



# NMFTA Benchmarking & Data Standardization Guide

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*For the distribution and use by participating NMFTA Benchmarking members.*

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## Purpose of this Guide

The National Motor Freight Traffic Association (NMFTA) The National Motor Freight Traffic Association, Inc.™ (NMFTA™) is a nonprofit membership organization headquartered in Alexandria, Virginia. It is the world's leading organization representing the interests of less-than-truckload (LTL) carriers. The association's membership is comprised of motor carriers operating in interstate, intrastate, and foreign commerce.

NMFTA provides critical services to the industry in the form of classification standards, identification codes, digital operation standards, and support for cybersecurity within the industry. In 2023, NMFTA launched a financial and operational benchmarking initiative to assist member carriers with forecasting and planning using common performance measures.

This is a collaborative initiative designed to empower carriers within the industry to optimize their financial and operational performance. This program offers two distinct levels of participation: Summary and Detailed. Participants voluntarily share specific financial and operational data, fostering an environment of transparency and collective improvement within the LTL trucking sector.

The purpose of this guide is to provide participants with a clear understanding of:

1. Benefits of Participation
2. The levels of participation in this initiative:
  - a. Level 1 – Summary Level
  - b. Level 2 – Detail Level
3. How the aggregated data will be published each quarter and reporting intervals
4. The financial or operational data components of each required data point in periodic submissions

## Program Managers – KSM Transport Advisors (KSMTA)

NMFTA has partnered with KSM Transport Advisors (KSMTA) to administer this program. KSMTA was formed in 2006 as a financial advisory services company exclusively serving the trucking and logistics segments of the transportation industry. KSMTA is a part of KSM Business Services, a top 50 independently owned and operated accounting firm. Through the firm's 200-plus trucking and logistics clients located throughout the U.S., Katz, Sapper & Miller has become a leader in tax and business consulting for the transportation industry.

## Benefits of Participation

1. **Performance Comparison:** Participants gain a clear understanding of how their LTL trucking operations stack up against industry benchmarks. This insight allows them to identify areas where they excel and areas that require improvement.
2. **Informed Decision-Making:** Armed with comprehensive data, carriers can make data-driven decisions to optimize their operations, whether it's route optimization, equipment utilization, or cost reduction strategies.
3. **Competitive Advantage:** Benchmarking against industry peers provides carriers with a competitive edge. It enables them to implement best practices, improve service quality, and stay ahead of industry trends.
4. **Networking and Collaboration:** Participants in the Detail Level (Level Two) have the opportunity to connect with peers, share insights, and foster collaboration within the LTL trucking community. This collaborative environment encourages innovation and industry-wide improvement.
5. **Resource Allocation:** By understanding their cost structures and where resources are most effectively allocated, carriers can optimize their budgets and investments.
6. **Customer Satisfaction:** With a deeper understanding of operational data, carriers can enhance customer satisfaction by delivering on-time and cost-effective services.
7. **Long-Term Growth:** Participation in the program facilitates long-term growth by identifying sustainable strategies and areas for expansion.

In conclusion, the NMFTA Benchmarking Program offers carriers the opportunity to gain valuable insights, make informed decisions, and improve their financial and operational performance. Whether participating at the summary or detailed level, carriers can harness these benefits to enhance their competitiveness and contribute to the overall advancement of the LTL trucking industry.

## Participation Levels

### Summary Level Participation (Level One):

**Data Points:** Summary participants are required to submit fifteen essential financial and operational data points each quarter. Participants can elect to submit monthly, but benchmark reports will be published 30 days after calendar quarter-end.

**Key Metrics:** The data collected at this level includes critical indicators such as revenue, operating expenses, workdays, shipments and other operational statistics.

**Benefits:** Summary participants gain access to an overview of industry-wide trends and averages, allowing them to identify areas where their performance may differ significantly from their peers. This information serves as a valuable starting point for identifying potential areas of improvement and setting benchmarks for their own operations.

### Detail Level Participation (Level Two):

**Data Points:** Detailed participants provide dataset comprising 33 financial and operational data points every month. Participants can elect to submit monthly, but benchmark reports will be published 30 days after calendar quarter-end.

