Decisiv™

# Commercial Vehicle Service Analysis Report

## Quarterly Report: Q1-2023

A Comprehensive Review of

**Service Costs and Activity by VMRS System Code**

## Report Overview

Despite significantly higher parts and labor costs compared to one year earlier, there is mixed and better news in the overall data presented in this quarter's report.

Year-over-year from 2022 Q1 to 2023 Q1, parts and labor cost data does show a more than 8% increase. However, between 2022 Q4 and 2023 Q1, the increase in parts and labor costs reflected marked slowing at a negligible 0.7%.

Overall, service costs have stabilized from supply chain driven spikes seen over the past year. Still, high prices for parts and higher wages for labor—above 8% and 10%, respectively, in the past year—are unlikely to return to earlier levels.

Keeping high parts prices in place are inflationary factors that have driven up the cost of raw materials, energy and labor for manufacturing, and the higher cost of transporting goods. Currently, however, with production capacity for parts and new vehicles returning to average levels, improvements in parts supplies are tempering price increases.

High labor costs in service operations are still resulting from ongoing workforce issues, notably the shortage of technicians that forces fleets and service providers to offer higher pay as a recruiting and retention measure. An indication of this trend is seen between 2022 Q4 and 2023 Q1 when parts costs dropped by 0.4% and labor costs increased 2.3%.

Each quarter, labor and cost information will be available in advance of this report in the ATA Technology & Maintenance Council (TMC) Benchmark Report on Vehicle Maintenance Reporting Standard (VMRS) as an exclusive benefit for TMC members.

The quarterly Decisiv reports will now also include analysis of service event activity. This data makes predicting shop activity more effective for each of the 25 VMRS System Codes. Overall, the report now covers 97% of total service activity by number of events and as a percentage of all maintenance and repair events managed each month on the Decisiv SRM platform in North America.

## Report Highlights

Stable and trending lower, service costs do reflect that new vehicles backordered for historically long periods are finally reaching end users. There is also a general decrease in mileage across all trucking segments, driven down by a reduction in freight volumes.

According to data released monthly by the American Trucking Associations (ATA), on-highway truck tonnage in April fell both annually, and on a month-to-month basis. The annual decline in freight activity is the largest decrease since February 2021, according to ATA, while the April drop in tonnage of 3.4% follows a 2.4% year-over-year decrease in March.

In the intermodal market as well, an ongoing slump in container volumes at ports on both coasts continues. The year-over-year double-digit drops are attributed to a slowing global economy and higher levels of warehouse inventories.

The impact of lower mileages and the effect of operating aging trucks can be seen across the data that Decisiv collects and analyzes for the TMC Benchmark Report on VMRS System Level Codes. Combined, those VMRS categories account for more than 96% of total parts and labor costs for more than 7 million assets and over 300,000 monthly maintenance and repair events at more than 5,000 service locations.

Year-over-year from 2022 Q1 to 2023 Q1 and between 2022 Q4 and 2023 Q1, the data shows the following:

- Powerplant—The largest VMRS cost category did not experience any real change in parts or labor costs.
- Exhaust—Small increases between the last two quarters and larger increases year-over-year drove combined parts and labor service costs up 11.1%.
- Cooling—Parts and labor combined costs rose 6.8% between quarters and 14% in an annual comparison.
- Brakes—Minor changes took place in the last two quarters with only a 1% increase in parts and labor costs, although year-over-year those expenses rose 9%.
- Fuel System—Following a 7.4% year-over-year increase, costs went down slightly between the last two quarters.
- Cab and Sheet Metal—Minimal change was recorded between quarters, while costs rose 21.4% on an annual basis.
- Clutch—While year-over-year parts and labor costs increased 10%, in the past two quarters a minor drop in parts costs was offset by an equivalent increase in labor expenses, resulting in no overall change.
- Frame—Parts and labor costs dropped 3.7% overall between the last two quarters based on 3.3% lower parts costs and 4.5% lower labor expenses.
- A/C, Heating & Ventilation—Quarter-over-quarter parts and labor costs rose only 2.4% contrasted by a year-over-year combined cost increase of 16.5%.
- Transmission—While annual parts and labor costs were up 6.4%, combined expenses between the last two quarters dropped 2.5%.

Differences in parts and labor costs across four U.S. regions and Canada are evident due to the impact of wages and expenses for parts supplies.

Average costs for the first three months of 2023 for each category and combined were highest in western states. The average combined parts and labor cost rankings by region for 2023 Q1 were (from highest to lowest): the West, South, Northeast, Midwest, and Canada.

The second highest parts costs were found in northeastern states. The second highest labor costs were in southern states, likely driven by the large number of trucking operations in that region causing more intense competition for technicians. The lowest labor costs in the U.S. were in the Midwest. Parts costs were also lowest in those states, possibly from reduced transportation expenses due to their proximity to U.S. manufacturing centers.

New data in the Decisiv report showing the number of service events includes totals and percentages for each of the top ten VMRS System Codes. In 2023 Q1, the five systems requiring the most service events were Powerplant, Exhaust, Cab and Sheet Metal, Brakes, and Cooling.

Trends in service event frequency are shown in the report on a chart tracking activity over the most recent five quarters. In the current analysis, the more than 1.02 million events in Q1 2023 were the highest on record, surpassing the previous high of 996,883 in 2022 Q1.

Quarterly service event totals are shown as well for each VMRS System Code over the same five quarters. A new supplemental section also details service activity for an additional 15 VMRS System Codes by the number of events and as percentages. Among those additional systems, Lighting, Steering, Cranking, Suspension, and Drive Shafts required service and repairs most frequently.

## Overview

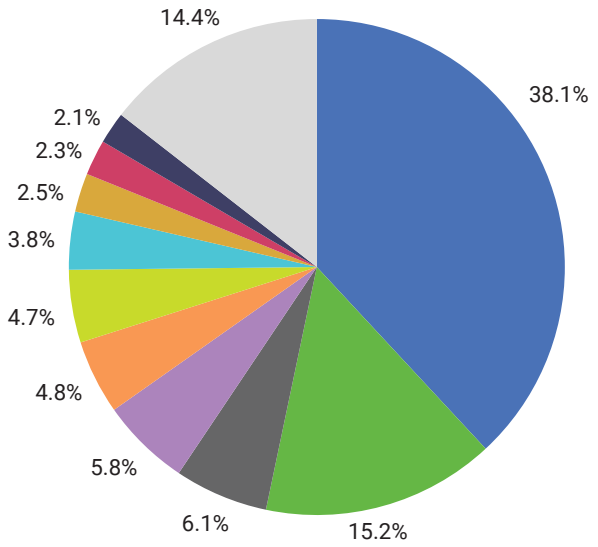
The Decisiv SRM Ecosystem is the industry's preferred system of engagement for tracking and managing repair and maintenance events for more than 7 million assets on the SRM platform. These summaries are compiled from more than 300,000 monthly service maintenance and repair events conducted at more than 5,000 service locations. For more information about the Decisiv SRM Ecosystem, visit www.decisiv.com.

### Average Costs and Service Activity by VMRS System Code for Q1 2023

| Code | System | Parts | Labor | Parts and Labor | Service Events |
|---|---|---|---|---|---|
| **045** | Powerplant | $1,721 | $1,011 | $2,732 | 252,252 |
| **043** | Exhaust | $1,148 | $627 | $1,774 | 122,362 |
| **042** | Cooling | $916 | $635 | $1,551 | 56,901 |
| **013** | Brakes | $611 | $567 | $1,178 | 82,181 |
| **044** | Fuel System | $852 | $577 | $1,430 | 50,681 |
| **002** | Cab and Sheet Metal | $495 | $320 | $815 | 105,148 |
| **023** | Clutch | $1,771 | $1,303 | $3,074 | 19,490 |
| **014** | Frame | $1,706 | $907 | $2,613 | 15,945 |
| **001** | A/C, Heating & Vent | $485 | $450 | $935 | 37,590 |
| **027** | Transmission/Auto | $1,752 | $1,070 | $2,822 | 13,044 |

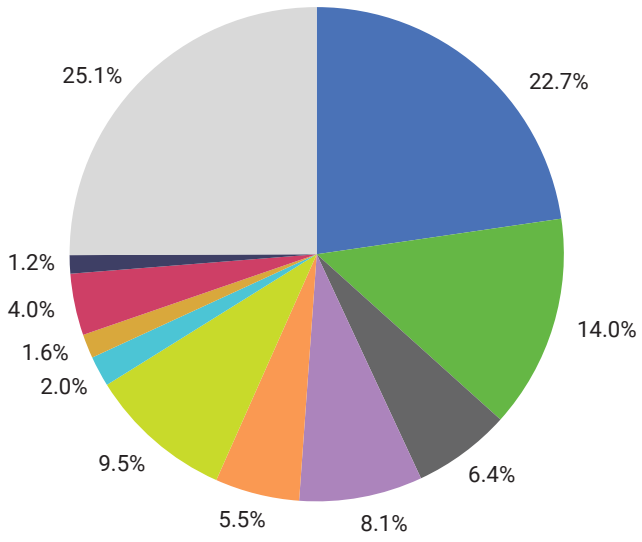
See supplement for details on 15 additional VMRS System Codes. These top 25 VMRS System Codes encompass 96% of service transactions managed on the Decisiv SRM Platform.

## Composite View: Service Cost Distribution for Q1 2023



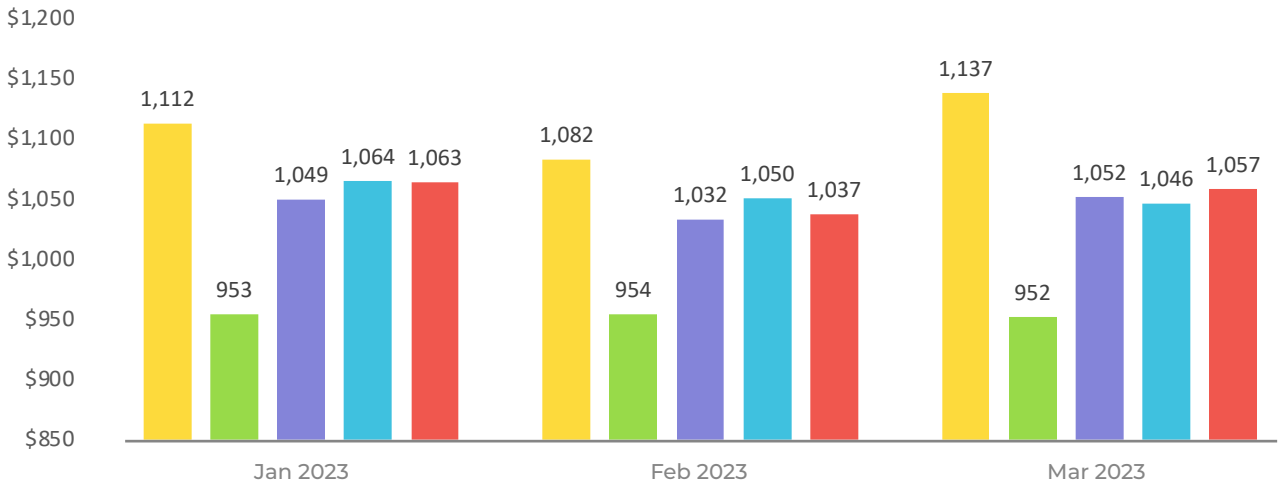

| | | |
|---|---|---|
| 045 | Powerplant | 38.1% |
| 043 | Exhaust | 15.2% |
| 042 | Cooling | 6.1% |
| 013 | Brakes | 5.8% |
| 044 | Fuel System | 4.8% |
| 002 | Cab & Sheet Metal | 4.7% |
| 023 | Clutch | 3.8% |
| 014 | Frame | 2.5% |
| 001 | A/C, Heating & Vent | 2.3% |
| 027 | Transmission/Auto | 2.1% |
| xxx | Other | 14.4% |

## Composite View: Service Activity Distribution for Q1 2023

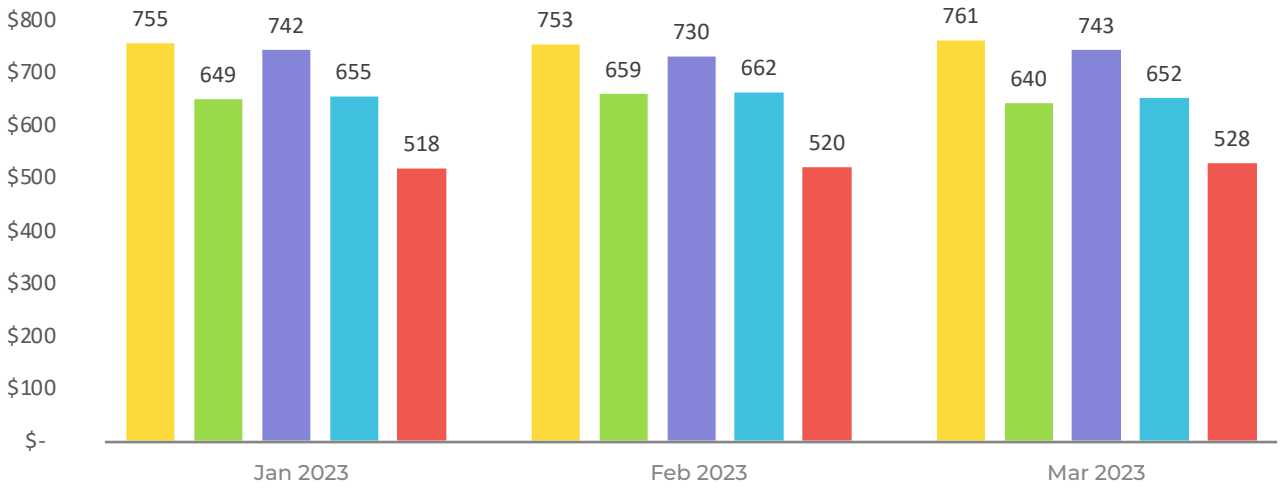



| | | |
|---|---|---|
| 045 | Powerplant | 22.7% |
| 043 | Exhaust | 14.0% |
| 042 | Cooling | 6.4% |
| 013 | Brakes | 8.1% |
| 044 | Fuel System | 5.5% |
| 002 | Cab & Sheet Metal | 9.5% |
| 023 | Clutch | 2.0% |
| 014 | Frame | 1.6% |
| 001 | A/C, Heating & Vent | 4.0% |
| 027 | Transmission/Auto | 1.2% |
| xxx | Other | 25.1% |

