
- But ocean rates are 7% higher than the last time ocean rates approached this level in November 2018, as demand surged in the lead up to US tariffs on Chinese goods.
- The extreme current rates despite the low volume and improving capacity may point to the urgency importers are feeling to ship as soon as possible as the pandemic has made it impossible to know how long consumers will still be buying.

China-US rates:

• China-US West Coast prices (FBX01 Daily) fell 2% since last week to $2753/FEU. This rate is 72% higher than the same time last year.

• China-US East Coast prices (FBX03 Daily) dropped 3% since last week to $3353/FEU and are 17% higher than rates for this week last year.

Analysis

After hitting a two year FBX high last week, ocean rates from China to the US West Coast declined slightly, but remain 68% higher than the end of May and 72% higher than last year. The June demand surge had carriers cancel very few sailings in July compared to the previous month, with The Alliance even restoring some Asia to Europe sailings and two end of the month China-Pacific Northwest ships this week.

The increase in volumes has been a welcomed development across the supply chain, with June US import volumes improving by an estimated 10% compared to May according to the NRF's latest report. Volumes and capacity are still not at equilibrium, keeping rates up, with reports of some carriers even requesting premiums on top of these rates to prevent rolled shipments. But even with the demand increase, June volumes will still be down 6% compared to last year. And projected flat volumes for July through October will result in double digit year on year deficits for these peak season months when volumes normally surge.

So even with volumes down and available capacity approaching normal, rates remain extremely high. The last time ocean rates approached this level was In November 2018, as US importers raced to ship as many orders as possible before new US tariffs were introduced on Chinese goods. But even in that peak demand situation, rates for China-US West Coast FEUs were 7% lower than this week's rate. As infection rates, closures, and restrictions grow in the US, these extreme freight rates may point to the urgency importers are feeling to ship as soon as possible as the pandemic has made it impossible to know how long consumers will still be buying.

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Court Denies RIDOT's Motion for Judgment in Truck Tolling Case

July 21, 2020 Transport Topics

The U.S. District Court of Rhode Island has denied the Rhode Island Department of Transportation's motion for judgment on pleadings related to the state's hotly contested trucks-only tolling system, marking a victory for the trucking industry. The decision, issued July 20, is the latest development in an ongoing lawsuit between RIDOT and trucking industry representatives, including American Trucking Associations, Cumberland Farms Inc. and M&M Transport Services Inc. New England Motor Freight also was part of the lawsuit but has since filed for Chapter 11 bankruptcy and shut down operations.

The trucks-only tolling system is part of Gov. Gina Raimondo's RhodeWorks program, which is projected to generate $4.7 billion to finance infrastructure projects. The defendants, RIDOT Director Peter Alviti and the Rhode Island Turnpike and Bridge Authority, filed their motion for judgment after the plaintiffs filed a motion for preliminary injunction in March, according to the court document. The court heard both motions May 28. "During and following that hearing, the court discussed with the parties the need for further briefing on several issues," the court decision document states.

One of those issues related to the plaintiffs' argument that truck tolls discriminate against interstate commerce. If a state charges a user fee for access to channels of interstate commerce, that fee has to be a fair approximation of use and cannot discriminate between in-state and out-of-state interests. Many truckers rely on Interstate 95, which passes through Rhode Island and contains some of the tolling gantries, for hauls throughout the Northeast. ATA Deputy General Counsel Rich Pianka explained RIDOT was relying on a provision that allows bridges that are being reconstructed to be converted into toll facilities. He said RIDOT argued that authority essentially "immunized" bridge tolls from commerce clause-related scrutiny. "When it comes to tolls, states have to ensure that tolls do not discriminate against interstate commerce [and] do not favor in-state commercial interests over out-of-state commercial interests," Pianka told Transport Topics. "The district court didn't see any immunizations of Rhode Island's tolls. They still need to be nondiscriminatory. They still need to be a fair approximation of use."

Kristy dosReis, spokeswoman for the Rhode Island Office of the Attorney General, said the office respects the court's decision. "We continue to prepare for trial on the remaining aspects of the case," dosReis said.

Another issue the court weighed in on pertained to the use of statements Rhode Island officials had made regarding the toll program. The plaintiffs had expressed intent to introduce at trial statements from officials that support the argument that RhodeWorks was enacted with discriminatory purpose. RIDOT challenged the statements on the basis of relevance. The court decided that the statements could be relevant and are therefore admissible. However, the document also notes that, during trial, the court will need to decide how much weight to afford the statements in relation to the text of the statute. "It was as clear as a bell that they were designing this program to be discriminatory so they could sell it to Rhode Island voters," Pianka said. "It means that the evidence that we think is crystal clear on what's going on here is going to be admissible, and we get to move forward to trial and prove our case."

