



Commercial Vehicle Service Analysis Report

Quarterly Report: Q3-2023

A Comprehensive Review of
Service Costs and Activity by VMRS System Code

Report Overview

The Decisiv Commercial Vehicle Service Analysis Report on 2023 Q3 parts and labor costs across 25 VMRS system categories shows somewhat less favorable news for fleets and service providers. After posting a 1.3% drop in 2023 Q2, combined parts and labor costs in the most recent quarter were up 1.9%.

The quarter-over-quarter increases in 2023 Q3 reflect an equal rise in parts and labor costs of 1.9% each. The costs were also higher on a year-over-year basis with parts costs up 0.9% and labor costs that rose 4.9% for a 2.5% combined increase.

Considering that truck tonnage and consequently mileage continues 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 tonnage of freight 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.

Report Highlights

The data that Decisiv collects and analyzes for this report on 25 Vehicle Maintenance Reporting Standard (VMRS) system level codes accounts for more than 97% 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.

The highest percentage of service costs were for Powerplant (35.1%) followed by 14.0% for Exhaust. Cooling and Fuel System costs at 6.0% and 4.8%, both also engine related, were in the highest cost categories as well. Brake system costs at 6.1% rounded out the top five.

Detailed data from Decisiv on quarter-over-quarter combined parts and labor costs indicated increases in 18 of the 25 VMRS System Codes. The highest increases were in Tires (12.0%), Steering (8.5%), Fuel System (6.4%), Suspension (6.0%), and Transmission-Manual (5%).

Year-over-year, parts and labor cost increases were seen in 22 VMRS System Codes. The largest of those increases were for Axle (Driven-Rear) of 15.9%, Instruments, Gauges and Meters (14.0%), Cab and Sheet Metal (12.6%), Air Conditioning, Heating and Ventilating System (12.3%), and Filter Kits (10.9%).

Between 2023 Q2 and 2023 Q3 and Year-over-Year (YoY) from 2022 Q3 to 2023 Q3, the following changes were realized in costs for the top ten VMRS System codes:

- **Powerplant**— Parts and labor costs between the past two quarters rose 1.4% following a 2.0% rise in the previous report. Similar to the 2023 Q1-Q2 increase, most of the increase came from 1.7% higher parts prices. On a YoY basis, combined costs jumped 2.5%, a significantly smaller rise than the 6.4% increase in the previous report. In the annual comparison as well, the labor cost increase of 4.7% far outpaced the 1.4% jump in parts costs.

- **Exhaust**— Combined parts and labor costs between quarters rose only 0.5%. However, while parts costs increased and labor costs dropped in 2023 Q2, in the current quarter the reverse was the case with parts costs dropping 0.4% and labor rising 2.3%. YoY exhaust costs went up 3.9% a significantly smaller increase than the 7.9% rise in 2023 Q2.
- **Cooling**— Parts and labor costs both increased between the past two quarters 2.2% and 0.9%, respectively, for a combined increase of 1.6%. That follows a combined cost rise of 0.2% in the previous quarter. YoY, combined costs continue to exhibit smaller increases, rising only 0.5% in the current annual analysis after going up 1.8% and 14% in the two previous comparisons.
- **Brakes**— After experiencing lower costs in the previous two quarters, parts costs rose 3.5% and labor costs went up 4.4% for a combined 4.0% increase. YoY, combined costs were up just 0.9%, a much smaller increase than the 2.2% in the previous report.
- **Fuel System**— Following higher combined parts and labor costs of 2.0% in the previous quarter, costs jumped 6.4% in 2023 Q3. YoY, however, combined costs were down 1.8% after increasing in the previous analysis.
- **Cab and Sheet Metal**— Combined parts and labor costs between quarters were up 3.9% after dropping 5.6% in the previous quarter. The largest part of the current quarterly increase of 5.3% came from parts while labor costs rose 1.8%. YoY parts and labor costs continued to climb by 12.6% after rising 13.5% in 2023 Q2.
- **Clutch**— A 0.9% drop in parts costs and a small 0.6% rise in labor costs in 2023 Q3 combined for a 0.3% overall cost decrease. The drop is even more significant considering that in 2023 Q2 combined costs rose 3.6%. YoY parts and labor costs continued to increase, rising 8.9% after jumping 13.0% in the previous report.
- **Frame**— Parts and labor costs combined were up 3.3% in 2023 Q3 after falling 5.2% between the previous two quarters and dropping 3.7% in the 2023 Q1 analysis compared to 2022 Q4. YoY there was a large decrease in combined costs of 6.5% after a small rise of 0.4% in the previous report.
- **Air Conditioning, Heating & Ventilation**— Across the board there were increases in parts and labor costs of 1.5% between quarters and 12.3% on a YoY basis. YoY parts costs rose 13.8% but only increased 0.2% between 2023 Q2 and 2023 Q3. Labor costs followed a similar pattern, jumping 10.8% YoY and rising 2.7% between quarters.
- **Transmission**— YoY parts and labor costs were up 4.6% after increasing 6.4% in the previous report. However, between 2023 Q2 and 2023 Q3, combined costs were down 0.2%, the same decreases seen in the last quarterly analysis.

The Decisiv Commercial Vehicle Service Analysis Report also tracks costs for an additional 15 VMRS System codes. Among these 15 additional VMRS System codes, the five largest cost categories in 2023 Q3 were Suspension (2.3%), Steering (1.9%), Lighting (1.7%), Cranking (1.6%) and Transmission-Manual (1.2%). Moving up the list were Suspension and Transmission-Manual replacing Driveshafts and Wheels, Rims, Hubs.

The report also showcases costs across four U.S. regions and Canada, reflecting the impact of differences in parts pricing and wages. In 2023 Q3, the highest combined costs ranked by region were unchanged from 2023 Q2 starting in the West followed by the South, Northeast, Midwest, and Canada. Higher costs in some regions may also be the result of the number of trucking operations and their service activity.

Service Activity

There was an uptick in quarterly service transaction activity in 2023 Q3 of 1.1% that followed a 0.6% drop in 2023 Q2. Overall, in the past two quarters the increase averaged less than one percent leading to stability and consistency across the service sector that was welcome news given the 9.4% rise in service transactions in 2023 Q1.

Year-over-year from 2022 Q3 to 2023 Q3 the volume of service transactions did jump 6.4%. However, the slow arrival of new trucks that has kept older equipment in service is largely driving the annual rise, a factor that will likely diminish over time.

Q3 2023 transaction activity data based on a total of 1,066,456 service transactions in the Decisiv SRM platform also indicates that the five VMRS System Codes accounting for the most service were Powerplant at 21% of events, followed by Exhaust System (11%), Cab and Sheet Metal (10%), Brakes (8%) and Air Conditioning, Heating, and Ventilating (6%). The HVAC systems replaced Cooling in the top 5 VMRS System Codes in the current quarterly analysis, likely the result of a seasonal change that brought warmer weather across North America.

In Q3 2023, the largest increases in service activity among the 25 VMRS System Codes tracked for this analysis included an 18.9% jump in Charging System repairs, a 7.9% rise in Transmission (Main-Automatic) and a 7.6% uptick in Axle Driven—Rear. Decreases in quarter-over-quarter service activity were recorded for Aerodynamic Devices (-16%) Power Take Off (-8.4%) and Frames (-4.6%).

Year-over-Year from Q3 2022 to Q3 2023 service activity increased in almost every one of the 25 VMRS System Codes. The highest jumps were seen in VMRS System Codes for Transmission—Main, Automatic (34.5%), Charging System (31.5%), and Frame (20.2%). The exceptions— Powerplant, Clutch and Steering— showed marginal decreases.

Overview

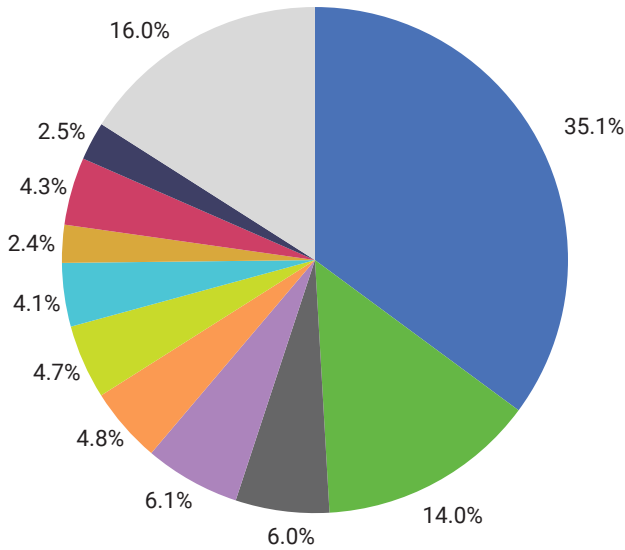
The Decisiv SRM Ecosystem is the industry’s preferred system of engagement for tracking and managing service and repair events for more than 7 million assets on the SRM platform. These summaries are compiled from more than 300,000 monthly service maintenance and repair events conducted at more than 5,000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

Average Costs and Service Activity by VMRS System Code for Q3 2023

Code	System	Parts	Labor	Parts and Labor	Service Events
045	Powerplant	\$1,820	\$1,036	\$2,856	223,059
043	Exhaust	\$1,155	\$633	\$1,789	118,762
042	Cooling	\$933	\$662	\$1,595	54,806
013	Brakes	\$622	\$585	\$1,207	85,783
044	Fuel System	\$923	\$626	\$1,549	46,108
002	Cab and Sheet Metal	\$482	\$329	\$811	104,977
023	Clutch	\$1,829	\$1,340	\$3,170	20,903
014	Frame	\$1,648	\$893	\$2,541	15,359
001	A/C, Heating & Vent	\$503	\$526	\$1,029	65,561
027	Transmission/Auto	\$1,757	\$1,086	\$2,843	15,150

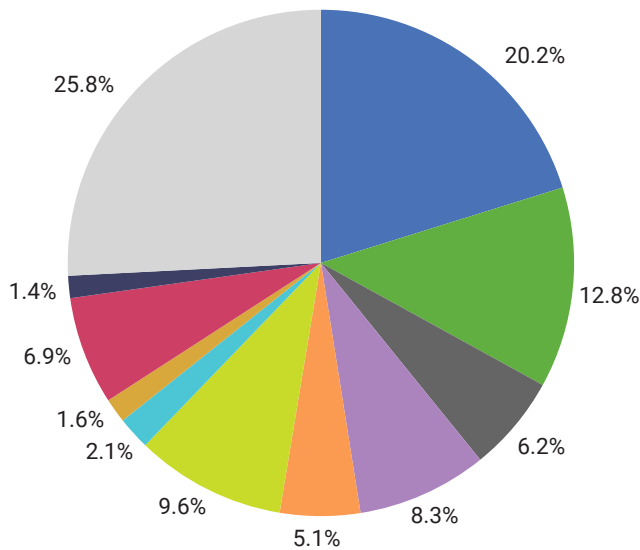
See supplement for details on 15 additional VMRS System Codes. These top 25 VMRS System Codes encompass 96% of service transactions managed on the Decisiv SRM Platform.

Composite View: Service Cost Distribution for Q3 2023



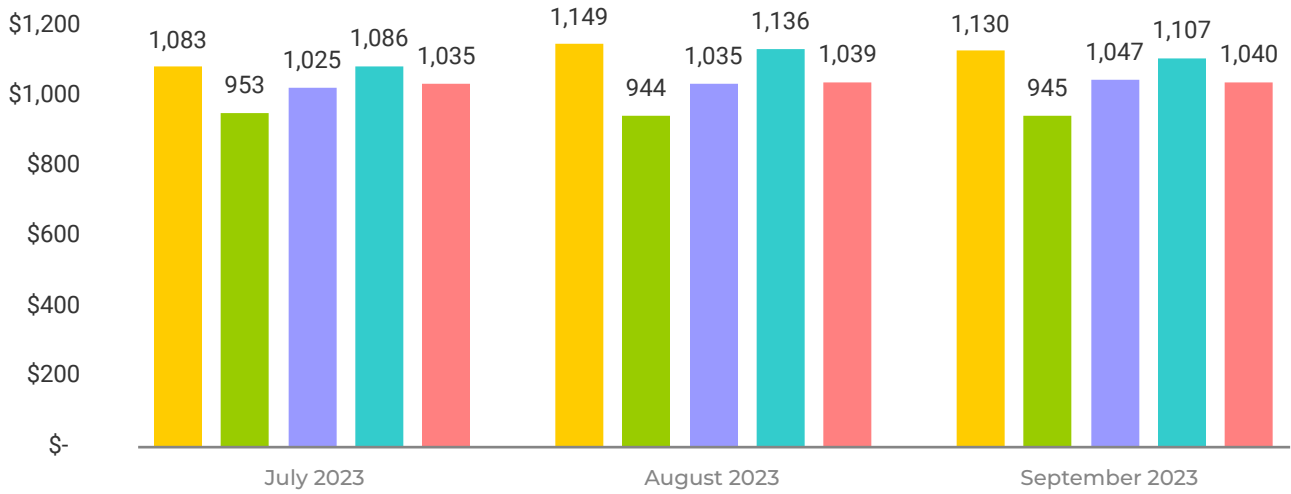
045	Powerplant	35.1%
043	Exhaust	14.0%
042	Cooling	6.0%
013	Brakes	6.1%
044	Fuel System	4.8%
002	Cab & Sheet Metal	4.7%
023	Clutch	4.1%
014	Frame	2.4%
001	A/C, Heating & Vent	4.3%
027	Transmission/Auto	2.5%
xxx	Other	16.0%

Composite View: Service Activity Distribution for Q3 2023

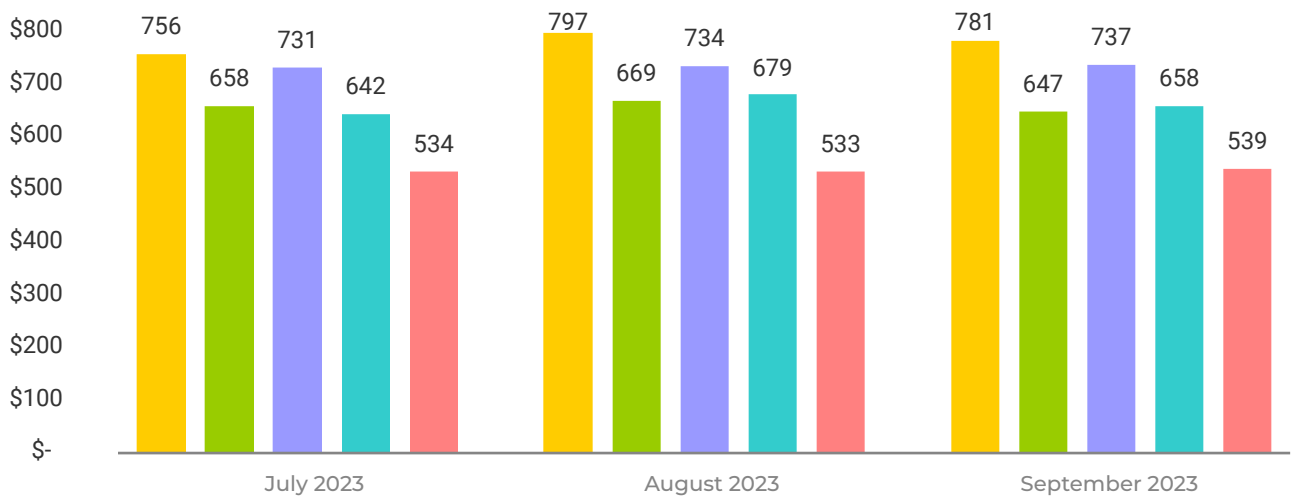


045	Powerplant	20.2%
043	Exhaust	12.8%
042	Cooling	6.2%
013	Brakes	8.3%
044	Fuel System	5.1%
002	Cab & Sheet Metal	9.6%
023	Clutch	2.1%
014	Frame	1.6%
001	A/C, Heating & Vent	6.9%
027	Transmission/Auto	1.4%
xxx	Other	25.8%