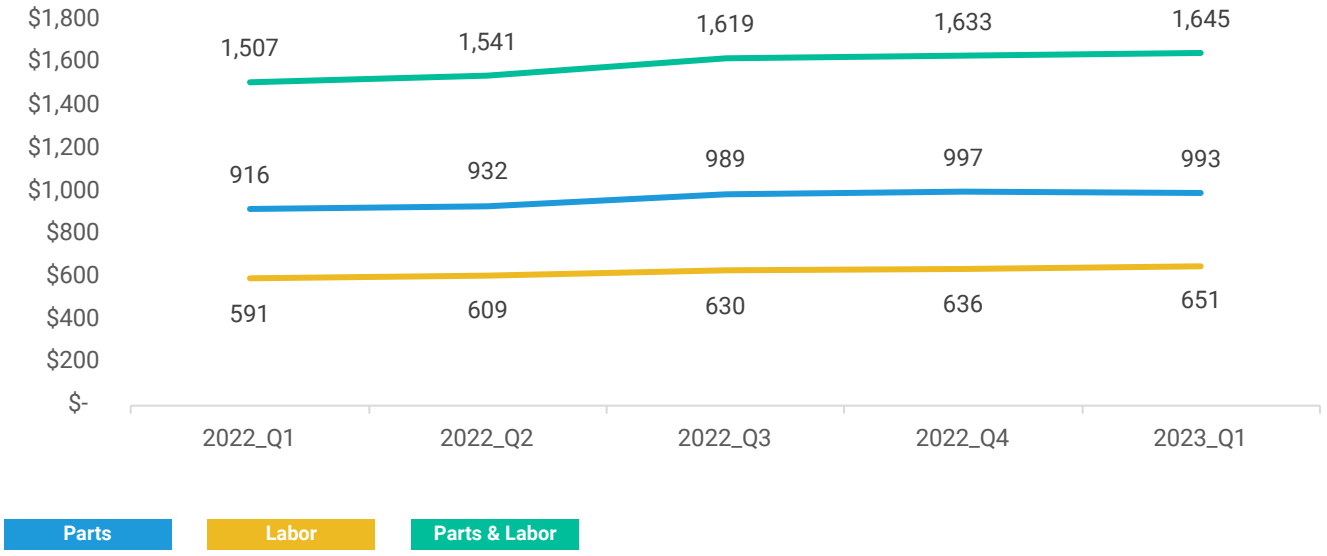
## Regional Parts Costs



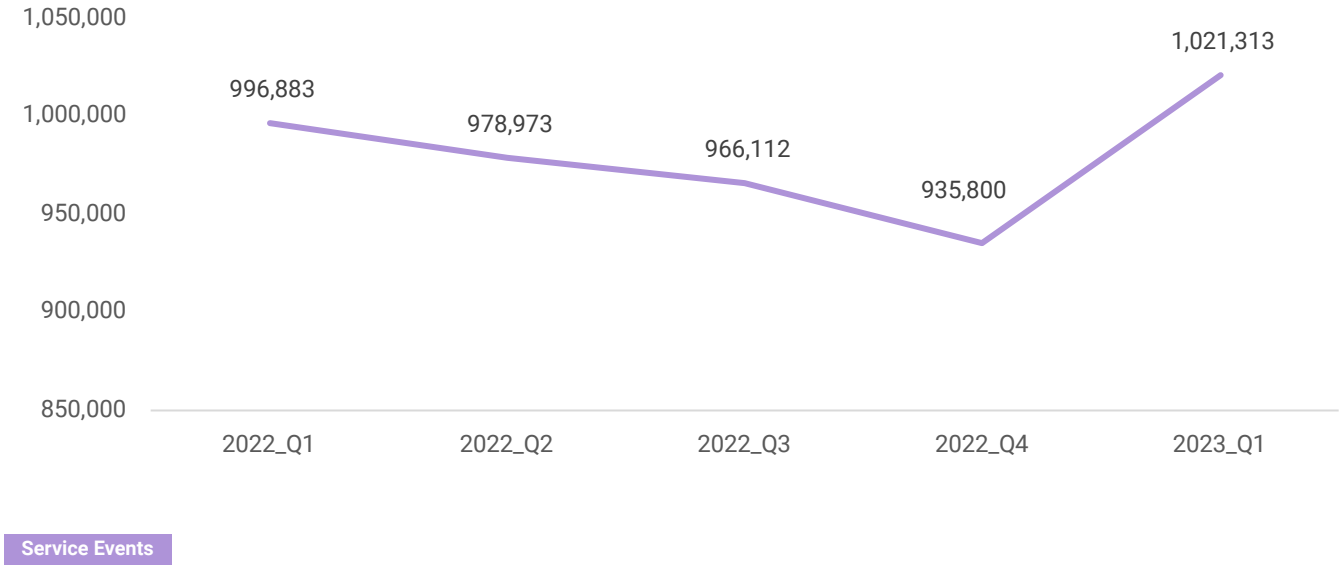

## Regional Labor Costs




## Quarterly Trends for Parts and Labor Costs



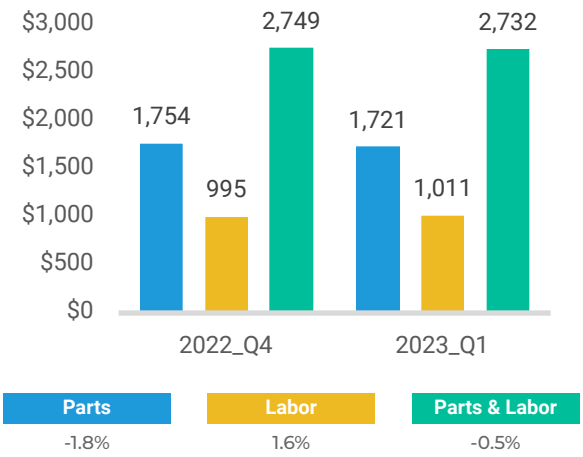

## Quarterly Trends for Service Activity



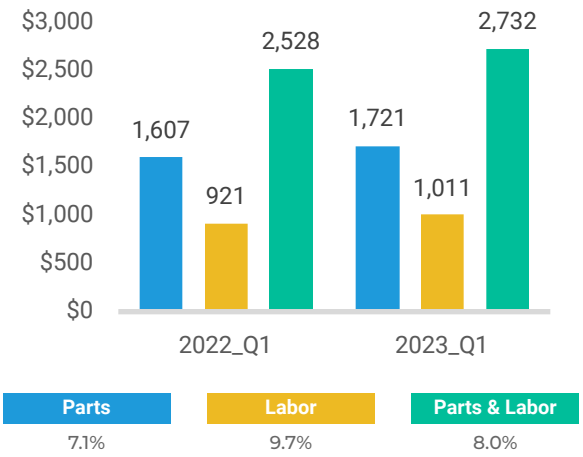
# Code 045: Powerplant

## Parts and Labor Costs

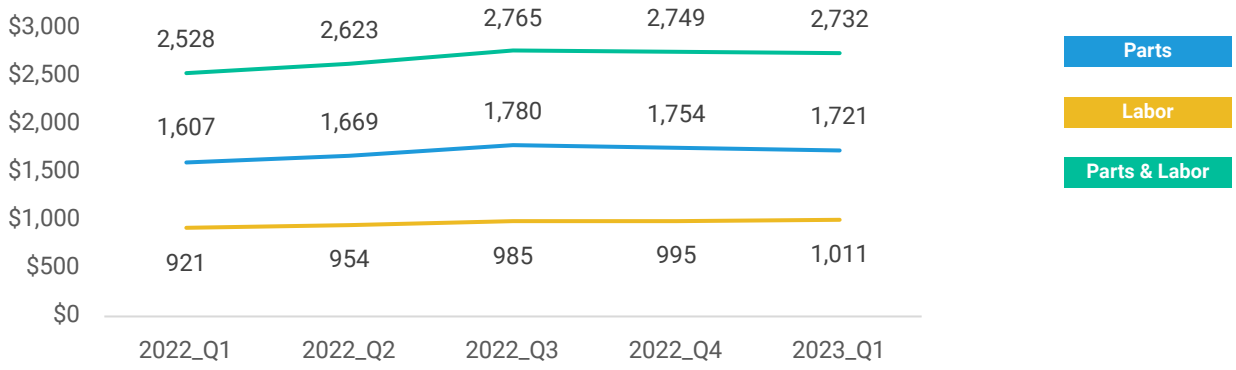
### Quarter over Quarter (QoQ)



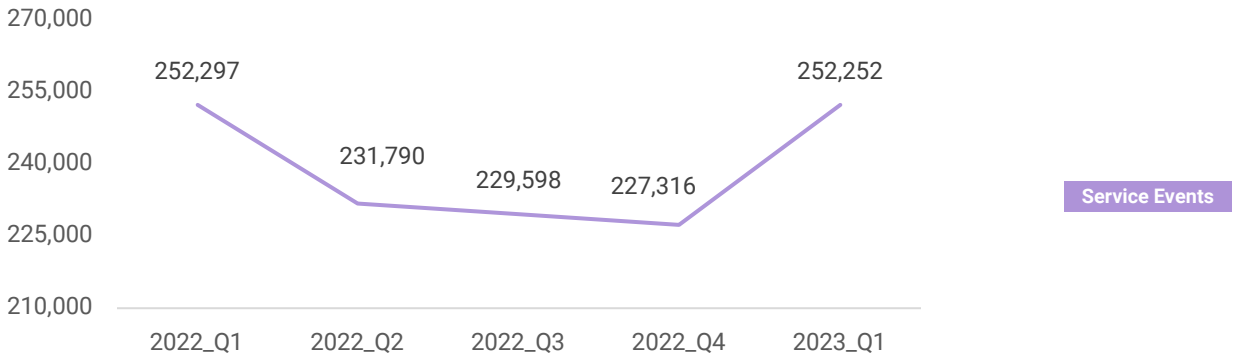

### Year over Year (YoY)




### Quarterly Trends for Parts and Labor Costs



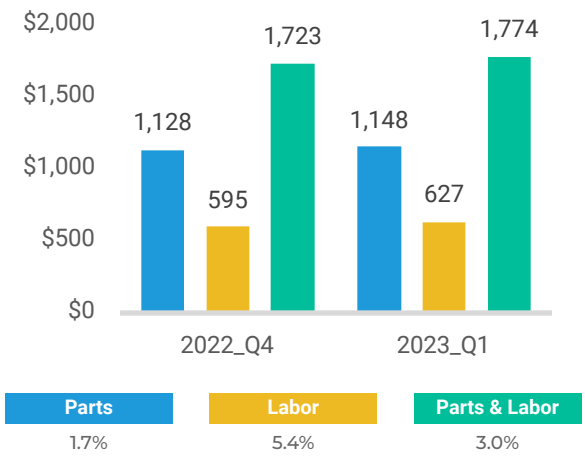

### Quarterly Trends for Service Activity



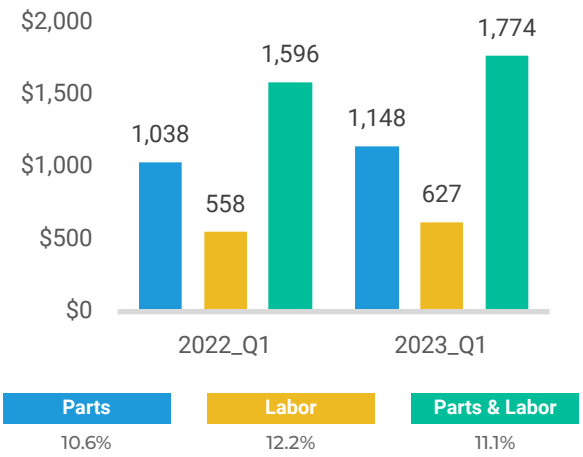
# Code 043: Exhaust

## Parts and Labor Costs

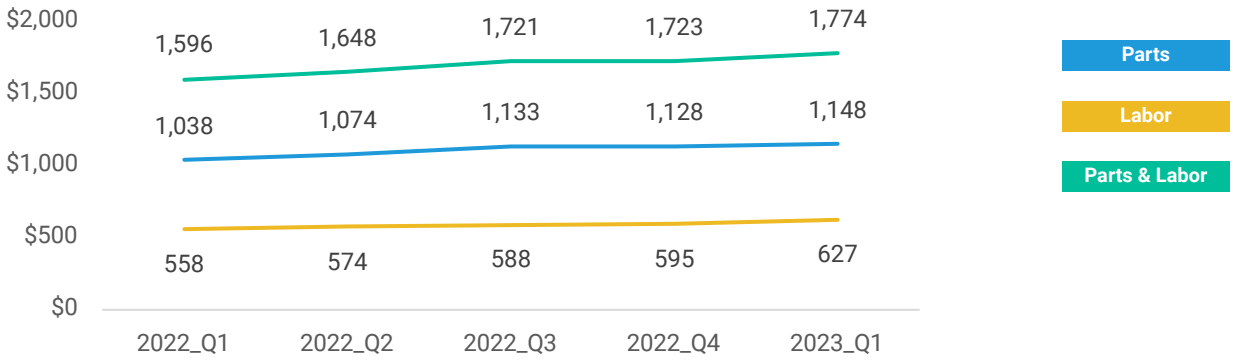
### Quarter over Quarter (QoQ)



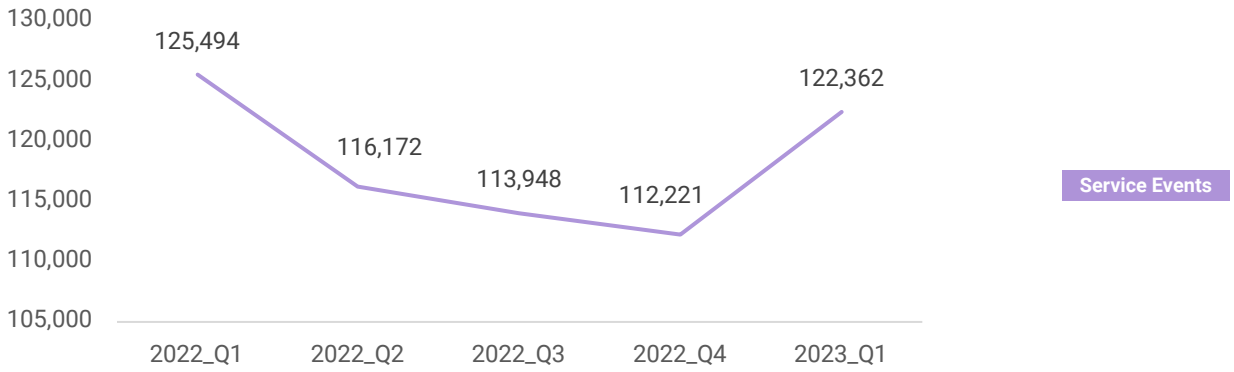

### Year over Year (YoY)




### Quarterly Trends for Parts and Labor Costs



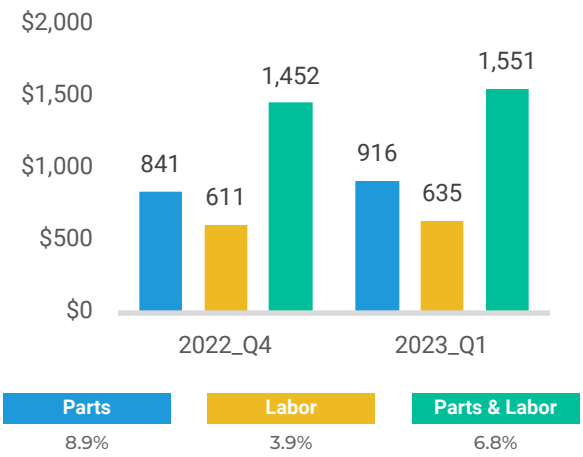

### Quarterly Trends for Service Activity



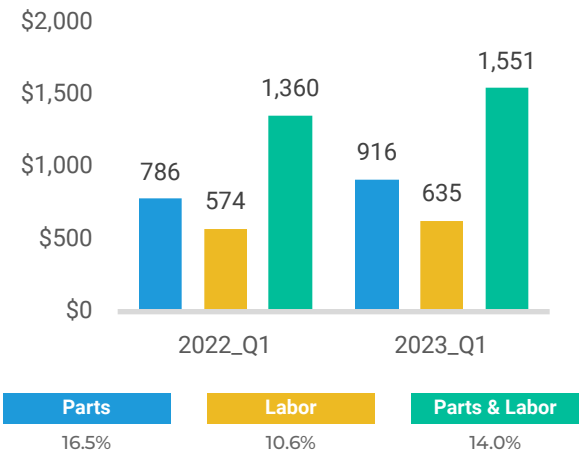
# Code 042: Cooling

## Parts and Labor Costs

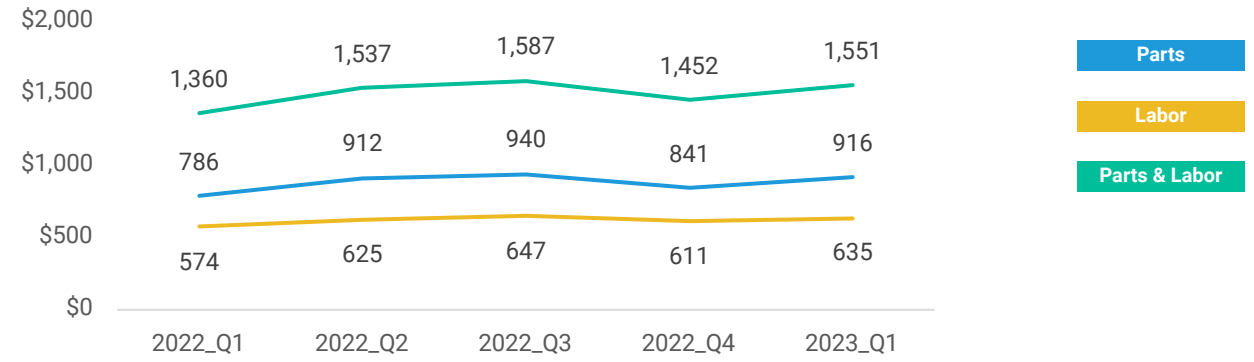
### Quarter over Quarter (QoQ)



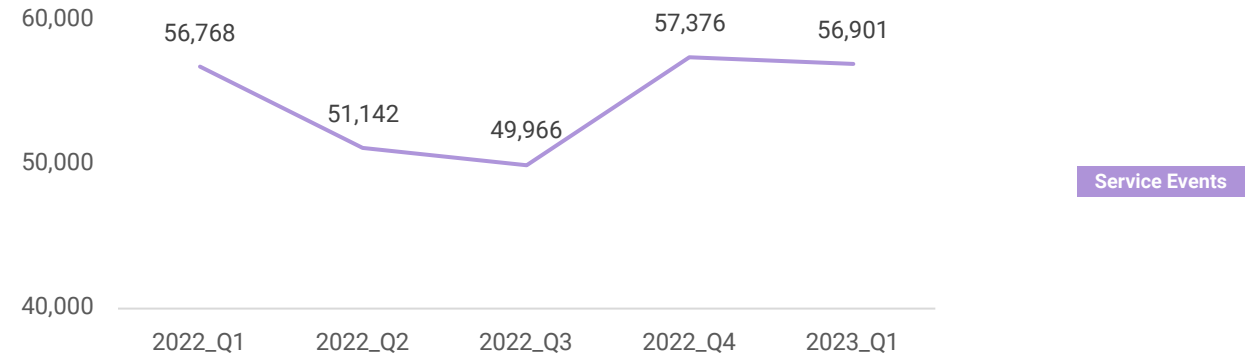

### Year over Year (YoY)




### Quarterly Trends for Parts and Labor Costs




### Quarterly Trends for Service Activity

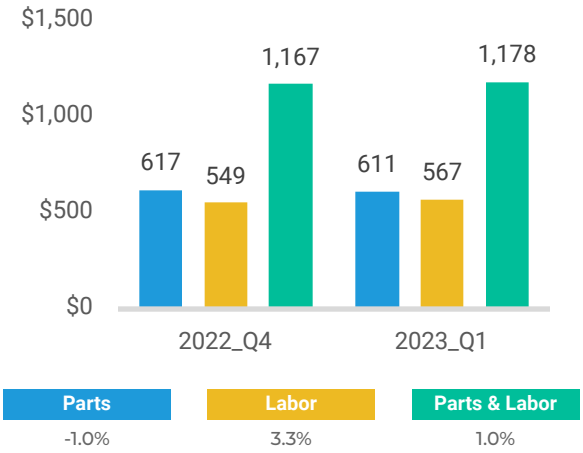


# Code 013: Brakes

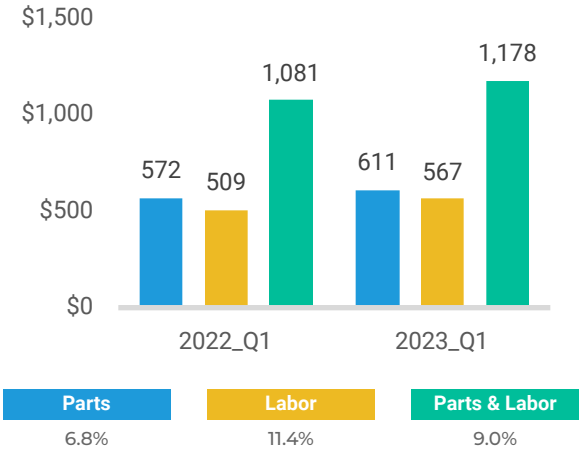


## Parts and Labor Costs

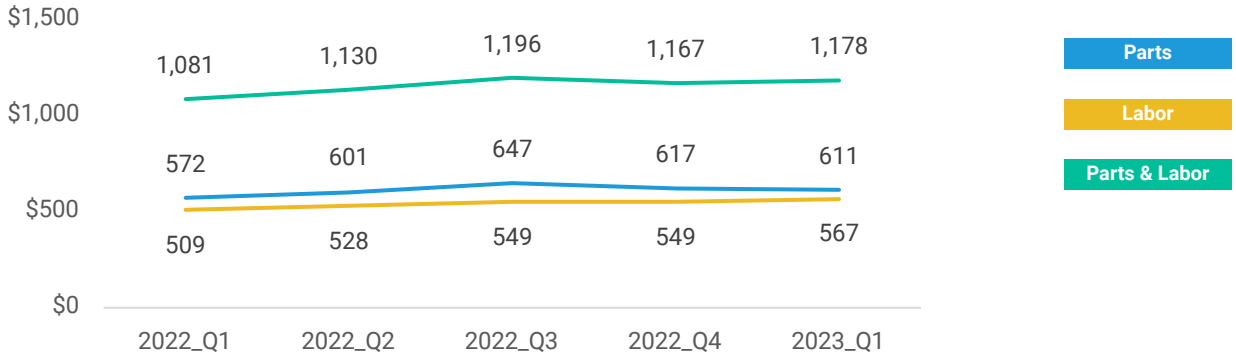
### Quarter over Quarter (QoQ)



