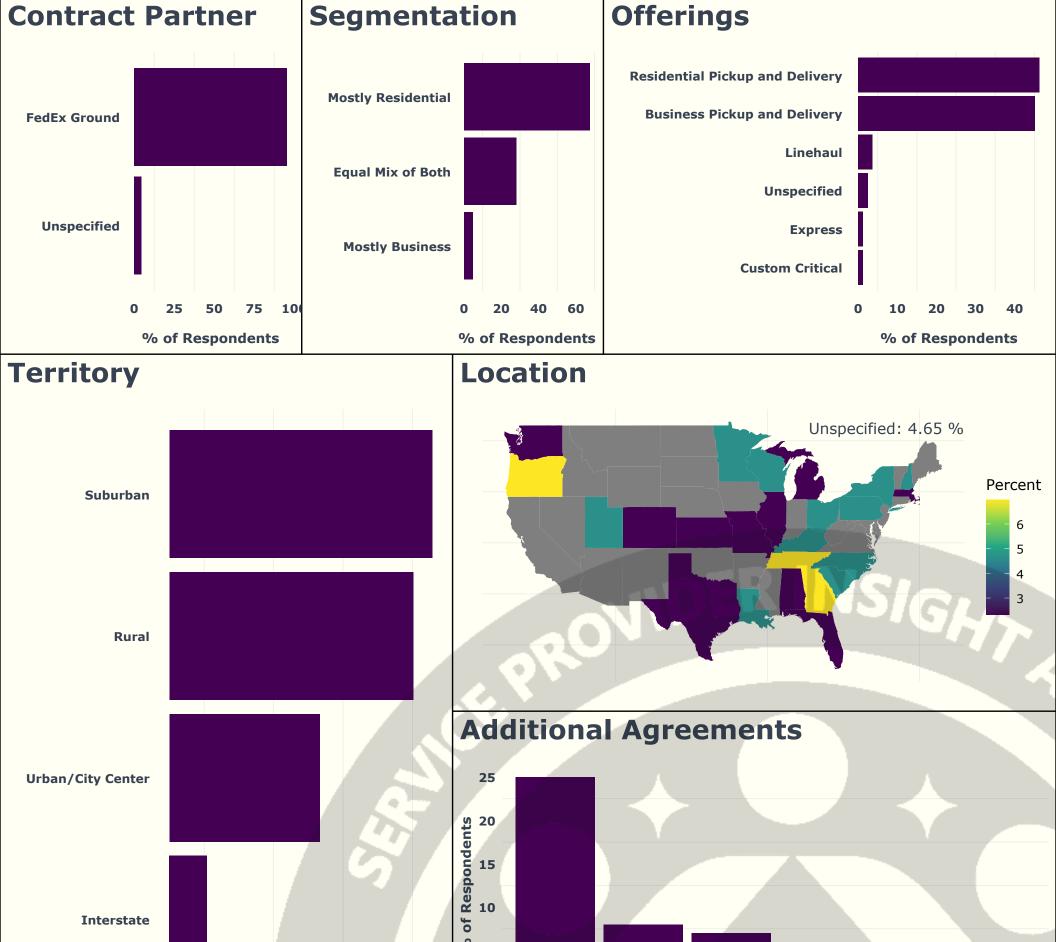
Demographics



Years in Operation

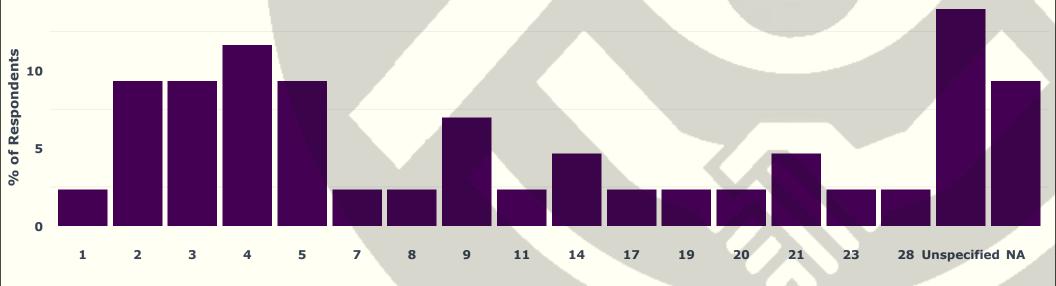
10

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% of Respondents

30

Interstate



Unspecified

