

2009 Global Commercial Vehicle Report



January 2009

Fellow Heavy Duty Industry Professional,

We are certainly in the midst of challenging economic times. The US and global commercial vehicle markets are experiencing tremendous change due to new environmental policies and regulations and a global slowing of commerce and trade.

I am proud to introduce our new **2009 Global Commercial Vehicle Report** which also includes Heavy Duty Truck Maintenance in the USA, as well as the 2008 HDMA Distributor Survey.

As the commercial vehicle supplier industry becomes more and more international in scope and growth, we felt it necessary to enhance our market research projects for our members and to expand our research from Heavy Duty Truck Maintenance in the USA and transition it into a global report.

Other expanded features of the **2009 Global Commercial Vehicle Report** include:

- Special Sections on emerging markets that include China, India, Russia and Brazil
- Global highway transportation reports
- Truck exporting

Additional print or CD-ROM copies of the 2009 Global Commercial Vehicle Report are available and can be ordered online at www.hdma.org. The association member price is \$99.95, and the non-member price is \$695.00. Volume discounts are available. Please call 919.406.8847 for more details.

High resolution artwork in the 2009 Global Commercial Vehicle Report is available to HDMA members free of charge. Non-members who wish to obtain any of the artwork within the report can contact an HDMA representative for pricing.

Your membership in HDMA is now more important than ever. For the past 25 years, HDMA has been the only non-profit manufacturers association that exclusively represents the strategic interests of the North American commercial vehicle supplier community.

With the full support and backing of the 105 year old Motor and Equipment Manufacturers Association (MEMA), HDMA provides its members with a range of services that include highly effective government representation in Washington, to the WTO and on the EU WP29. We offer a range of member services, including market research and economic reports, industry representation, timely information and news services, availability of the MEMA Financial Services Group, peer councils and forums, and premier industry events and conferences.

During these current times, membership in HDMA and the other two MEMA market segment associations, AASA and OESA, carry an even higher value to our members. With a full range of services that help to stretch your budgets, members save on DC lobbying expense, retainers on economic reporting and primary market research, registration costs for events, shows and conferences and many other services. Please visit hdaw.org for additional HDMA membership benefit information.

If we can be of any assistance, please feel free to contact us. We look forward to serving your membership needs today and in the future.

Kind regards,



Timothy R. Kraus
President, Chief Operating Officer
The Heavy Duty Manufacturers Association



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The 2009 Global Commercial Vehicle Report

Introduction

The Heavy Duty Manufacturers Association is proud to present this biannual report to our members. It reflects the long term commitment to the aftermarket series, while it continues to grow in scope to include information beyond previous editions including heavy duty original equipment. We have again expanded the publication to include more economic and international information while maintaining the continuity of the fleet maintenance section of the report. Additions to the report that were introduced in the last edition are again included; specifically, the survey of heavy duty distributors in the U.S. that explores aspects of the supply chain relationships within the heavy duty aftermarket, international trade in motor vehicle parts and exports of used trucks. The Global Commercial Vehicle Report includes our previous study, Heavy Duty Truck Maintenance in the USA, first published in 1978 and is the longest running study of the heavy duty aftermarket in the industry.

The 2009 edition of The Global Commercial Vehicle Report was designed to be a reliable tool for the analysis of heavy duty truck user repair factors, heavy duty truck use, changes in buying patterns, and service work performance. New sections include a global transportation overview, special sections on China, Russia, India and Brazil, the world commercial vehicle populations and an expanded section on operating factors such as fuel efficiency and environmental impact. As in the previous reports, this volume contains estimates of the total heavy duty truck universe and market segments for heavy duty trucks with a gross vehicle weight (GVW) greater than 19,501 pounds (Classes 6,7, and 8).