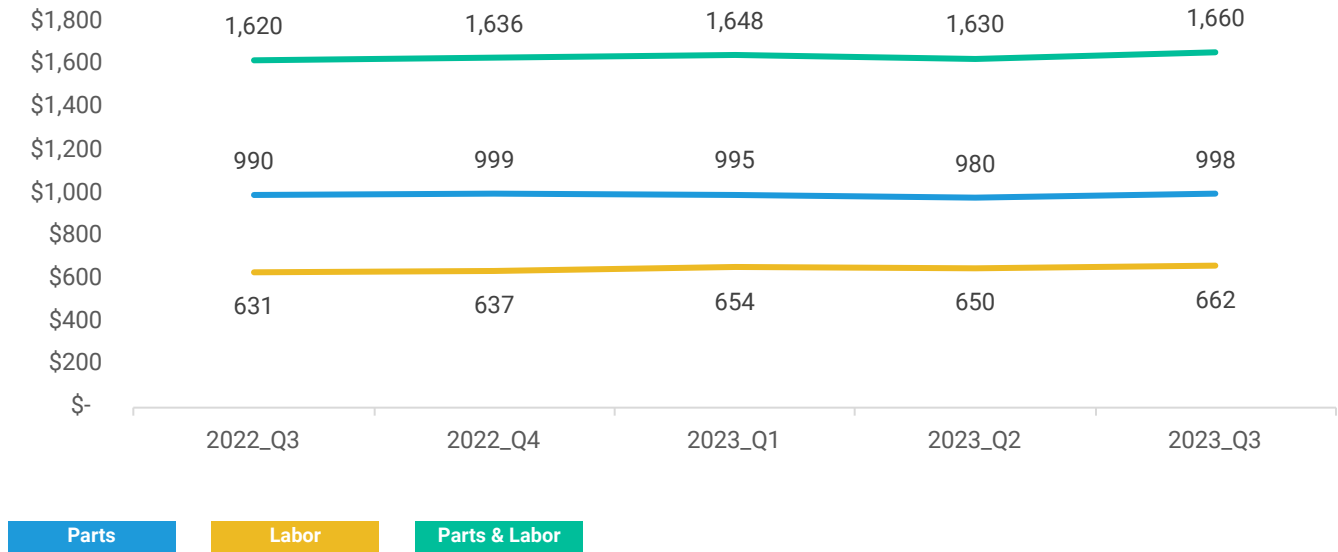
Regional Parts Costs



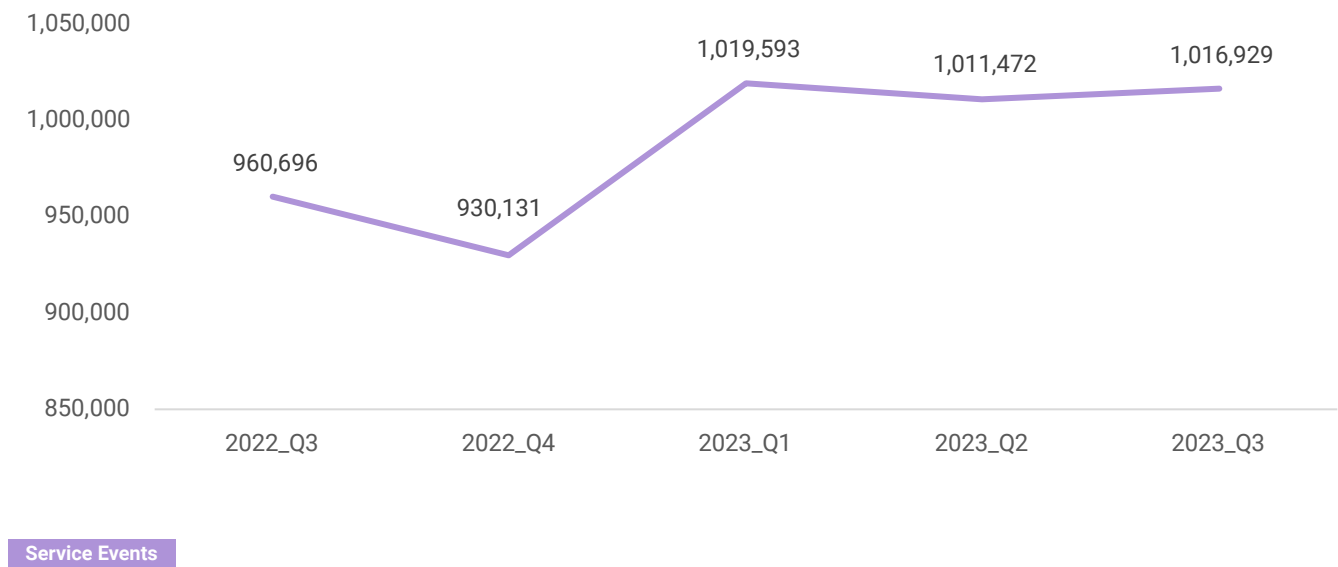
Regional Labor Costs



Quarterly Trends for Parts and Labor Costs

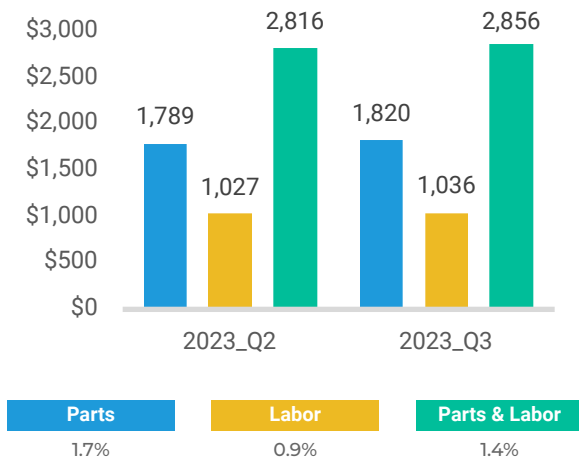


Quarterly Trends for Service Activity

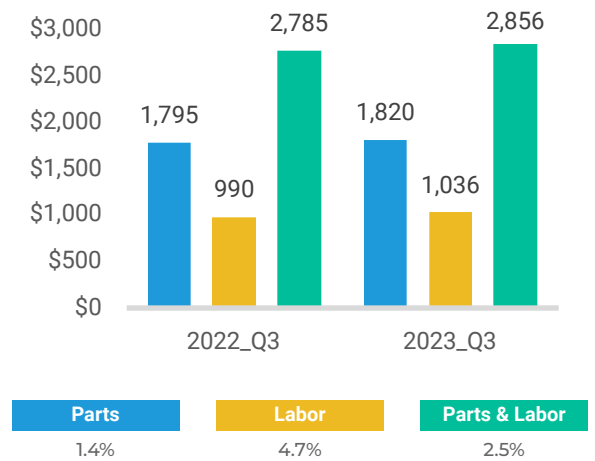


Parts and Labor Costs

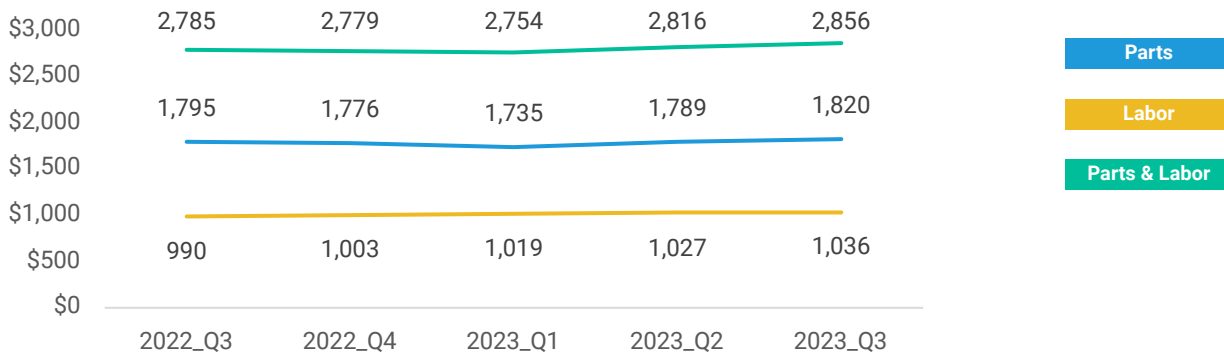
Quarter over Quarter (QoQ)



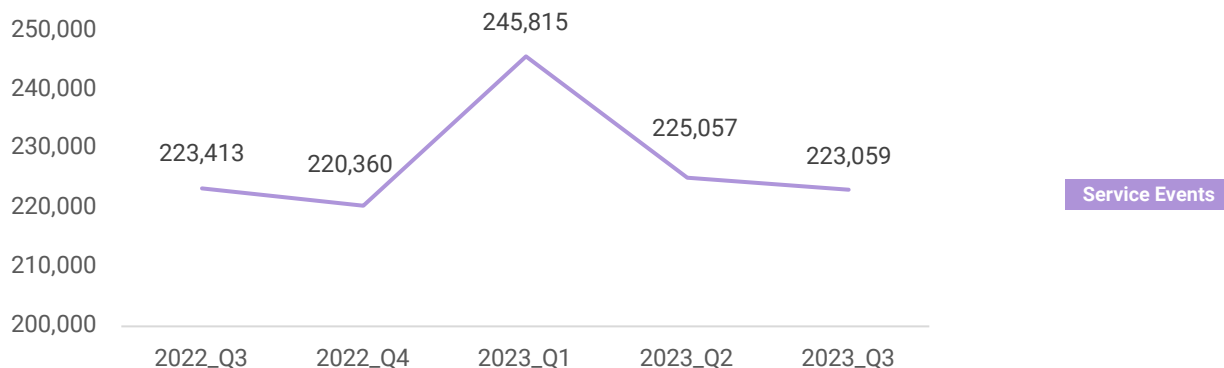
Year over Year (YoY)



Quarterly Trends for Parts and Labor Costs

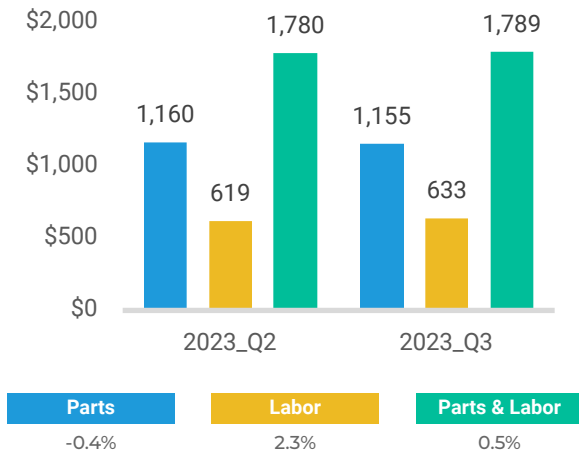


Quarterly Trends for Service Activity

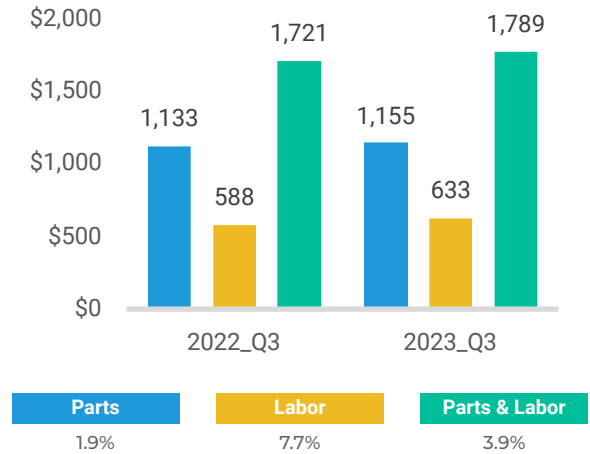


Parts and Labor Costs

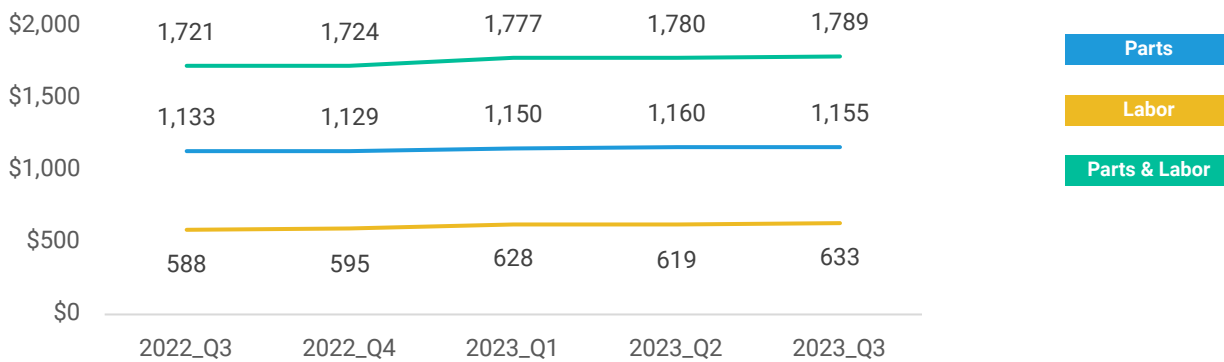
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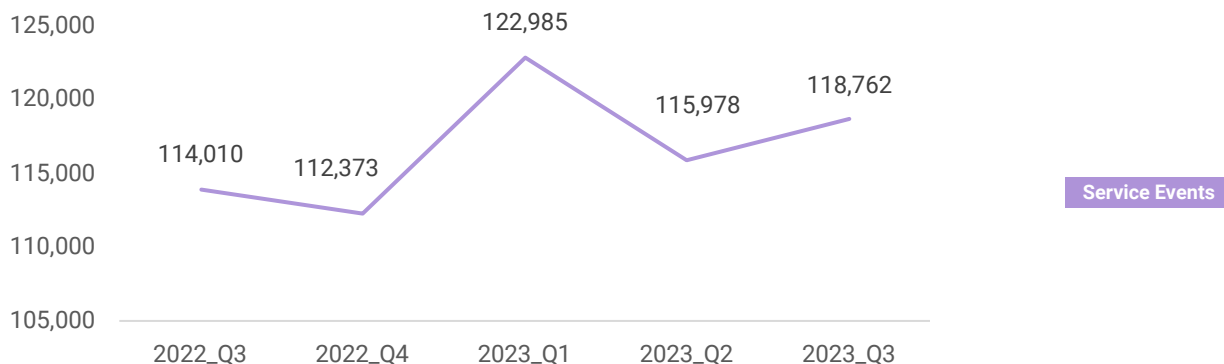
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Quarterly Trends for Parts and Labor Costs

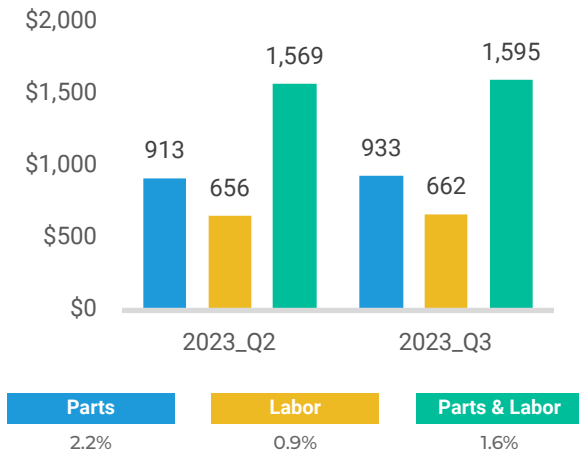


Quarterly Trends for Service Activity

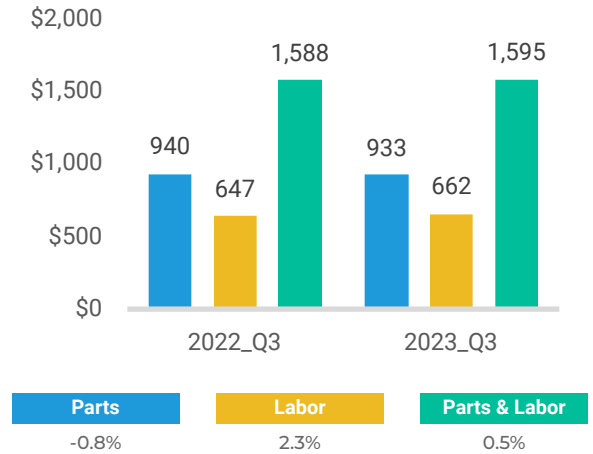


Parts and Labor Costs

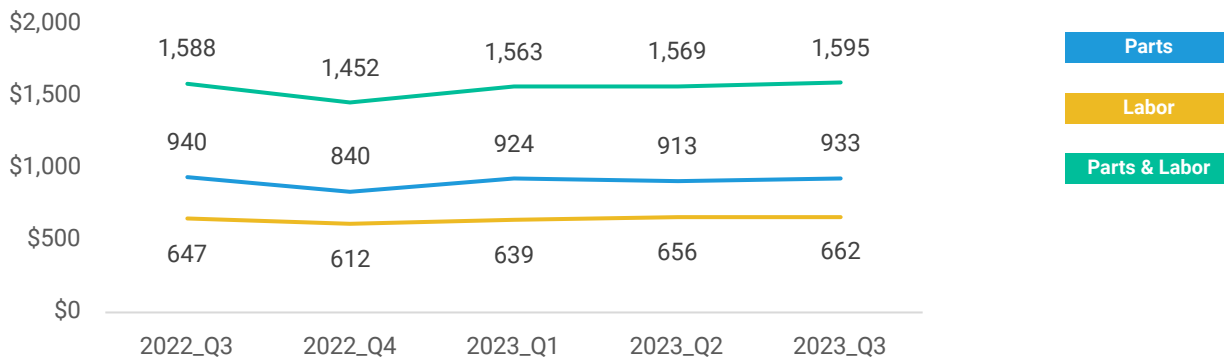
Quarter over Quarter (QoQ)



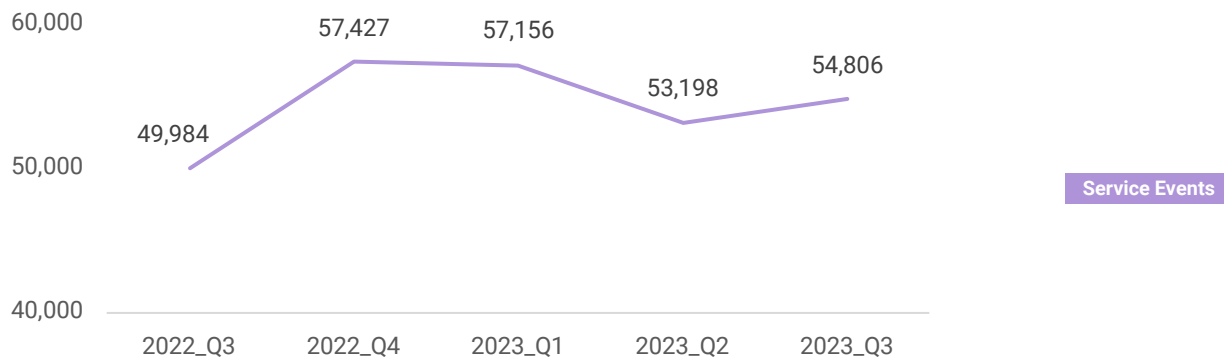
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Quarterly Trends for Parts and Labor Costs