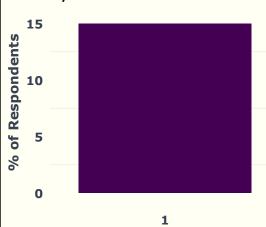
NA

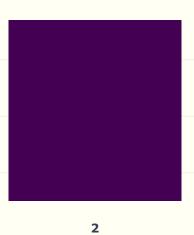
5

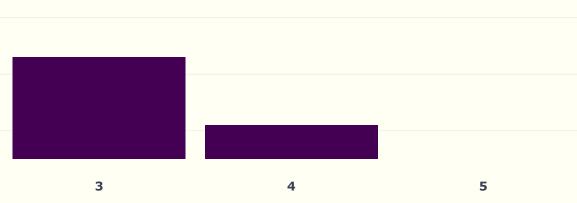
Financials 2024-Q3UIVEY

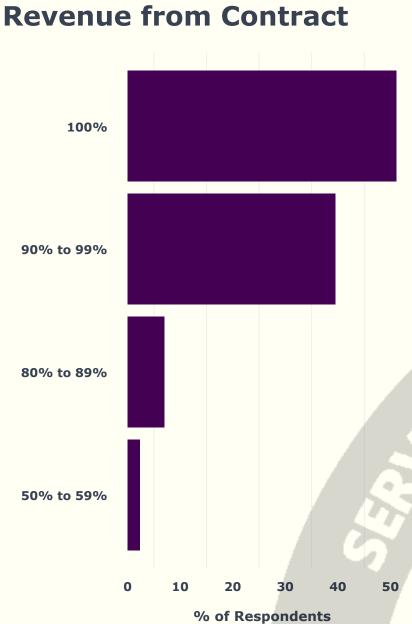
Financial Health Rating

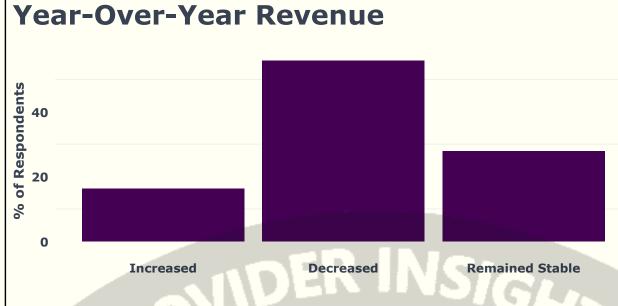