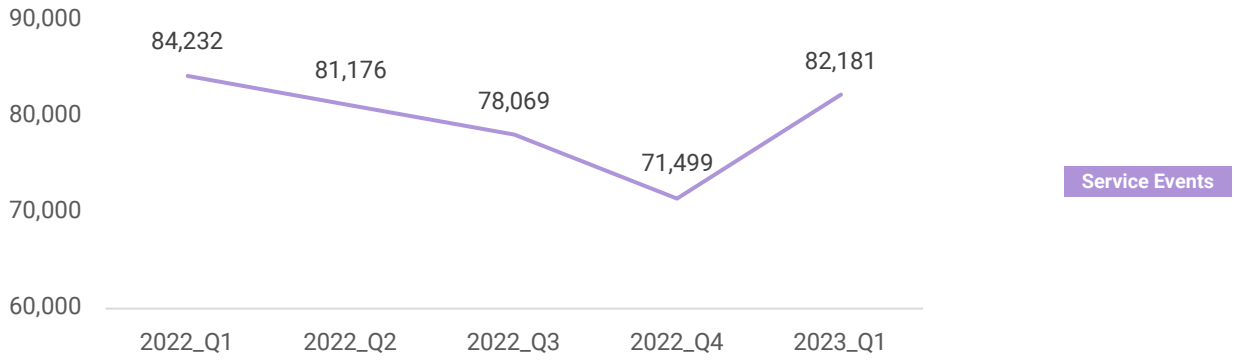

### Year over Year (YoY)




### Quarterly Trends for Parts and Labor Costs



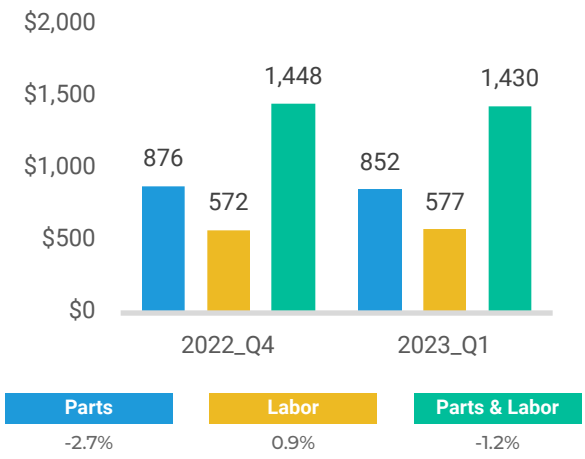

### Quarterly Trends for Service Activity



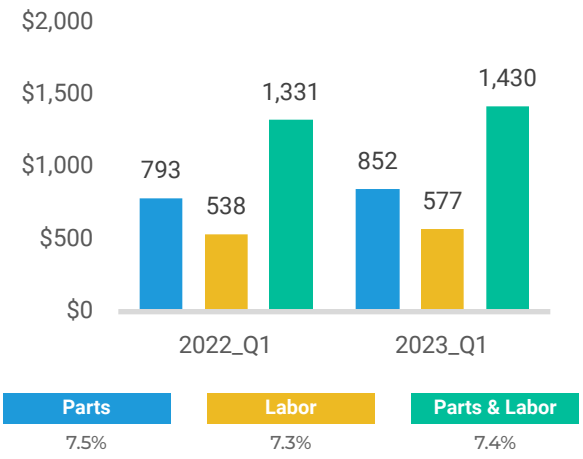
# Code 044: Fuel System

## Parts and Labor Costs

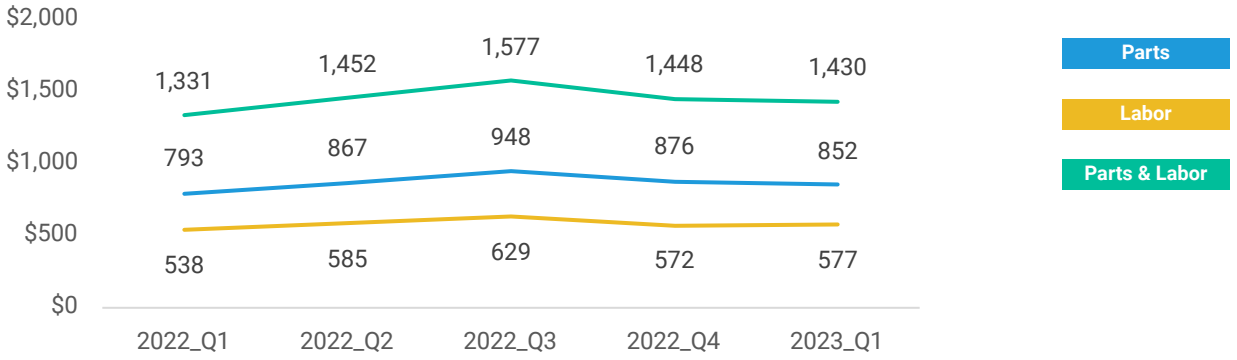
### Quarter over Quarter (QoQ)



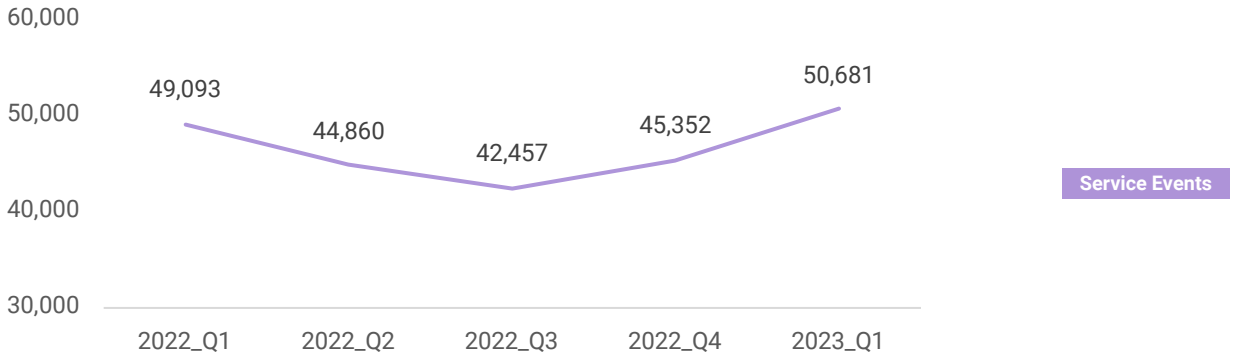

### Year over Year (YoY)




### Quarterly Trends for Parts and Labor Costs



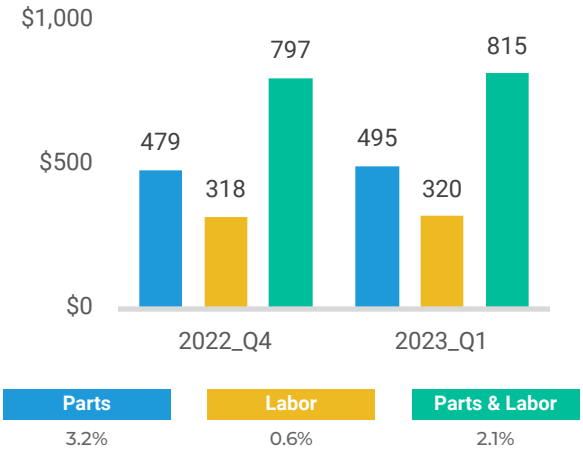

### Quarterly Trends for Service Activity



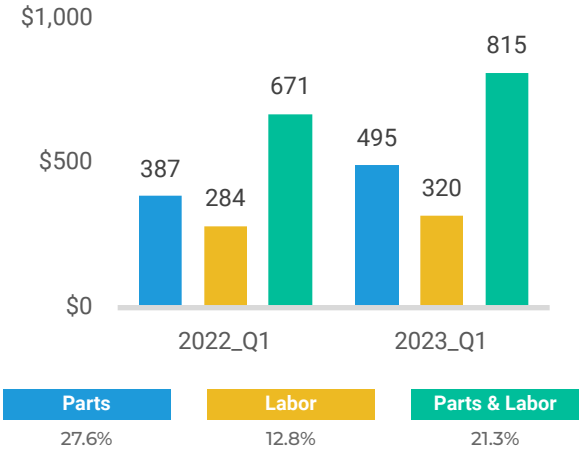
# Code 002: Cab and Sheet Metal

## Parts and Labor Costs

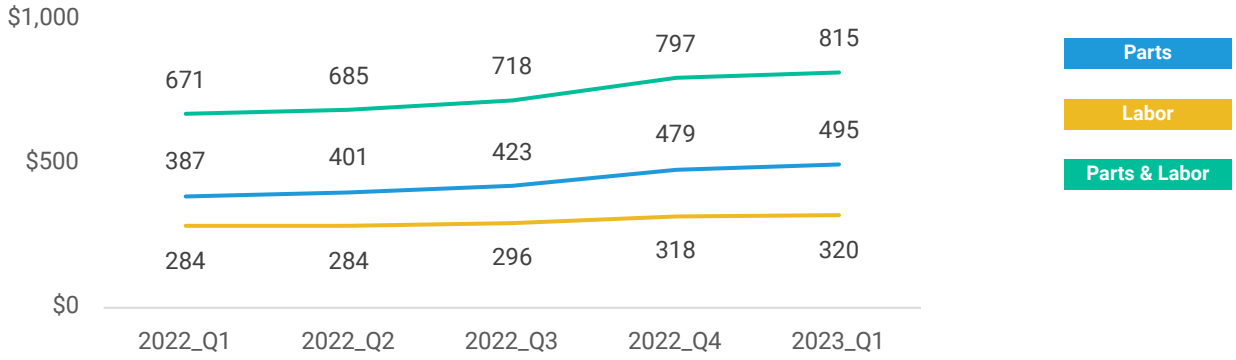
### Quarter over Quarter (QoQ)



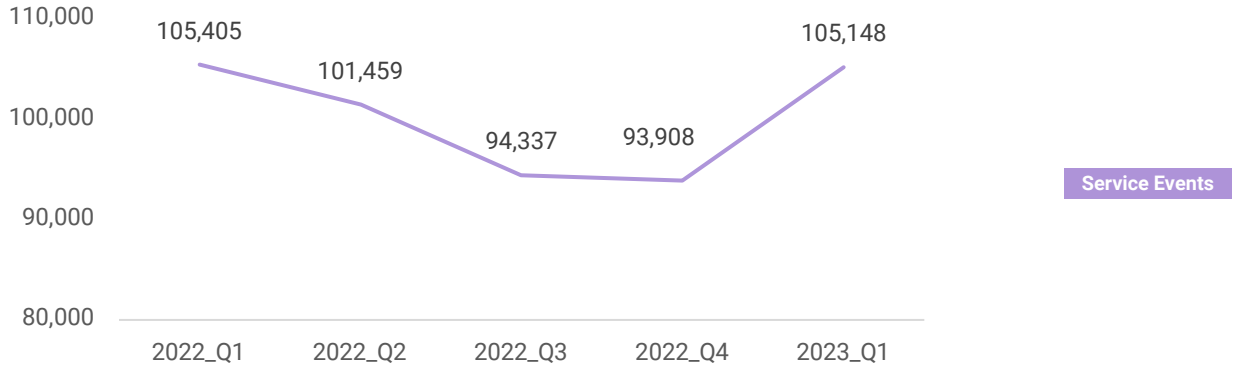

### Year over Year (YoY)




### Quarterly Trends for Parts and Labor Costs



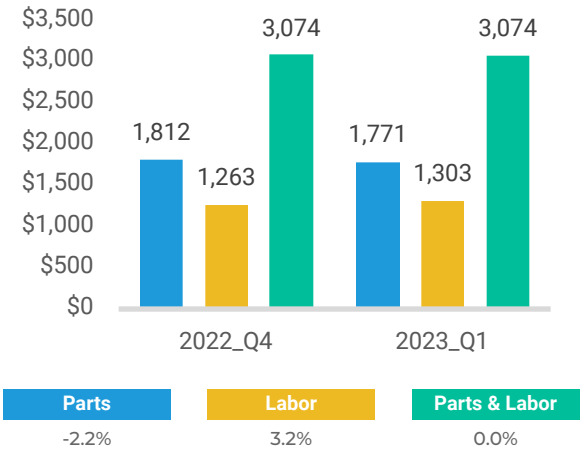

### Quarterly Trends for Service Activity



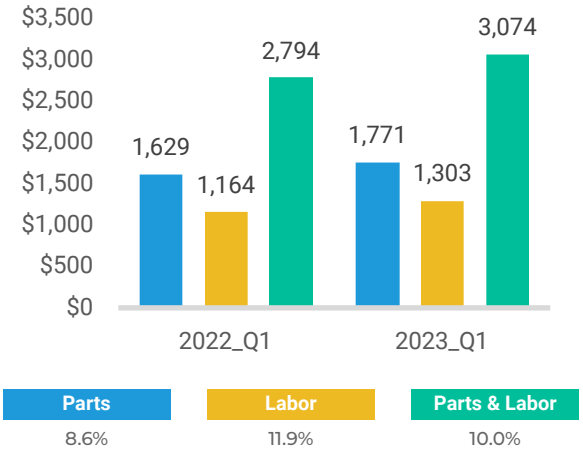
# Code 023: Clutch

## Parts and Labor Costs

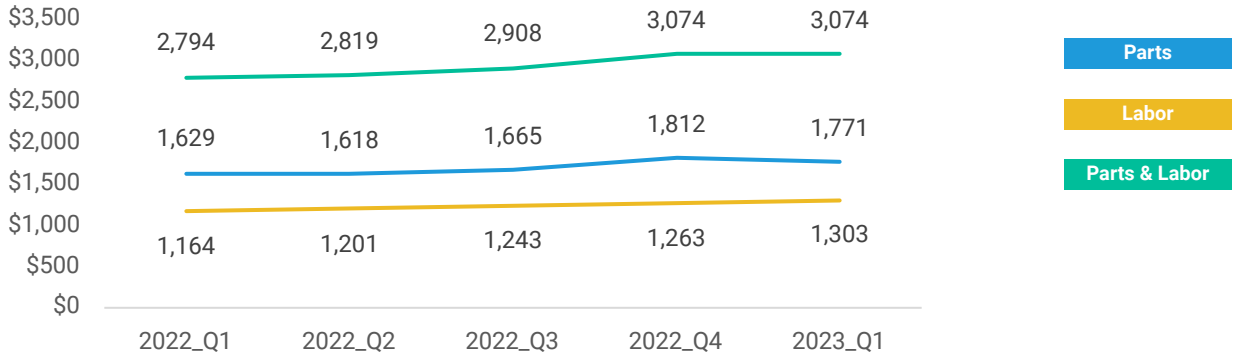
### Quarter over Quarter (QoQ)



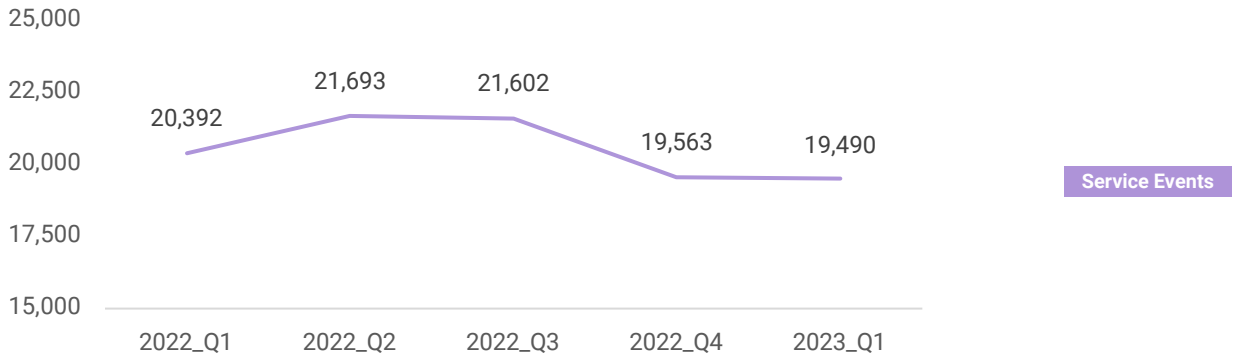

### Year over Year (YoY)




### Quarterly Trends for Parts and Labor Costs



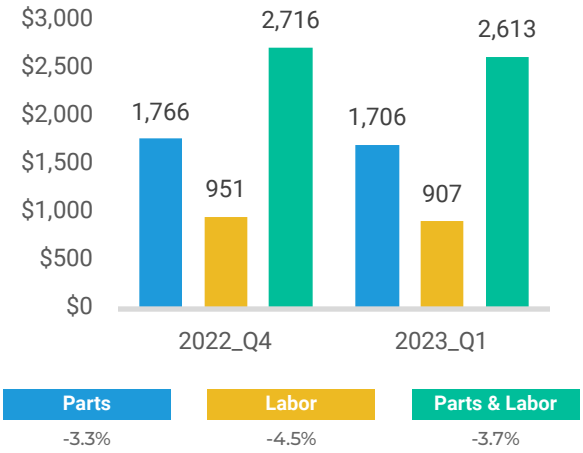

### Quarterly Trends for Service Activity



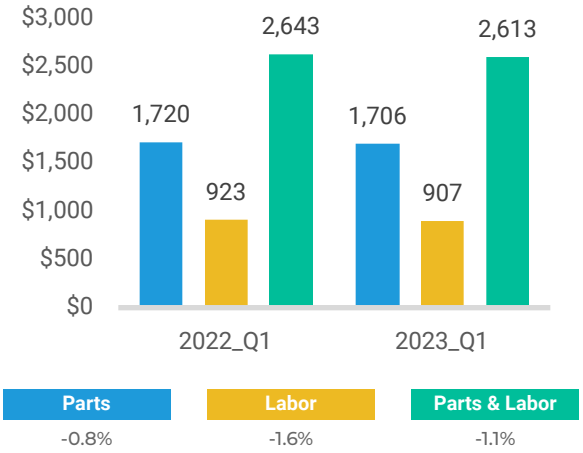
# Code 014: Frame

## Parts and Labor Costs

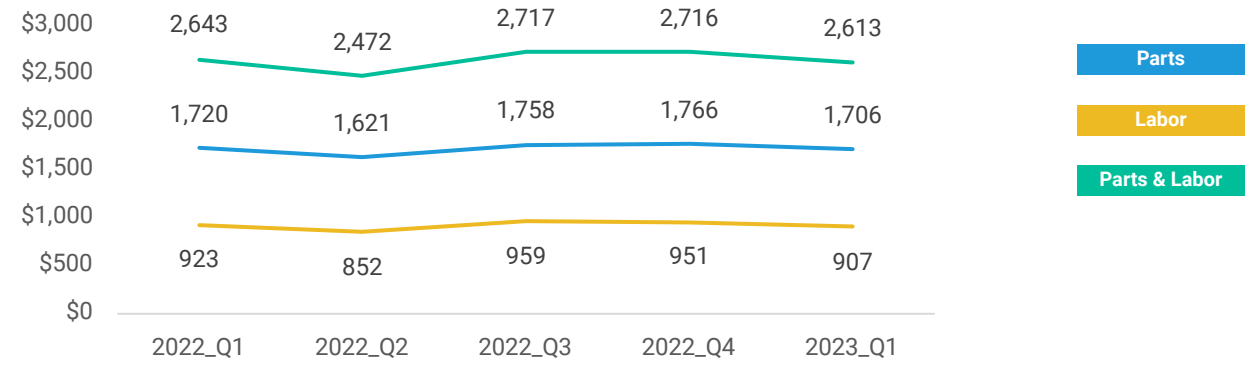
### Quarter over Quarter (QoQ)



