

COVID-19 economy, several operators are following suit. That's evident in the operating ratios (ORs), which measure expenses as a percentage of revenue, reported by publicly owned LTL carriers. For decades following trucking deregulation in 1980, many of the publicly owned LTL carriers reported ORs in the mid- to high-90s on a regular basis, meaning their profit margins were paper thin.

The seven largest publicly owned carriers, all among the top 10, had an average operating ratio of 86 percent in the fourth quarter of 2021, down from 89.8 percent in 2020 and 90.1 percent in 2019. ODFL's OR dropped to 73.6 percent in the fourth quarter from 76.3 percent in 2020.

"In LTL, how well you manage your network and utilize your equipment is what makes the distinction between operating at an OR of 90 percent or 70 percent," Jindel said. In truckload, "there's not much you can do to make your margin better besides charging more per mile. You can bet Knight-Swift is looking at the LTL industry margins right now and saying, 'Aren't we glad we're in LTL?'" he said.

Knight-Swift CEO Dave Jackson agreed. "We believe there are meaningful synergies between truckload and LTL," Jackson told *The Journal of Commerce*. Before last year, Knight-Swift, the largest US truckload operator, had no LTL presence. But after two acquisitions, Knight-Swift reported \$790 million in combined revenue last year from its independent LTL subsidiaries, according to SJ Consulting Group.

### Rising to the top

The growth in top 25 LTL carrier revenue since the end of the 2008-09 recession tells a story of long-term growth in demand for LTL services, with the top 25 LTL carriers increasing their combined revenue 50 percent between the recessions that bookended the last decade.

That revenue is steadily moving toward the top of the carrier rankings. In 2021, the number of LTL carriers with more than \$1 billion in revenue rose to 12, up from 10 in 2020. Averitt Express and Central Transport International both broke through the \$1 billion barrier in

### JOC Top 25 US Truckload Carriers

2021 revenue, including fuel surcharges, in millions of US dollars

2021 Rank	Carrier Name	2020 Revenue	2021 Revenue	Y-O-Y % change	
1	<b>Knight-Swift Transportation*</b>	\$3,786	\$4,098	8.2%	<i>Includes revenues of Knight, Swift, Barr Nunn, and Abilene Motor Express</i>
2	<b>J.B. Hunt Transport*</b>	\$2,659	\$3,374	26.9%	
3	<b>Landstar System*</b>	\$2,033	\$2,932	44.2%	<i>Largest organic growth, with record number of trucks provided by BCOs</i>
4	<b>Prime</b>	\$2,088	\$2,207	5.7%	
5	<b>Schneider National*</b>	\$2,066	\$2,201	6.5%	
6	<b>Werner Enterprises*</b>	\$1,826	\$2,023	10.8%	<i>Acquired ECM Transport Group in July 2021</i>
7	<b>Penske Logistics</b>	\$1,101	\$1,851	68.1%	<i>Includes revenues for Black Horse Carriers (acquired in Dec. 2020)</i>
8	<b>CRST International</b>	\$1,388	\$1,586	14.3%	
9	<b>U.S. Xpress Enterprises*</b>	\$1,513	\$1,568	3.6%	
10	<b>Ryder Dedicated Solutions*</b>	\$1,229	\$1,457	18.6%	
11	<b>Crete Carrier</b>	\$1,171	\$1,304	11.4%	
12	<b>Daseke*</b>	\$1,182	\$1,249	5.6%	
13	<b>PS Logistics</b>	\$832	\$982	18.1%	<i>Acquired Wilmar Trucking, Daryl Thompson Trucking, Patriot Transit, and Jason Jones Trucking in 2021</i>
14	<b>Western Express</b>	\$722	\$977	35.4%	<i>Largest organic growth among top 25 privately held truckload carriers</i>
15	<b>Ruan Transportation</b>	\$812	\$875	7.8%	
16	<b>C.R. England</b>	\$888	\$861	-3.0%	<i>Truckload revenue declined even though total revenue increased 12%</i>
17	<b>TFI International*</b>	\$714	\$856	19.9%	<i>Includes US revenues only (formerly CFI and Transport America)</i>
18	<b>NFI Industries</b>	\$756	\$855	13.1%	
19	<b>Marten Transport*</b>	\$689	\$726	5.4%	
20	<b>Stevens Transport</b>	\$638	\$702	10.1%	
21	<b>Anderson Trucking Service</b>	\$600	\$665	10.9%	
22	<b>Cardinal Logistics</b>	\$620	\$658	6.2%	
23	<b>Covenant Transportation *</b>	\$591	\$623	5.5%	
24	<b>Heartland Express*</b>	\$645	\$607	-5.9%	<i>Extremely challenging year for hiring and retaining of drivers</i>
25	<b>Mercer Transportation</b>	\$480	\$602	25.4%	
<b>TOTAL TOP 25 TRUCKLOAD CARRIERS</b>		<b>\$30,808</b>	<b>\$35,839</b>	<b>15.5%</b>	

\*Publicly Traded Company

Source: Company Reports and SJ Consulting Group estimates

Prepared by SJ Consulting Group, Inc.