**Key Metrics:** In addition to the metrics submitted at the summary level, detailed participants offer more comprehensive insights into their operations, including data on variable cost categories, gross margin, workforce productivity, and equipment utilization.

**Benefits:** Detailed participants receive granular insights into their performance relative to industry peers, enabling them to pinpoint specific strengths and weaknesses. This level of detail facilitates targeted decision-making, process optimization, and the ability to implement best practices, ultimately leading to improved efficiency and profitability. Participating members at this level will be invited to semi-annual meetings to share best practices with their peers.

## Reporting Format and Intervals

The NMFTA Benchmark Report, for participating members only, will be a comprehensive publication designed to provide carriers with vital insights into the industry's performance and trends. This report aggregates and analyzes data derived from a diverse set of critical data points, including financial metrics, operational statistics, and workforce-related figures. It will serve as an indispensable resource for LTL carriers, offering a deep understanding of their competitive landscape and enabling data-driven decision-making. This report will be made available in PDF format with underlying metric data available in Excel, Power BI, and API (2024), ensuring accessibility and flexibility for all stakeholders.

The Benchmark Report dives into key metrics, presenting a holistic view of the LTL trucking sector's performance. It highlights crucial financial indicators, such as revenue breakdowns, expense analysis, and profitability trends. Operational insights encompass safety, fuel efficiency, maintenance costs, and more, shedding light on areas of excellence and potential improvement. Workforce-related data, including driver counts and wages, offer valuable context for understanding labor dynamics. The report's will provide actionable insights, identifying industry-wide best practices and areas where carriers can enhance their competitiveness.

Readers will gain access to expert analysis that contextualizes the numbers, explaining why certain trends are emerging and how they might impact the LTL trucking landscape. Whether it's the effects of rising fuel prices, the implications of changing customer demands, or the impact of regulatory shifts, the report delves into the forces shaping the industry's future. This forward-looking perspective equips carriers with the knowledge needed to adapt and thrive in a dynamic environment.

The NMFTA Benchmark Report will be available in a variety of formats to suit different needs. The PDF version provides a concise overview for quick reference, while the Excel format allows carriers to perform their own in-depth analyses. Power BI dashboards offer interactive visualizations for deeper exploration, and the API format (2024) ensures seamless integration into internal systems. This multi-format approach ensures that carriers can access the data and insights in the way that best suits their workflow. With this comprehensive report, carriers will have the tools they need to stay informed, make informed decisions, and drive their businesses toward greater success in the ever-evolving world of LTL trucking.

## General Data Tools and Guidelines

NMFTA Benchmarking participants have the option of submitting data via a manual excel-based survey, or submitting monthly Trial Balances directly from their General Ledger (for Level Two participants only)

To expedite the data onboarding of participants in this NMFTA initiative, and reduce the time required to financial and operational data, KSMTA has created a dynamic data mapping and reporting application. The purpose of this tool is to efficiently map unique GL accounts to the prescribed NMFTA data model.

### Allocation Methods

Ideally all revenue and expenses are recorded at the general ledger level based on the recommendations supplied by this guide. However, we recognize that wholesale changes to your GL may not be feasible or practical. Using the KSMTA Mapping tool, which has been specifically designed to recognize the most common secondary allocation methods, we are able to construct more accurate standard cost profiles, and more accurate benchmark data based.

Please contact Chris Henry @ KSMTA for more information ([chenry@ksmta.com](mailto:chenry@ksmta.com))

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## Data Category 1 – Revenue

### Level One Participants

#### 1.0 LTL Operating Revenue

This datapoint captures all LTL Freight Revenue generated by the company in the reporting interval. Includes all base revenue by weight (CWT), shipment, density and cube, pallet, distance, fuel surcharge, accessorial revenue and weight & inspection.

Data Point ID	Data Point Name
1	LTL OPERATING REVENUE

### Level Two Participants

#### 1.1 Base LTL Revenue

This datapoint captures all base LTL revenue generated by the company in the reporting interval. Includes all base revenue by weight (CWT), shipment, density and cube, pallet and distance.