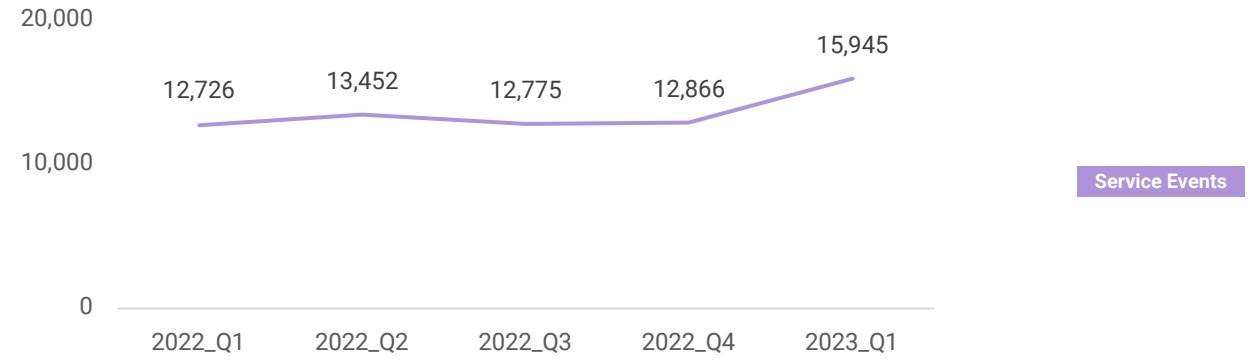

### Year over Year (YoY)




### Quarterly Trends for Parts and Labor Costs



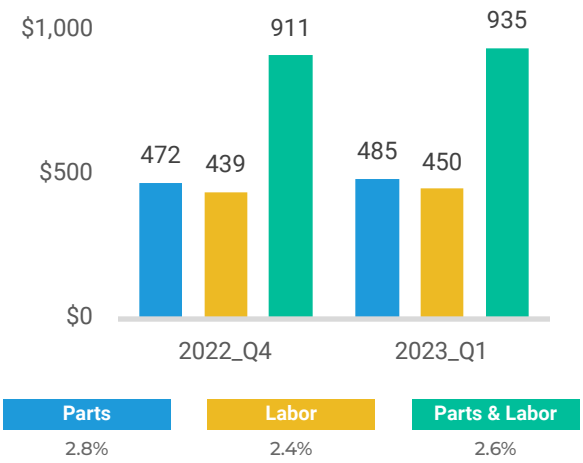

### Quarterly Trends for Service Activity



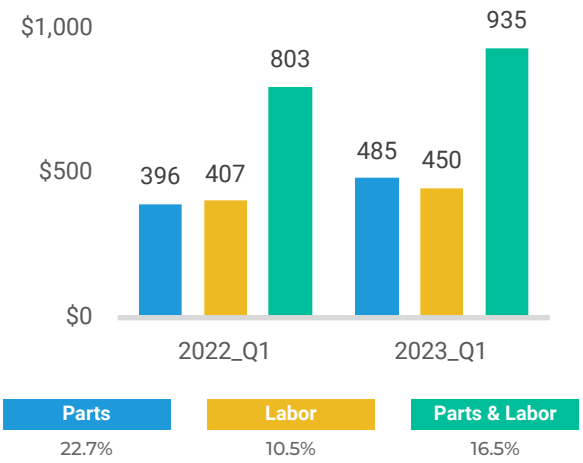
# Code 001: Air Conditioning, Heating & Ventilating

## Parts and Labor Costs

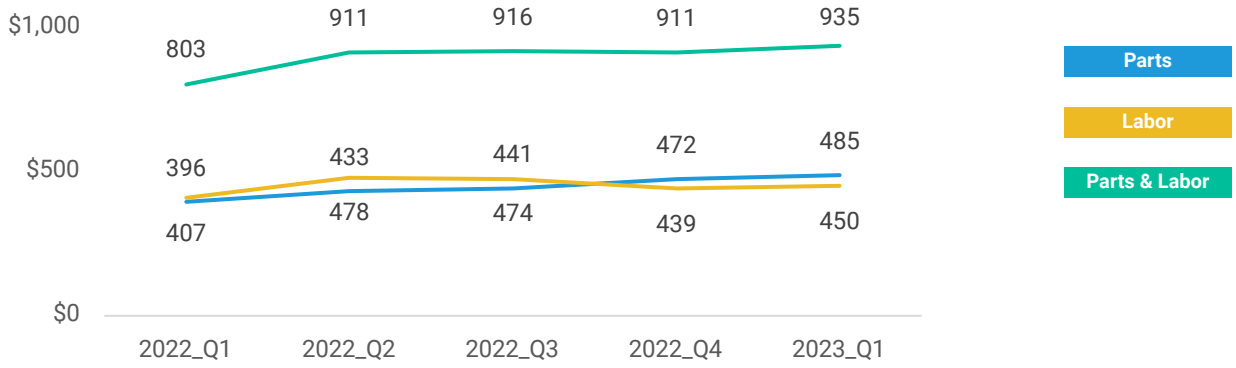
### Quarter over Quarter (QoQ)



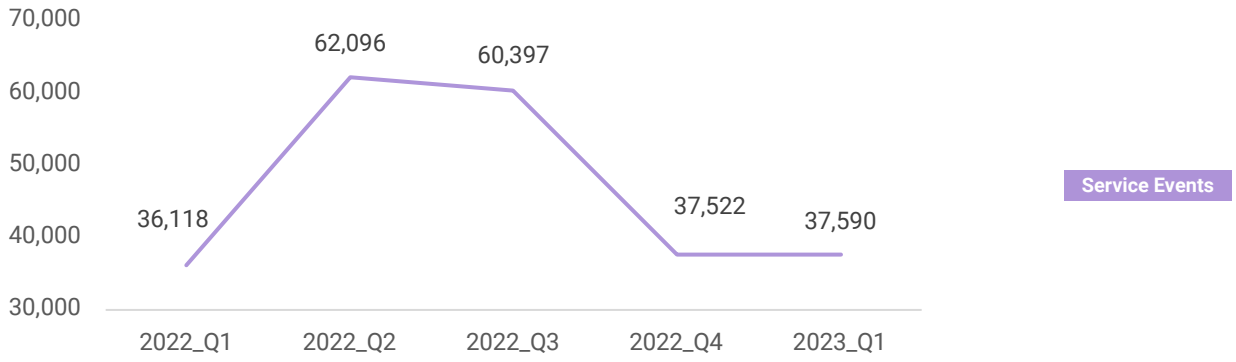

### Year over Year (YoY)




### Quarterly Trends for Parts and Labor Costs




### Quarterly Trends for Service Activity

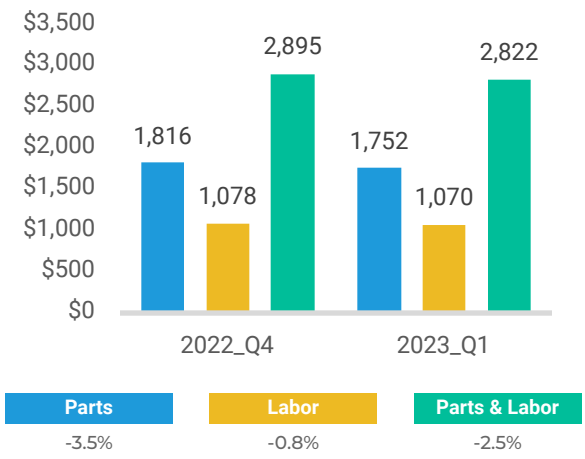


# Code 027: Transmission – Main, Automatic

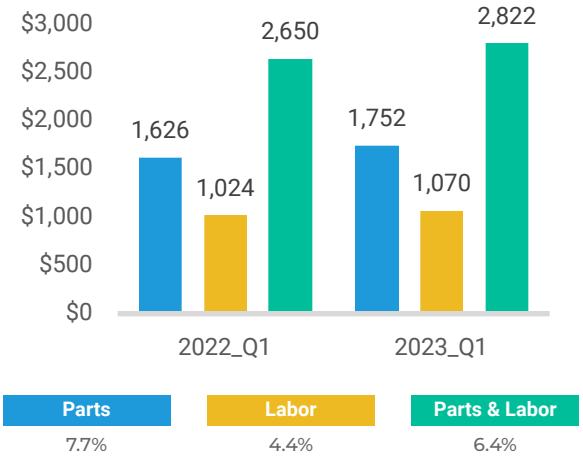


## Parts and Labor Costs

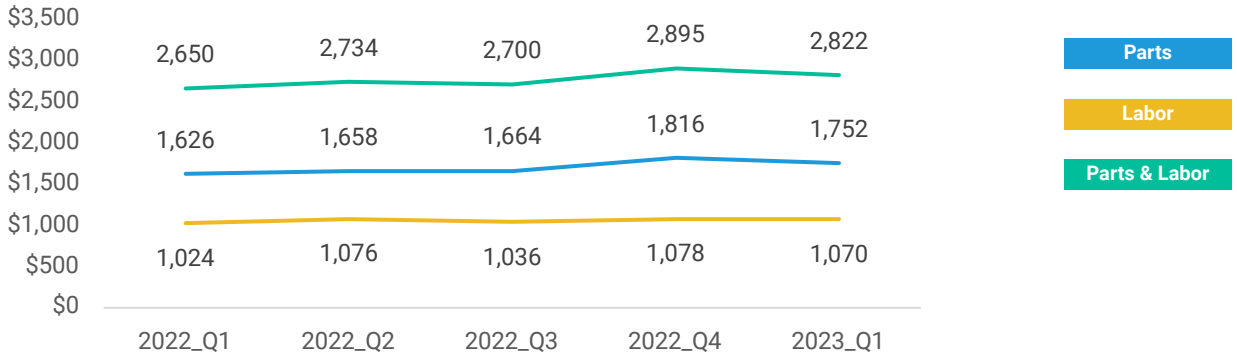
### Quarter over Quarter (QoQ)



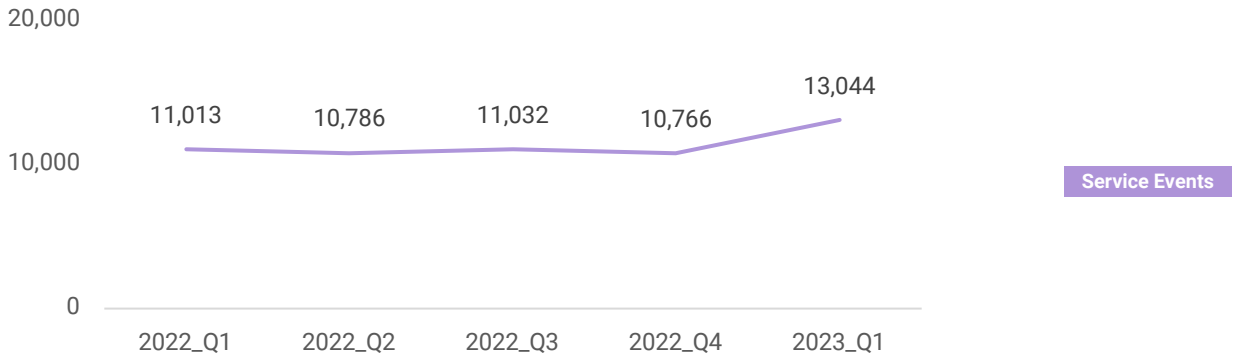

### Year over Year (YoY)




## Quarterly Trends for Parts and Labor Costs




## Quarterly Trends for Service Activity



## Overview

This supplement adds parts and labor costs and service activity for an additional 15 system-level VMRS systems to the 10 presented in the main section of this report – for a total of 25 VMRS System Codes. Overall, this report covers 96% of total parts and labor costs and 97% of total service activity from the 300,000+ service and maintenance events managed each month on the Decisiv SRM platform in North America.

### Average Costs and Service Activity by VMRS System Code for Q1 2023

| Code | System | Parts | Labor | Parts and Labor | Service Events |
|---|---|---|---|---|---|
| **016** | Suspension | $573 | $556 | $1,129 | 22,803 |
| **034** | Lighting | $277 | $323 | $600 | 54,230 |
| **015** | Steering | $434 | $407 | $840 | 40,845 |
| **032** | Cranking | $464 | $344 | $809 | 30,863 |
| **026** | Trans/Manual | $2,030 | $1,207 | $3,237 | 5,107 |
| **024** | Drive Shafts | $479 | $397 | $876 | 17,568 |
| **003** | Instruments | $774 | $558 | $1,332 | 25,004 |
| **051** | Accessories | $750 | $561 | $1,311 | 13,249 |
| **056** | Power Take Off | $677 | $653 | $1,329 | 7,963 |
| **018** | Wheels, Rims, Hubs | $281 | $483 | $764 | 8,125 |
| **047** | Filter Kits | $369 | $228 | $597 | 11,638 |
| **022** | Axle Driven/Rear | $849 | $655 | $1,504 | 3,035 |
| **031** | Charging | $457 | $383 | $840 | 6,855 |
| **017** | Tires | $774 | $347 | $1,122 | 15,588 |
| **004** | Aerodynamic Devices | $984 | $697 | $1,681 | 2,846 |

## Composite View: Service Cost Distribution for Q1 2023

| | | | | | |
|---|---|---|---|---|---|
| 016 | Suspension | 1.9% | 018 | Wheels, Rims, Hubs | 0.5% |
| 034 | Lighting | 1.9% | 047 | Filter Kits | 0.4% |
| 015 | Steering | 1.6% | 022 | Axle Driven/Rear | 0.4% |
| 032 | Cranking | 1.5% | 031 | Charging | 0.3% |
| 026 | Trans/Manual | 1.0% | 017 | Tires | 0.3% |
| 024 | Drive Shafts | 0.8% | 004 | Aerodynamic Devices | 0.3% |
| 003 | Instruments | 0.8% | xxx | Other | 1.5% |
| 051 | Accessories | 0.7% | | | |
| 056 | Power Take Off | 0.5% | | | |

## Composite View: Service Activity Distribution for Q1 2023

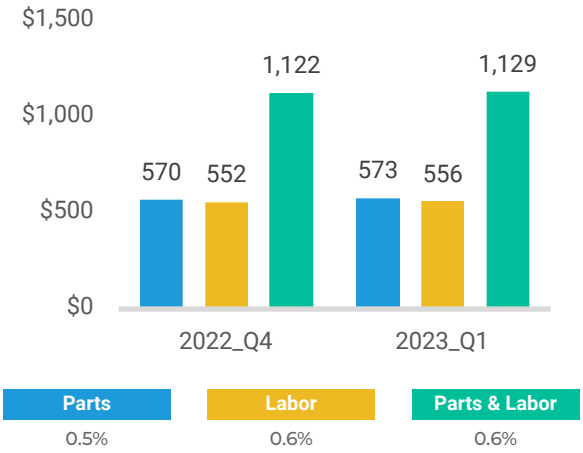
| | | | | | |
|---|---|---|---|---|---|
| 016 | Suspension | 2.8% | 018 | Wheels, Rims, Hubs | 1.1% |
| 034 | Lighting | 5.2% | 047 | Filter Kits | 1.1% |
| 015 | Steering | 3.1% | 022 | Axle Driven/Rear | 0.4% |
| 032 | Cranking | 3.1% | 031 | Charging | 0.6% |
| 026 | Trans/Manual | 0.5% | 017 | Tires | 0.4% |
| 024 | Drive Shafts | 1.6% | 004 | Aerodynamic Devices | 0.3% |
| 003 | Instruments | 0.9% | xxx | Other | 2.4% |
| 051 | Accessories | 0.8% | | | |
| 056 | Power Take Off | 0.6% | | | |

# Code 016: Suspension

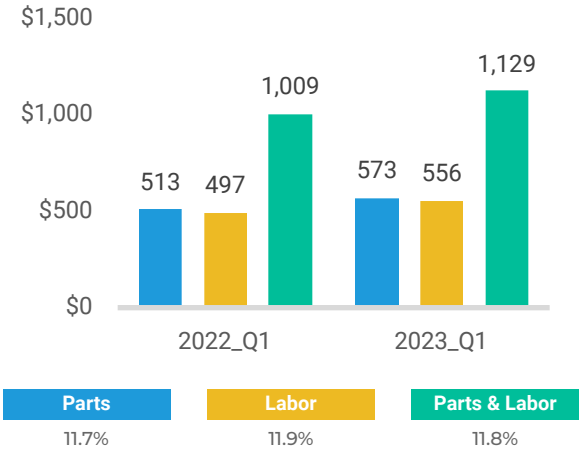


## Parts and Labor Costs

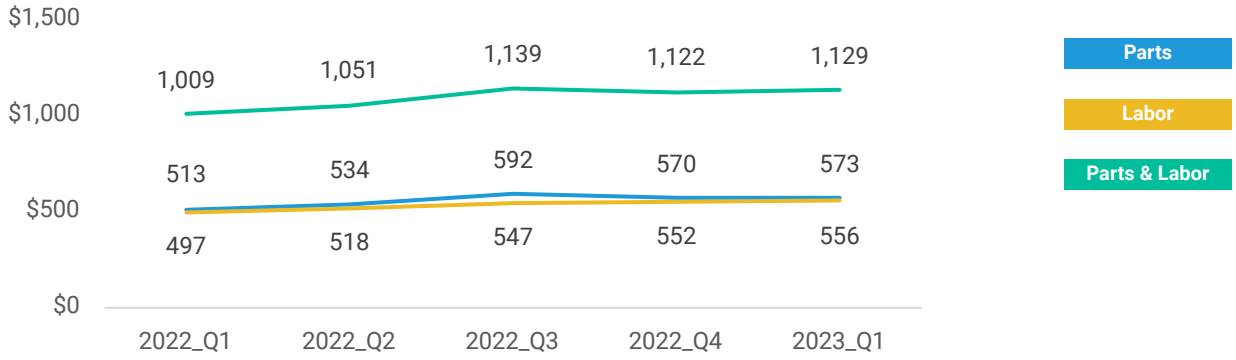
### Quarter over Quarter (QoQ)