1-Very Poor to 5-Excellent







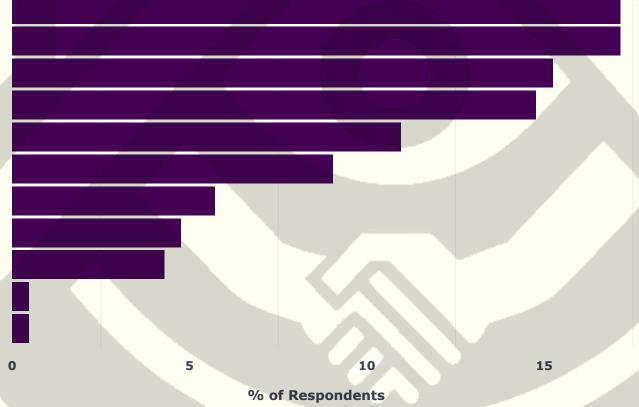






Major Financial Challenges



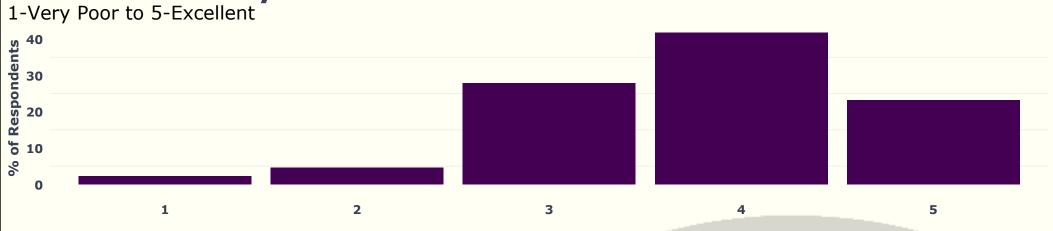


Operations 2024-03 Urvey

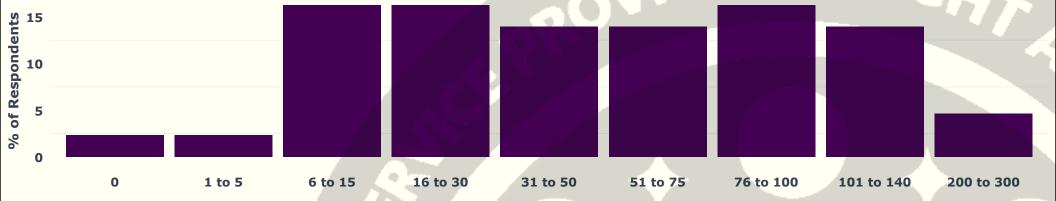
