

Survey of FVL Capacity and Costs

January 2022

Introduction

The Finished Vehicle Logistics industry was hit extremely hard first by COVID and then by material shortages in the automotive sector.

ECG - the Association of European Vehicle Logistics carried out a survey among its members to establish how the industry capacity and costs changed during the past two years.

Specifically, the survey covers capacity and cost variations between January 2020, when volumes were still at pre-pandemic and pre-material shortages levels, and December 2021.

Capacity

- More than half of the respondents indicated that capacity has decreased (Fig. 1)
- Material shortages (especially microchips) affected capacity more than COVID and lockdowns (Fig. 2)

Respondents indicating how capacity changed

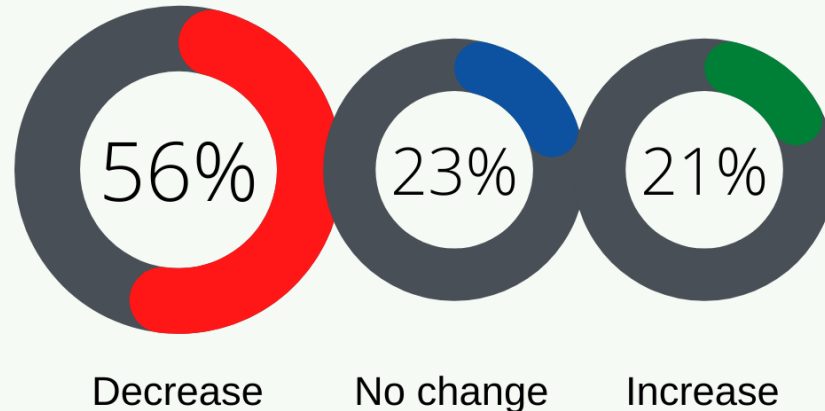


Figure 1

What affected the capacity change?

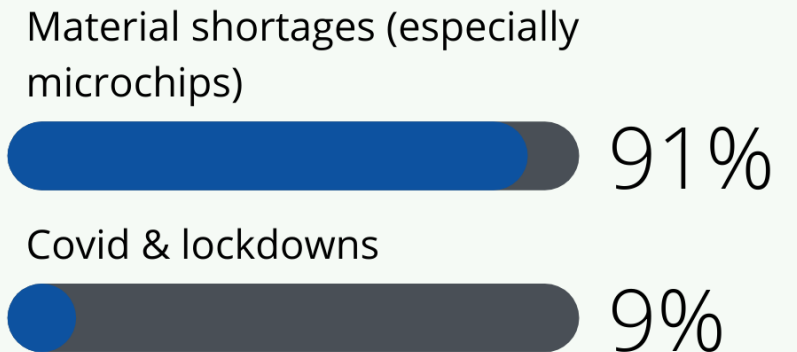
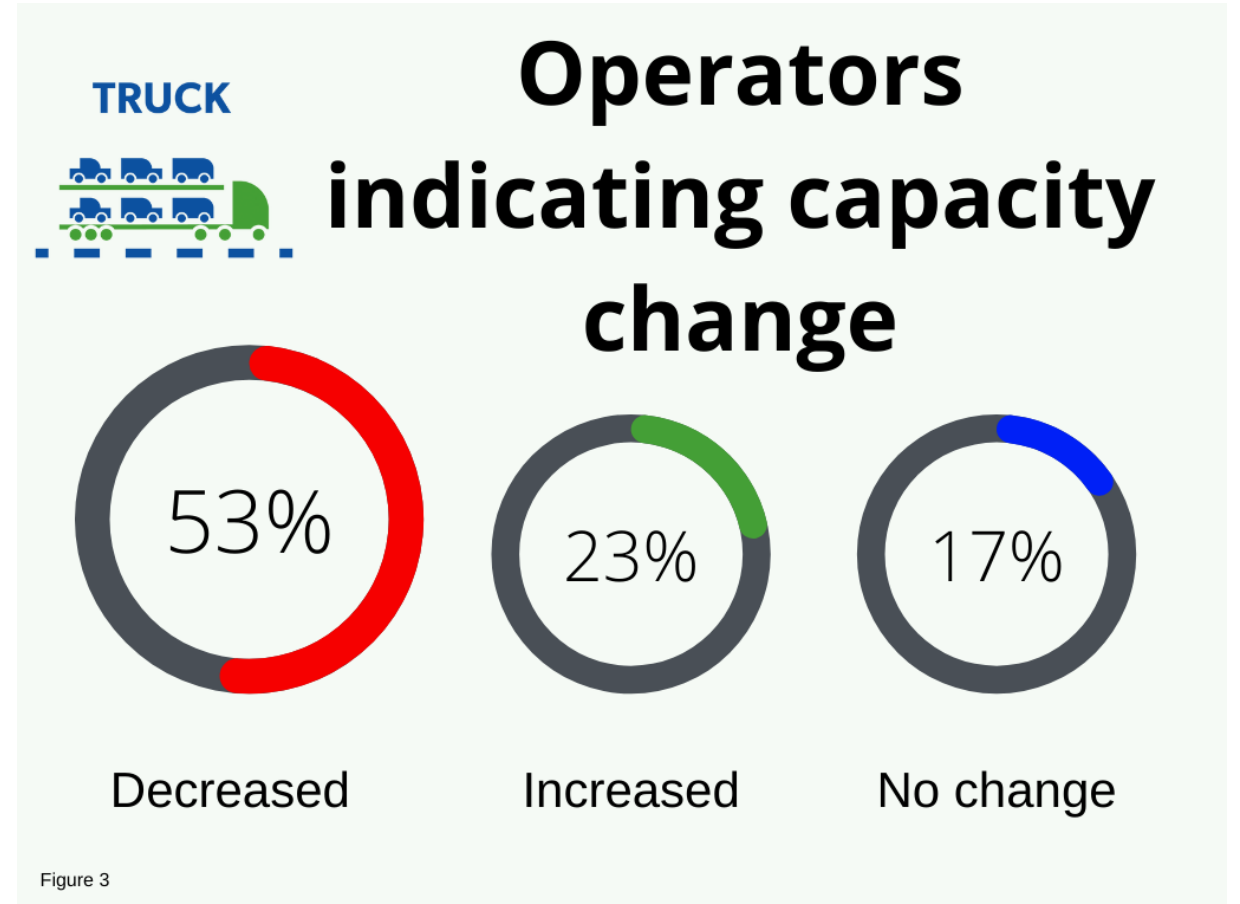