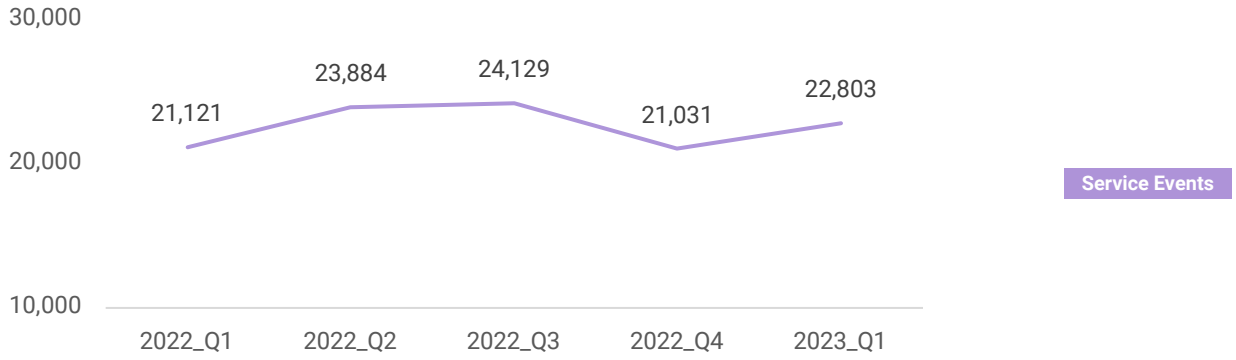

### Year over Year (YoY)




### Quarterly Trends for Parts and Labor Costs



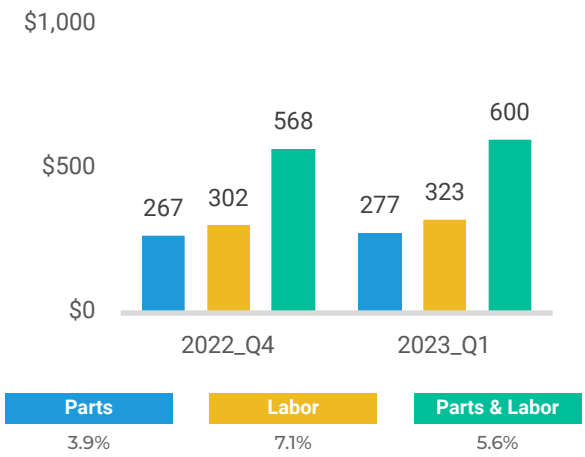

### Quarterly Trends for Service Activity



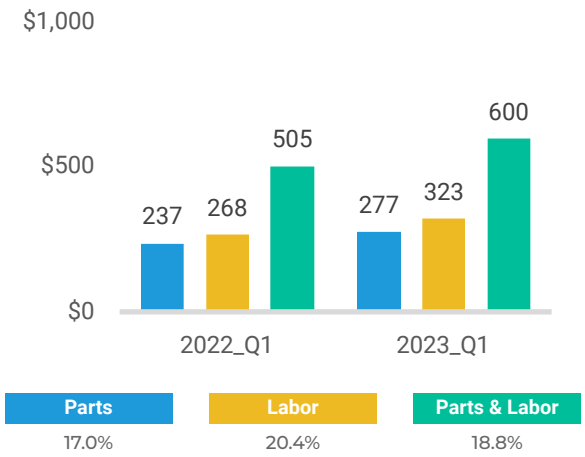
# Code 034: Lighting

## Parts and Labor Costs

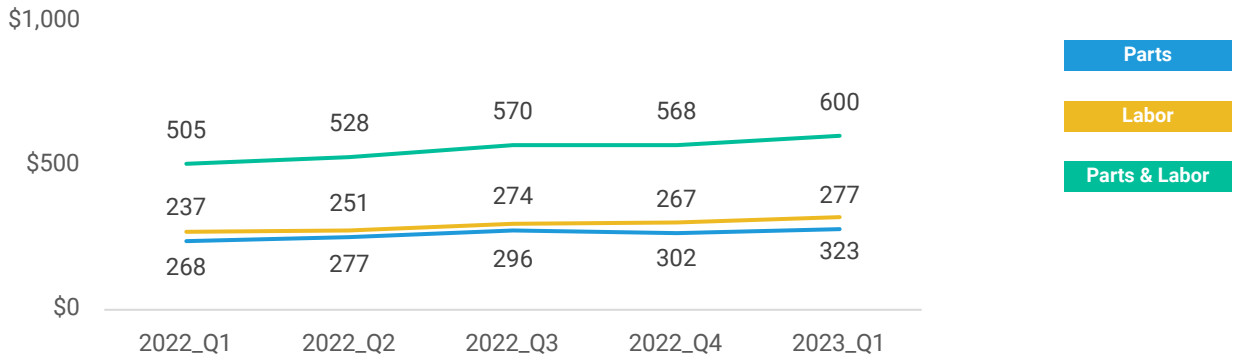
### Quarter over Quarter (QoQ)



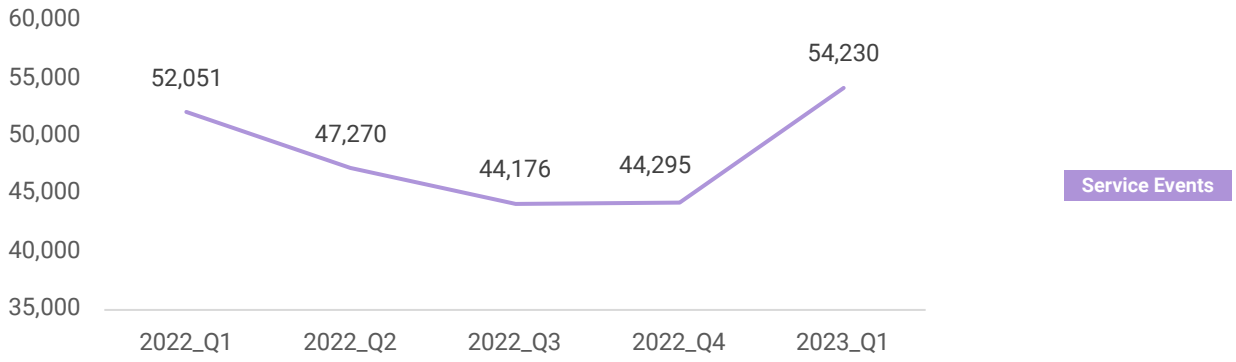

### Year over Year (YoY)




### Quarterly Trends for Parts and Labor Costs



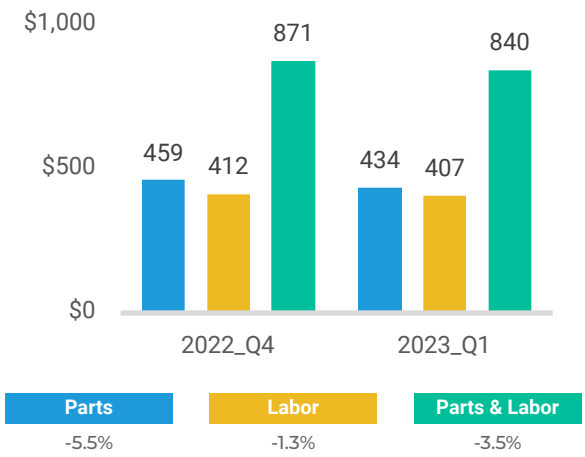

### Quarterly Trends for Service Activity



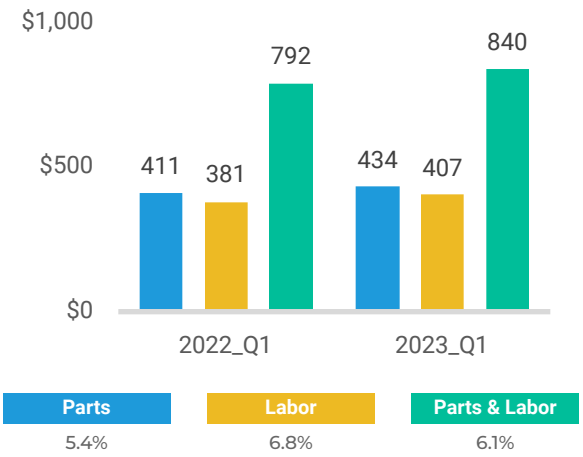
# Code 015: Steering

## Parts and Labor Costs

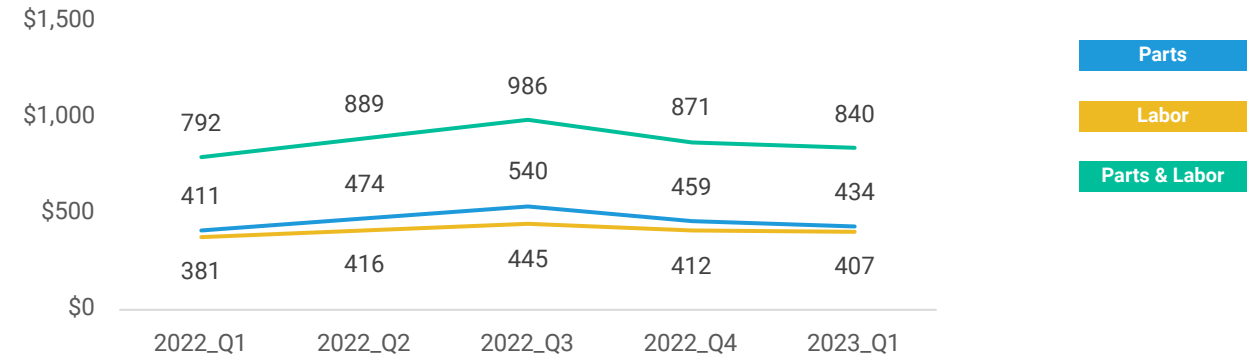
### Quarter over Quarter (QoQ)



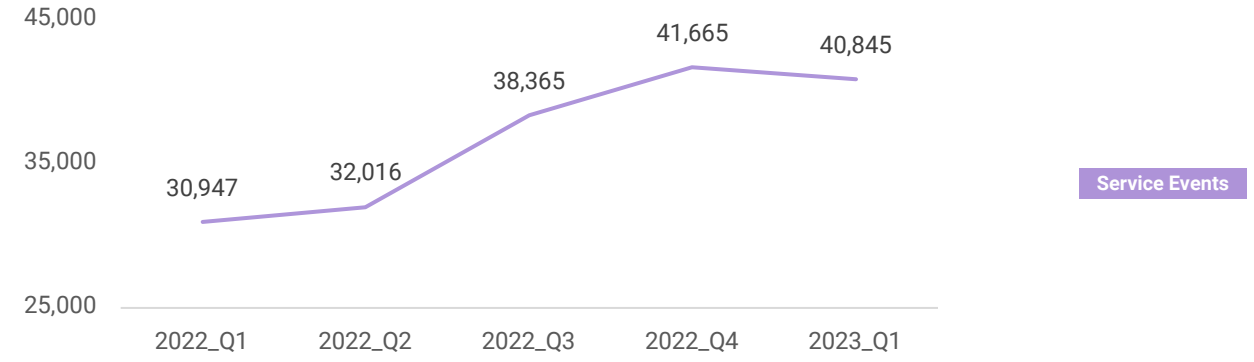

### Year over Year (YoY)




### Quarterly Trends for Parts and Labor Costs



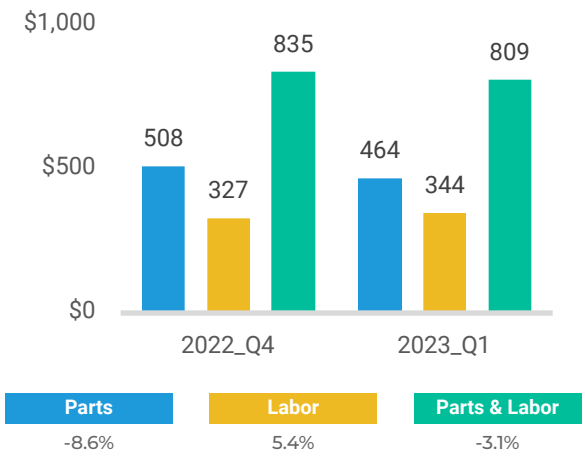

### Quarterly Trends for Service Activity



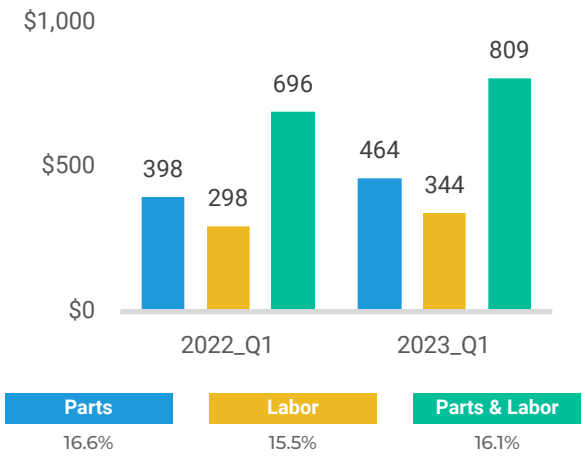
# Code 032: Cranking

## Parts and Labor Costs

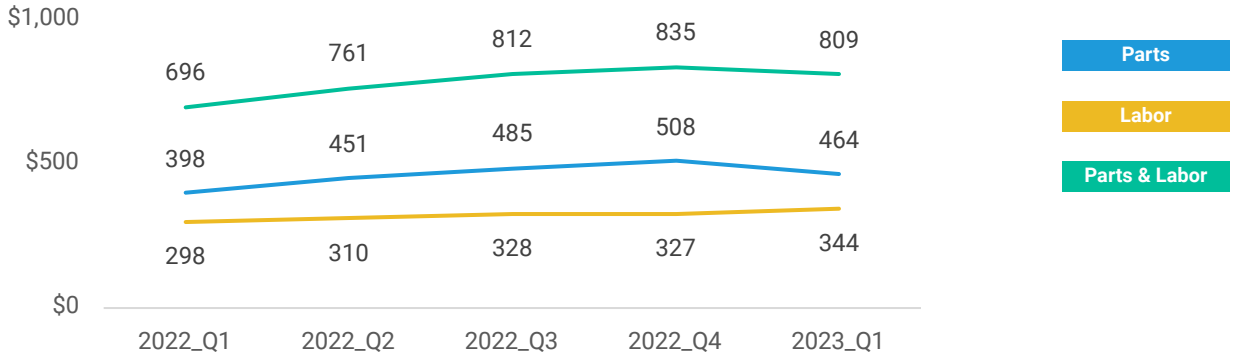
### Quarter over Quarter (QoQ)



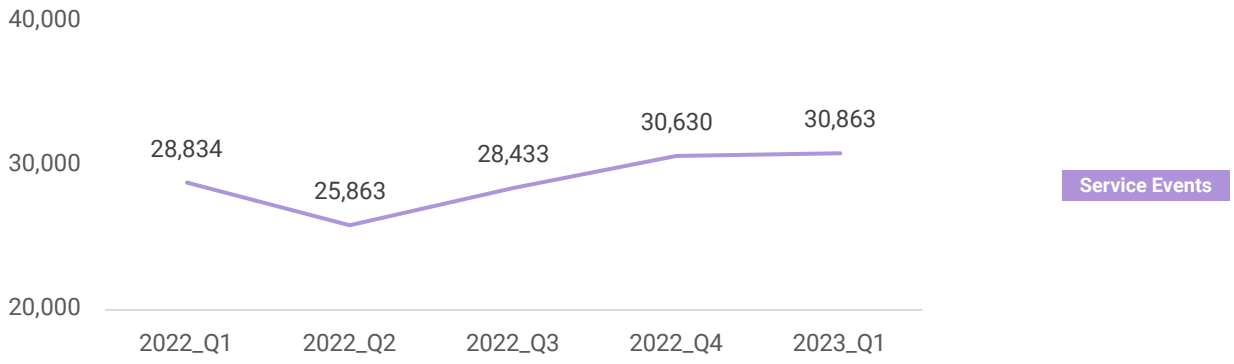

### Year over Year (YoY)




### Quarterly Trends for Parts and Labor Costs




### Quarterly Trends for Service Activity

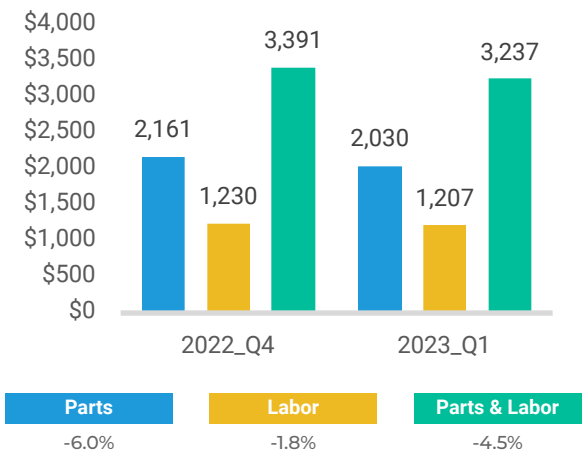


# Code 026: Transmission–Main, Manual

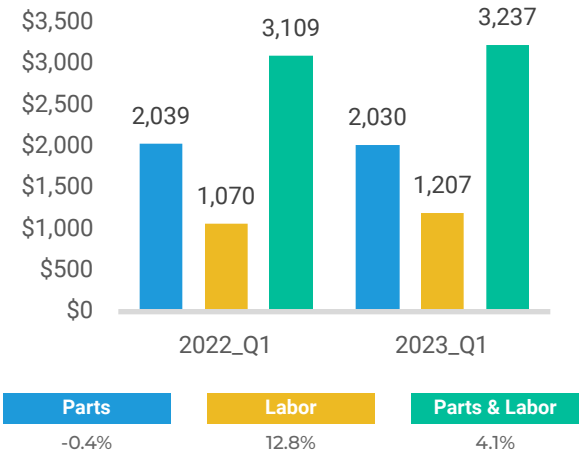


## Parts and Labor Costs

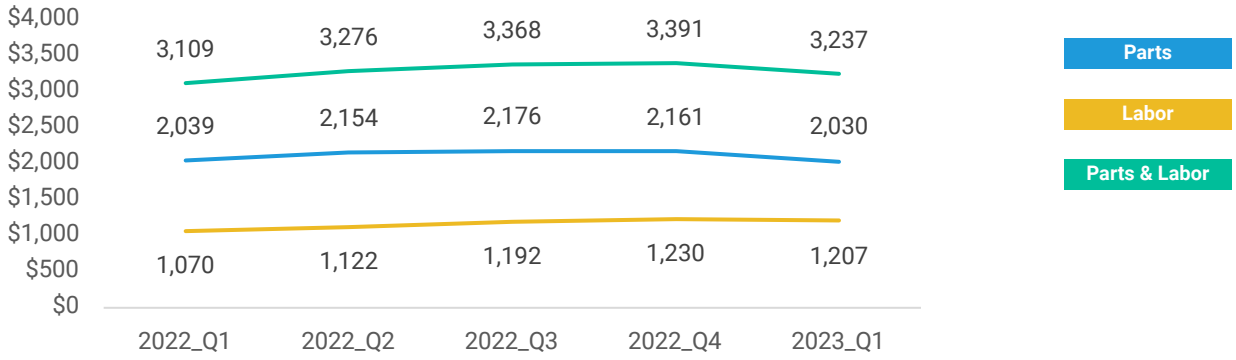
### Quarter over Quarter (QoQ)