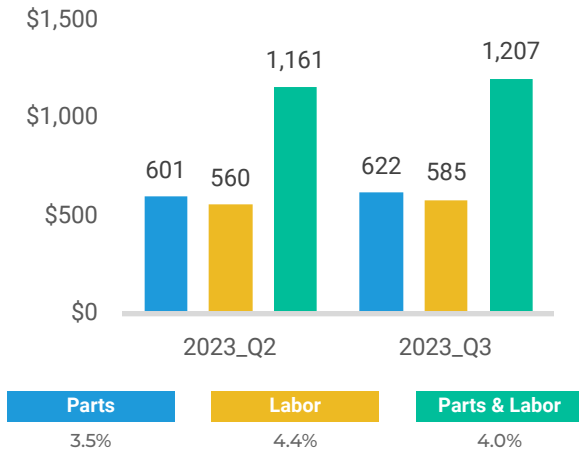


Quarterly Trends for Service Activity

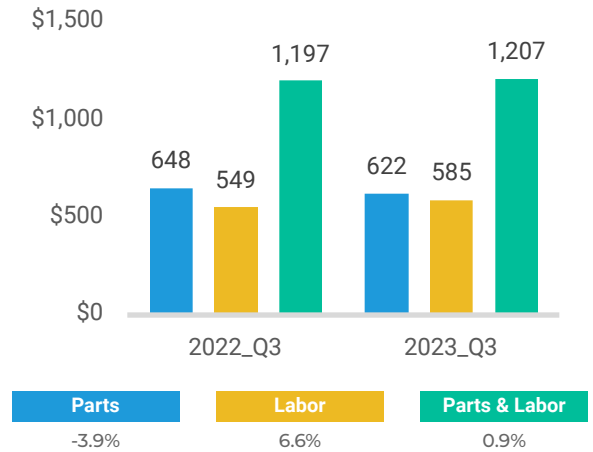


Parts and Labor Costs

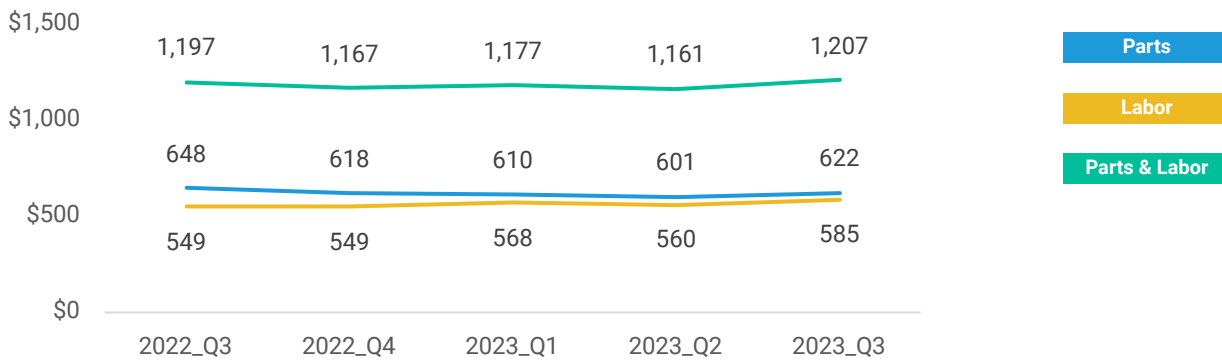
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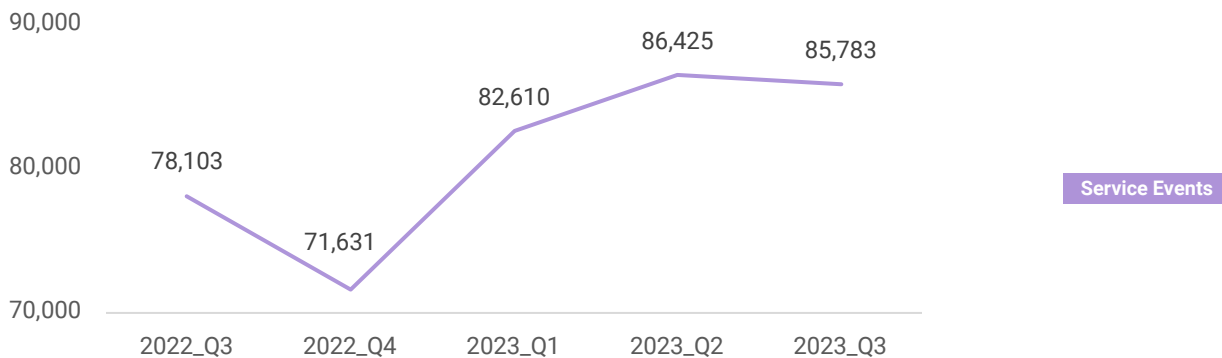
Year over Year (YoY)



Quarterly Trends for Parts and Labor Costs

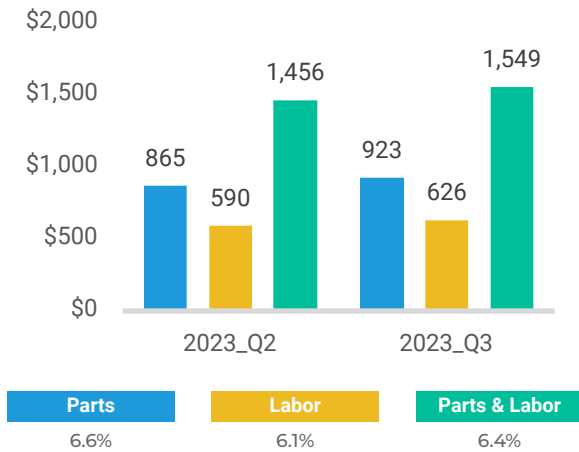


Quarterly Trends for Service Activity

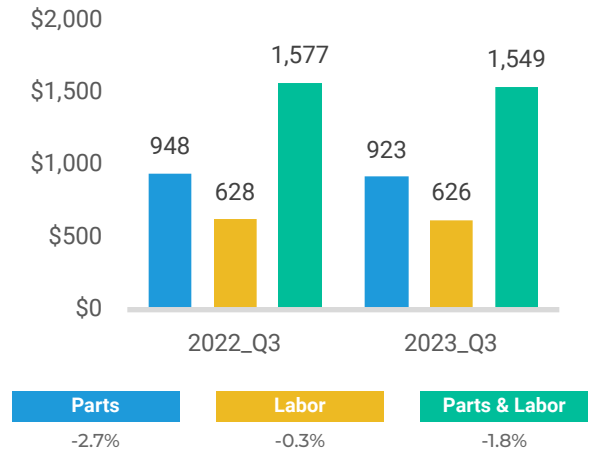


Parts and Labor Costs

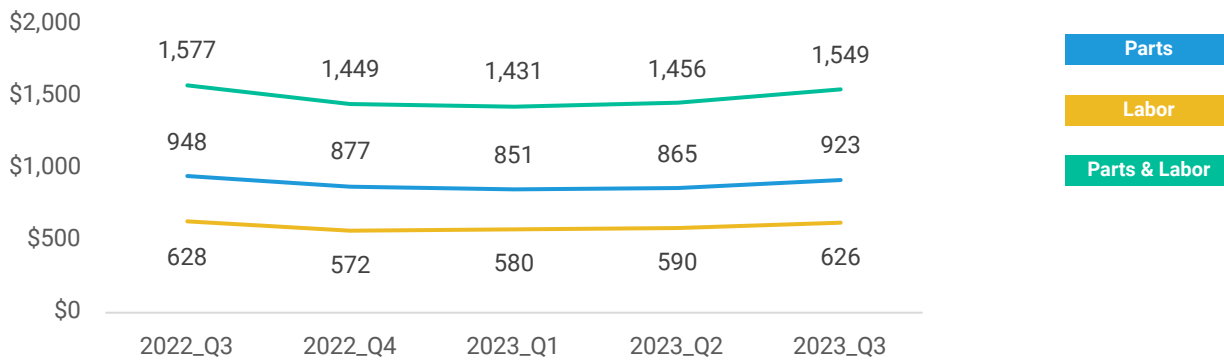
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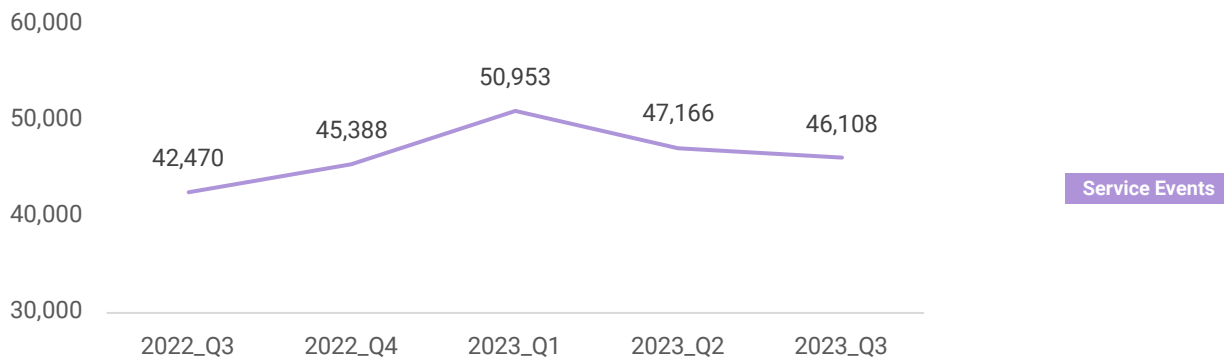
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Quarterly Trends for Parts and Labor Costs

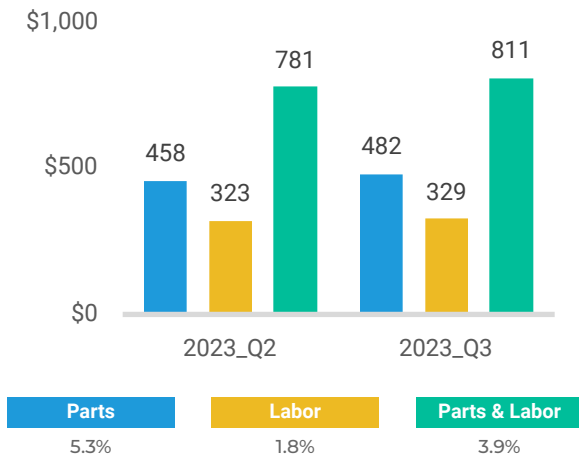


Quarterly Trends for Service Activity

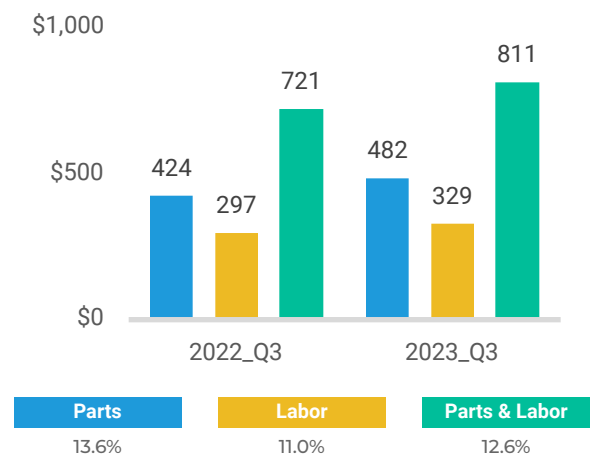


Parts and Labor Costs

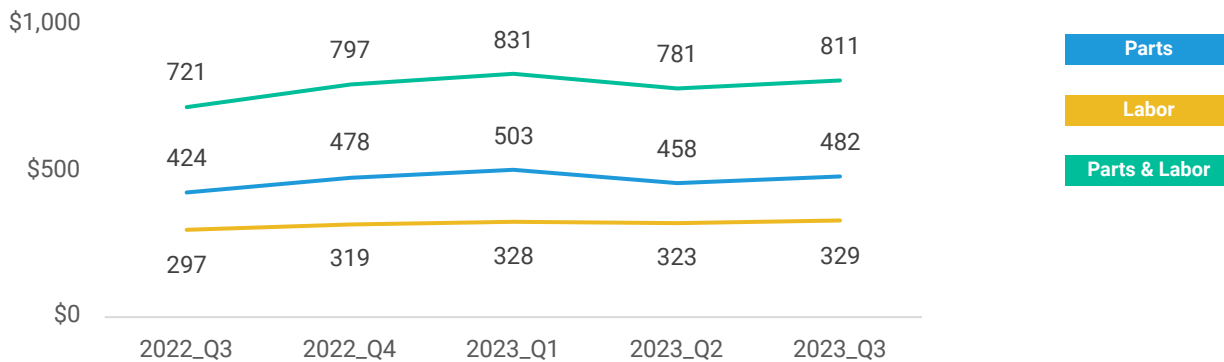
Quarter over Quarter (QoQ)



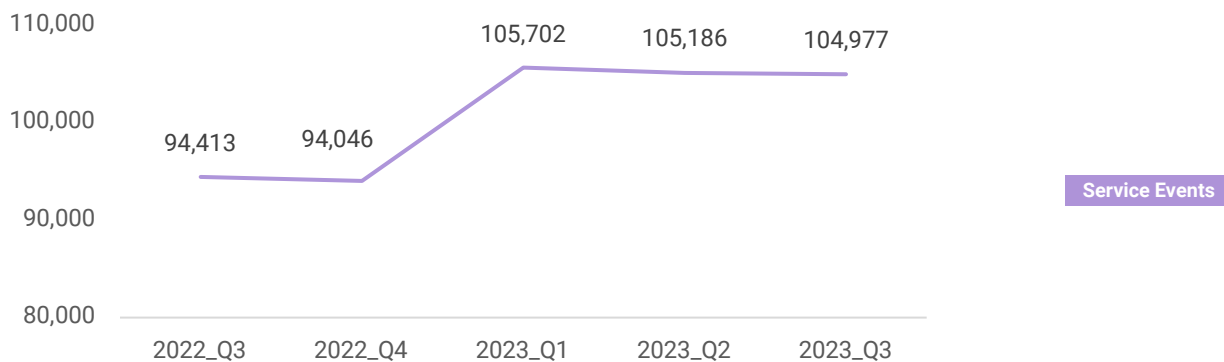
Year over Year (YoY)



Quarterly Trends for Parts and Labor Costs

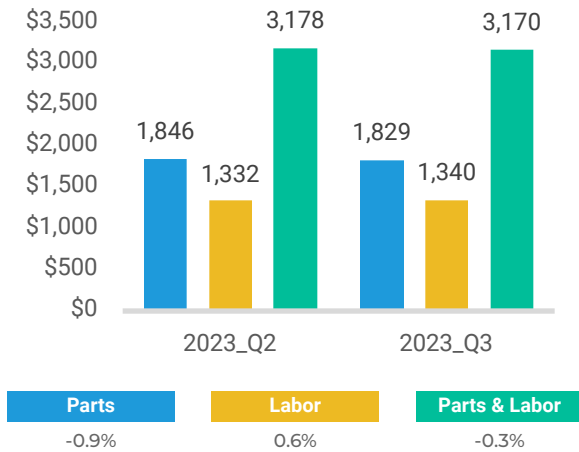


Quarterly Trends for Service Activity

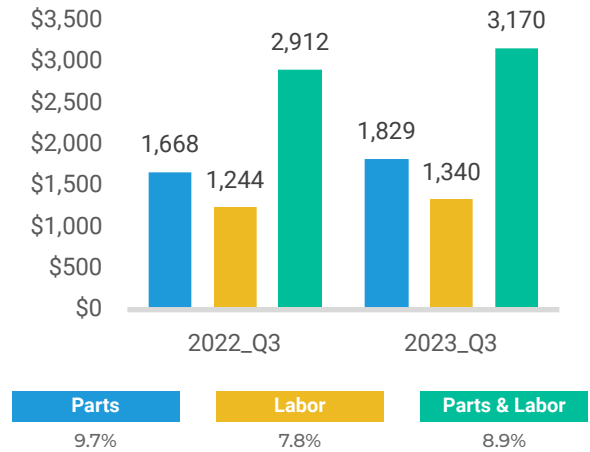


Parts and Labor Costs

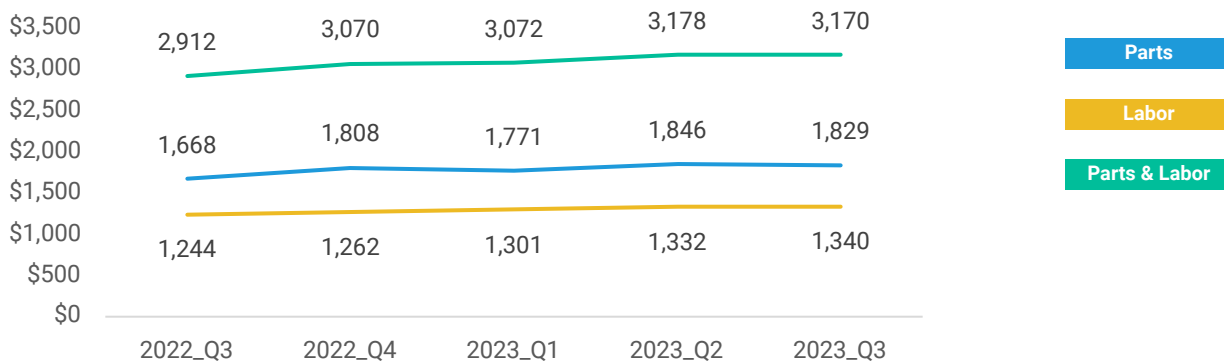
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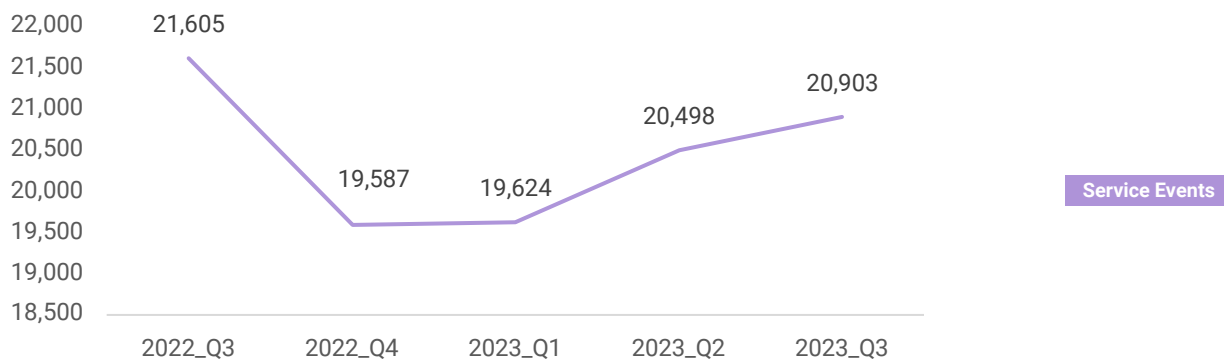
Year over Year (YoY)