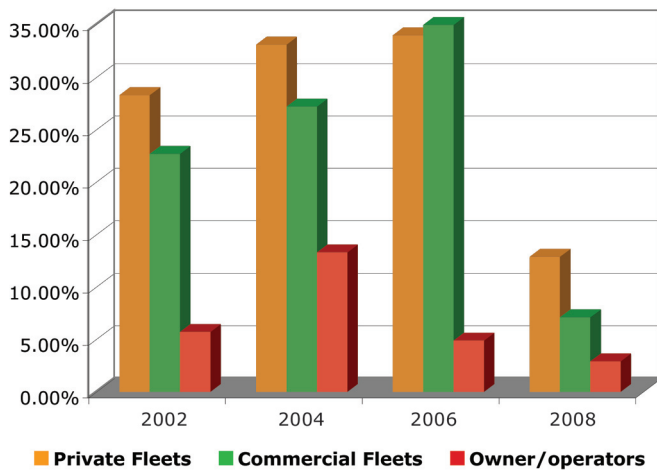
The Heavy Duty Manufacturers Association is the heavy duty market segment association within the Motor & Equipment Manufacturers Association. Funding for the publication of this report is provided by the Educational & Research Foundation of MEMA, Inc.

Executive Summary

The core of this report is the primary research examining truck maintenance practices in the United States. This study represents all heavy-duty class 6 through 8 trucks that are operated and maintained by private sector businesses in the United States that were built for on highway use, including those used off-road or otherwise not registered for use on the road. Consequently, the total number of trucks and truck tractors covered by this study is greater than the population considered when the basis is vehicle registrations. The trucks represented in this study will generate annual maintenance costs totaling approximately \$48.9 billion in 2008. This study excludes busses, equipment (stationary and mobile), and all government vehicles. Consequently, actual heavy-duty maintenance expenditures in the U.S. will easily exceed this figure.

These businesses represent the majority of the heavy-duty market for maintenance products, and almost all of the domestic market for new vehicles. EPA regulations on diesel fuel and emissions produced by new trucks have confounded the timing of new truck purchases for most of this decade. By pulling forward the sales of vehicles, that under normal conditions would have been purchased at a later time, the cycle of purchase and replacement has been completely disrupted. With additional regulations around the corner, fuel price and availability problems, an economic turndown with global ramifications and the almost total uncertainty surrounding the future of our financial markets, trucking and transportation in the U.S. will be unsettled well into the next decade.

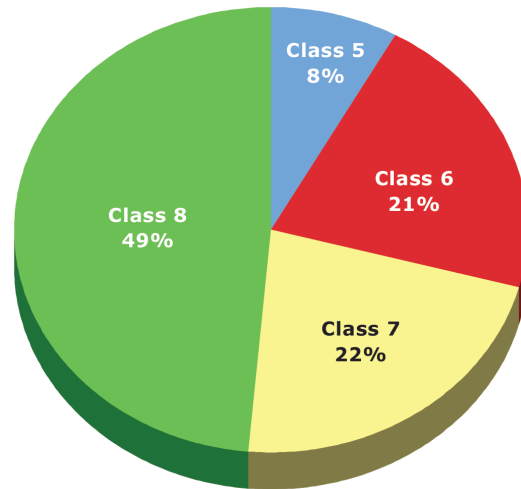
Businesses with Trucks on Order



Businesses Planning to Buy or Lease New Trucks

	Percent	Average Number of Trucks
Private Fleets	12.9%	103.2
Commercial Fleets	7.1%	44.2
Owner/operators	2.9%	7.5

Commercial Vehicles in Operation



Source: R. L. Polk & Co.

Commercial Vehicles in Operation

	Jun-07	Jun-08	Change
Class 5	593	621	4.7%
Class 6	1,554	1,562	0.5%
Class 7	1,628	1,643	0.9%
Class 8	3,581	3,608	0.8%
Total Cl. 6-8	6,763	6,813	0.7%

Trucking Operators Survey

Fleet Composition

In this section, purchasing and maintenance practices for three types of trucking operations are examined. The composition of the fleet and the average size of operations are the primary demographics necessary for understanding the magnitude of scope for maintenance activities.