Data Point ID	Data Point Name
2	BASE LTL REVENUE

#### 1.2 Fuel Surcharge Revenue

Fuel Surcharge Revenue includes all revenue billed to mitigate the financial impact of fuel expense increases, based on an agreed upon schedule (e.g. matrix) between carriers and their contract customers.

Data Point ID	Data Point Name
3	FUEL SURCHARGE REVENUE

#### 1.3 Weight & Inspection Revenue

Weight & Inspection Revenue includes all revenue billed based on weight and re-inspection activities.

Data Point ID	Data Point Name
4	WEIGHT & INSPECTION REVENUE

## Data Category 2 – Variable Operating Expenses

### Level One Participants

#### 2.0 Variable Operating Expenses

For Level One participants, this datapoint includes all of the following variable expense categories: Driver Wages & Benefits, Dock Personnel Wages & Benefits, Interline, Purchased Transportation and Cartage Expense, Fuel, Maintenance, Insurance, Tractor/Trailer Expense, and Variable (Other) Expense (e.g. Tolls, Citations, Onroad Expenses).

Data Point ID	Data Point Name
5	VARIABLE OPERATING EXPENSES

### Level Two Participants

#### 2.1 Driver Wages, Benefits, Payroll Taxes, and Bonus Compensation

Driver Wages includes all base and bonus compensation paid to drivers during the period. Base compensation could be paid based on a per mile basis, per hour, per load or salary methods, among others. Driver Wages also includes accessorial payroll amounts such as detention, layover, stop, load/unload, and tarping/securement pay. Per Diem amounts are also included in Driver Wages.

Benefits and Payroll Taxes can include Health Insurance (General, Eye, Life etc), Retirement Benefits (e.g. Roth IRA, 401K, RRSP), Employee Stock Ownership Plans (ESOP) among many others. Driver Payroll Taxes can include, among other possible employer-borne taxes and fees: Federal Insurance Contributions (FICA), Federal Unemployment (FUTA), Employment Insurance (EI - Canada), Canadian Pension Plan (CPP), and other Federal, State or Provincial Payroll Taxes.

Workers Compensation can be a large component of Labor expenses, especially for drivers, we strongly recommend creating distinct Workers Compensation General Ledger accounts for Driver Workers Compensation expense. Workers Compensation will include direct premium expense, net refunds or surcharges, claims, and any admin fees related to the management of your Workers Compensation program (State, captive or private insurance). Refunds and surcharges greater than \$25,000 should be amortized over the remaining months (when received/assessed) in a fiscal year wherever possible.

Data Point ID	Data Point Name
6	DRIVER WAGES, BENEFITS, PAYROLL TAXES AND BONUS COMPENSATION

## Level Two Participants

### 2.2 Interline Expense

Interline Expense refers to the costs incurred by a carrier when it partners or collaborates with another carrier (often called an interline partner) to transport shipments that require multiple carriers to reach their final destination. Interline agreements are common in the LTL industry when a shipment's route involves the use of multiple carriers, each responsible for a segment of the journey.

Data Point ID	Data Point Name
7	INTERLINE EXPENSE

### 2.3 Cartage Expense

Cartage expense refers to the costs associated with local pickup and delivery services, especially for transporting freight over relatively short distances within a specific geographic area. Cartage expenses are typically incurred when LTL carriers need to transport shipments to or from locations that are not part of their regular long-haul routes or terminal network(s).

Data Point ID	Data Point Name
8	CARTAGE EXPENSE

### 2.4 Purchased Transportation

Purchased Transportation refers to the practice of outsourcing or subcontracting transportation services to other carriers or third-party logistics providers to fulfill specific shipments or parts of a carrier's overall transportation network. In other words, it involves a carrier paying another entity to handle some of its freight transportation needs.

Data Point ID	Data Point Name
9	PURCHASED TRANSPORTATION

### 2.5 Fuel Expense

Fuel expense includes direct fuel purchases, rebates & discounts, terminal fuel accrual, DEF and Additives.

Data Point ID	Data Point Name
10	FUEL EXPENSE

### 2.6 Dock (Platform) Personnel – Wages & Benefits

Dock (Platform) Personnel Wages and Benefits includes all base and bonus compensation paid to these staff members during the period.