Quarterly Trends for Parts and Labor Costs

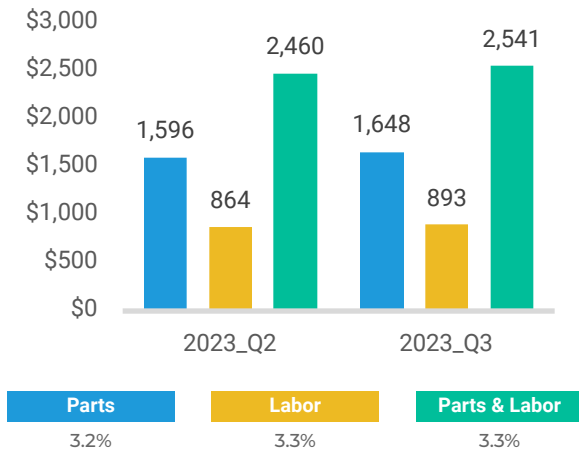


Quarterly Trends for Service Activity

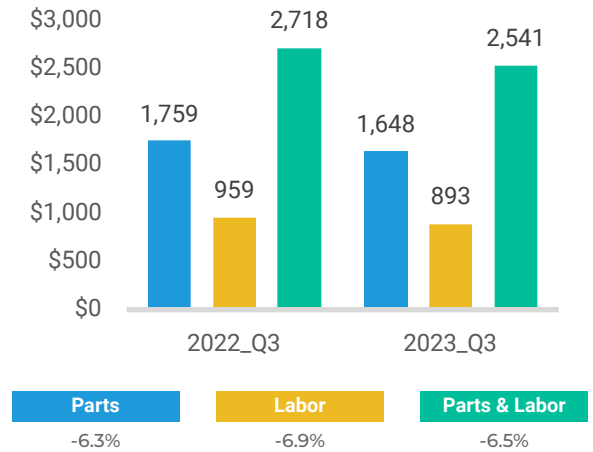


Parts and Labor Costs

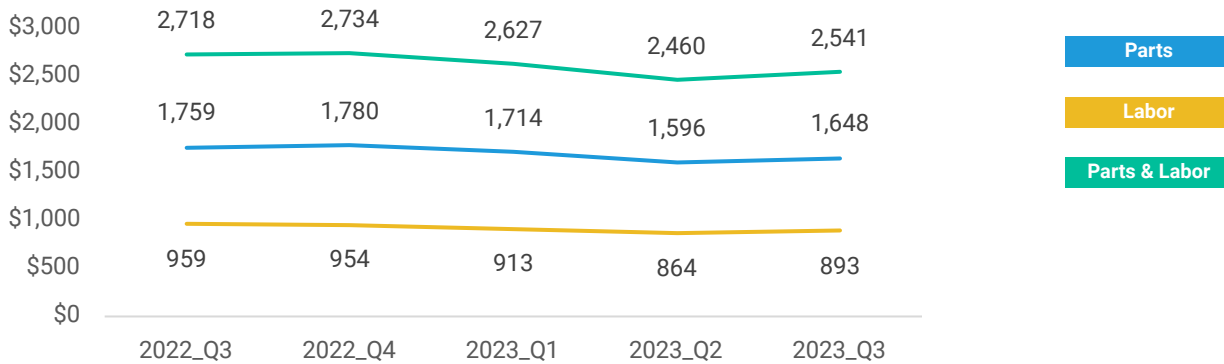
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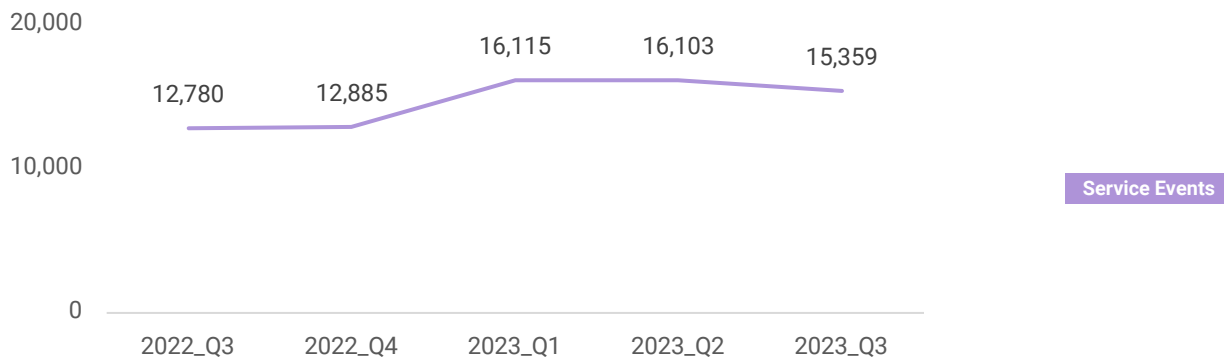
Year over Year (YoY)



Quarterly Trends for Parts and Labor Costs

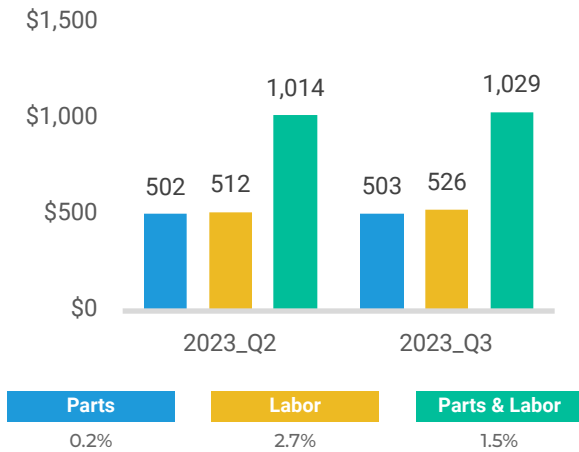


Quarterly Trends for Service Activity

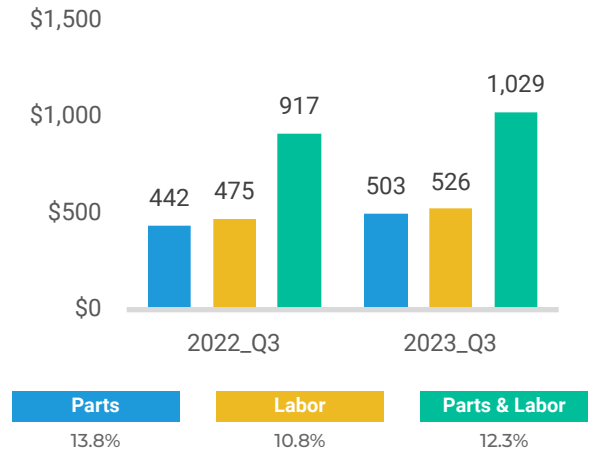


Parts and Labor Costs

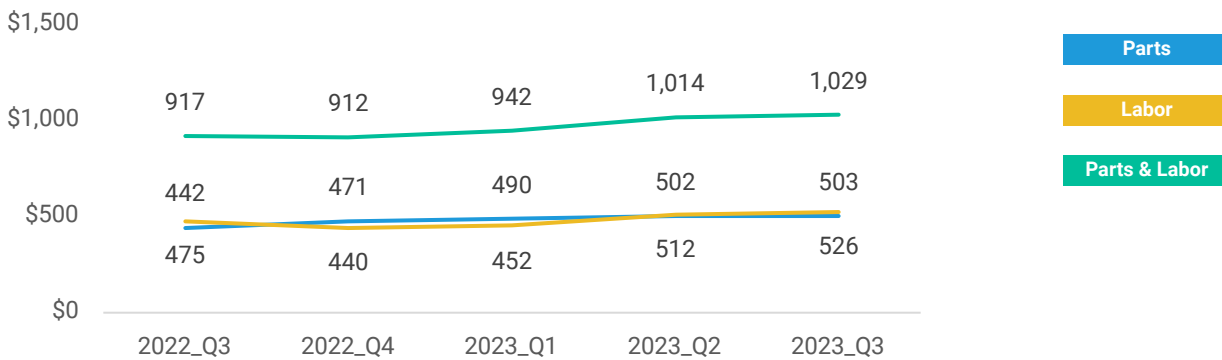
Quarter over Quarter (QoQ)



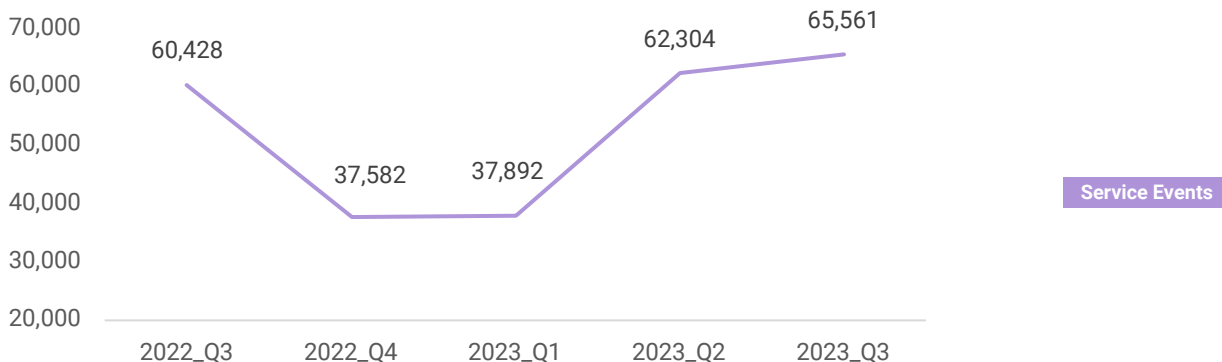
Year over Year (YoY)



Quarterly Trends for Parts and Labor Costs

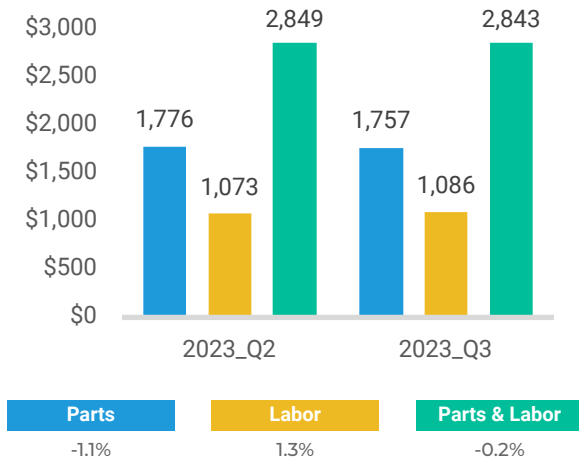


Quarterly Trends for Service Activity

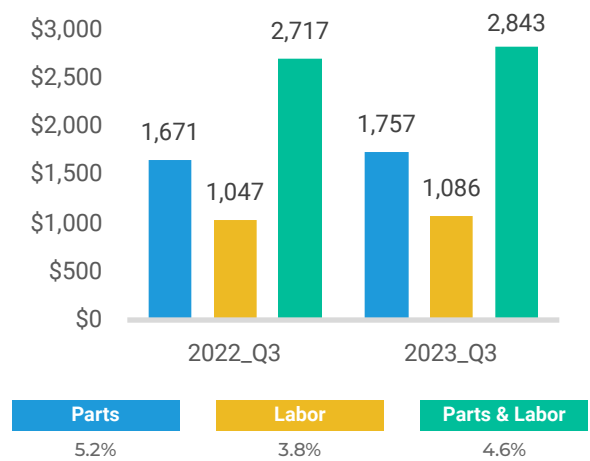


Parts and Labor Costs

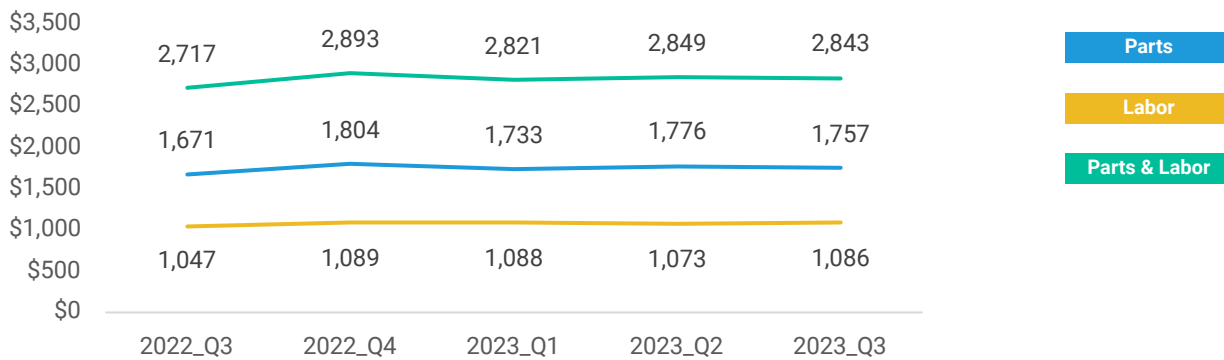
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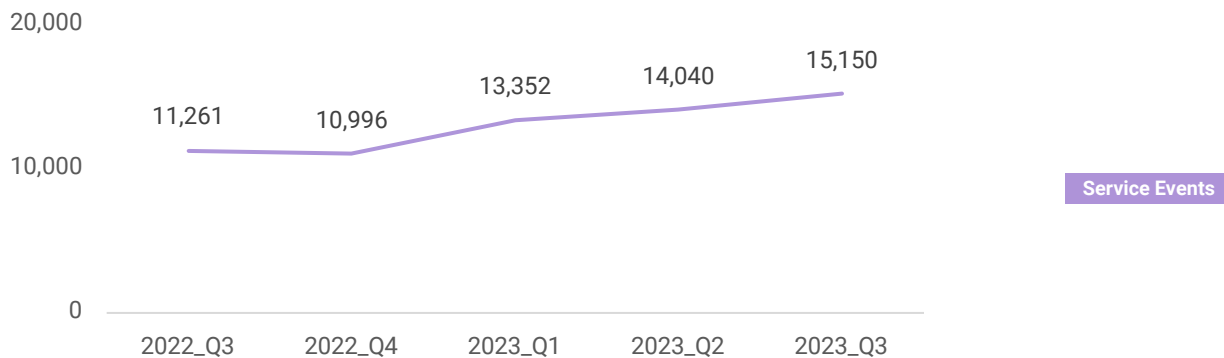
Year over Year (YoY)



Quarterly Trends for Parts and Labor Costs



Quarterly Trends for Service Activity



Overview

This supplement adds parts and labor costs 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 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 Q3 2023

Code	System	Parts	Labor	Parts and Labor	Service Events
016	Suspension	\$605	\$596	\$1,201	26,507
034	Lighting	\$291	\$319	\$610	47,609
015	Steering	\$558	\$464	\$1,021	37,291
032	Cranking	\$505	\$344	\$849	29,943
026	Trans/Manual	\$2,287	\$1,279	\$3,565	5,504
024	Drive Shafts	\$479	\$406	\$885	18,786
003	Instruments	\$858	\$591	\$1,450	23,836
051	Accessories	\$742	\$549	\$1,291	13,908
056	Power Take Off	\$781	\$750	\$1,531	7,978
018	Wheels, Rims, Hubs	\$271	\$469	\$740	9,301
047	Filter Kits	\$360	\$238	\$599	14,204
022	Axle Driven/Rear	\$878	\$680	\$1,558	3,513
031	Charging	\$481	\$382	\$863	7,080
017	Tires	\$836	\$391	\$1,227	18,331
004	Aerodynamic Devices	\$820	\$576	\$1,396	2,670

Composite View: Service Cost Distribution for Q3 2023

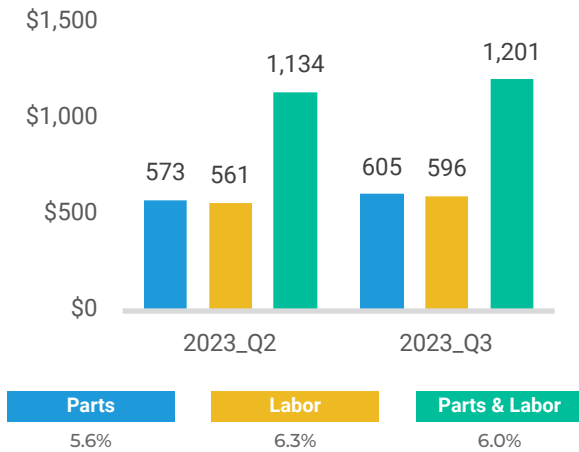
016	Suspension	2.3%	018	Wheels, Rims, Hubs	0.6%
034	Lighting	1.7%	047	Filter Kits	0.4%
015	Steering	1.9%	022	Axle Driven/Rear	0.4%
032	Cranking	1.6%	031	Charging	0.4%
026	Trans/Manual	1.2%	017	Tires	0.5%
024	Drive Shafts	0.9%	004	Aerodynamic Devices	0.2%
003	Instruments	0.8%	xxx	Other	1.9%
051	Accessories	0.6%			
056	Power Take Off	0.6%			

Composite View: Service Activity Distribution for Q3 2023

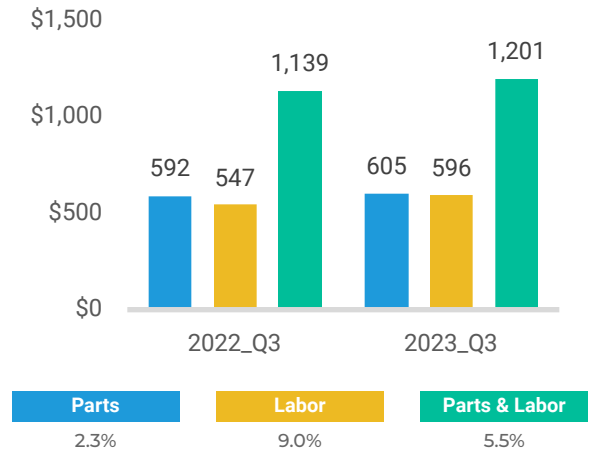
016	Suspension	3.2%	018	Wheels, Rims, Hubs	1.2%
034	Lighting	4.6%	047	Filter Kits	1.1%
015	Steering	3.0%	022	Axle Driven/Rear	0.4%
032	Cranking	3.2%	031	Charging	0.7%
026	Trans/Manual	0.6%	017	Tires	0.6%
024	Drive Shafts	1.7%	004	Aerodynamic Devices	0.3%
003	Instruments	0.9%	xxx	Other	3.0%
051	Accessories	0.7%			
056	Power Take Off	0.6%			

