



FOR IMMEDIATE RELEASE
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Fleet Maintenance and Repair Cost Increases Slowed By End of 2022

*Benchmarking Report from TMC and Decisiv Still Details
Higher Parts and Labor Expenses*

Orlando, Florida — Today, American Trucking Associations’ Technology & Maintenance Council and Decisiv Inc., reported that recent parts and labor cost data reflects significant cost challenges and opportunities facing fleets as we move into 2023; however, cost increases in these areas did slow by the end of 2022 as compared to the previous year.

The latest quarterly Decisiv/TMC North American Service Event Benchmark Report was released during during TMC’s 2023 Annual Meeting & Transportation Technology Exhibition.

“The overall positive improvement in parts and labor costs shows that despite economic headwinds and supply change challenges, commercial vehicle service operations continued to successfully offset increases driven by factors outside of their control,” said Dick Hyatt, President and CEO at Decisiv. “The Decisiv/TMC North American Service Event Benchmark Report delivers critical service data that provides insights for fleets to improve their control over the entire asset service process.”

On a year-over-year basis between 2022 Q4 and 2021 Q4, parts and labor costs rose by 14.4% and 10.8%, respectively, and combined expenses were up 13%. Earlier in 2022, annual comparisons between quarters showed that combined parts and labor costs were up 15.3%, parts costs rose 15.8%, and labor expenses increased by 14.6%.

Declines in costs were also apparent in comparisons between Q3 and Q4 of 2022. In the fourth quarter of last year, service operations saw a 1.6% decline in parts costs while labor expenses rose by less than one half of a percentage point (0.4%) Overall, combined parts and labor costs from Q3 to Q4 were down 0.9%.

All of the latest data is a clear indication of a trend toward lower service costs as well as Total Cost of Ownership for fleets. However, as it is unlikely that lower parts prices and reduced labor wages are responsible, other factors are most likely influencing cost decreases.

Those include a slowing of for-hire truck tonnage during the final quarter in 2022 resulting in decreased mileage. Additionally, after being hampered by supply chain issues, manufacturers have seen marked increases in production levels of new trucks. As pent-up demand continues to drive up orders of replacement vehicles for aging fleets,



new equipment will positively impact their bottom line by requiring fewer repairs and high cost unscheduled service events.

For the years 2021 and 2022, parts and labor costs continue to run about 10% higher in the Western region of the U.S. compared to the other four regions and Canada. Equally split between higher parts and labor costs (10.8% and 10.3%, respectively) the increases may be the result of lingering higher parts prices as well as higher labor rates in areas where competition for technicians remains fierce.

In the data that Decisiv collects for the TMC Benchmark Report, the nine Vehicle Maintenance Reporting Standard (VMRS) system level code categories tracked account for 61.25 % of total parts and labor costs. That high value lends credibility to the latest analyses of the largest cost increases and decreases. In particular:

- Combined parts and labor costs for Cranking systems saw the largest increases between Q3 and Q4 of 2022 of 3% and year-over-year between Q4 2021 and 2022 of 21.1%. It is interesting to note that the year-over-year increase was driven primarily by a 29% increase in parts costs, an unsurprising factor considering the extreme shortage of parts and rising prices due to inflation in much of 2022.
- Excluding Tires, Brakes and Lighting systems where costs reflect mileage and routine maintenance requirements, other VMRS categories did indicate year-over-year average parts and labor cost increases for most likely the same reasons they did for Cranking systems. Included were Charging (17.5%), Power Plant (16.3%) and Exhaust (12.6%) systems.
- Combined parts and labor costs for Steering systems saw the largest decreases between Q3 and Q4 of 2022 of 11% and a slight year-over-year increase between Q4 2021 and 2022 of 1.6%.

The Decisiv/TMC North American Service Event Benchmark reports are generated using data from the Decisiv SRM platform on service and repair events for more than 7 million commercial assets operating across the U.S. and Canada. The industry's largest asset service management system is being used to manage a weekly average of 70,000 service events at nearly 5,000 locations.

ATA's Technology & Maintenance Council issues the reports to its fleet members. The reports are organized based on the Council's Vehicle Maintenance Reporting Standards sorted by VMRS-coded vehicle systems and geographic location.

TMC fleet members will receive the report electronically via email. For more information on joining TMC, call (703) 838-1763 or visit <http://tmc.trucking.org>.

By providing leadership support and opportunities to collaborate, TMC helps members develop the industry's best practices that address the critical truck technology and maintenance issues that have the greatest impact on truck fleets. For more than 60 years, TMC's member-driven Recommended Maintenance and Engineering Practices have been



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setting the standards that help trucking companies specify and maintain their fleets more effectively. Follow [TMC](#) on [Twitter](#), [LinkedIn](#) and [Facebook](#).

TMC is America's premier technical society for truck equipment technology and maintenance professionals. TMC features a diverse membership of equipment managers, service-dealers, owner-operators, industry suppliers and manufacturers, educators, academia and others that support the trucking industry. TMC member fleets represent the broad range of industry vocations, including truckload, less-than-truckload, municipal, private, on/off-highway, construction and other operations. Find out more about TMC online at <http://tmc.trucking.org>.

[American Trucking Associations](#) is 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. Follow ATA on [Twitter](#) or on [Facebook](#). [Trucking Moves America Forward](#)

About Decisiv, Inc.

Virginia-based Decisiv is the provider of the largest asset service management ecosystem for the commercial vehicle industry. The Decisiv Service Relationship Management (SRM) platform is the foundation for the nearly 5,000 service locations across North America that manage more than 4 million service and repair events for commercial vehicles annually. Through Decisiv's SRM platform, dealers, service providers, manufacturers, and fleet and asset managers can communicate and collaborate during every service event. The SRM solution streamlines the entire asset service management process bringing all the necessary diagnostic, telematics and asset information together for all participants, and delivers it at the point of service. This level of connectivity and collaboration drives an unrivaled level of service performance and asset optimization that gets trucks back on the road faster so fleets see higher revenue per asset and lower costs. Service providers using SRM establish efficient communication, better controls, and increased productivity in service operations that enables them to become trusted partners to fleets. For manufacturers, SRM enhances the value of service networks and provides data and analytics to help develop more reliable and efficient commercial assets. For more information, visit www.decisiv.com.

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