Benefits and Payroll Taxes can include Health Insurance (General, Eye, Life etc), Retirement Benefits (e.g. Roth IRA, 401K, RRSP), Employee Stock Ownership Plans (ESOP) among many others. Driver Payroll Taxes can include, among other possible employer-borne taxes and fees: Federal Insurance Contributions (FICA), Federal Unemployment (FUTA), Employment

Insurance (EI - Canda), Canadian Pension Plan (CPP), and other Federal, State or Provincial Payroll Taxes.

Data Point ID	Data Point Name
11	DOCK (PLATFORM) PERSONNEL WAGES & BENEFITS

### 2.6 Maintenance Expense - Tractor

Parts expense, direct labor expense, and outside vendor expense associated with repair and maintenance of company-owned tractors.

Data Point ID	Data Point Name
12	MAINTENANCE EXPENSE - TRACTOR

### 2.7 Maintenance Expense - Trailer

Parts expense, direct labor expense, and outside vendor expense associated with repair and maintenance of company-owned trailers.

Data Point ID	Data Point Name
13	MAINTENANCE EXPENSE - TRAILER

### 2.8 Maintenance Expense – Wages & Overhead

Wages & Benefits for Maintenance/Shop department, not specifically allocated to tractor or trailer repair and maintenance. This includes Technicians, Support Personnel, Parts Advisors. This category also includes the fixed overhead associated with your maintenance operations (Facilities, Tools, Supplies etc).

Data Point ID	Data Point Name
14	MAINTENANCE EXPENSE – WAGES & OVERHEAD

# Data Category 3 – Equipment Expense (Tractor & Trailer)

## Level One Participants

### 3.0 Equipment Expense (Tractor & Trailer)

For Level One participants, this datapoint includes all of the fixed equipment expenses: lease, rental, depreciation and interest expenses. Also includes plating/permitting expense, HVUT/2290, telematics hardware and software. Does not include gain/loss on sale of equipment.

Data Point ID	Data Point Name
15	EQUIPMENT EXPENSE – TRACTOR & TRAILER

## Level Two Participants

### 3.1 Tractor Fixed Expense

For Level Two participants, this datapoint includes all of the fixed tractor expenses: lease, rental, depreciation and interest expenses. Also includes plating/permitting expense, HVUT/2290, telematics hardware and software. Does not include gain/loss on sale of equipment.

Data Point ID	Data Point Name
16	TRACTOR FIXED EXPENSE

### 3.1 Trailer Fixed Expense

For Level Two participants, this datapoint includes all of the fixed trailer expenses: lease, rental, depreciation and interest expenses. Also includes plating/permitting expense, telematics hardware and software. Does not include gain/loss on sale of equipment.

Data Point ID	Data Point Name
17	TRAILER FIXED EXPENSE

# Data Category 4 – Insurance Expense

## Level One and Two Participants

### 4.0 Insurance Expense

Insurance Expense captures all the insurance (including self-insurance) related expenses (Premium, Deductibles and self-insured claims), related to your revenue-producing activities. This category also includes accident damage repairs expense for tractor and trailers.

Data Point ID	Data Point Name
18	INSURANCE EXPENSE

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## Data Category 5 – Variable (Other) Driving Expenses

### Level Two Participants

#### 5.0 – Variable (Other) Driving Expenses

Variable Driving Expenses is considered a 'catchall' for driving / load delivery and other variable expenses that are not captured in Labor, Fuel, Insurance, Maintenance and Equipment Financing. Here are a list of all items that should be mapped to Variable Driving Expenses: Tolls, Scales, Fines/Citations, Non-Maintenance Tractor/Trailer Washes.

Data Point ID	Data Point Name
19	VARIABLE (OTHER) DRIVING EXPENSES)

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## Data Category 6 – General & Administrative

### Level One Participants

#### 6.0 General & Administrative Expense

This expense category is a combination of all administrative, clerical, and general expenses incurred in the period. Non-Driver wages include all direct compensation to your non-driving staff (part and full time). Non-Drivers include any employees and contractors within the following roles: Sales/Marketing, Operations, Recruiting, Safety & Risk, Recruiting, Information Services, Finance & Admin/Clerical. Does not include Dock (Platform) wages & benefits. Fixed overhead expenses include all rent and facility maintenance, Information Technology, Driver Screening/non-labor recruiting, Office Supplies, Consulting, Tax & Audit, among others.