Trucking Freight Increases 3% Year-Over-Year, ATA Report Says

July 14, 2020 Transport Topics

The trucking industry collectively moved 11.84 billion tons of freight in 2019, according to American Trucking Associations' annual data compendium — ATA American Trucking Trends 2020 — which was released July 13. That figure is a 3% year-over-year increase from 2018's 11.49 tons of freight. Trucking generated $791.7 billion in revenue in 2019, a slight decline of 0.62% from 2018's $797.7 billion in revenue, the report said. "Despite a challenging year, the data contained in American Trucking Trends shows the industry was in good shape entering the global pandemic," ATA Chief Economist Bob Costello said. Trucking revenues accounted for 80.4% of the nation's freight bill compared with 80.3% in 2018, an increase of 0.12% year-over-year, the report said. Put another way, on average trucking collected 80.4 cents of every dollar spent on freight transportation. Both the tonnage and revenue figures included for-hire (truckload and less-than-truckload) and private carriage companies.

With the U.S.-Mexico-Canada Trade Agreement now ratified and in place, the report also shows the economic importance of cross-border trucking. Trucks moved 67.7% of surface freight between the U.S. and Canada and 83.1% of cross-border trade with Mexico, for a total of $772 billion worth of goods crossing the borders. Broken down by nation, motor carriers moved $343 billion in freight across the 5,525-mile border between the U.S. and Canada, a 1.5% year-over-year decline from 2019 to 2018. However, freight movement across the 1,954-mile border between the U.S. and Mexico increased 1.2% year-over-year to $429 billion.

According to the U.S. Trade Representative's office, vehicles, electrical machinery, traditional machinery and mineral fuels were the top four items imported and exported across the borders between the three nations. Approximately 16,000 trucks a day, on average, enter the United States at both borders, the report said. "As the North American economies become more interrelated, as well as global, trucking's importance in international trade will only continue to grow," it said. The trucking industry employed 7.95 million people in 2019, an increase of 140,000 from 2018, the report noted. The 2019 figure includes 3.6 million professional drivers. Minorities accounted for 41.5% of truckers, while women comprised 6.7% of the industry's drivers.

American Air makes big bet on NYC, Boston with JetBlue alliance

By: Mary Schlangenstein, AJOT | Jul 16 2020 | Air Cargo News

American Airlines Group Inc. is forming a commercial partnership with JetBlue Airways Corp. to spur growth in New York, years after largely ceding the city's two largest airports to rivals. The deal includes a codeshare agreement that enables the two carriers to book travelers on each other's flights and offer reciprocal loyalty program benefits. Passengers will be able to use either company's website to purchase a single itinerary that includes flights on both airlines, American and JetBlue said in a statement Thursday. The arrangement also covers Boston.

The agreement heralds a new face-off between American and Delta Air Lines Inc., which boasts a major presence in Boston and New York. American has ambitions to rebuild John F. Kennedy International into a major trans-Atlantic hub, fed in part by JetBlue's popularity with domestic travelers. JetBlue will secure a broader network, and the partners expect the deal to help speed recovery from the travel collapse caused by the coronavirus pandemic.

Follow the link to read the remainder of the story https://ajot.com/news/american-air-makes-big-bet-on-nyc-boston-with-jetblue-alliance

Answers to Trivia

Worst over for carriers as inactive boxship fleet ducks below 2m teu

By Sam Chambers, Splash 24/7, July 15, 2020

The inactive containership fleet has ducked below the 2m teu mark for the first time in four months as the sector moves away from the bottom of the current coronavirus-inspired cycle. Latest data from Alphaliner shows the inactive box fleet fell to 375 ships equating to 1,847,871 teu as of July 6, a drop of 471,508 teu since the analysts' last tally in late June. Alphaliner stated in its latest weekly report that the data indicated "improving market conditions" with carriers continuing to ease their strict capacity management as global economies emerge post-lockdown. The new figures also reflect the fact that boxships have passed their peak scrubber installation period.

Container Trade Statistics (CTS) released its demand data for the month of May last week, which showed that April was in fact the worst month for the carriers. "After the sharp disruptions in April and May, a relative calm has descended on the markets," Copenhagen-based Sea-Intelligence stated in its latest weekly report, published on Sunday. "Demand is not nearly as subdued anymore, and this places a new challenge upon the carriers. How to gradually begin to increase capacity again – ideally wanting to capture more volume as the market comes off the deep bottom seen in April and May, but without undermining the good freight rates which have been achieved," Sea-Intelligence observed.