Figure 2

Change between January 2020 – December 2021 based on 43 replies.

Capacity by mode – Truck

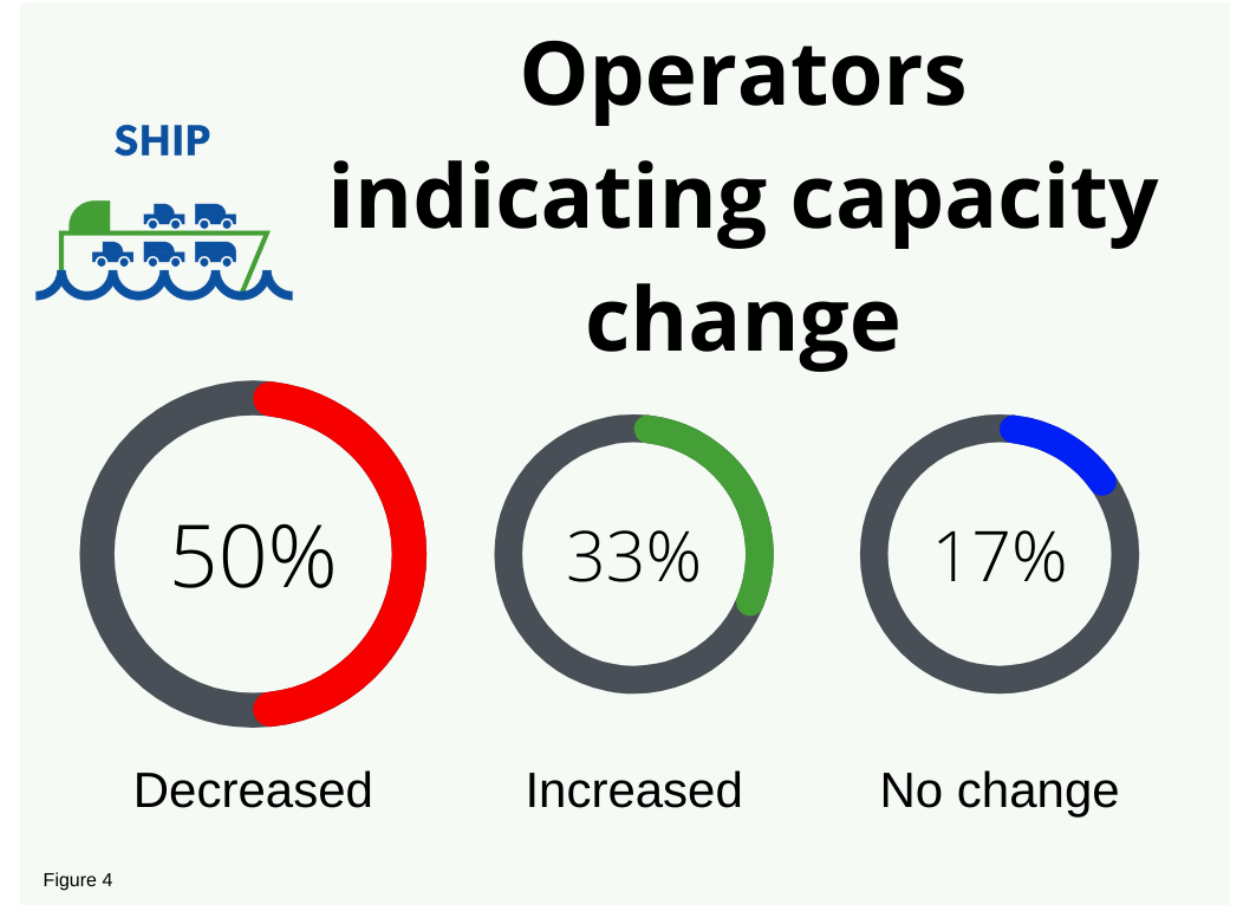
- More than half of the trucking companies replied that their capacity decreased (Fig. 3)
- Among truck companies reporting a decrease, the weighted average **reduction of capacity is 21%**
- This means approximately around 1200 less operational trucks