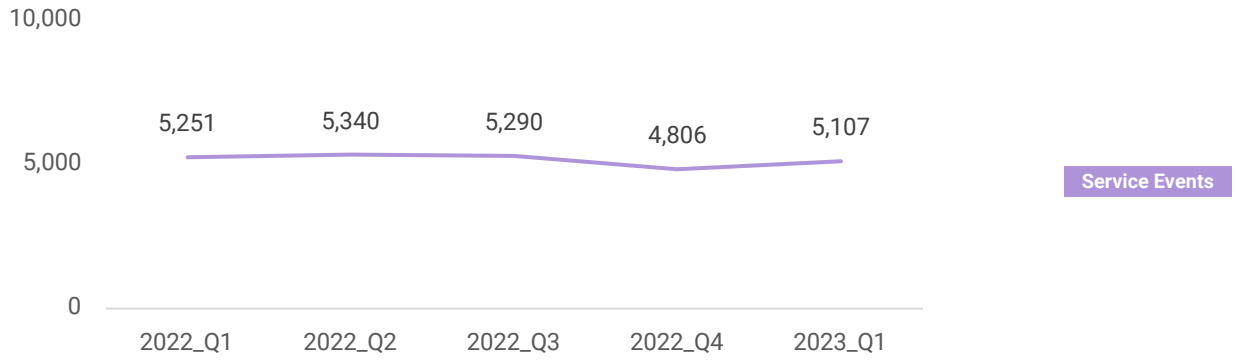

### Year over Year (YoY)




### Quarterly Trends for Parts and Labor Costs




### Quarterly Trends for Service Activity

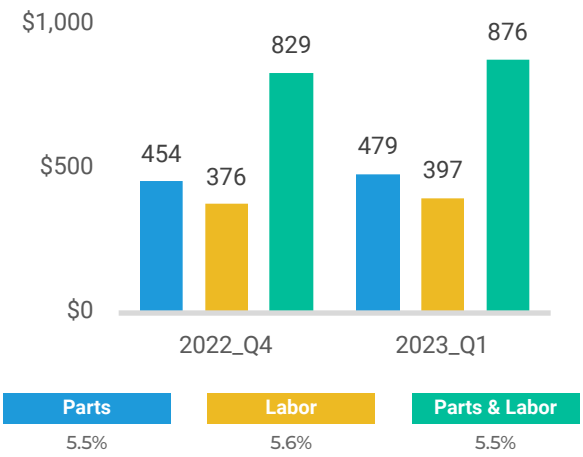


# Code 024: Drive Shaft(s)

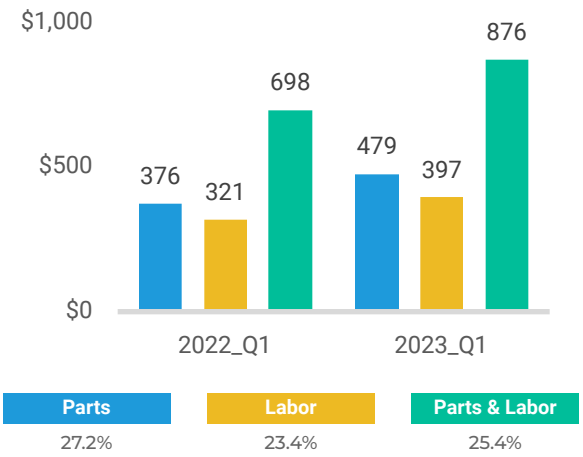


## Parts and Labor Costs

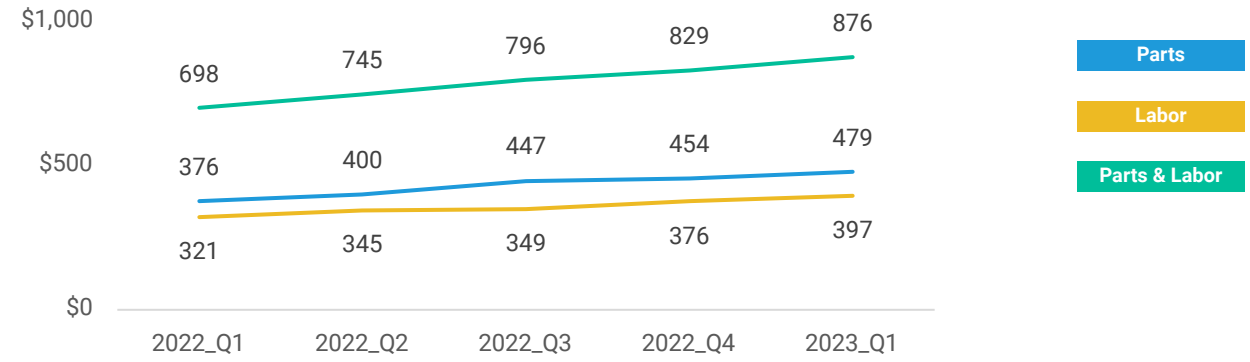
### Quarter over Quarter (QoQ)



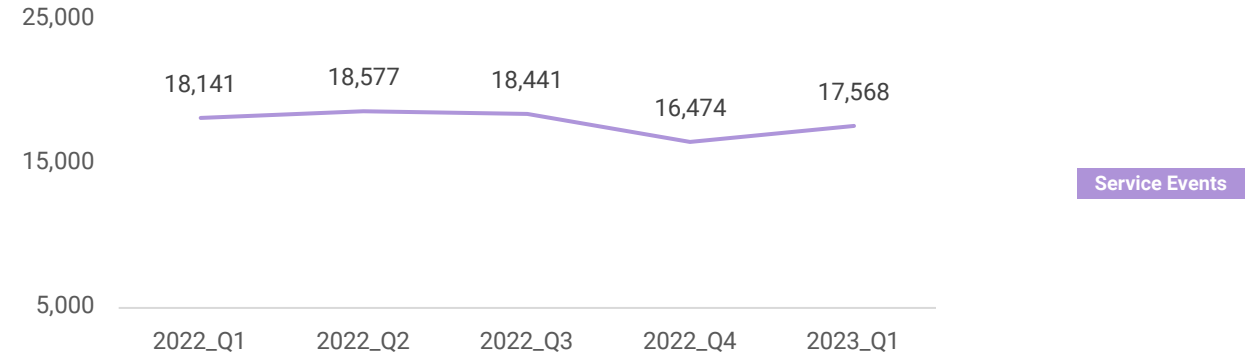

### Year over Year (YoY)




### Quarterly Trends for Parts and Labor Costs



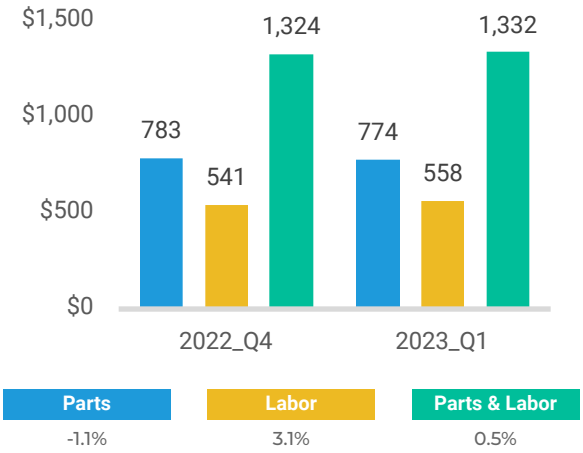

### Quarterly Trends for Service Activity



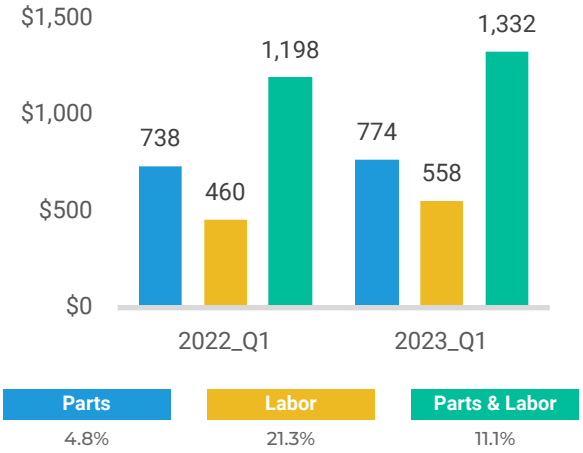
# Code 003: Instruments, Gauges (All) & Meters

## Parts and Labor Costs

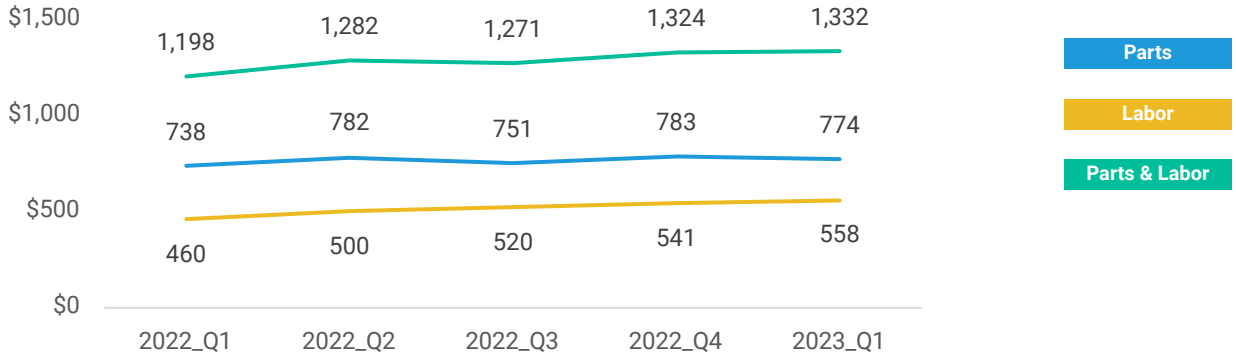
### Quarter over Quarter (QoQ)



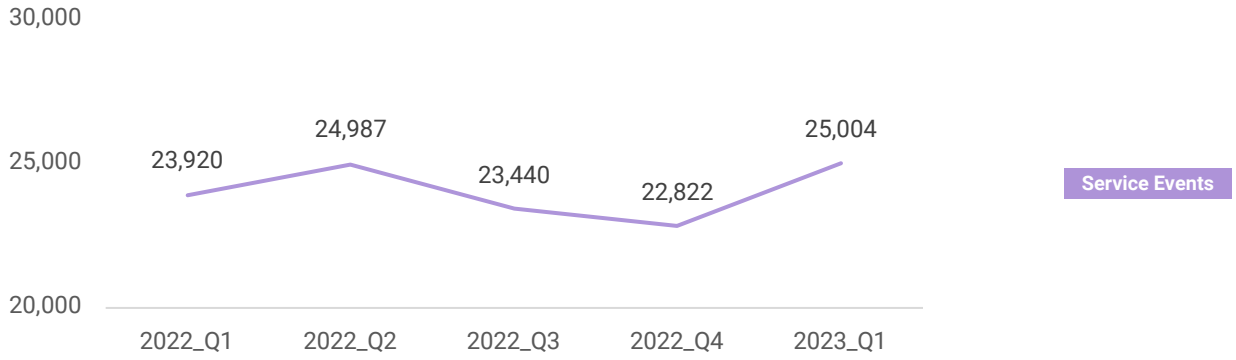

### Year over Year (YoY)




### Quarterly Trends for Parts and Labor Costs




### Quarterly Trends for Service Activity

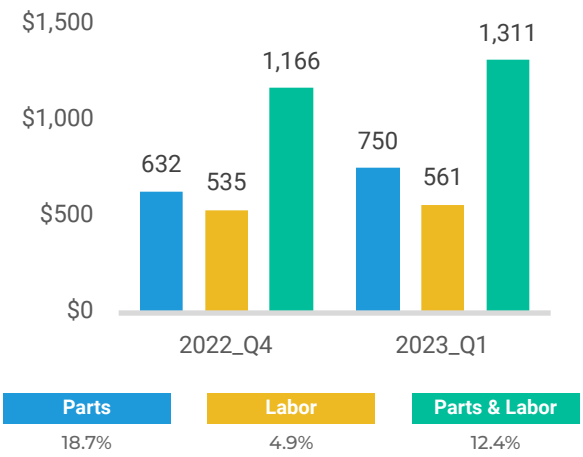


# Code 051: General Accessories

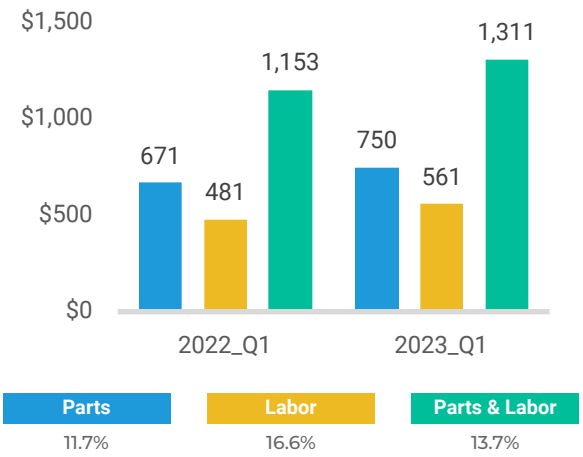


## Parts and Labor Costs

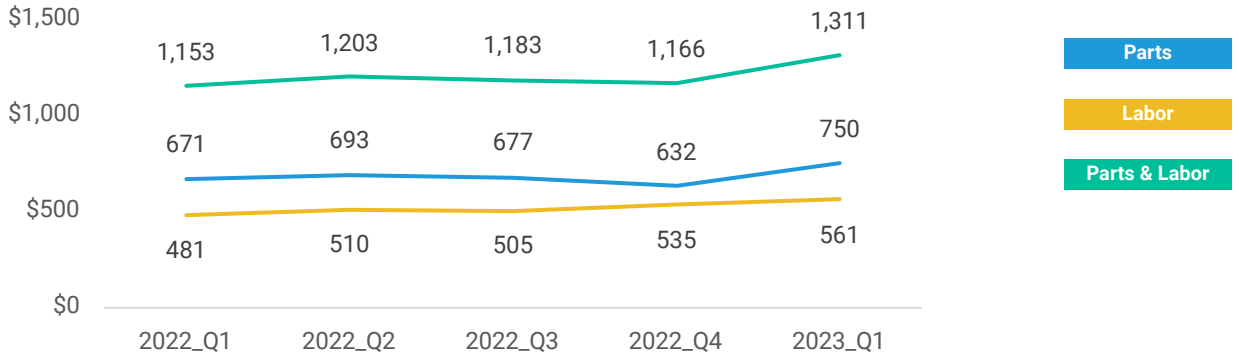
### Quarter over Quarter (QoQ)



