

The ELD mandate

Are electronic logging devices affecting your business?



The facts

An estimated 70% of freight in America is moved via truck. The trucking industry has started seeing a decline in the number of available trucks due to several factors: current drivers retiring, potential new drivers choosing to pursue other opportunities and non-US citizens with green cards are no longer allowed to drive loads originating from outside the US to a destination within the US. Now the market is bracing for yet another hit with the implementation of the new Electronic Logging Device (ELD) rules.

The trucking industry has historically utilized paper driving logs, but these could be easily manipulated and falsified. The new ELD mandate aims to improve the lives of the motoring public as well as the drivers themselves by reducing the number of crashes induced by fatigue and reducing time spent on paperwork.

12/16/2015
ELD Final Rule Published

Phase 1: Awareness & Transition Phase

Voluntary use ELDs

12/18/2017
ELD Final Rule Compliance Date

Phase 2: Phase-in Compliance Phase

Mandatory use of ELDs with existing AOBRDs grandfathered for 2 years

12/16/2019
Mandatory Use of ELDs

Phase 3: Full Compliance Phase

“USA over the road transportation is going through a capacity challenge like it has never seen before.” Rick Burden Sr. Director of Transportation and Logistics at Naturipe Farm LLC.

Who it affects

The ELD rule (Title 49, Part 395) applies to motor carriers and drivers who are currently required to keep records of duty service (RODS) under the hours-of-service (HOS) regulations. Drivers who use the time card exception and don't keep paper RODs will not be required to use ELDs. The following drivers may keep paper RODs:

- Drivers who keep RODS no more than 8 days during any 30-day period.

- Driveaway-towaway drivers (transporting a vehicle for sale, lease or repair), provided the vehicle driven is part of the shipment or the vehicle being transported is a motor home or recreational vehicle trailer.
- Drivers of vehicles manufactured before model year 2000.

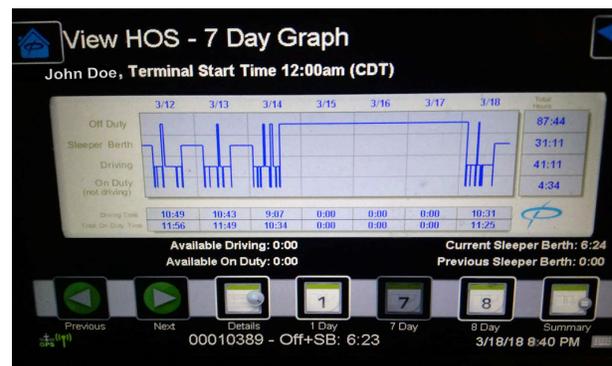
Others must use ELDs, which are computers installed within the cab of the truck that a driver uses to update their record of duty status (RODS). The adoption date deadline was December 2017 unless an automatic on-board recording device (AOBRD) is in place.¹

Shipper & Receiver Hour of Services Rules for drivers include the following:

- A 14-hour period to perform all work, including driving.
- 10 hours off between each 14-hour period.
- A 30-minute break within 8 hours of driving.
- Can drive no more than 11 hours in each 14-hour period.
- Cannot drive after 70 hours in 8 days unless there is a 34-hour restart.
- Using a split sleeper will effect their on- and off-duty time.
- A 16-hour exemption that allows a driver to extend the normal 14-hour window by 2 hours, so long as certain conditions are met.²

The impact

These regulations, while good for driver safety and public safety, have already had a negative impact on the number of drivers and trucks available to ship goods. It is hurting retailers' ability to run a lean supply chain and is increasing freight costs by 3-4x, which is in turn affects budgeting and projections. Perishable good suppliers are also facing their own unique challenges that are threatening their business.



ELD Device Display. Photo Credit: Terry Goodwin

Challenges suppliers face

Perishable food suppliers want to deliver the freshest product possible to the customer, but the extended time needed for some routes because of the ELD mandate is making that goal harder. The extended time required for shipping increases the chance perishable products will be spoiled upon delivery to distribution centers. Some suppliers are even harvesting at their usual time and storing produce in trailers with refrigerator units until they can be shipped. Suppliers that arrange their own transport are finding drivers are being more selective on routes available to them, wanting fewer pickups and drops. To further complicate things for suppliers, retailers are now fining suppliers for late deliveries.

Challenges retailers face

Retailers face very similar challenges to those of the suppliers regarding product freshness and quality. The one unique metric a retailer must contend with is shelf life or, in this case, reduced shelf life. The extended shipping times increase the chances a perishable load may breach the acceptable temperature window thus decreasing shelf life. Take this into consideration: for each hour a load is out of its proper temperature window, the shelf life may be reduced by up to a full day.

Solution

The waste of product through spoilage, reduced shelf life and risk of food-borne illness has never been acceptable and this is now compounded by increased shipping costs and longer shipping times. How can companies protect their brand, business and reputation?

Best practices through temperature and location tracking devices can help. These devices are designed to monitor a variety of data points such as temperature, humidity, light and location with a very high degree of accuracy and can be mounted on the outside of the pallet or within the packages of the product.

They are capable of monitoring anything that requires a stable temperature window to preserve the quality and freshness of the product. Some temperature data loggers feature the capability to provide "on time vs. late" delivery reports to help suppliers stay up to date and avoid fines.

Using best practices is a shared responsibility between suppliers and retailers. Including data loggers and real-time trackers in shipments can help the industry with the ELD mandate. Get informed and provide yourself with the data that will help you protect your brand, reputation and culture now and in the future.

End notes

1 "Top Frequently Asked Questions About the ELD Rule." Federal Motor Carrier Safety Administration, FMCSA, 15 June 2017, <https://www.fmcsa.dot.gov/hours-service/elds/implementation-timeline>. Accessed 5 Mar. 2018. Path: <https://www.fmcsa.dot.gov/hours-service/elds/eld-fact-sheet-english-version>.

2 Federal Motor Carrier Safety Administration, 28 Feb. 2018, <https://www.fmcsa.dot.gov/>. Accessed 5 Mar. 2018. Path: <https://www.fmcsa.dot.gov/hours-service/elds/electronic-logging-devices>.