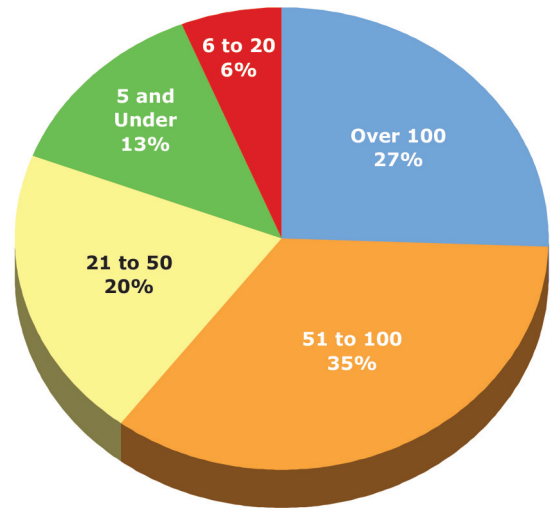
The number of vehicles varies most significantly between fleet and owner/operators. The average number of class 6, 7, and 8 trucks in all operations in this survey was 168.5 vehicles. The average fleet maintains 243 heavy duty trucks, significantly more than owner/operators who average 19.6 trucks per business.

Single truck operations accounted for 63% of the owner/operators, while 21% operate 2 or 3 trucks and only 16% operate more than 3 trucks. Operations of the largest owner/operator businesses, those operating 10 or more vehicles, are indistinguishable in terms of maintenance practices from small fleets.

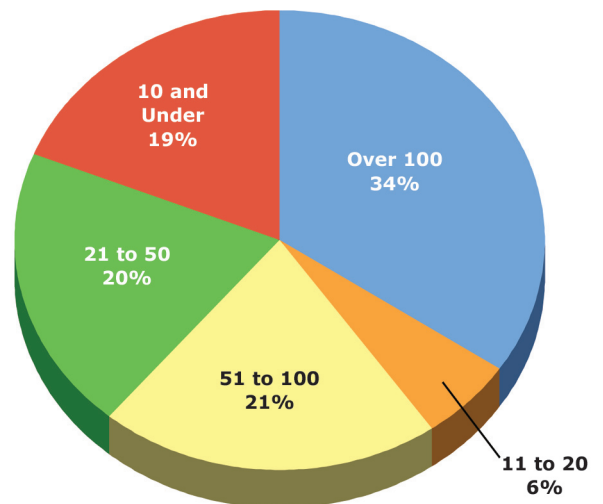
Small fleets, those with 25 or fewer vehicles, made up 25% of the combined fleet group, and another 25% of the fleets operate more than 150 vehicles. Small private fleets (10 and fewer vehicles) make up 28% of the fleet sample while 36.2% of the private fleets reported more than 100 trucks. Commercial fleets tend to be quite large with 24.5% operating more than 100 class 6 through 8 trucks and 8.5% of the total were over 500 vehicle fleets

Number of Vehicles

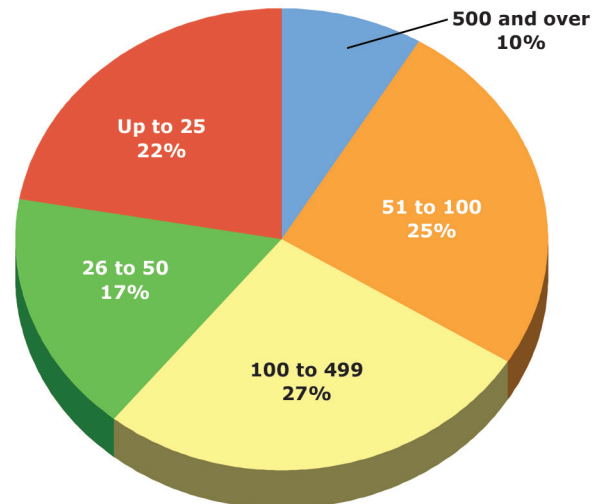
All Fleets



Private Fleets



Commercial Carriers



Number of Vehicles

Owner/Operator