Year-Over-Year Efficiency



Current Efficiency

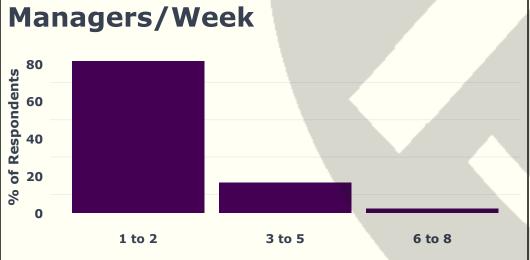


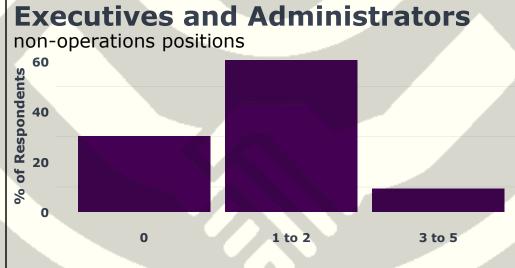
Dispatches/Week



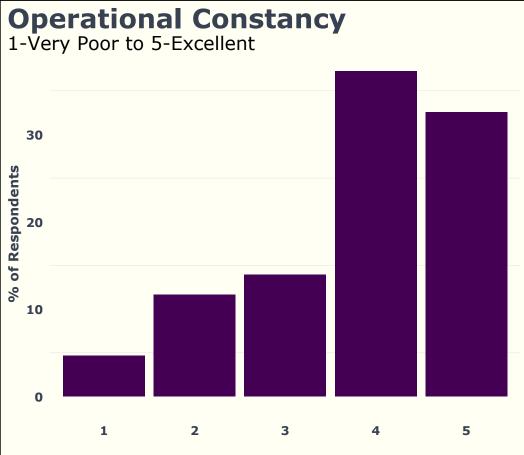


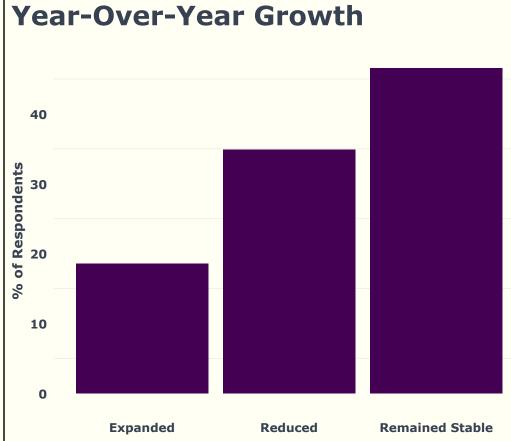