Parts and Labor Costs

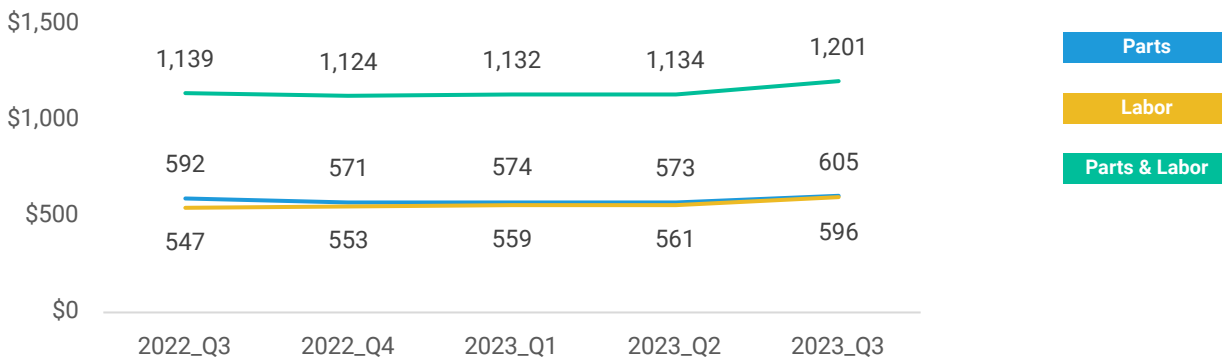
Quarter over Quarter (QoQ)



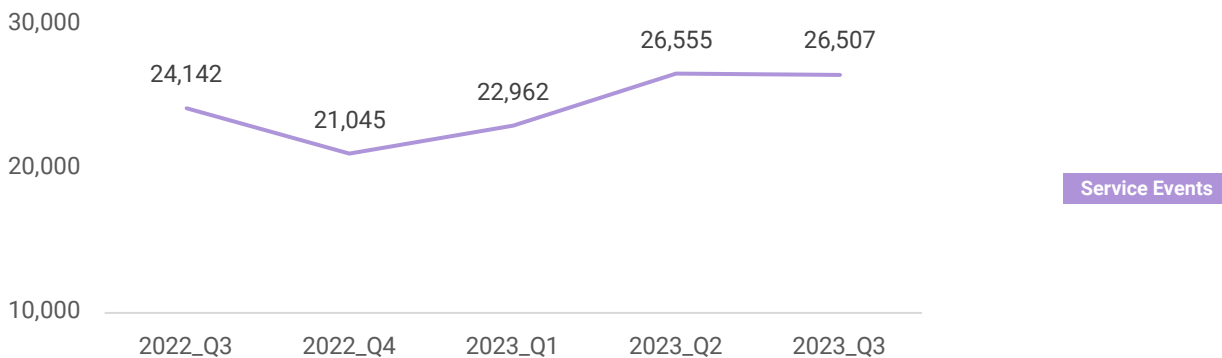
Year over Year (YoY)



Quarterly Trends for Parts and Labor Costs

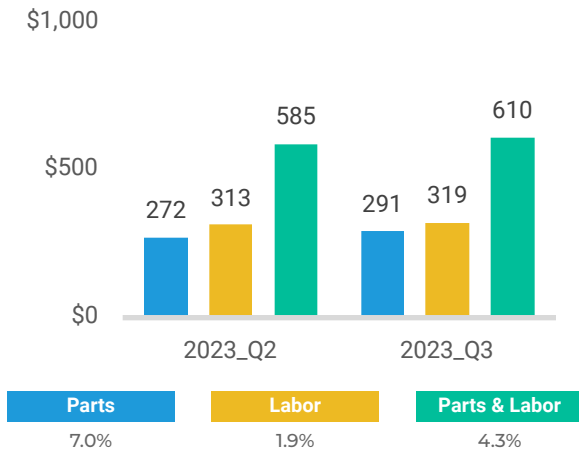


Quarterly Trends for Service Activity

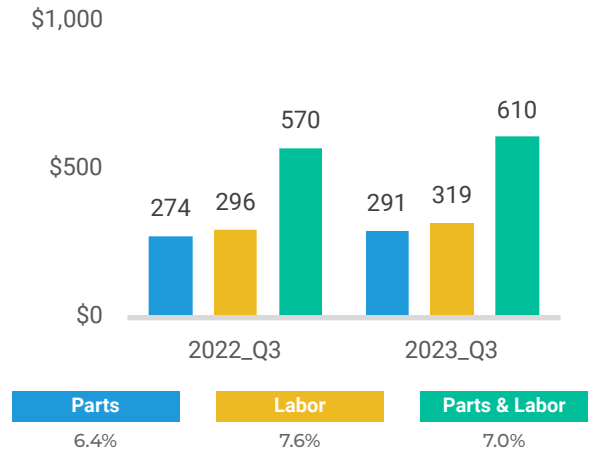


Parts and Labor Costs

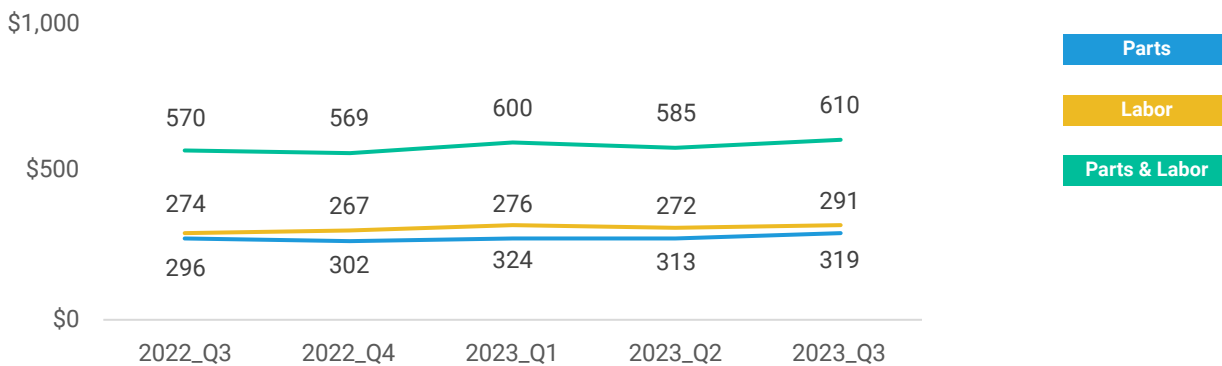
Quarter over Quarter (QoQ)



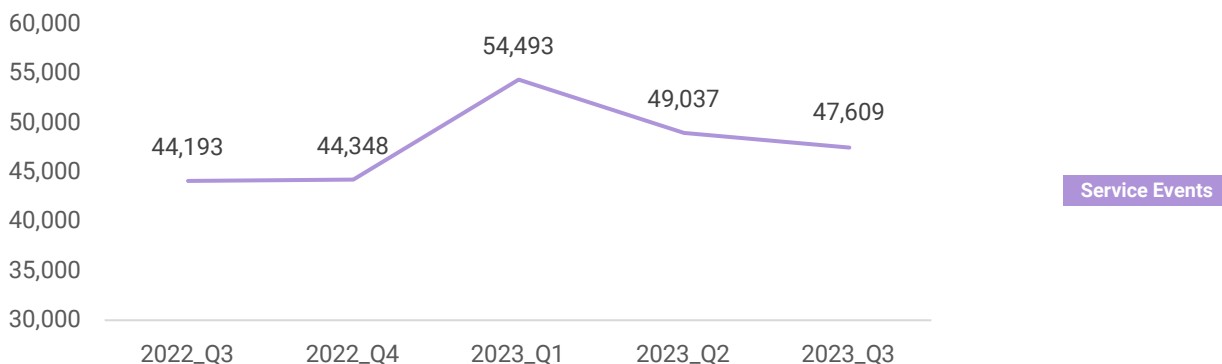
Year over Year (YoY)



Quarterly Trends for Parts and Labor Costs

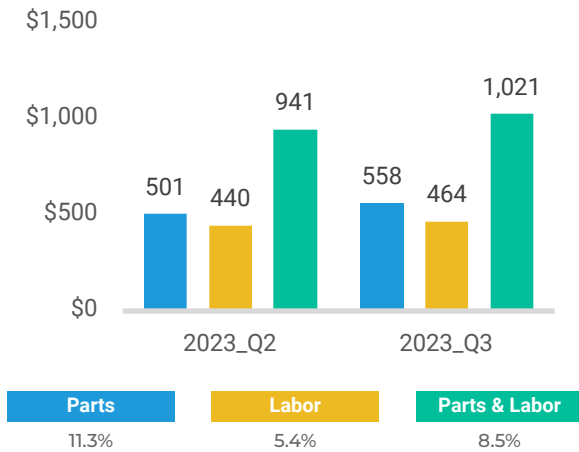


Quarterly Trends for Service Activity

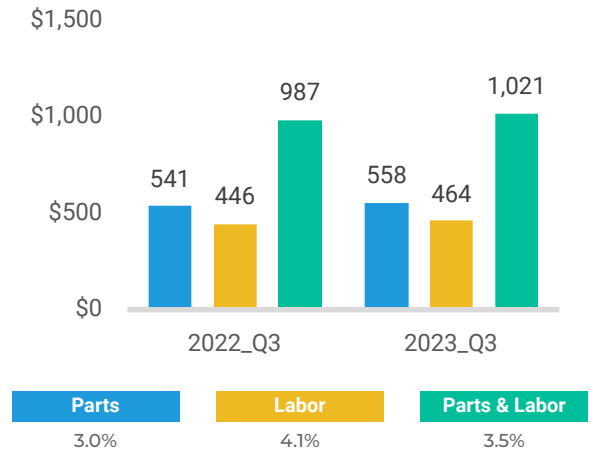


Parts and Labor Costs

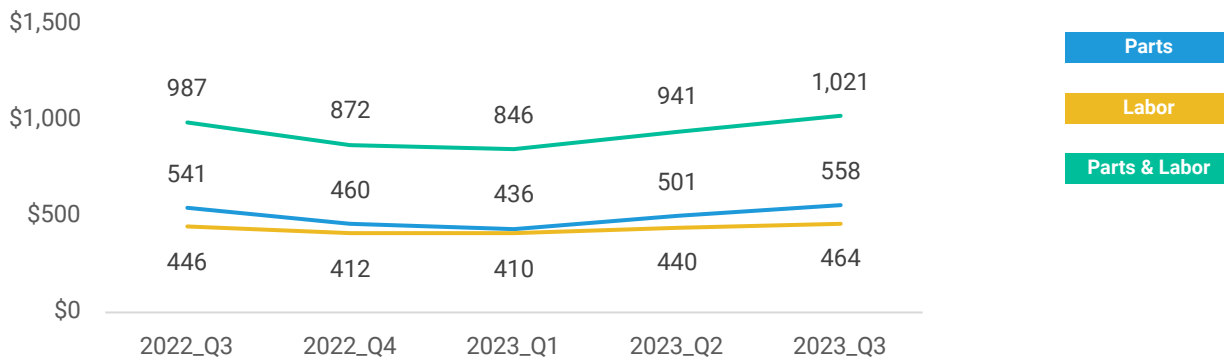
Quarter over Quarter (QoQ)



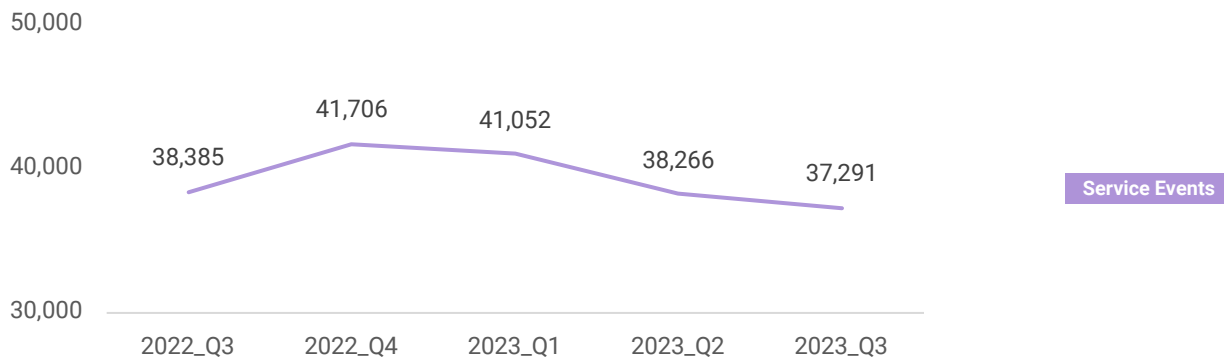
Year over Year (YoY)



Quarterly Trends for Parts and Labor Costs

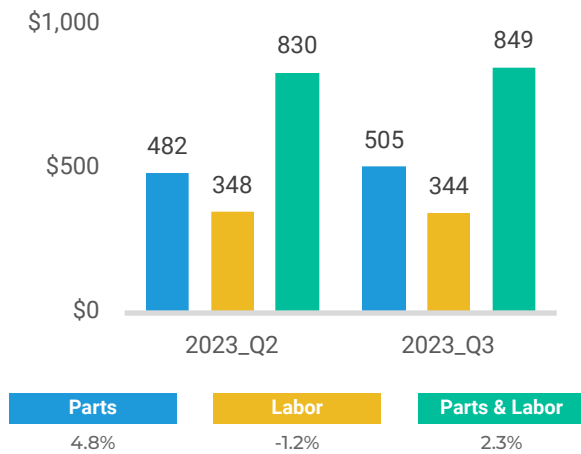


Quarterly Trends for Service Activity

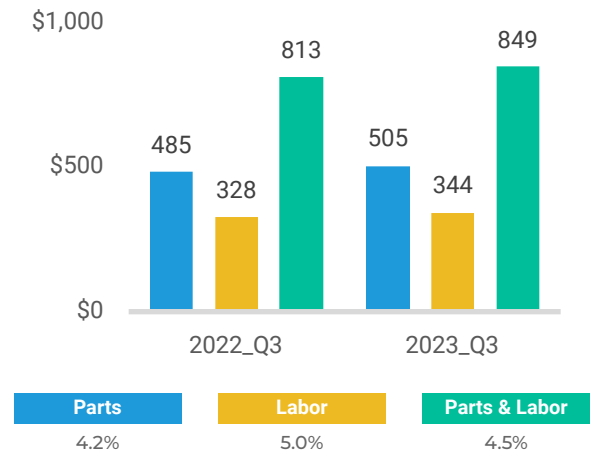


Parts and Labor Costs

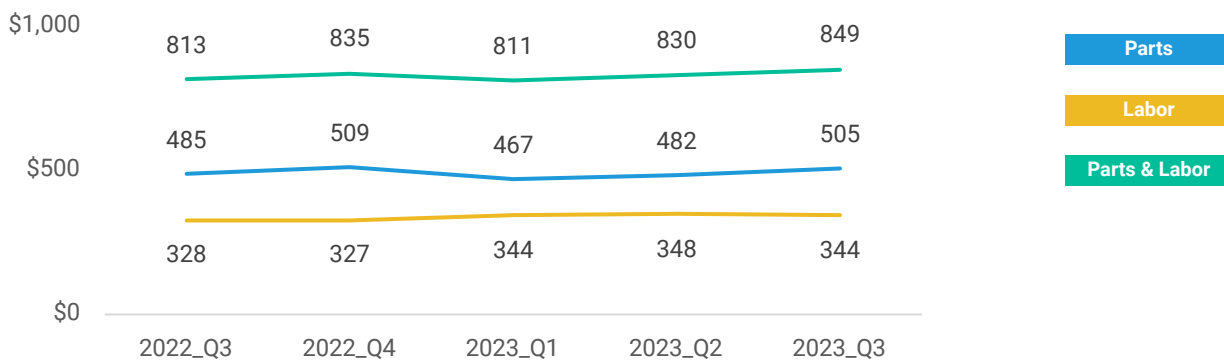
Quarter over Quarter (QoQ)



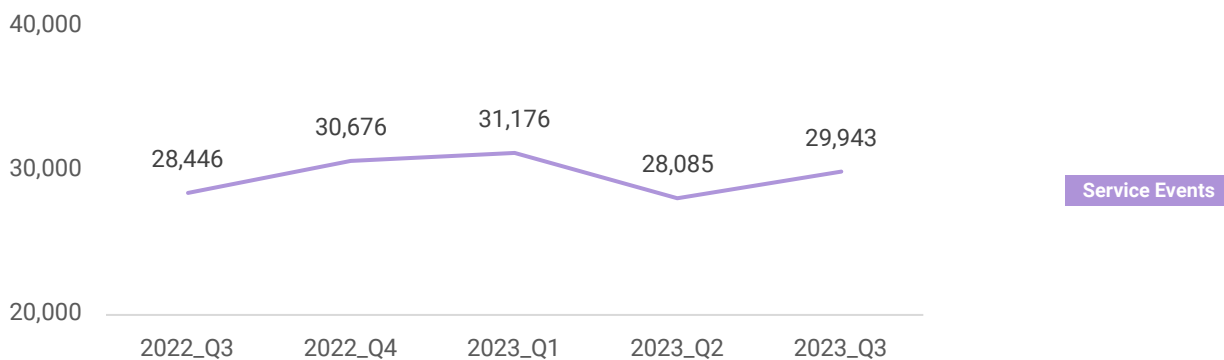
Year over Year (YoY)



