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Parts and Labor Costs Rose in the Third Quarter of 2023 *Benchmarking Report from TMC and Decisiv reveals less favorable news for fleets and service providers.*

Washington — Today, American Trucking Associations’ Technology & Maintenance Council and Decisiv Inc. said that parts and labor expenses rose 1.9% during the third quarter of 2023, according to data released in the latest Decisiv/TMC North American Service Event Benchmark Report.

“This return to increasing parts and labor costs highlights the fact that fleets must remain vigilant when it comes to managing their maintenance expense data,” said **TMC Executive Director Robert Braswell**. “This important parts and labor cost analysis report is an excellent tool to help Council members see how their operations are performing and plan accordingly.”

The increase follows a 1.3% decline in the second quarter across the top 25 Vehicle Maintenance Reporting System Level Codes. The jump in costs reflect an equal rise in parts and labor expenses – both of which rose 1.9% individually during the third quarter. On a year-over-year basis, parts costs are up 0.9% and labor costs rose 4.9% for a total combined increase of 2.5%.

Detailed data from Decisiv on quarter-over-quarter combined parts and labor costs indicated increases in 18 of the 25 VMRS System Codes. Year-over-year, parts and labor cost increases were seen in 22 VMRS System Codes. The data on 25 VMRS System Level Codes accounts for more than 97% of total parts and labor costs for more than seven million assets and over 300,000 monthly maintenance and repair events at more than 5,000 service locations.

Considering that truck tonnage and consequently mileage continue to decline, the likely explanation for higher parts costs is the impact of ongoing inflationary pressures. In September, the American Trucking Associations’ seasonally adjusted For-Hire Truck Tonnage Index decreased 1.1% compared to the previous month and was down 4.1% year-over-year, the seventh straight annual decrease and the largest over that period. In the same month, ATA’s not seasonally adjusted index, which represents the change in freight tonnage actually hauled by fleets, was 6.8% below August.

The labor costs side of the equation is equally challenged, driven in large part by the ongoing technician shortage affecting dealers and fleets. Based on data from the U.S. Bureau of Labor Statistics, the costs associated with technician recruitment will not see any relief for the foreseeable future, with a projected need of about 23,900 heavy vehicle and mobile equipment service technicians each year on average over the next decade.

“Despite running fewer miles to handle lower freight volumes and the influx of less repair intensive new trucks, fleets and service providers are still challenged by inflationary cost pressures on parts prices and higher labor costs,” said **Decisiv President and CEO Dick Hyatt**. “The data in this report, however, enables everyone in the service supply chain to anticipate and focus on areas where cost control measures will prove most valuable.”

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

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 enable 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.

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 [Facebook](#).

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