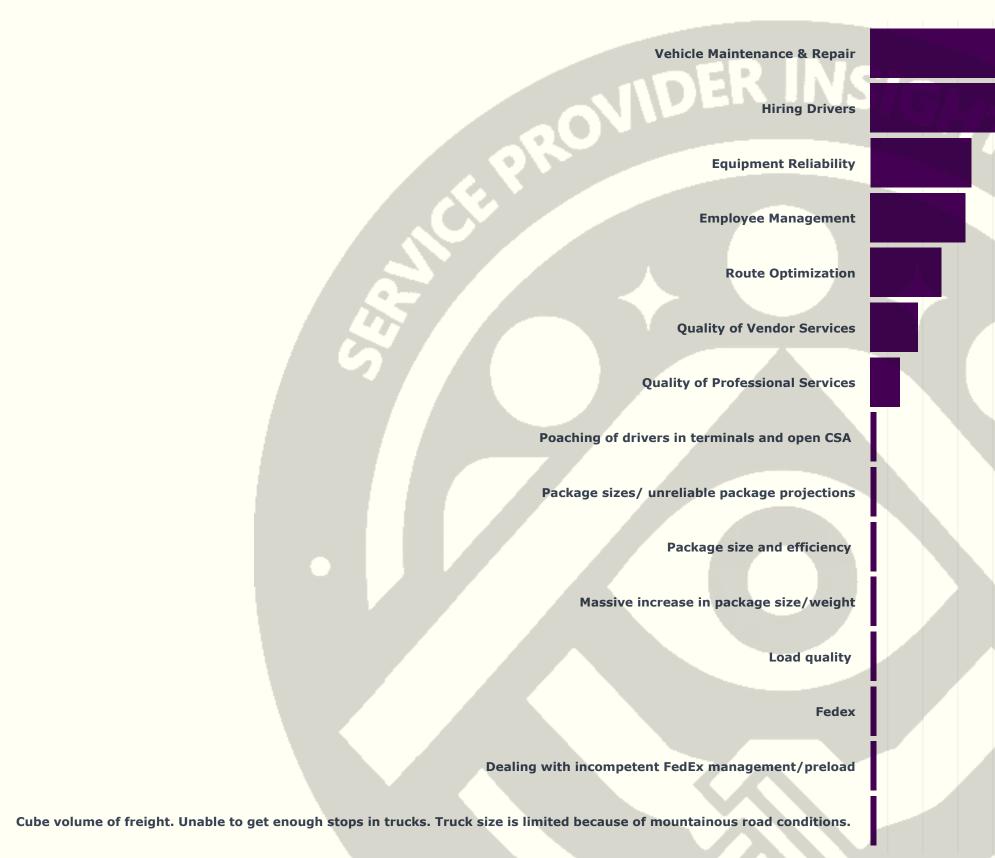


Character 2024-03 urvey Operations 2024-03 urvey



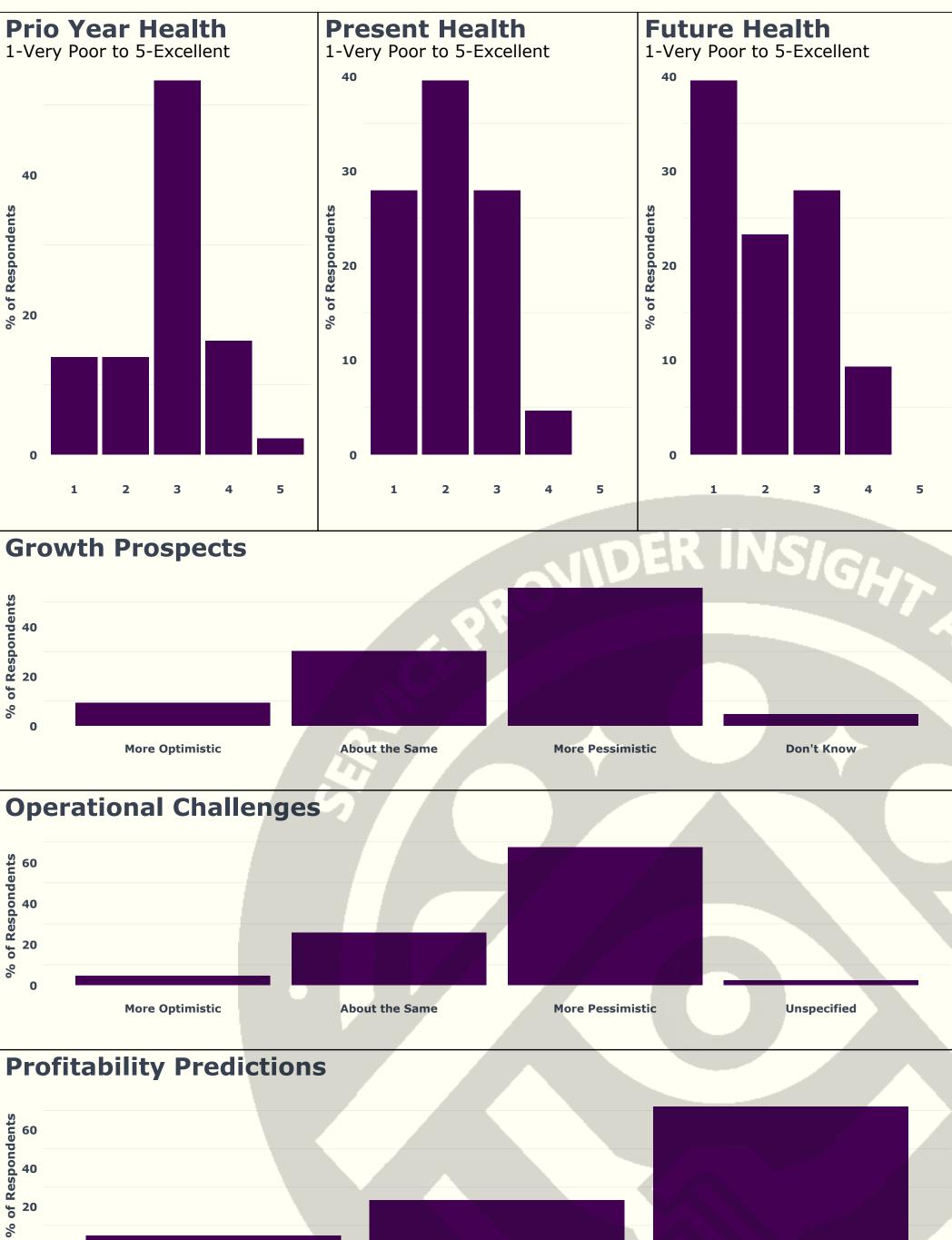


Operational Challenges



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Sentiment and Outlook Q3 UFVEY