Quarterly Trends for Parts and Labor Costs

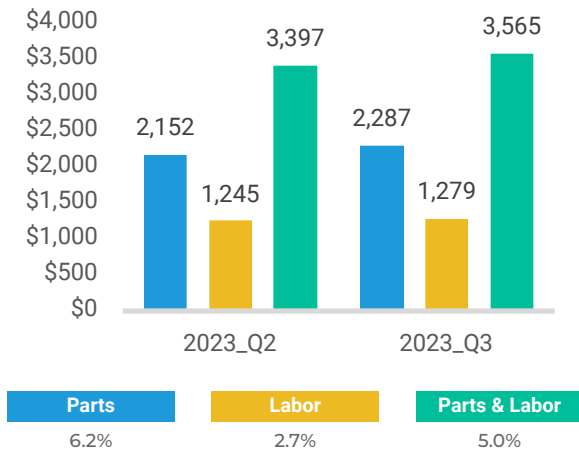


Quarterly Trends for Service Activity

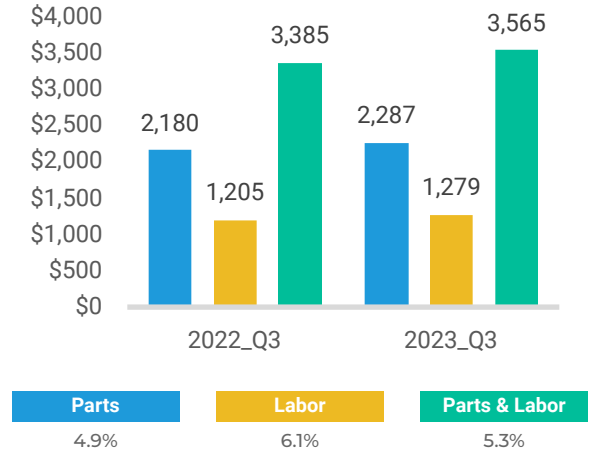


Parts and Labor Costs

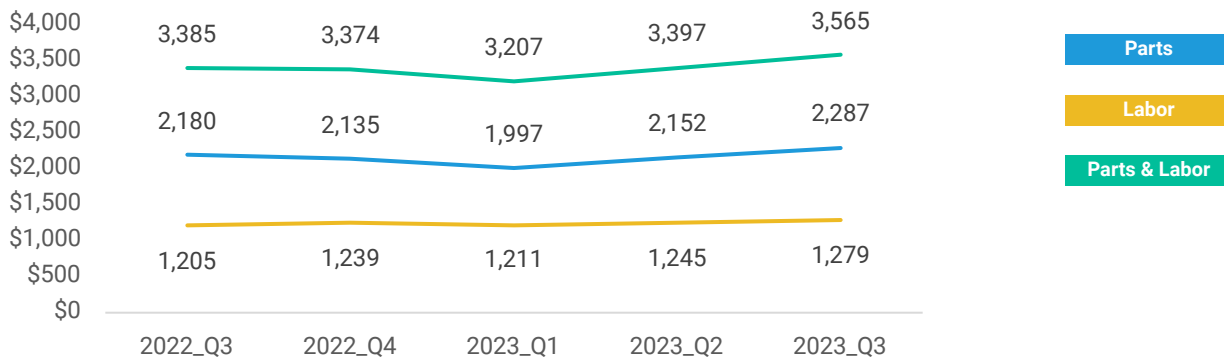
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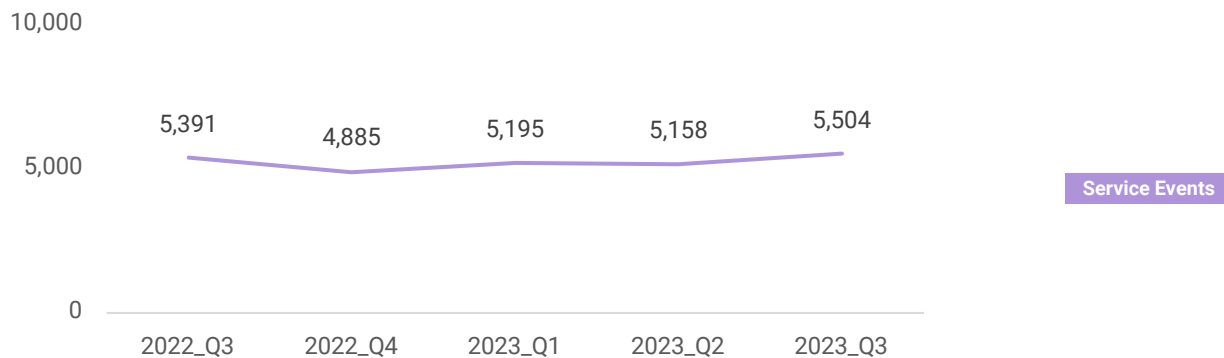
Year over Year (YoY)



Quarterly Trends for Parts and Labor Costs

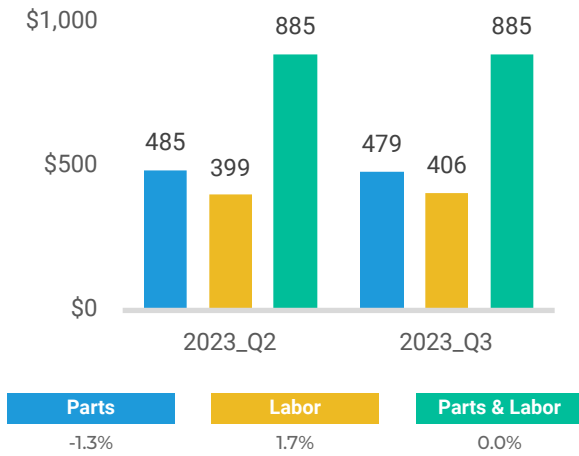


Quarterly Trends for Service Activity

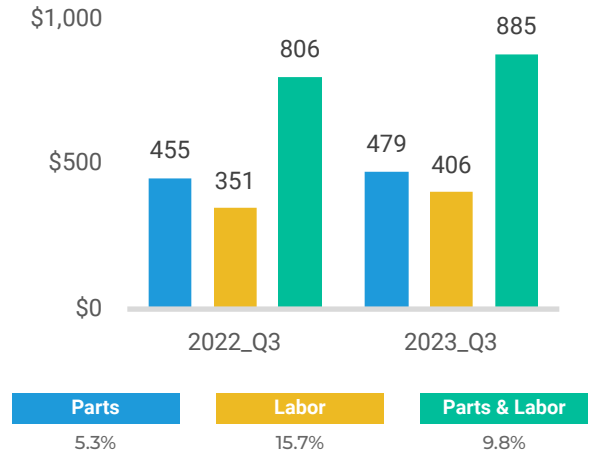


Parts and Labor Costs

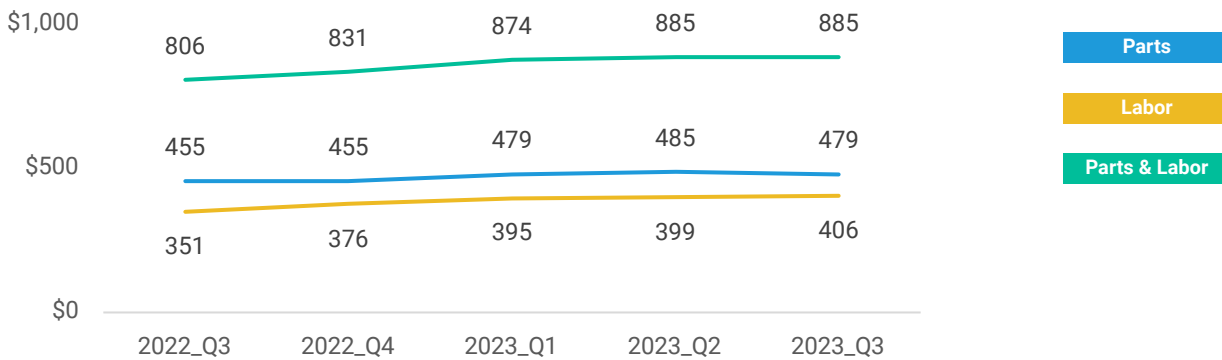
Quarter over Quarter (QoQ)



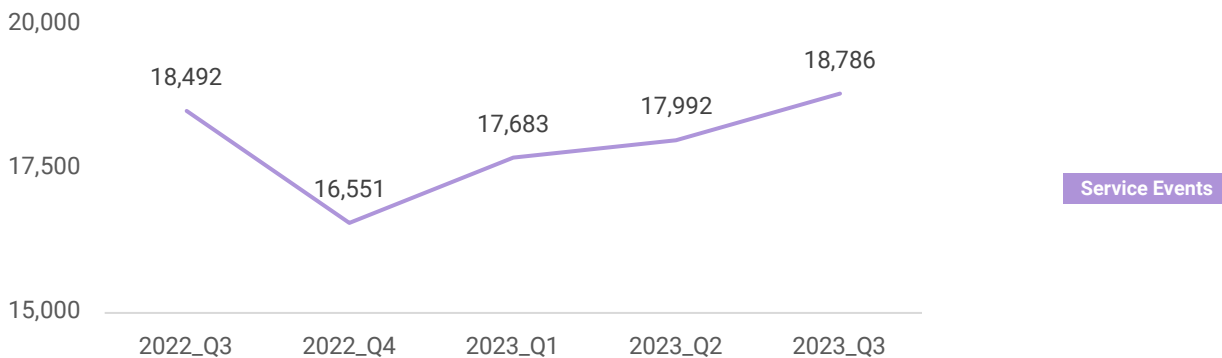
Year over Year (YoY)



Quarterly Trends for Parts and Labor Costs

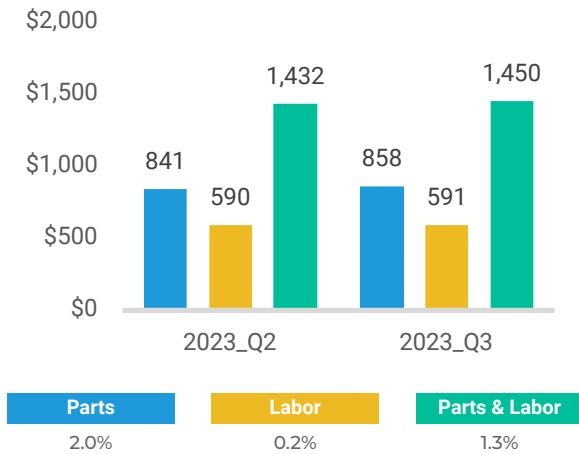


Quarterly Trends for Service Activity

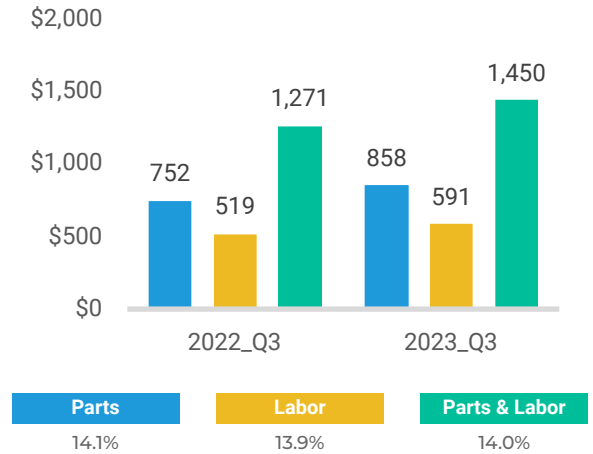


Parts and Labor Costs

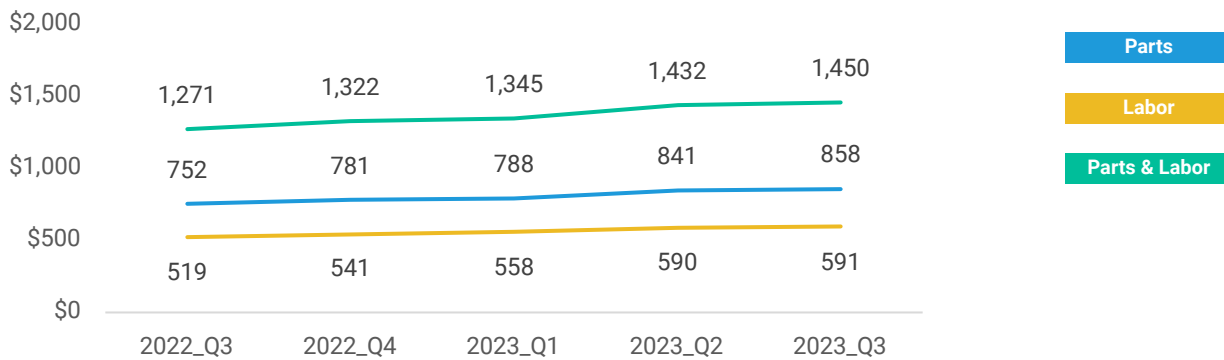
Quarter over Quarter (QoQ)



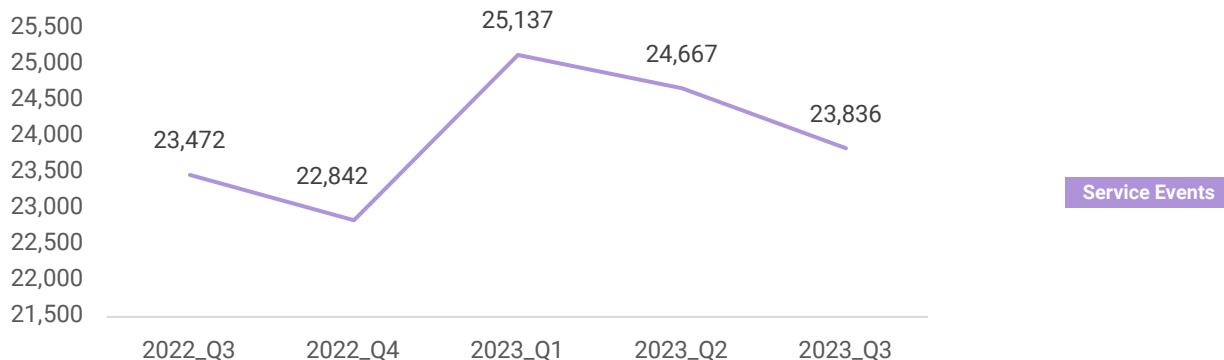
Year over Year (YoY)



Quarterly Trends for Parts and Labor Costs

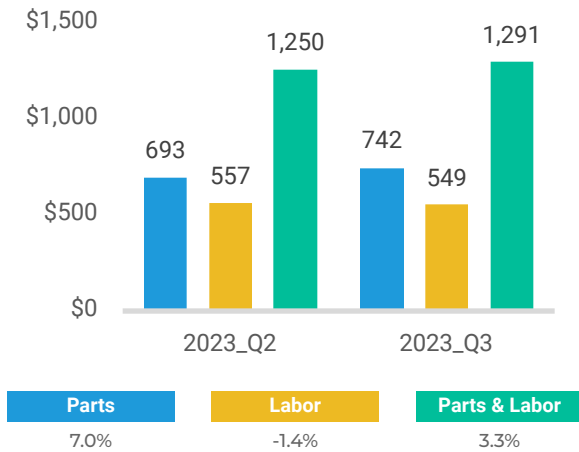


Quarterly Trends for Service Activity

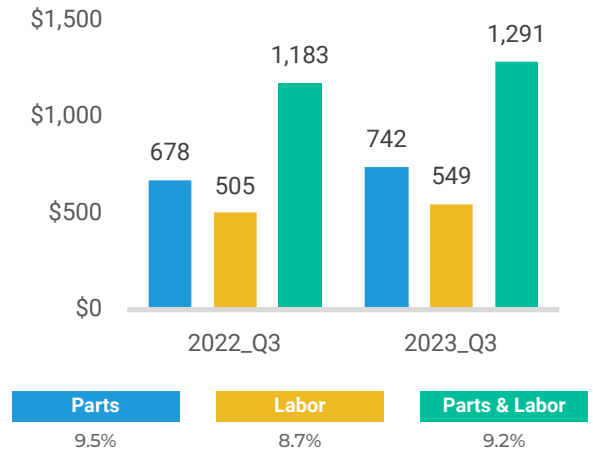


Parts and Labor Costs

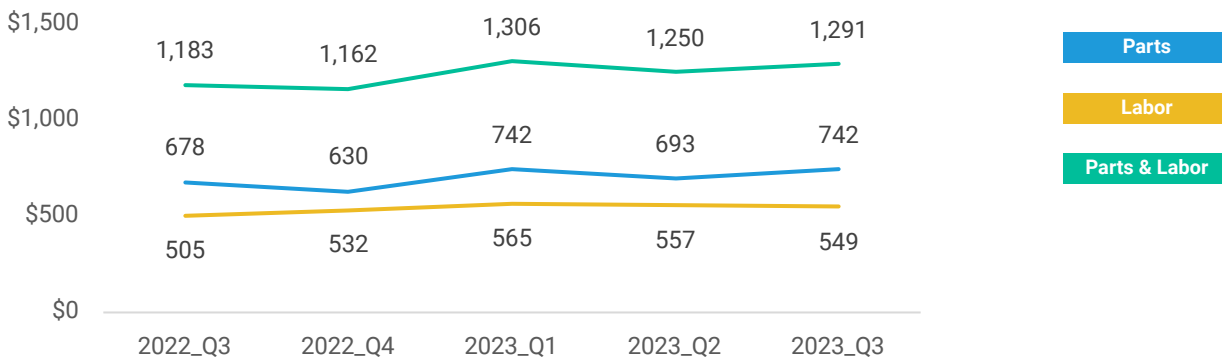
Quarter over Quarter (QoQ)



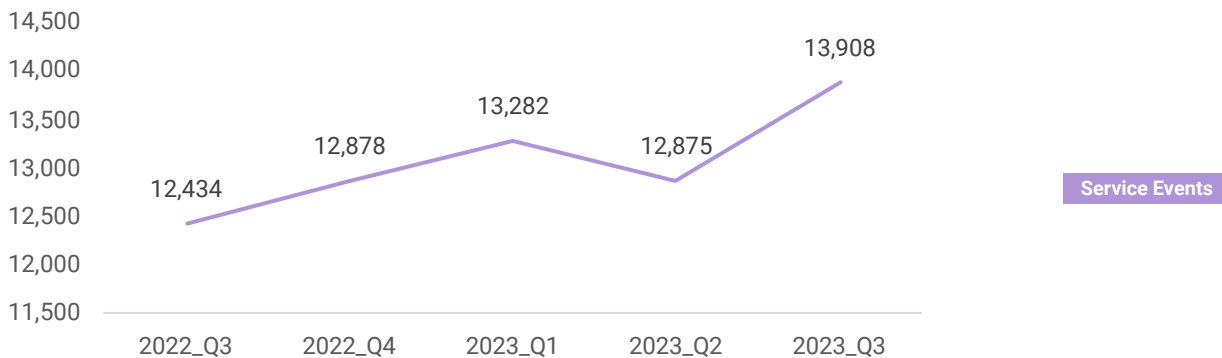
Year over Year (YoY)