Change between January 2020 – December 2021 based on 34 replies.

Capacity by mode – Ship

- Similar to truck operators, 50% of ship operators indicate a capacity decrease (Fig. 4)
- Among shipping lines who report a decrease, the weighted average **reduction of capacity is 6%**
- Individual responses ranged from a capacity reduction between 2% and 50%



Change between January 2020 – December 2021 based on 6 replies.

Costs

- Compared to January 2020 costs **generally increased** across modes
- Fuel costs increased by almost 60% for ship and barge operators
- Beyond fuel costs, truck operators incur 10% higher costs also for drivers and equipment

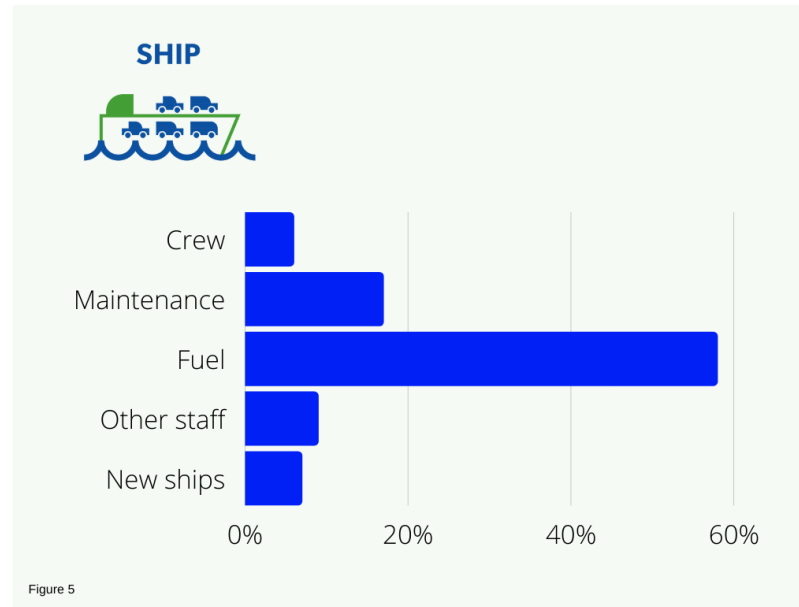


Figure 5

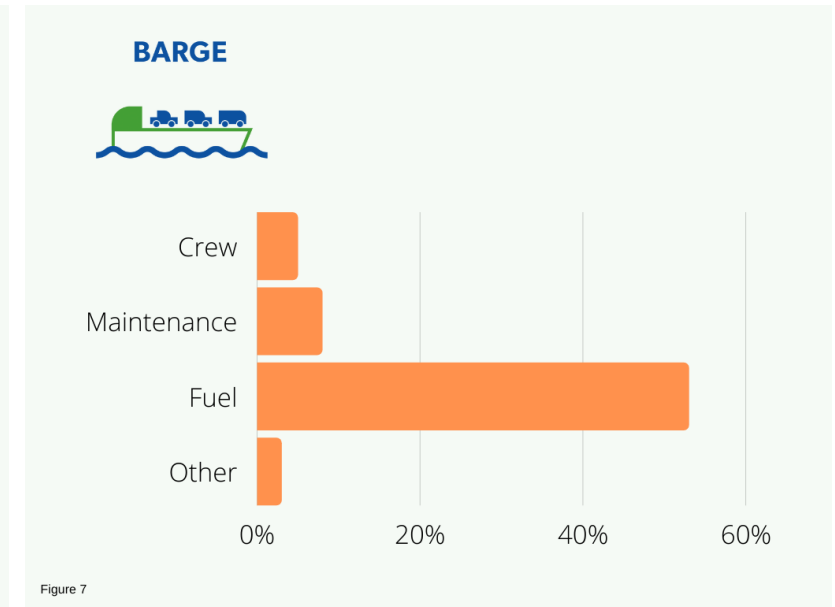


Figure 7

