

2019 Year in Review

Truck Dealers started 2019 coming off a stellar year in 2018. America's franchised commercial truck dealers had their second best sales year of all time in 2019.

Total Class 4-8 sales of 527,092 units were the best since 2006 and represent an increase of 8.0% compared to 2018. 2019 began with Class 8 order backlogs filled for most of the year and steady deliveries throughout. Such strong demand resulted in Class 8 sales topping 276,000 units, up 10.3% compared to 2018.

Class 4-7 sales were also robust in 2019, coming in over 250,000 units for an increase of 5.7% compared to 2018.

ATD announced a new industry coalition to repeal the Federal Excise Tax and 'Modernize the Truck Fleet'

At the American Truck Dealers (ATD) Show in San Francisco, ATD Chairwoman Jodie Teuton announced the launch of a new coalition of industry stakeholders whose goal is to repeal the federal excise tax on commercial truck sales.

"Repealing this 102-year-old tax remains our No. 1 priority. This tax discourages the deployment of today's cleaner, safer and more fuel-efficient heavy-duty trucks," said Teuton, vice president of Kenworth of Louisiana and Hino of Baton Rouge. "And this year, we won't be alone in the fight. We now have some strong industry allies."

The coalition, called Modernize the Truck Fleet, includes ATD; Truck and Engine Manufacturers Association (EMA), whose members are Daimler Trucks North America, Navistar, PACCAR, Volvo Group North America and Cummins; NTEA – The Association for the Work Truck Industry; and the Truck Renting & Leasing Association (TRALA).

Trey Mytty was selected as the 2019 Truck Dealer of the Year

Trey Mytty, president and CEO of Truck Center Companies in Omaha, Neb., was named 2019 Truck Dealer of the Year.

"It's a great honor ... Congratulations to all of the other nominees," said Mytty, who recently began a two-year term as dealer council chairman for Freightliner. "This business started for me as a summertime job washing trucks and it has turned into many opportunities and meeting a lot of fantastic people."

NADA/ATD Launches Initiative to Promote Auto and Diesel Tech Careers

NADA has developed the Foundation's Workforce Initiative over the past two years, after a great need was identified to harmonize efforts of OEMs (both car and heavy truck), training centers and dealerships, especially when it comes to recruiting technicians. NADA discovered a lack of brand-neutral information on training centers, making it incredibly difficult for a prospective technician to find clear information on how to gain training and certification.

To socialize the initiative, NADA engaged key audiences including high school guidance counselors, community college administrators and military separation officers. NADA's fundraising efforts have gained traction among dealers and OEMs, with sponsors including Porsche, Toyota, PACCAR and the National Auto Auction Association.

New ATD Video Highlights the Need to End the Federal Excise Tax on Heavy-Duty Trucks

Modernize the Truck Fleet Adds New Coalition Members

The National Trailer Dealers Association (NTDA) and the National Tank Truck Carriers Association (NTTC) have joined Modernize the Truck Fleet (MTF) – a new coalition representing trade groups, commercial-truck dealerships, truck and equipment manufacturers working to repeal the 102-year-old federal excise tax (FET) levied on the sale of new, heavyduty trucks and trailers.

President Trump Visits Nuss Truck & Equipment in Minnesota

American Truck Dealers (ATD) member Bob Nuss, president of Nuss Truck & Equipment in Burnsville, Minn., hosted President Donald Trump and senior White House advisors for a roundtable discussion at his dealership on April 15. The meeting focused on tax reform, the economy and the positive effects of tax relief on small businesses.

Modernize the Truck Fleet Coalition Rallies Support for H.R. 2381/S. 1839 to Repeal the FET

The Modernize the Truck Fleet (MTF) coalition rallied on Capitol Hill to urge congressional support for bipartisan legislation repealing the 12% federal excise tax (FET) on the sale of heavy-duty commercial trucks and trailers.

"The FET made sense when it was implemented 100 years ago, but just like trucks that were designed in 1917, it's no longer viable in the modern world. Today, it's a cost-prohibitive barrier for small businesses looking to upgrade their outdated trucks to safer, cleaner, more modern vehicles," said U.S. Rep. Doug LaMalfa (R-Calif), sponsor of H.R. 2381, a bill to repeal the FET.

"The average age of most heavy-duty trucks on the road today is nearly 10 years old – that means a decade worth of technological advancements is effectively being sidelined. The 12% FET limits truck replacement by discouraging truck owners from upgrading their outdated vehicles – leading to higher emissions and more dangerous roads. We won't truly see a modern truck fleet in the U.S. until it's repealed," LaMalfa added.

U.S. Sen. Cory Gardner, sponsor of S. 1839, the Senate FET repeal bill, said, "This burdensome tax creates excessive costs that are passed on to truckers, who play an essential role in maintaining our nation's economy. I was happy to introduce legislation to repeal it."