Quarterly Trends for Parts and Labor Costs

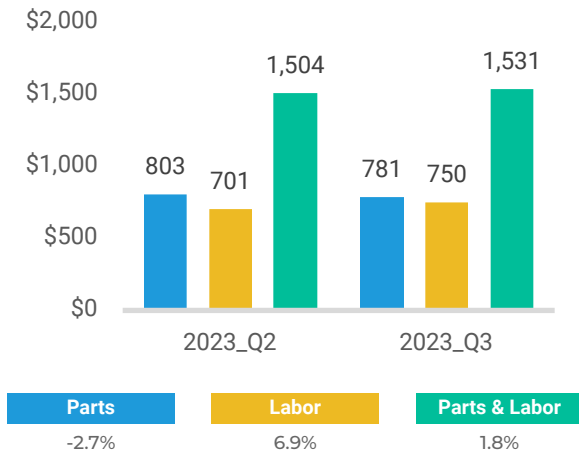


Quarterly Trends for Service Activity

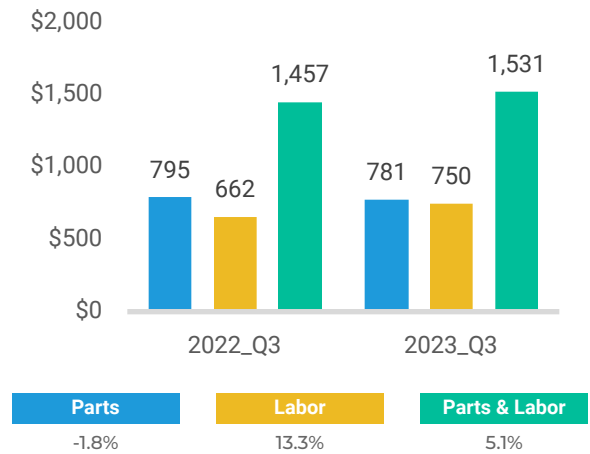


Parts and Labor Costs

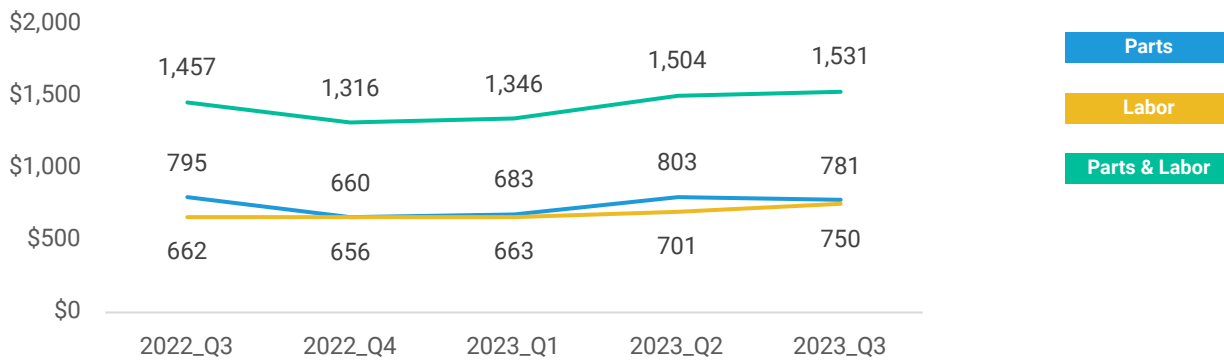
Quarter over Quarter (QoQ)



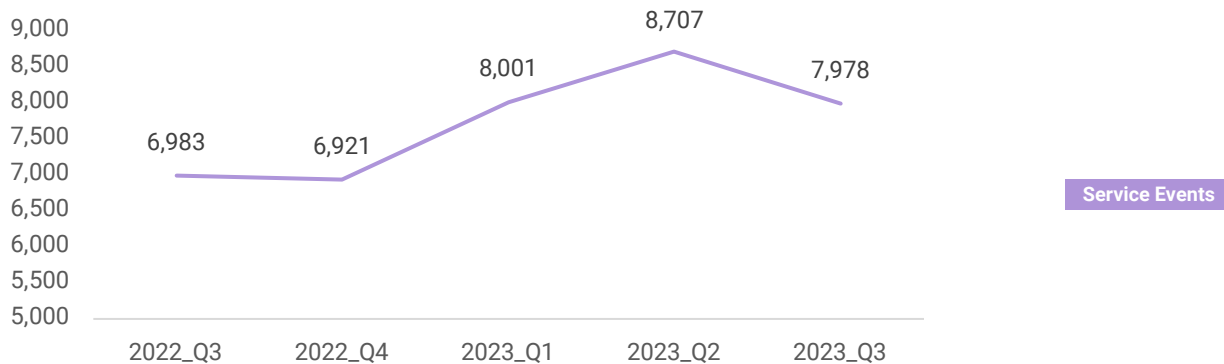
Year over Year (YoY)



Quarterly Trends for Parts and Labor Costs

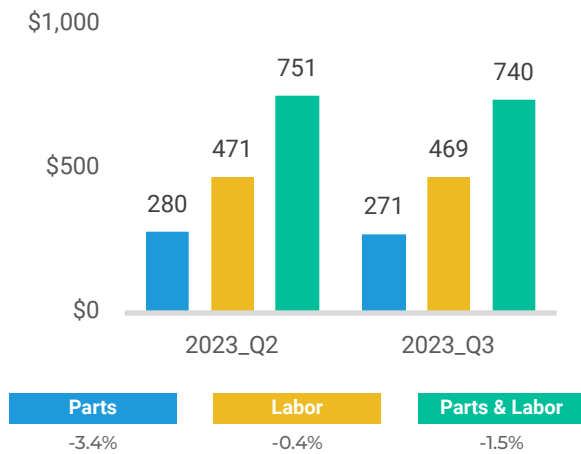


Quarterly Trends for Service Activity

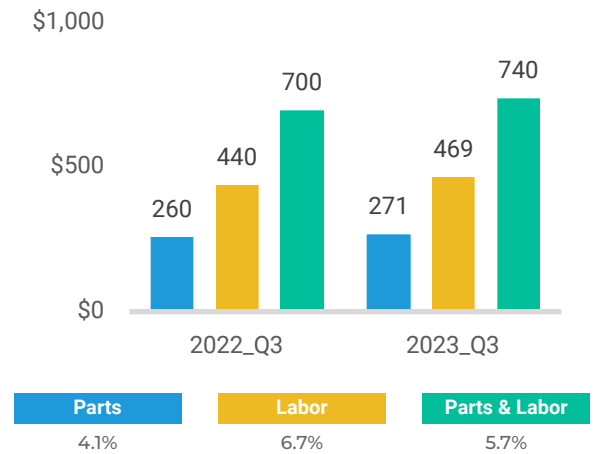


Parts and Labor Costs

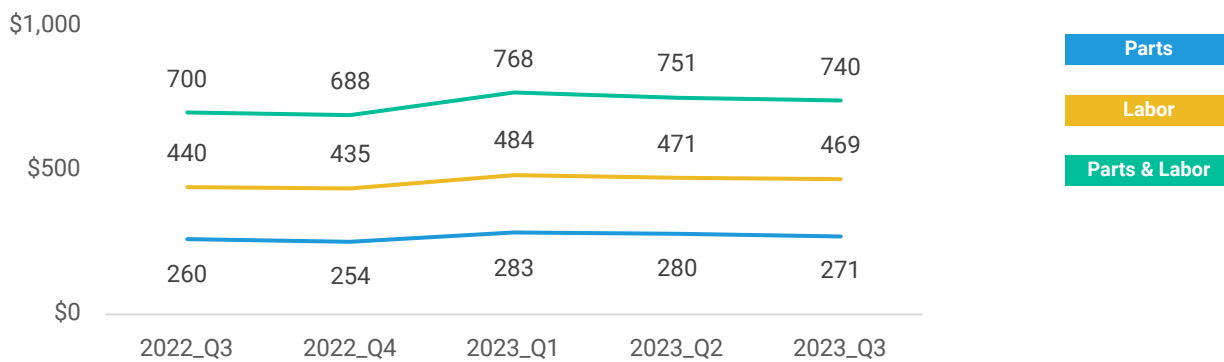
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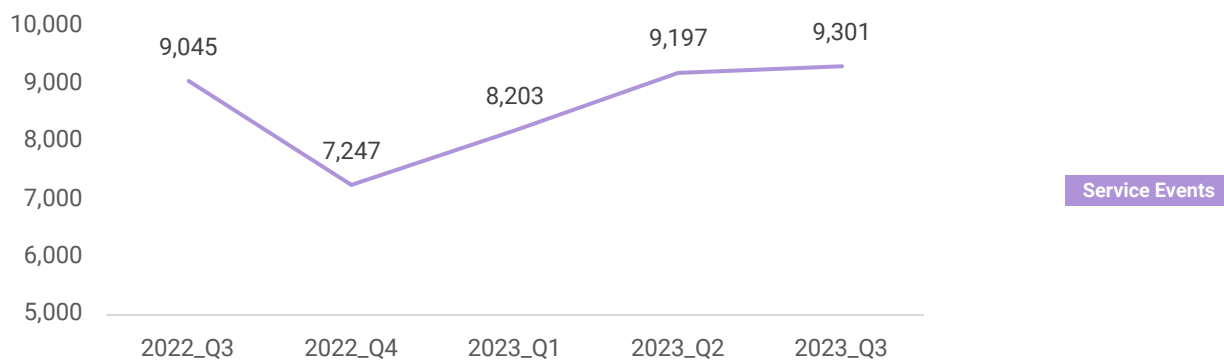
Year over Year (YoY)



Quarterly Trends for Parts and Labor Costs

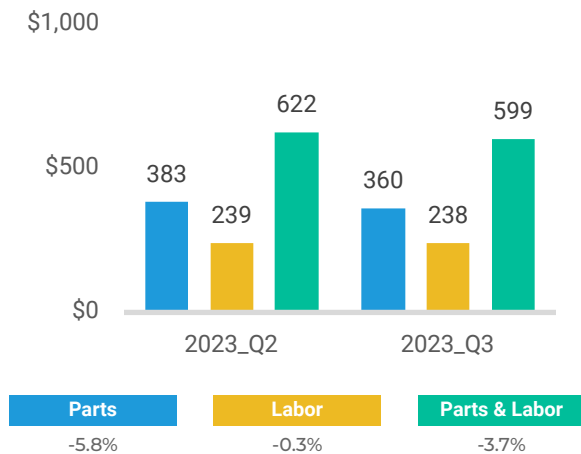


Quarterly Trends for Service Activity

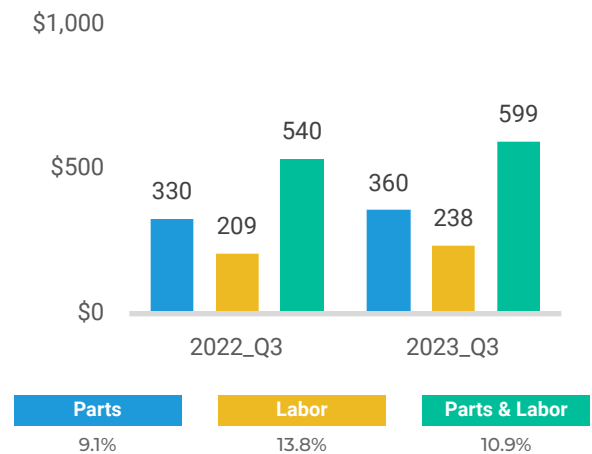


Parts and Labor Costs

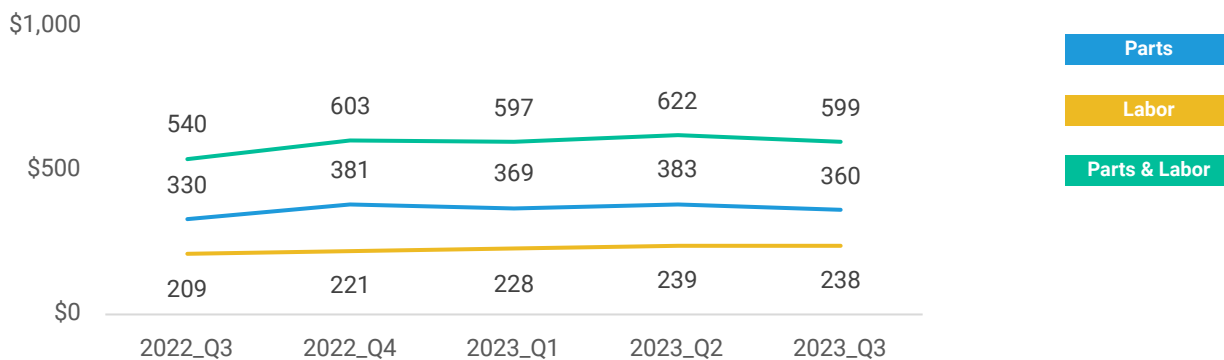
Quarter over Quarter (QoQ)



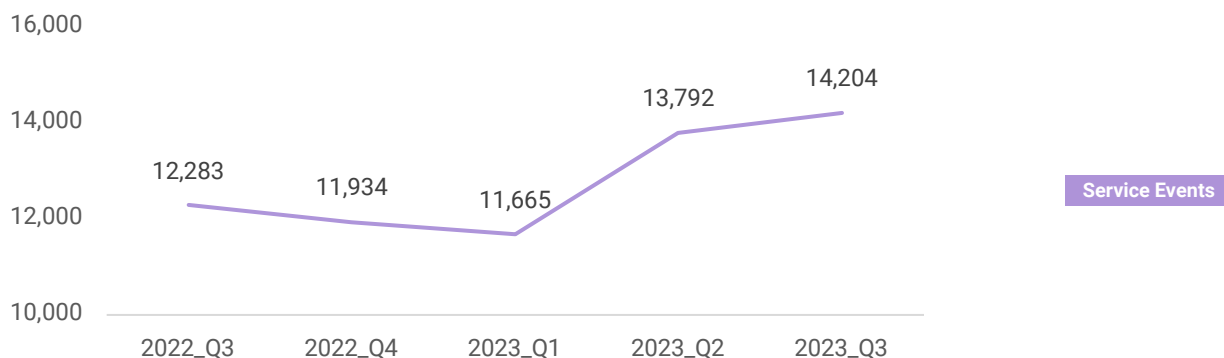
Year over Year (YoY)



Quarterly Trends for Parts and Labor Costs

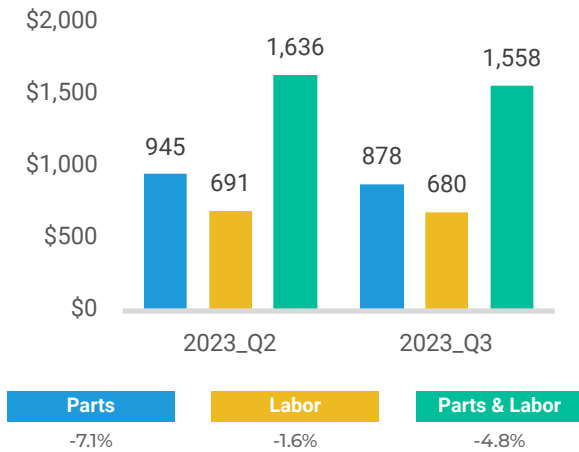


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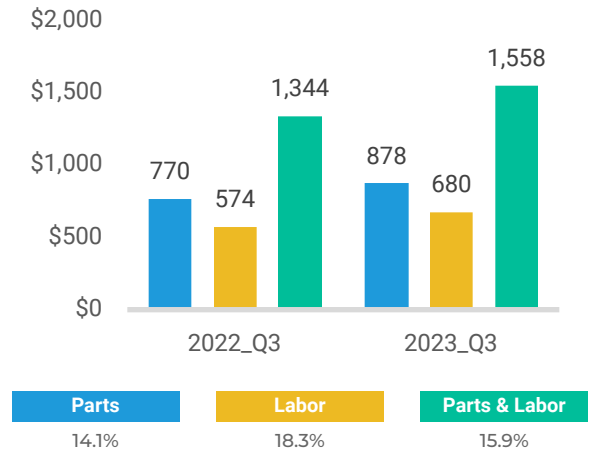


Parts and Labor Costs

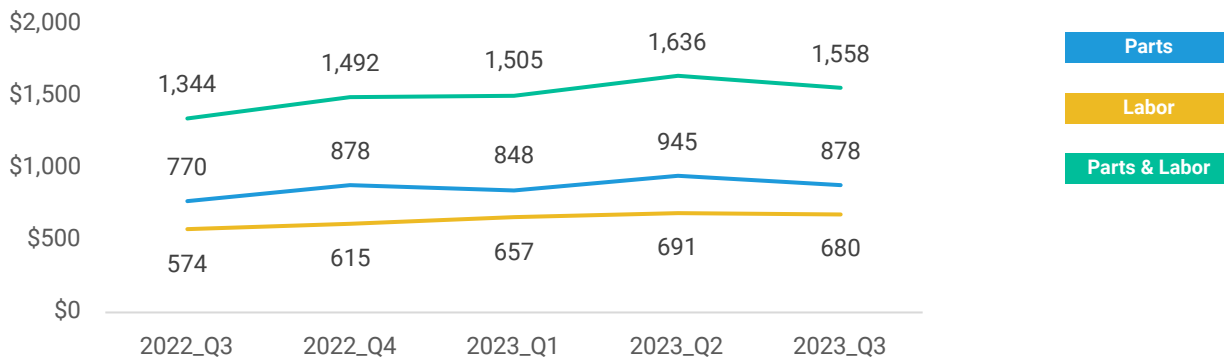
Quarter over Quarter (QoQ)



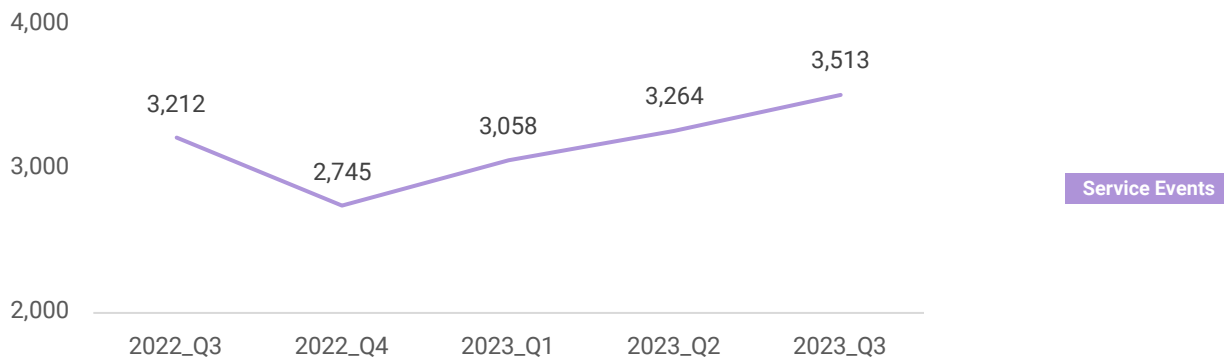
Year over Year (YoY)