Data Point ID	Data Point Name
20	GENERAL & ADMINISTRATIVE EXPENSE

### Level Two Participants

#### 6.1 Non-Driver Wages & Benefits

Non-Driver wages includes all direct compensation to your non-driving staff (part and full time). Non-Drivers include any employees and contractors within the following roles: Sales/Marketing, Operations, Recruiting, Safety & Risk, Recruiting, Information Services, Finance & Admin/Clerical. Does not include Dock (Platform) wages & benefits.

Data Point ID	Data Point Name
21	NON-DRIVER WAGES & BENEFITS

#### 6.2 Fixed Overhead Expense

Fixed overhead expenses include all rent and facility maintenance, Information Technology, Driver Screening/non-labor recruiting, Office Supplies, Consulting, Tax & Audit.

Data Point ID	Data Point Name
22	FIXED OVERHEAD EXPENSE

## Data Category 8 – Operational Statistics

### Level One and Two Participants

#### 8.0 Workdays

Workdays represent the days of the week when an LTL carrier conducts its standard business operations. These are typically Monday through Friday, although they can vary depending on the carrier's specific operational schedule and geographic location.

Data Point ID	Data Point Name
23	WORKDAYS

#### 8.1 Tonnage

Tonnage refers to the total weight of all the freight or shipments carried by the carrier within the reporting interval. Tonnage is a key metric that helps measure the volume and capacity utilization of the carrier's fleet

Data Point ID	Data Point Name
24	TONNAGE

#### 8.2 Shipments

The count of the total number of shipments delivered in the reporting period. A shipment refers to a single consignment of goods or freight that is transported from one location to another. A shipment can consist of one or more individual packages, boxes, crates, pallets, or items, but it is treated as a single unit for transportation and billing purposes.

Data Point ID	Data Point Name
25	SHIPMENTS

#### 8.3 Length of Haul

A calculated metric, the average length of haul, from terminal to terminal for the period.

Data Point ID	Data Point Name
26	LENGTH OF HAUL

#### 8.4 Driver Count

A count of all drivers at end of period. A minimum of one payroll settlement record in the period, for part-time drivers, use Full Time Equivalent calculation (FTE)

Data Point ID	Data Point Name
27	DRIVER COUNT

### 8.5 Dock (Platform) Personnel Count

A count of all Dock/Platform personnel at end of period. A minimum of one payroll settlement record in the period, for part-time Dock Personnel, use Full Time Equivalent calculation (FTE)

Data Point ID	Data Point Name
28	DOCK (PLATFORM) PERSONNEL COUNT

### 8.6 Non-Driver Personnel Count

A count of all non-driver personnel at end of period. A minimum of one payroll settlement record in the period, for part-time Non-Drivers, use Full Time Equivalent calculation (FTE)

Data Point ID	Data Point Name
29	NON-DRIVER PERSONNEL COUNT

### 8.7 Terminal Count

A count of all active terminals at end of period.

Data Point ID	Data Point Name
30	TERMINAL COUNT

### 8.8 Tractor Count

A count all plated tractors at end of period

Data Point ID	Data Point Name
31	TRACTOR COUNT

### 8.9 Trailer Count

A count all plated trailers at end of period

Data Point ID	Data Point Name
32	TRAILER COUNT

### 8.10 Terminal Dock Door Count

A count all operational dock doors at all locations

Data Point ID	Data Point Name
33	TERMINAL DOCK DOOR COUNT

### 8.11 DOT Reportable Accidents

A count all DOT reportable accidents for the past 12 month period

Data Point ID	Data Point Name
34	DOT Reportable Accidents

## 8.12 DOT Non-Reportable Accidents

A count all DOT non-reportable accidents for the past 12 month period

Data Point ID	Data Point Name
35	DOT Non- Reportable Accidents

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