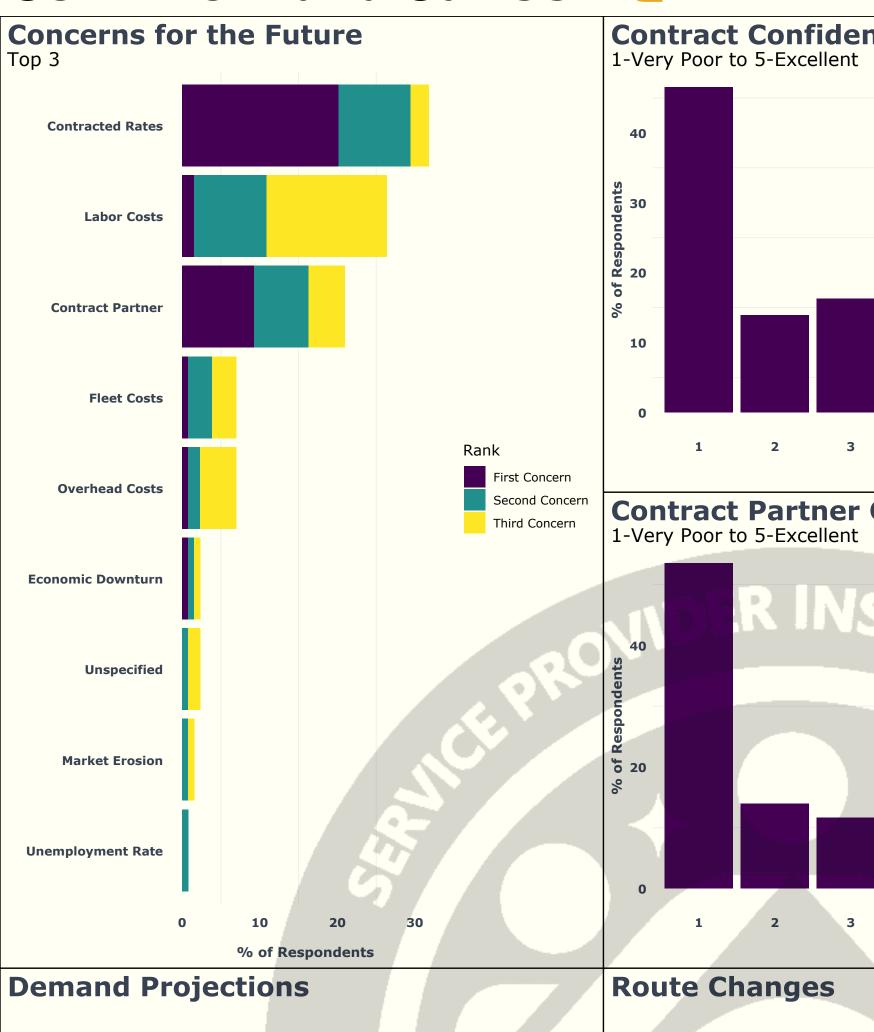
About the Same

More Pessimistic

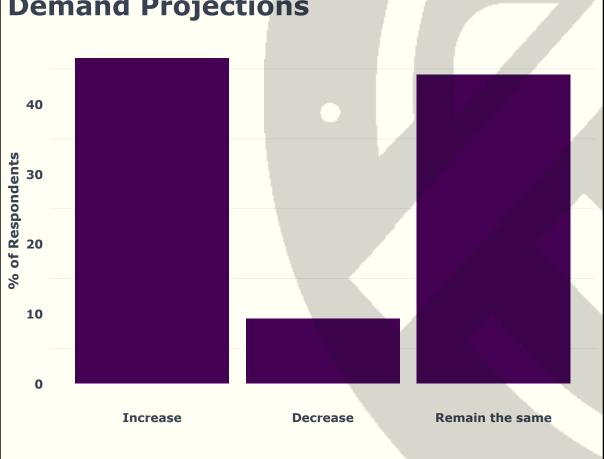
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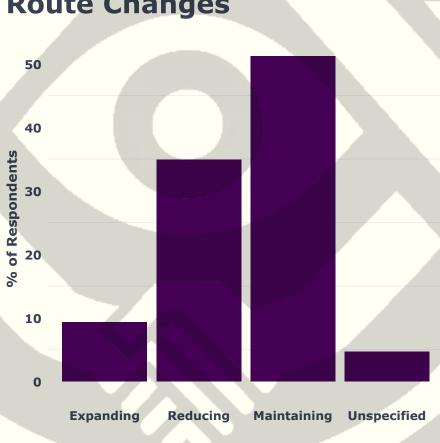
More Optimistic

Sentiment and Outlook









Anecdotal Insights 4 - Q3 UITVE Y

Challenges Faced

What challenge have you faced and how did you address it?