Perspective: Repealing the Federal Excise Tax to 'Modernize the Truck Fleet'

Transport Topics, by Jodie Teuton, Chairwoman, American Truck Dealers

More than 100 commercial truck dealers, trade association executives and trucking industry stakeholders will descend on Washington the week of June 17 to urge members of Congress to co-sponsor the Modern, Clean and Safe Trucks Act of 2019 (HR 2381), a bipartisan bill in the U.S. House of Representatives to repeal the 12% federal excise tax on the sale of most new heavy-duty trucks and trailers.

Members of American Truck Dealers and the Truck Renting and Leasing Association will host fly-ins with their members for meetings on Capitol Hill. These meetings will be accompanied by a press conference on the Capitol grounds, where a modern Class 8 truck will be parked alongside a World War I era truck to highlight the year — 1917 — when the federal excise tax was first enacted.

In January, ATD and TRALA joined other industry groups to form the Modernize the Truck Fleet coalition, which supports repeal of the federal excise tax and identification of more viable revenue streams for the Highway Trust Fund, which the FET currently supports. The coalition also includes NTEA — The Association for the Work Truck Industry, the Truck and Engine Manufacturers Association, the National Trailer Dealers Association and National Tank Truck Carriers Association.

The MTF coalition is off to a strong start; in April, HR 2381 was introduced by Reps. Doug LaMalfa (R-Calif.) and Collin Peterson (D-Minn.). The bill has secured 14 bipartisan co-sponsors and was referred to the House Ways and Means Committee. A Senate companion bill is expected to follow, with the ultimate goal of incorporating FET repeal into a larger infrastructure bill.

Congressional support for repeal of the excise tax is gaining steam because lawmakers recognize that the outdated FET impedes deployment of the next generation of commercial trucks. Newer trucks incorporate the latest in efficiency and safety technology. Repeal of the excise tax would give businesses more money to invest in cleaner, safer and more fuel-efficient equipment, including adoption of technologies such as lane departure and collision mitigation systems, as well as idle reduction systems and aerodynamic equipment.

The FET has increased by 300% since it was first enacted and is now the highest tax that Congress levies on a percentage basis. The tax can add as much as \$22,000 to the price of a new heavy-duty truck, on top of the nearly \$40,000 in additional costs from recent federal emissions and fuel-economy mandates that make it harder for small businesses to afford a new truck.

Plus, it is a complicated and difficult tax to administer, and commercial truck dealers incur substantial compliance costs when navigating IRS regulations that apply to the tax. To help dealers stay in compliance, ATD authored a 104-page book on when and how to apply the tax. The federal excise tax has since 1956 supported the Highway Trust Fund, which is itself in dire need of reform. Since excise tax receipts are tied to annual heavy-duty truck sales, the amount it generates for the fund can vary greatly, causing further instability for this vital revenue source.

Now is the time to modernize our infrastructure, modernize the Highway Trust Fund and modernize the truck fleet. And all week long, leaders in the trucking industry will be carrying that message to leaders on Capitol Hill.

ATD Academy Class 040 Included 27 Graduates from Commercial-Truck Dealerships

American Truck Dealers (ATD) Academy Class 040 President John Mauseth has some strong words of advice for current and future leaders working at commercial truck dealerships who want to take the next step in their career development.

"I am confident the class would agree when I say the ATD Academy was a great experience," said Mauseth, in remarks at their graduation ceremony last month. "The knowledge gained will give us the confidence to do well in our respective dealerships, and continuously make improvements along the way."

2019 Truck Dealer of the Year Trey Mytty Guest Lectures Indiana University Business Students

"It was a pleasure and honor to speak to this group of young students who will soon begin their own professional journeys and endeavors," said Mytty, president and CEO of Truck Center Companies in Omaha, Neb. "Entrepreneurship is an incredibly rewarding experience and I'm pleased to share the successes and challenges I've encountered in my own career."

ATD Announces Five Nominees for 2020 Truck Dealer of the Year Award

The American Truck Dealers (ATD), Heavy Duty Trucking magazine and Procede Software are proud to announce the nominees for the 2020 Truck Dealer of the Year – a national award that recognizes commercial-truck dealers for business performance, industry leadership and community service.

The five nominees for 2020 are:

- Jim Bland, co-president of TranSource, Inc. in Greensboro, N.C.;
- Oscar Horton, president and CEO of Sun State International Trucks, LLC in Tampa, Fla.;
- <u>Tim Mitchell</u>, president of Motor Truck Equipment Company / Kenworth of Pennsylvania in Carlisle, Pa.;
- Scott Pearson, president of Peterbilt of Atlanta in Jackson, Ga.; and
- Thomas "Lance" Wilson, general manager of General Truck Sales & Service in Memphis, Tenn.