Quarterly Trends for Parts and Labor Costs

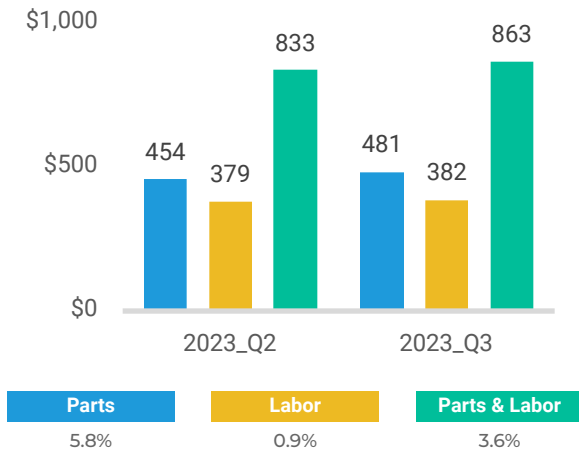


Quarterly Trends for Service Activity

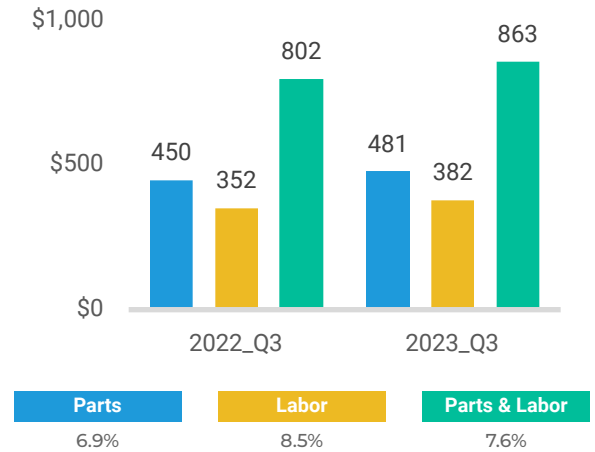


Parts and Labor Costs

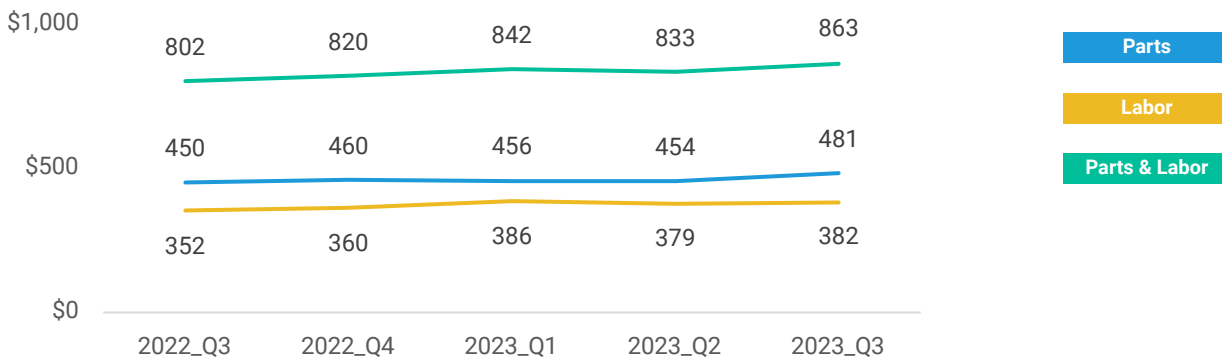
Quarter over Quarter (QoQ)



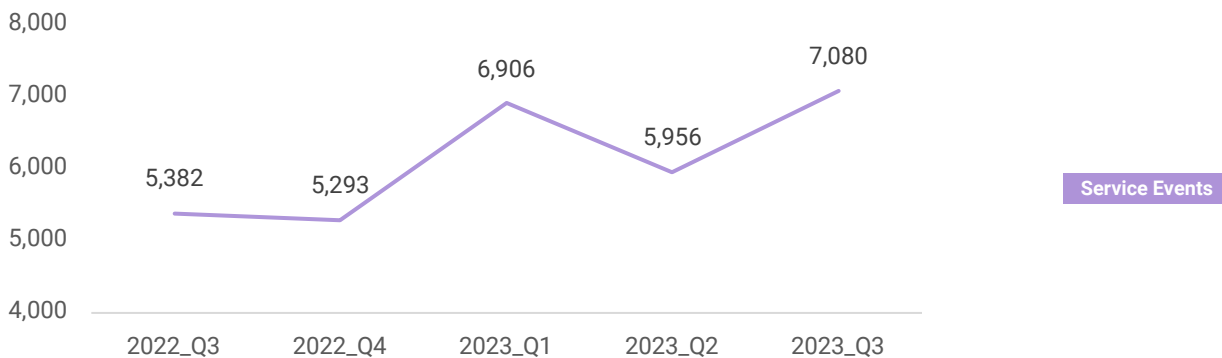
Year over Year (YoY)



Quarterly Trends for Parts and Labor Costs

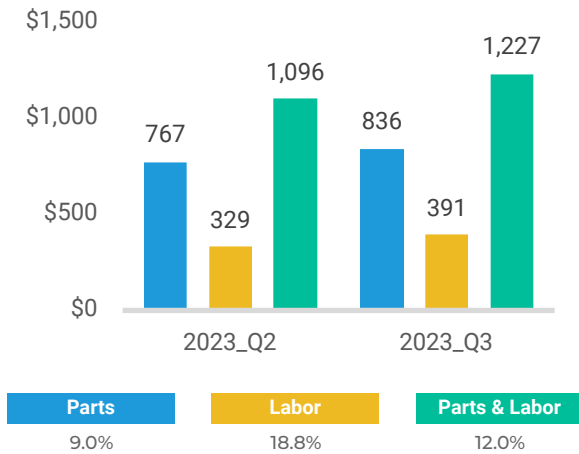


Quarterly Trends for Service Activity

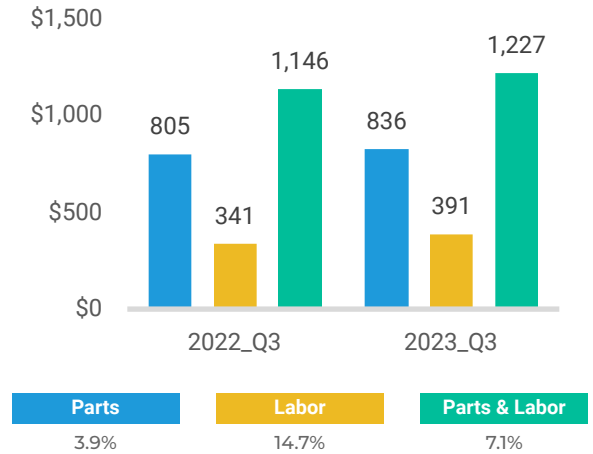


Parts and Labor Costs

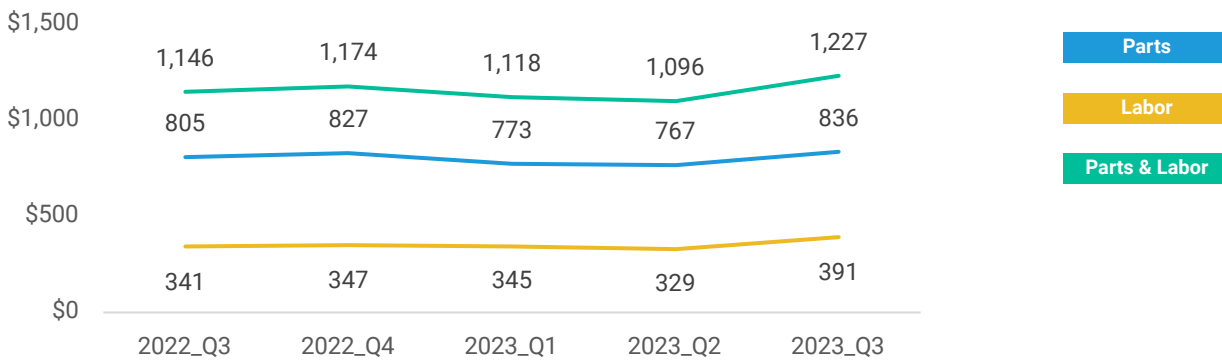
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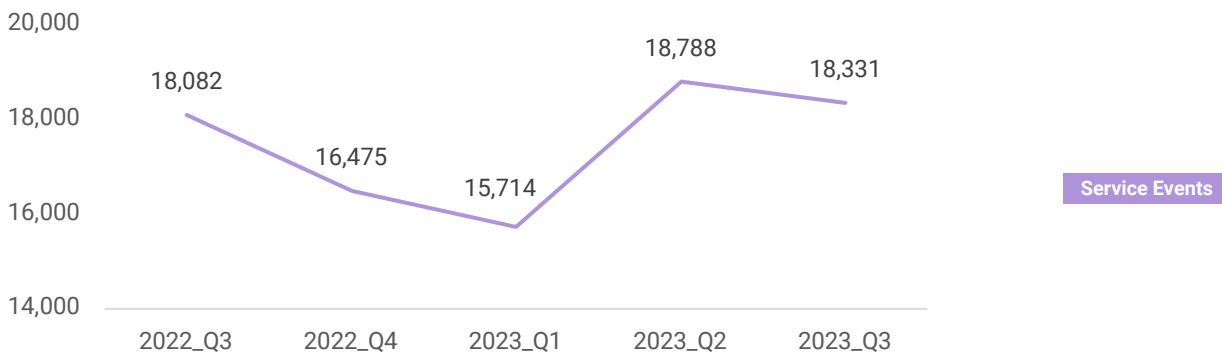
Year over Year (YoY)



Quarterly Trends for Parts and Labor Costs

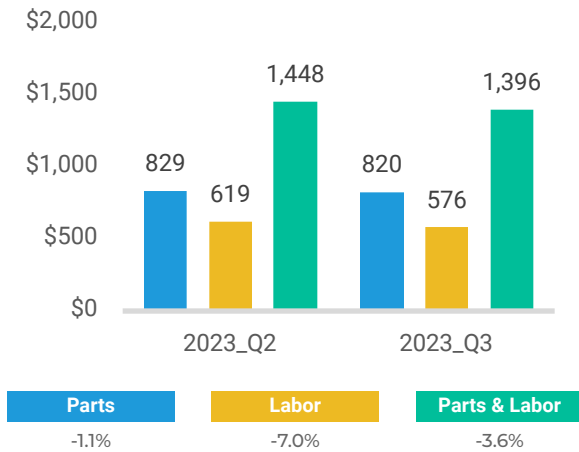


Quarterly Trends for Service Activity

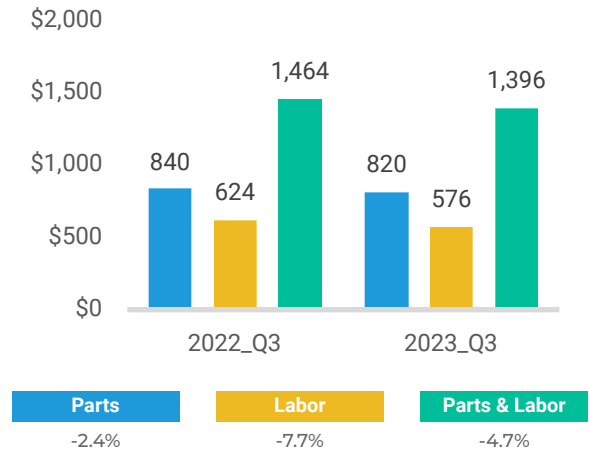


Parts and Labor Costs

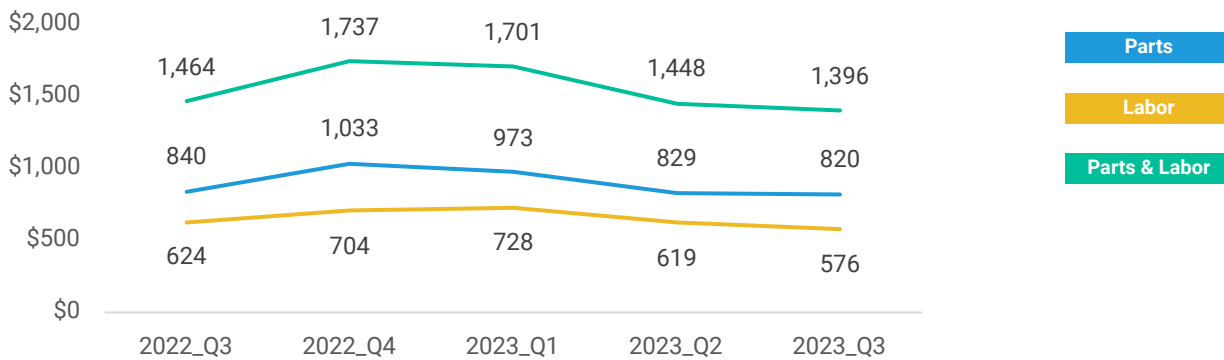
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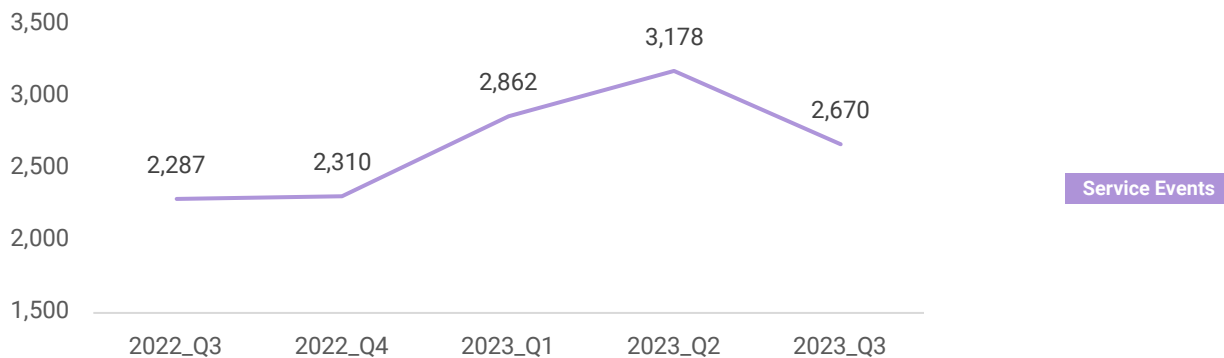
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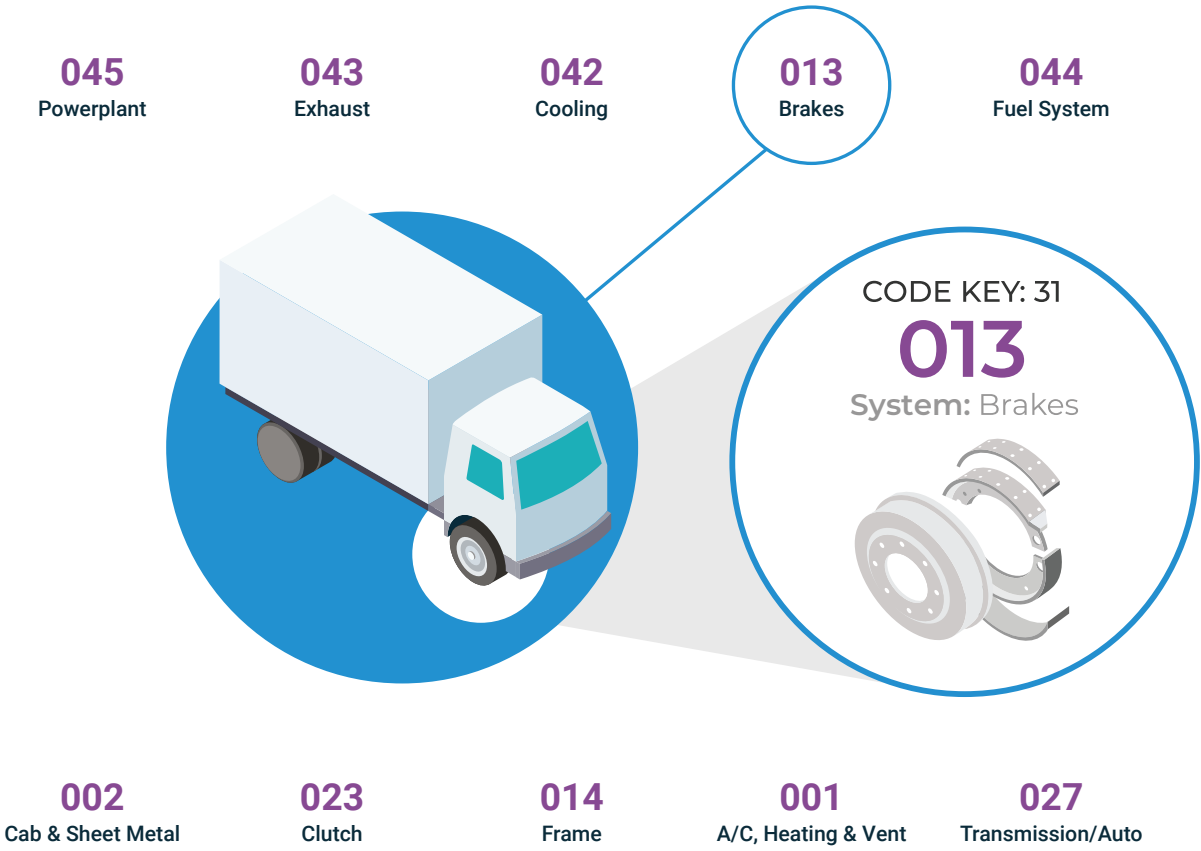


Quarterly Trends for Parts and Labor Costs



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. 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