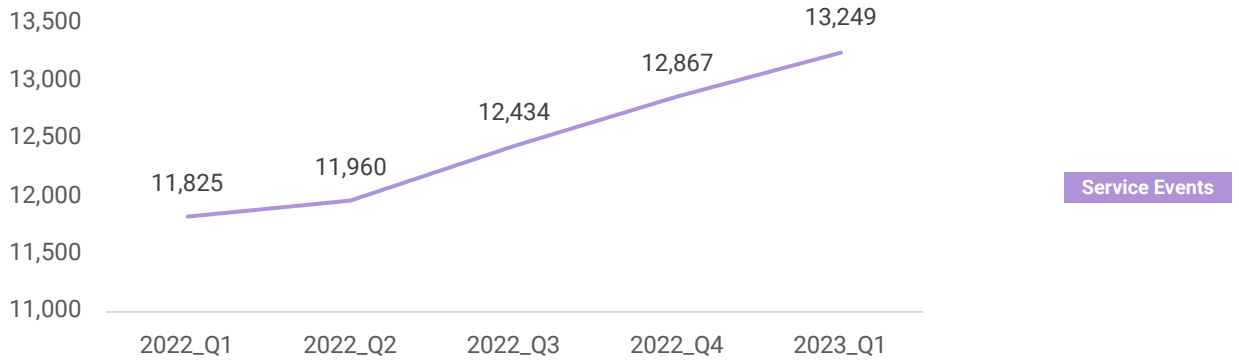

### Year over Year (YoY)




### Quarterly Trends for Parts and Labor Costs




### Quarterly Trends for Service Activity

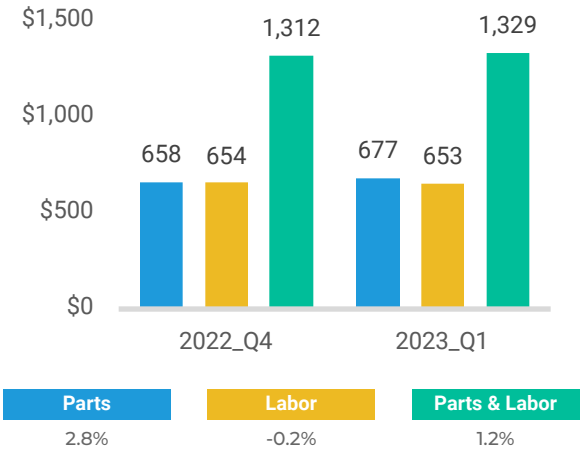


# Code 056: Power Take Off

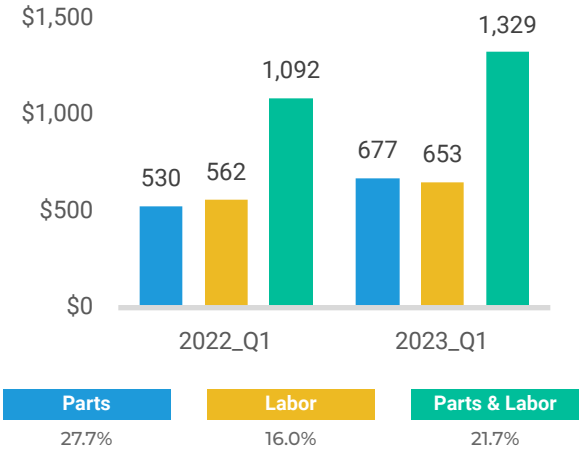


## Parts and Labor Costs

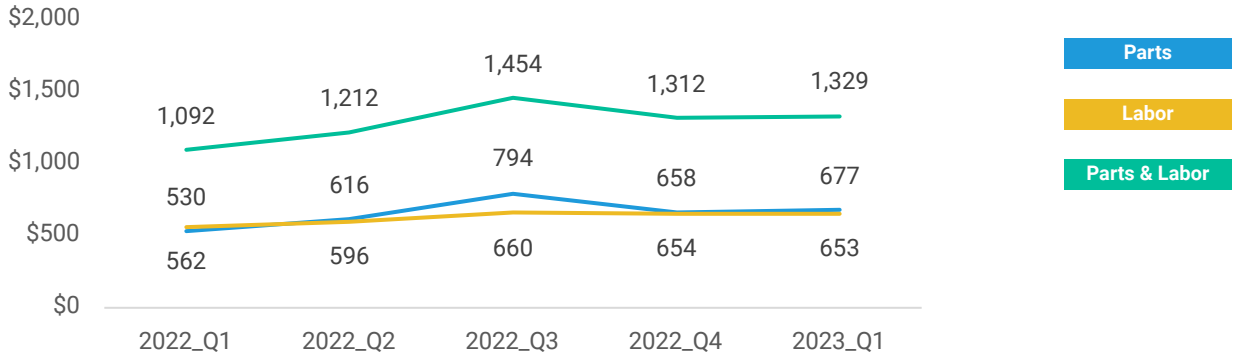
### Quarter over Quarter (QoQ)



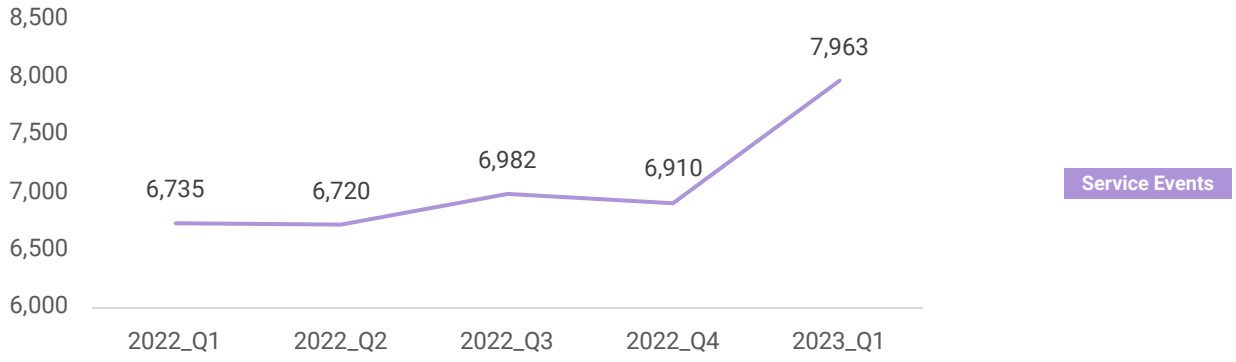

### Year over Year (YoY)




### Quarterly Trends for Parts and Labor Costs



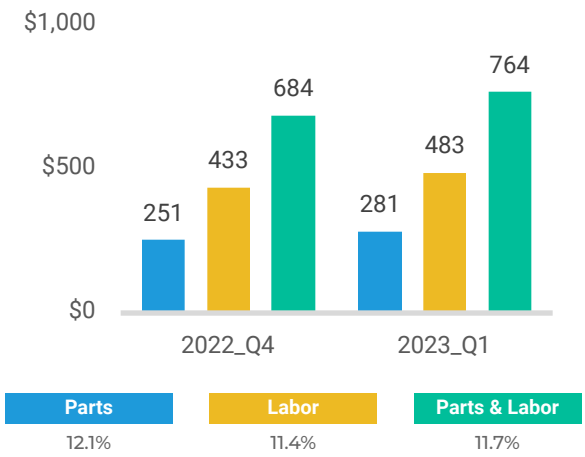

### Quarterly Trends for Service Activity



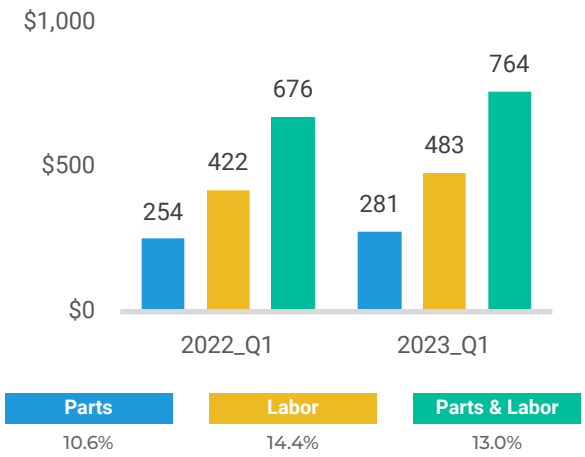
# Code 018: Wheels, Rims, Hubs & Bearings

## Parts and Labor Costs

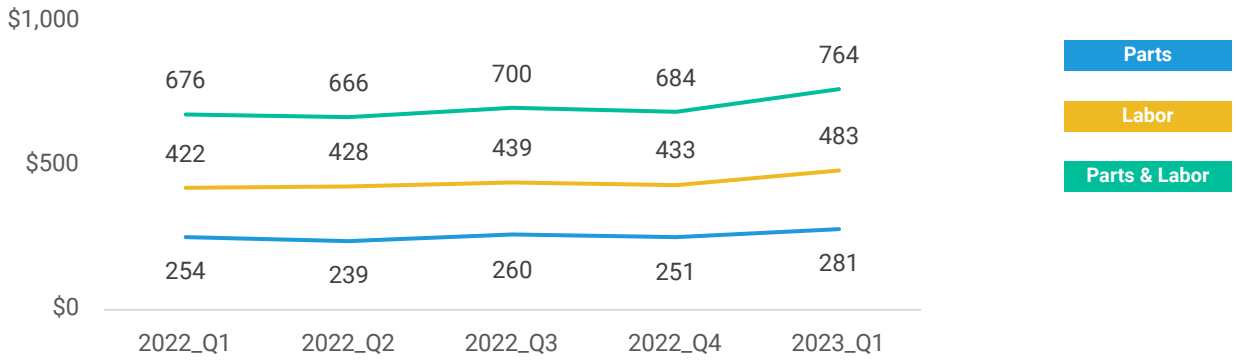
### Quarter over Quarter (QoQ)



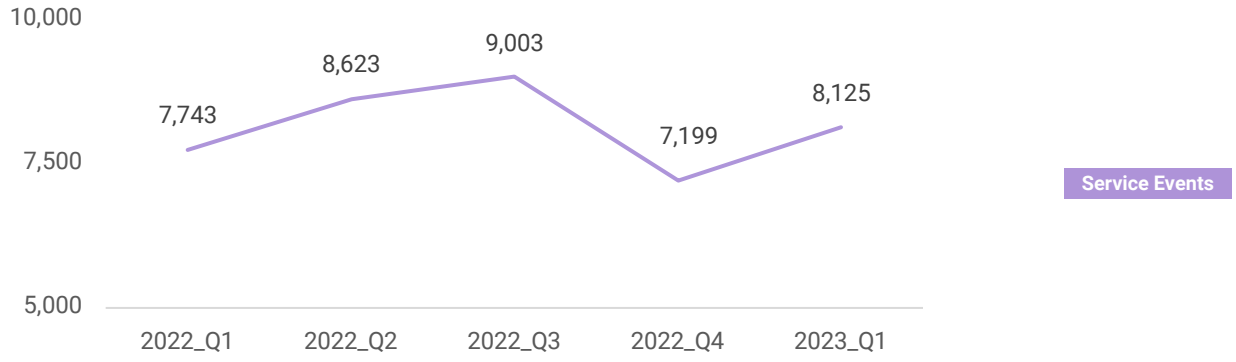

### Year over Year (YoY)




### Quarterly Trends for Parts and Labor Costs




### Quarterly Trends for Service Activity

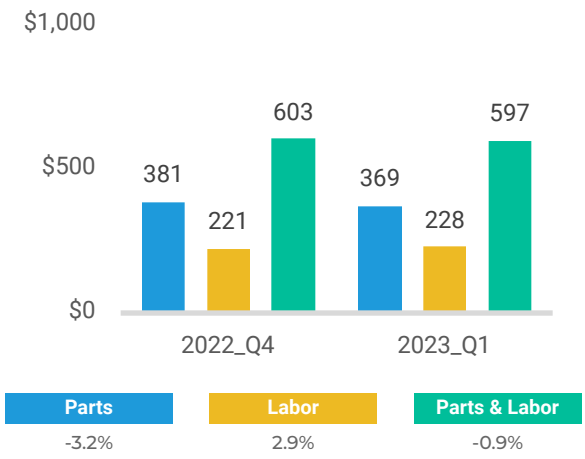


# Code 047: Filter Kits (Multi-Piece)

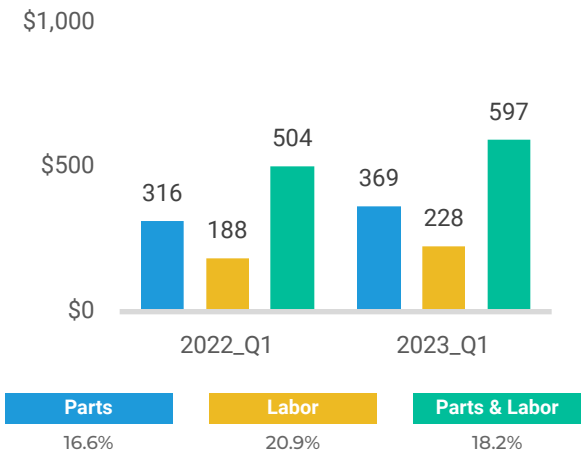


## Parts and Labor Costs

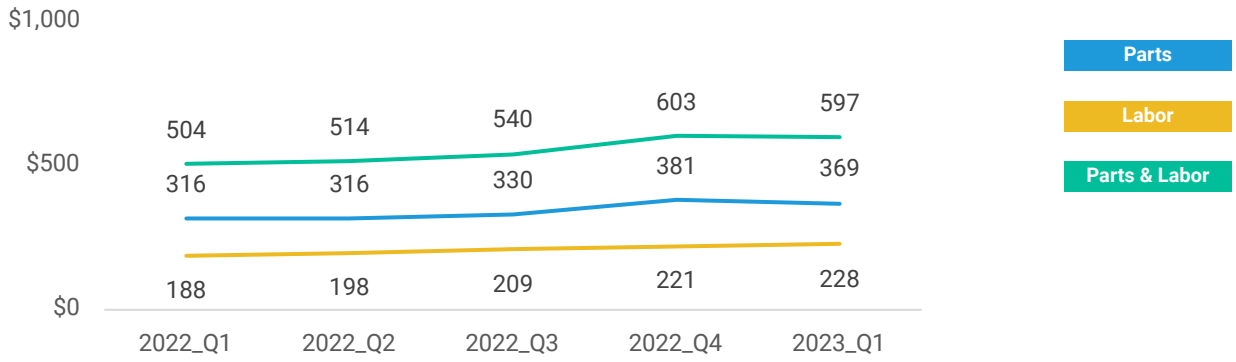
### Quarter over Quarter (QoQ)



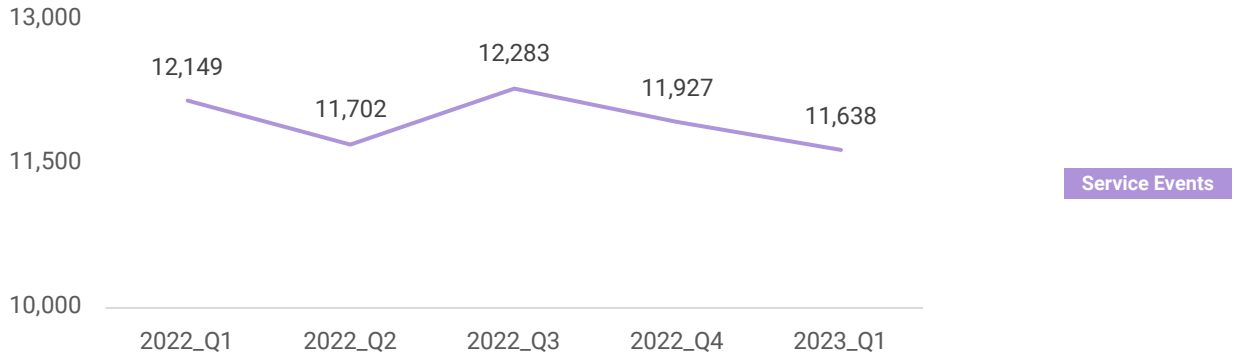

### Year over Year (YoY)




### Quarterly Trends for Parts and Labor Costs



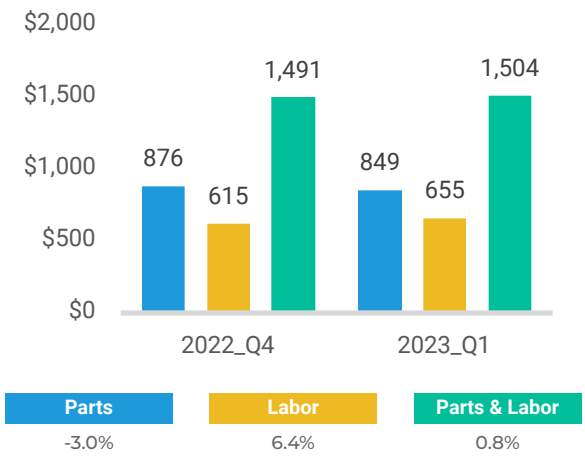

### Quarterly Trends for Service Activity



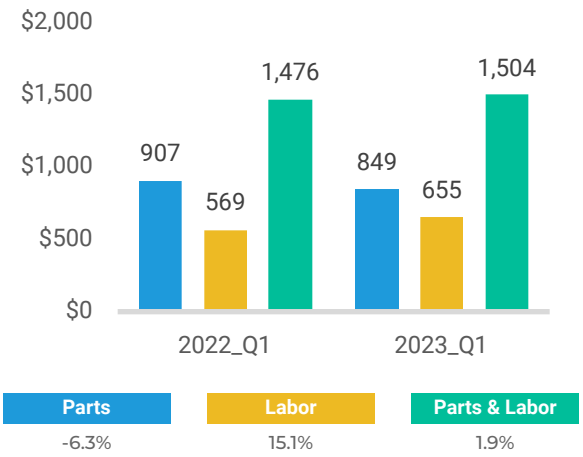
# Code 022: Axle Driven–Rear

## Parts and Labor Costs

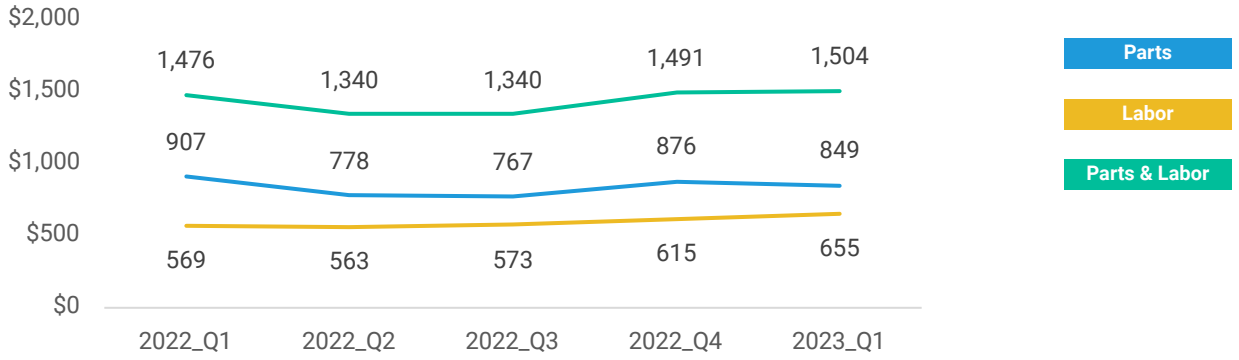
### Quarter over Quarter (QoQ)