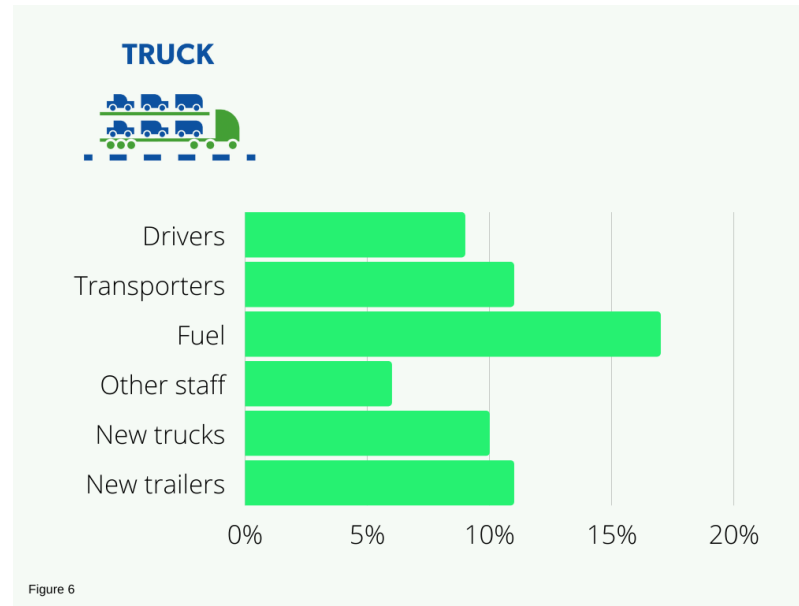


Figure 6

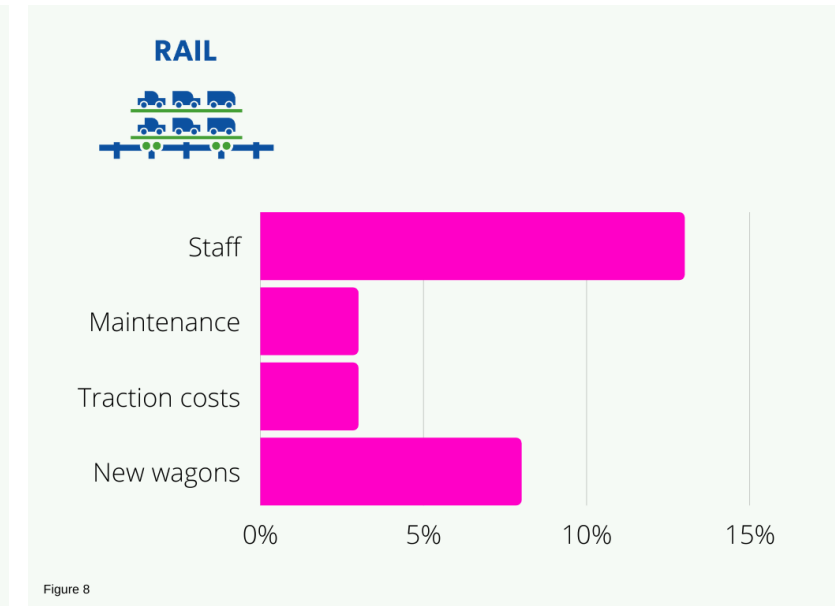


Figure 8

Costs increase by mode January 2020 – December 2021 based on 43 replies

Capacity restrictions when volumes recover

- Across all modes, the main concern is the ability to invest in the coming years
- For truck operators, availability of drivers is the main concern for when volumes will recover
- Not having reliable midterm forecast is a concern for all operators across the industry
- Lastly, availability and lead time of equipment for FVL is also indicated as a factor of restricting future capacity

Lead time/availability of trucks/trailers

No reliable midterm forecast

Ability to invest

Lead time/availability of ships

Availability of drivers

Figure 9