"[Service Partner] is not seeing the size of the packages and the bulk deliveries as a daily issue...Meanwhile, the negotiators are telling us that we need to dispatch fewer people."

Responders to the survey highlighted significant challenges faced in the past year, primarily revolving around labor and fuel costs, the increasing size and weight of packages, and the resulting strain on resources. Many have had to take drastic measures to manage these issues, such as not taking owner salaries, supplementing income from other business interests, and adjusting staffing based on package bulk rather than volume to avoid burnout and injuries. One respondent dealt with a particularly severe issue of sexual harassment, resulting in a court case and a permanent restraining order.

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Success Stories

What success have you recently achieved?

"We do not have to file bankruptcy. Over three years accident-free."

Cost-saving measures were common theme, such as switching workers' compensation providers to reduce expenses. Some respondents expressed relief in avoiding bankruptcy, which, while not a traditional success, was framed as a significant achievement given current challenges.

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Contract Improvements

What is your suggestion to improve the relationship with your contract partner?

"Ride alongs and see that 140 stops a route is not feasible in most rural suburban areas. Numbers are skewed for failure. Get real numbers with boots on the ground! Support your contractors so we can pay a reasonable wage!"

A significant number of respondents expressed frustration with current communication practices, describing them as filtered and insufficient, and called for more direct and transparent communication channels.

Respondents also pointed out the importance of recognizing and addressing the specific challenges faced by contractors, such as the size and weight of packages and the need for more efficient logistics support.

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Anecdotal Insights 4 - Q3 UITVEY

Industry Changes

What will impact our industry in the next year?

"The expectations are higher and higher every day but the pay remains the same, so I expect a lot of contractors to fail because it's getting more and more expensive to keep up with the fleet and [Service Partner] expectations."

Many respondents are worried about the increasing size and weight of packages, which they believe will lead to higher operational costs, increased risk of injuries, and lower driver retention. Economic concerns, such as inflation and the rising costs of maintaining their fleets, were also mentioned as significant challenges.

There were mixed feelings about the use of AI and new technology, with some respondents concerned about sudden changes in expectations and the lack of additional funding for training. The push for electric vehicles and the impact of CARB (California Air Resources Board) regulations were also mentioned as potential challenges.

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Partnership Dynamics

What is the relationship with your contract partner like?

"After long thoughts, the relationship was more of a mutual team approach five years ago. I feel personally that my business partner has grown too close with a major customer and now treats us similarly to how that customer is known to treat its suppliers."

Many contractors expressed feelings of frustration and disillusionment due to poor communication, lack of support, and a perceived lack of respect and fairness.

Several respondents highlighted that the relationship was more positive and collaborative in the past, but has deteriorated over time. Common issues include being given insufficient time for contract negotiations, unanswered communications, and a one-way communication style that only benefits the company. Weekly meetings with constant threats of consequences and poor handling of operational issues were also frequent complaints.

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If only I had known...

What should everyone know about being a Service Provider?

"[Service Partner] doesn't care anything about contractors. We are a dime a dozen in their minds. They continually push new policies and equipment requirements that we are forced to maintain, cutting into our little margins, or jeopardize the contract that they have the right to change or terminate at any time."

Many respondents highlighted the instability and financial strain of the relationship, emphasizing that [Service Partner]'s control over contracts and policies makes it difficult to sustain a profitable business. Contractors expressed frustration with the constant changes in policies and equipment requirements, which cut into their already thin margins.

While some respondents noted the mental rewards of owning a business and employing people, they also stressed that the financial rewards are minimal, especially given the demanding nature of the work.

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