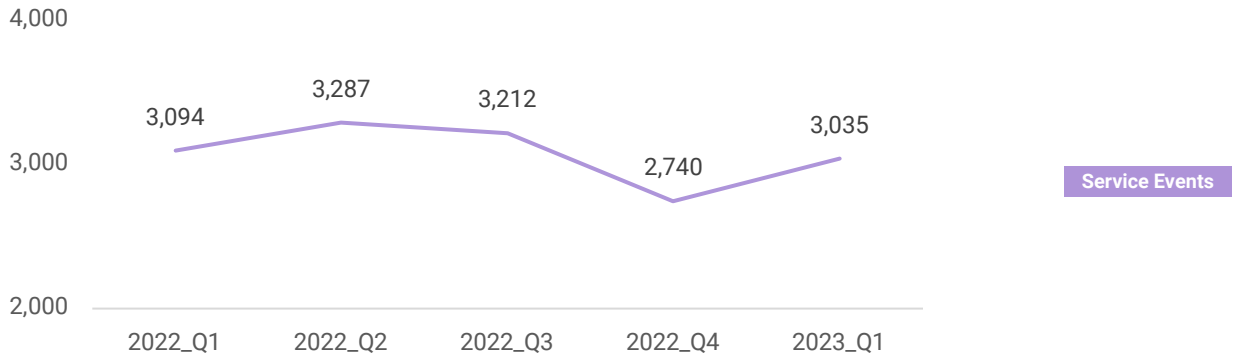

### Year over Year (YoY)




### Quarterly Trends for Parts and Labor Costs



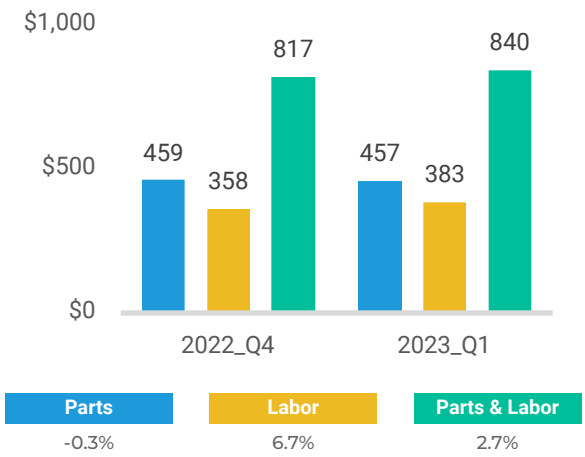

### Quarterly Trends for Service Activity



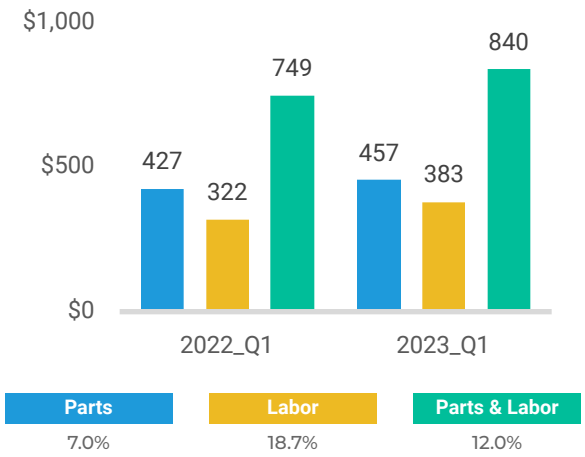
# Code 031: Charging

## Parts and Labor Costs

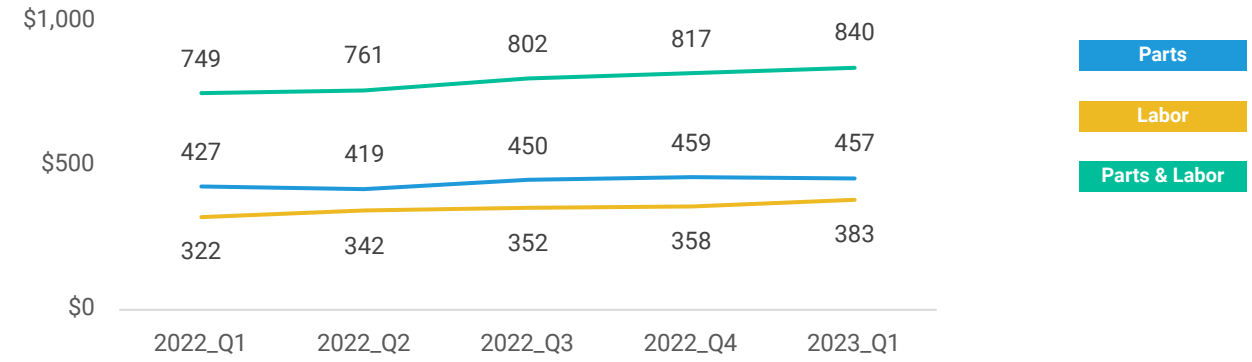
### Quarter over Quarter (QoQ)



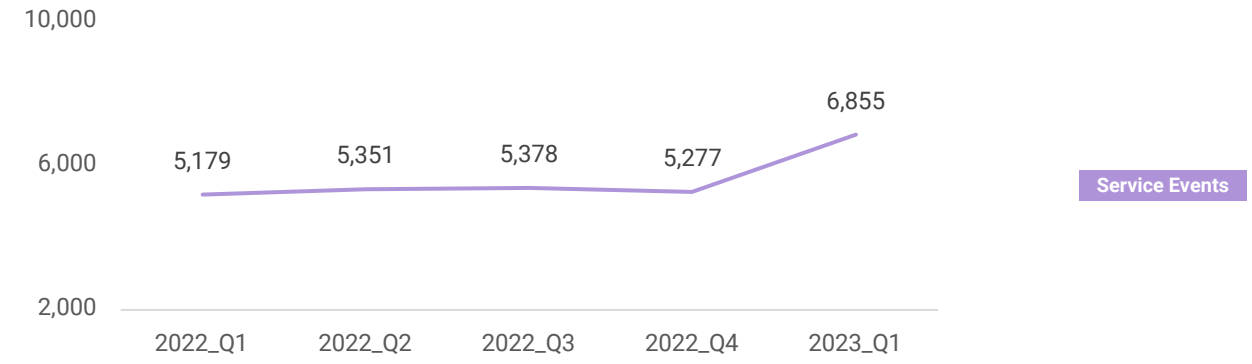

### Year over Year (YoY)




### Quarterly Trends for Parts and Labor Costs



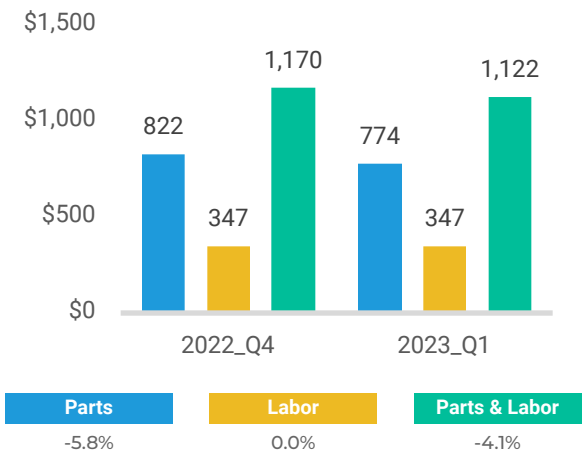

### Quarterly Trends for Service Activity



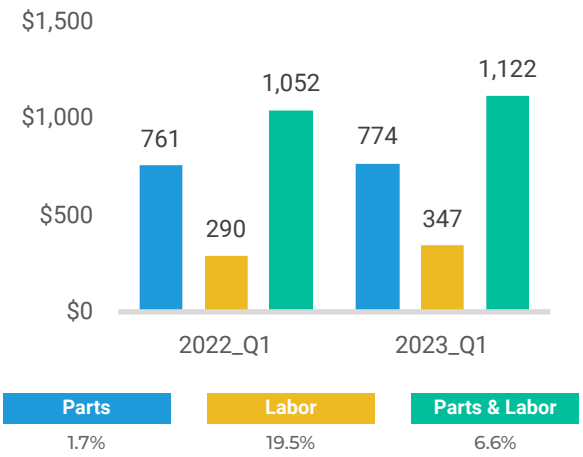
# Code 017: Tires

## Parts and Labor Costs

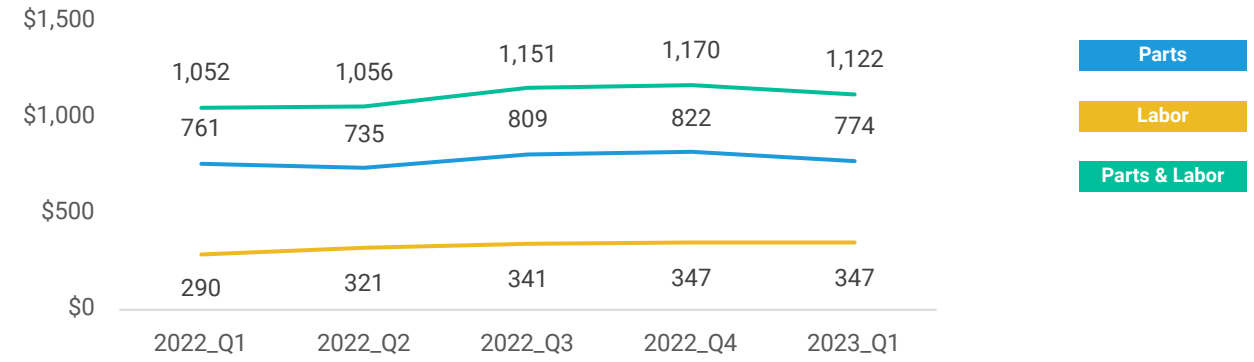
### Quarter over Quarter (QoQ)



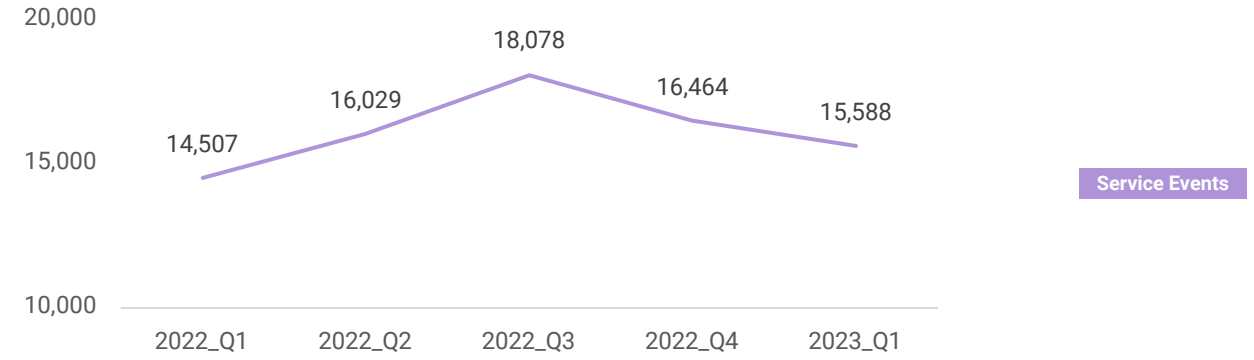

### Year over Year (YoY)




### Quarterly Trends for Parts and Labor Costs




### Quarterly Trends for Service Activity

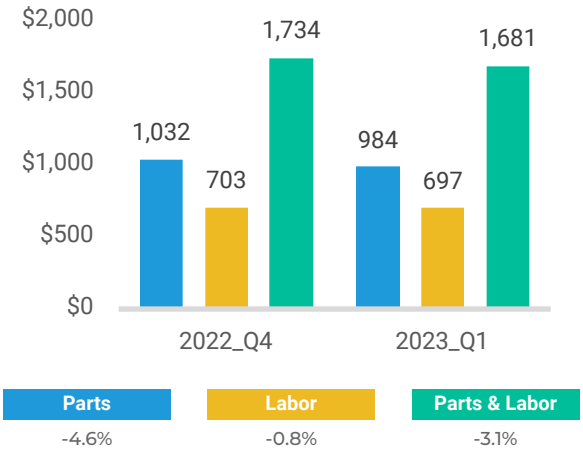


# Code 004: Aerodynamic Devices

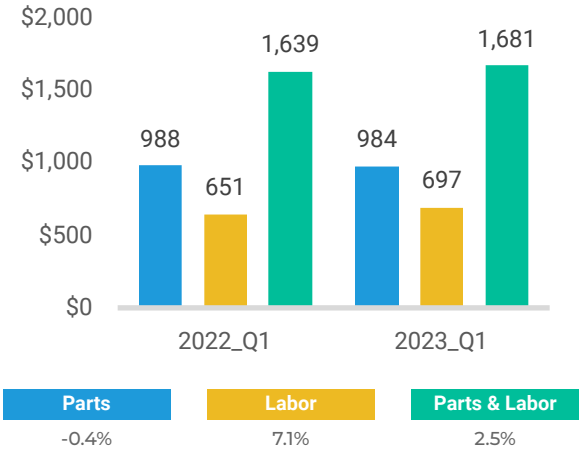


## Parts and Labor Costs

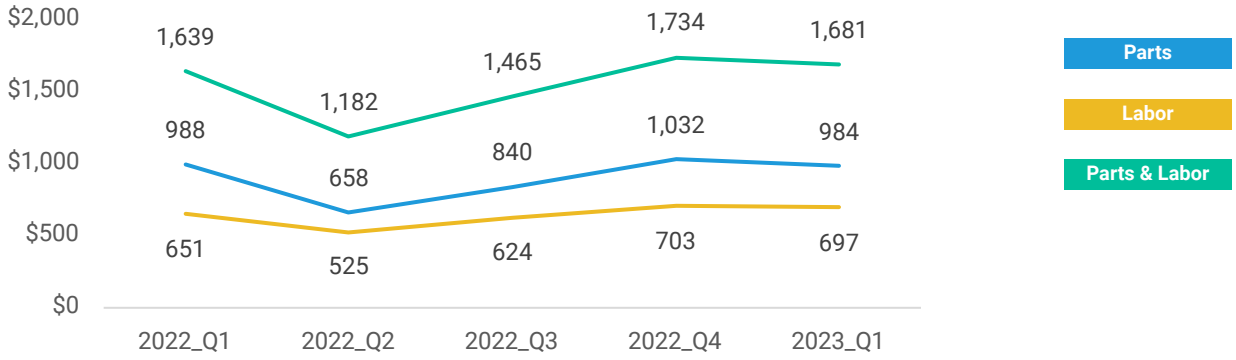
### Quarter over Quarter (QoQ)



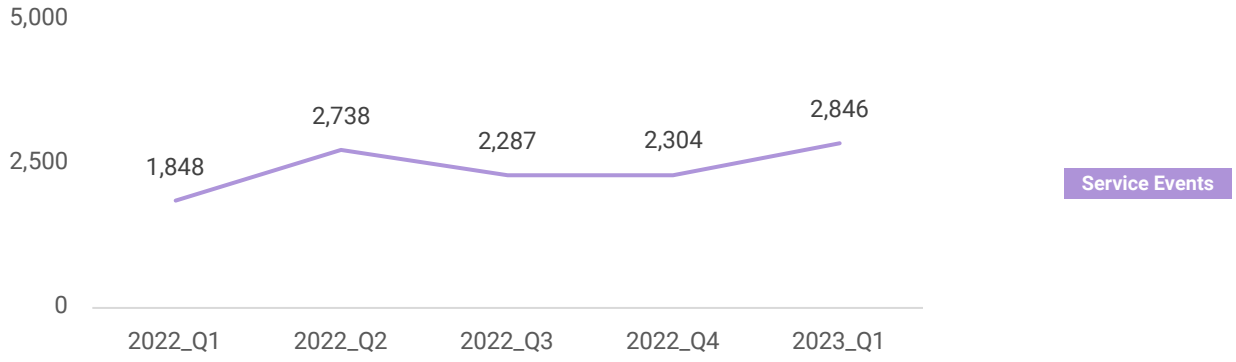

### Year over Year (YoY)

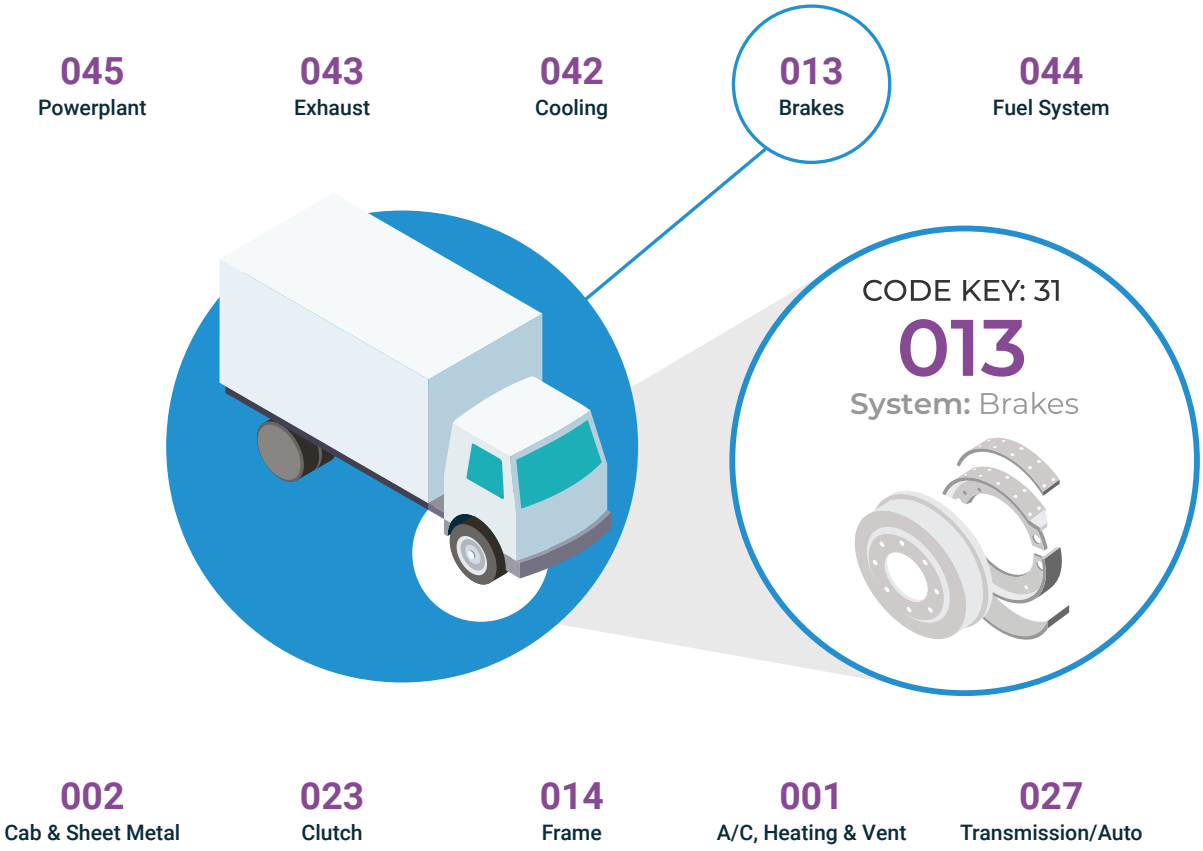



### Quarterly Trends for Parts and Labor Costs




### Quarterly Trends for Service Activity






## Research Methodology

We currently capture parts and labor information on more than 70,000 weekly repair events and therefore have unique insight and the ability to quantify and dynamically report on changes in parts and labor costs and service activity. We are the authoritative source for service repair data, able to generate detailed analysis of service repairs at the operation level including the associated VMRS Group Level and System.

For more information on Decisiv industry research, visit **decisivmarketplace.com**