A new forecast published earlier this month in the US from Global Port Tracker compiled by the National Retail Federation and Hackett Associates suggested carriers ought to brace for the lowest peak season since 2014.

Walmart plans $220 million mega-warehouse in South Carolina

DC Velocity Staff, July 20, 2020

Retail giant Walmart is spending $220 million to build an enormous, three million-square foot distribution center in South Carolina to handle increased demand for its products during the pandemic, the South Carolina Ports Authority (SCPA) said today. Located near Ridgeville, South Carolina—about 40 miles from Charleston along Interstate 26—the new storage and cross-dock facility will supply several regional distribution centers, supporting approximately 850 Walmart stores and Sam's Clubs across South Carolina and beyond. "At a time when job creation is so vital, and—more than ever—our customers are relying on Walmart for the essentials they need during this unprecedented time, we are excited about the impact this new facility will have on the regional economy and how it will help us better serve customers across the Southeast," Greg Smith, Walmart's executive vice president of Supply Chain, said in a release.

When construction is complete in about 14 months, the facility will create more than 1,000 local full-time jobs. And the "direct import distribution center" will handle so much freight that it is expected to increase volumes at the nearby Port of Charleston by approximately 5%, once it is fully operational. "Walmart is the recognized leader in supply chain innovation and performance. Having this world-class company choose our market for their distribution center is the ultimate vote of confidence in S.C. Ports and in South Carolina," SCPA President and CEO Jim Newsome said in a release. "Walmart's investment will create jobs for South Carolinians and boost cargo volumes at the Port of Charleston. We are experts at moving goods just-in-time for global companies. We are thrilled to partner with Walmart to further their growth and impact for years to come.

Flirtey granted new patent instrumental for safety of drone delivery

By: AJOT | Jul 17 2020 | Air Cargo News

Flirtey, the pioneer of the commercial drone delivery industry, announced today it has been granted a new patent critical to the safety of drone delivery. This granted patent describes safety-enhancing technologies such as landing a drone safely in the event of failure by using a parachute and steering the drone towards a safe location. This is the third patent in the critical area of drone delivery safety that the United States Patent and Trademark Office has issued to Flirtey in 2020. "We are thrilled that the United States Patent and Trademark Office has granted Flirtey another patent that is vital to the safety of drone delivery," said Matthew Sweeny, Flirtey Founder and CEO. "And we are excited that this new patent comes in time to celebrate the July 17, 2020 Five-Year Anniversary of the 'Kitty Hawk Moment' when Flirtey made the first drone delivery in America, and at a time when Flirtey continues to pioneer the commercial drone delivery industry."

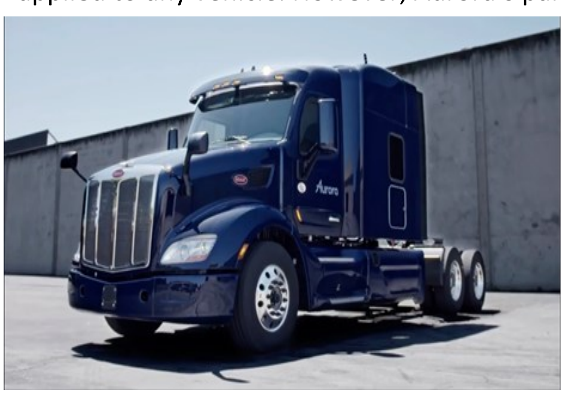
Flirtey is announcing this new granted patent as it celebrates the fifth anniversary of the 'Kitty Hawk Moment' when Flirtey conducted the first drone delivery on US soil, in Wise County, Virginia, on July 17, 2015. The Smithsonian Institution's Air & Space Magazine recorded of this historic milestone, "it had the FAA's blessing to fly. And that made it the first official drone package delivery in this country". The Flirtey delivery drone that achieved this first delivery will be going on display in the 'Thomas W. Haas We All Fly' gallery at the Smithsonian National Air and Space Museum; the Museum also displays the Wright brothers' Wright Flyer that made the first official flight of a powered heavier-than-air flying machine. Flirtey previously unveiled its next-generation delivery drone, the Flirtey Eagle, at the National Press Club in Washington, D.C. Flirtey is actively pursuing a Type Certificate for the Flirtey Eagle. Flirtey's technology is protected by more than 1,000 issued and pending patent claims, in the United States and worldwide.

Aurora expands to Texas in bid to ramp up self-driving truck efforts

By Kirsten Korosec, Techcrunch.com July 20, 2020

Aurora, the autonomous vehicle technology startup backed by Amazon, is expanding into Texas as it aims to accelerate the development of self-driving trucks. The company said it plans to test commercial routes in the Dallas-Fort Worth Area with a mix of Fiat Chrysler Pacifica minivans and Class 8 trucks. A small fleet of Pacificas will arrive first. The trucks will be on the road in Texas by the end of the year, according to the company. Aurora's Texas office, which will staff about two dozen people, will be mostly comprised of new hires. Aurora said it's hiring for a variety of roles, including technicians, team leads, truck drivers and vehicle operators.

Aurora is developing a full-stack solution for self-driving vehicles, which it calls the "Driver." Since it launched in 2017, the startup has said its self-driving stack — the combined suite of software and hardware that provides the brains for an AV — could be applied to any vehicle. However, Aurora's partnerships and public comments in those first two years centered on robotaxis, not logistics. That started to change last year. In October 2019, Aurora wrote a blog post prioritizing the development of autonomous trucks over cars. In recent months, the company's co-founders have talked more openly about making trucks a priority. "While the Driver will ultimately move both people and goods, our first commercial product will be in trucking — where the market is largest today, the unit economics are best, and the level of service requirements is most accommodating," the company wrote in a blog post Monday.



While the unit economics were a driving factor, the company says its acquisition of lidar company Blackmore and the integration of that tech in its self-driving stack has made the shift to trucks possible. Aurora has said its FirstLight Lidar gives it a crucial competitive advantage in high-speed self-driving. Self-driving trucks was once considered a niche category within the autonomous vehicle technology industry. That has changed as companies have started to better understand the difficult unit economics of robotaxis, not to mention the complexity of operations. Self-driving trucks have their own challenges. However, the growing consensus is that the path to profitability is clearer.

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Emptier Roads Not Resulting in Increase in Safety, Data Says

Transport Topics

The COVID-19 pandemic has rendered U.S. roadways emptier and more lethal, according to preliminary data from the National Safety Council. NSC, which focuses on eliminating the leading causes of preventable injuries and deaths, released estimates indicating that motor vehicle fatality rates rose in May, despite quarantines. Preliminary data for May shows a 23.5% jump in the fatality rate per miles driven compared with figures from the previous year. The group released the estimates July 21 during a webinar focused on roadway safety during the pandemic. The mileage death rate per 100 million vehicle miles driven was 1.47 in May, an increase from 1.19 recorded in May 2019. Even though the fatality rate jumped, the number of miles driven in May dropped 25.5% compared with levels from the previous year. “Unfortunately, the pandemic has exposed our road safety culture for what it is,” said NSC President Lorraine Martin, who participated in the webinar. “We did not reap the safety benefits we should have experienced.”

May marks the third month in a row that road users were at a higher risk of dying from a motor vehicle crash, according to NSC figures. During the two months prior, motor vehicle fatality rates per miles driven increased compared with rates from the previous year. Preliminary data indicates a 36.6% jump in fatality rates per miles driven in April. The mileage death rate per 100 million vehicle miles driven was 1.47 in April, an uptick from 1.08 in 2019. The number of miles driven declined 40% compared with the same period the previous year. NSC’s preliminary data for March shows a 14% jump in fatality rate per miles driven. The mileage death rate per 100 million vehicle miles driven was 1.22 in March, an increase from 1.07 in March 2019. The number of miles driven dropped 18.6% compared with the same period last year. Although Martin acknowledged that causation for these rates will remain murky for a while, she suggested that more deserted roadways have led some drivers to operate their vehicles recklessly. Nanda Srinivasan, associate administrator for research and program development at the National Highway Traffic Safety Administration, noted that speeding may be a significant temptation for drivers faced with an empty road. He also said the issues that create dangerous situations outside a pandemic, such as impaired driving and seat belt use, still exist. “It’s clear that our open roads have created somewhat of an open season for reckless driving,” Martin said.

Srinivasan encouraged drivers to remember the fundamentals: avoid speeding, buckle up and drive sober. Jonathan Adkins, executive director of the Governors Highway Safety Association, noted that nearly every crash includes a behavioral aspect, such as speeding or drinking. GHSA is a nonprofit organization that represents state highway safety agencies. “The No. 1 concern from governors’ highway safety offices is five letters: speed,” Adkins said. Martin stressed the importance of doubling down on countermeasures that have proved to keep drivers safe, such as regulations pertaining to blood-alcohol concentration, seat belts and motorcycle helmet use. Adkins championed “traffic-calming infrastructure,” which refers to the physical layout of roadways. Certain designs can improve safety for motorists, pedestrians and cyclists. Participating in the webinar from West Virginia, Adkins noted that Charleston recently closed streets to provide greater accessibility for bicyclists and pedestrians. “Traffic-calming infrastructure is fantastic,” Adkins said. “We’re seeing this across the country, and it’s really encouraging.”