

Journal of Commerce Rankings: LTL sector revenue drops despite Yellow ‘distortion’



Declines in revenue ran from the top to the bottom of the Top 40 LTL rankings, with seven companies reporting double-digit drops from 2022. Photo credit: Marina-foodblogger / Shutterstock.com.

[William B. Cassidy, Senior Editor](#) | Apr 2, 2024, 5:19 PM EDT

The US less-than-truckload (LTL) sector didn't totally escape the freight recession in 2023 despite the dispersion of approximately 48,600 daily shipments from bankrupt Yellow to other carriers, tighter capacity and an [uptick in LTL pricing](#) in the second half of the year.

Six of the 10 largest North American LTL trucking companies saw revenue decline last year, according to the *Journal of Commerce* Top 40 US and Canadian LTL carrier rankings prepared by SJ Consulting Group. Only 14 of the top 40 increased their revenue.

In comparison, only one of the LTL top 40 saw revenue drop in 2022 — a year when the LTL top 40 increased their total revenue 16.6%, according to SJ Consulting Group data.

Declines in revenue ran from the top to the bottom of the rankings, with seven companies reporting double-digit drops from 2022. FedEx Freight, the largest US trucking company, saw revenue fall 10.6% to \$9.1 billion in calendar year 2023.

Lower revenue isn't necessarily a bad thing in the LTL sector, however. More LTL carriers than ever focused on the shipment profitability rather than sheer volume, said Satish Jindel, president of SJ Consulting Group. They are turning down freight that doesn't meet their goals for profitability.

The data in the SJ Consulting Group rankings dispels some of the sunny glow that has surrounded LTL trucking since Yellow closed its doors. Although some carriers gained business from Yellow and [increased their daily shipment counts](#), there was less LTL freight to go around.

"The average daily shipment count for the whole LTL industry was down from about 720,000 in 2022 to 675,000 last year," said Jindel. That's a 6.3% year-over-year decline in total daily LTL shipments.

Lower fuel prices also meant lower fuel surcharges, which translated to lower total revenue for carriers, he said.

Racing for the top

The LTL top 40 companies, excluding Yellow, saw combined revenue decline 4.9% to \$49.6 billion last year, eliminating the gains made in 2022 when, with Yellow included, they amassed \$57.3 billion in revenue.

With Yellow included, total revenue for the Top 40 group dropped 9.3% — the biggest drop in LTL revenue since 2009. The limited number of LTL providers beyond the top 40 collectively had \$4.6 billion in revenue last year, 4.1% less than in 2022.

The annual rankings show the 14 of the top 40 LTL companies that did increase revenue in 2023 did so by 4.8% on average, with smaller companies outpacing larger carriers.

Among the 10 largest LTL carriers, the company that grew the most was R+L Carriers, a nationwide, privately owned LTL carrier. A 7.2% increase in revenue to \$3.1 billion last year pushed R+L up from the eighth- to the fifth-largest LTL provider in the top 40 rankings.

Yellow's exit pulled all carriers higher in the rankings. Saia moved up two spots to seventh among the top 40, with a 3.2% increase in revenue propelled by territorial expansion and the addition of 3,470 shipments a day from Yellow in the second half.

Detroit-based Central Transport joined the 10 largest LTL providers for the first time after increasing revenue 2% to \$1.3 billion last year. As a subset of the group, the 10 largest LTL providers saw their combined revenue drop 5.2% to \$38.5 billion.

Small but fast

Smaller carriers in the rankings were among the fastest-growing companies.

Revenue at Denver-based North Park Transportation, 37th in the rankings, jumped 14.6% to \$94 million, making it the fastest-growing LTL carrier in 2023. North Park ranked 40th in the previous year's rankings.

Cross Country Freight Solutions, with headquarters in Bismark, ND, was the second-fastest growing carrier, raising revenue 10.6% to 207 million. Growth at Cross Country was fueled more by acquisitions than overflow freight from Yellow.

Sutton Transport of Weston, Wis., increased its revenue 9.8% year over year to \$123 million, in part from the purchase of the LTL business of CRH Transportation in 2022.

“We’re going to see more acquisitions of small LTL carriers,” Jindel said.

“There’s greater need to invest in technology,” he noted, adding that includes pallet and shipment dimensioning equipment. “Not all small carriers can afford to make that investment.”

The LTL carriers acquired by Knight-Swift Transportation Holdings also grew in 2023. AAA Cooper Transportation, ranked 16th, increased its revenue 5.1% to \$764 million, and Midwest Motor Express, ranked 28th, raised revenue 4.6% to \$160 million, according to SJ Consulting Group estimates.

Signs of growth

There are already signs the LTL sector is emerging from the trough it entered in 2023.

LTL carriers are preparing for higher freight volumes not just in 2024 but as far down the road as 2028, [building new terminals](#) as well as buying older ones. They’re expanding into non-traditional markets such as [ocean container transloading](#).

The US long-distance LTL producer price index rose 5.4 percentage points from July through December and by February was up 13.4 percentage points from July. That puts the all-inclusive measure of LTL pricing up 3.3% from February 2023.

And in recent months, US manufacturing has shown signs of stabilizing, with the S&P manufacturing purchasing managers index [returning to growth](#) in January and February.

“The LTL industry from a profit point of view did as well last year as it did in 2022 and many times better than the truckload guys,” Jindel said. “They’ve got a lot more discipline in pricing and they held on to their price increases despite a soft economy.”

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***Journal of Commerce* Top 40 US and Canadian Less-Than-Truckload (LTL) Carriers**

Annual revenues, including fuel surcharge, in millions of US dollars.

2023 Rank	Carrier	2022 Revenue	2023 Revenue	Percentage Change
1	FedEx Freight	\$10,186	\$9,106	-10.6%
2	Old Dominion Freight Line	\$6,177	\$5,805	-6.0%
3	XPO Logistics	\$4,645	\$4,671	0.6%
4	Estes Express Lines	\$4,405	\$4,218	-4.2%
5	R+L Carriers*	\$2,864	\$3,070	7.2%
6	TForce Freight	\$3,654	\$3,036	-16.9%
7	Saia LTL Freight	\$2,792	\$2,881	3.2%
8	ABF Freight System	\$2,951	\$2,810	-4.8%
9	Southeastern Freight Lines	\$1,741	\$1,685	-3.2%
10	Central Transport Int'l*	\$1,236	\$1,261	2.0%
11	Averitt Express	\$1,288	\$1,165	-9.5%
12	Dayton Freight Lines	\$1,056	\$1,035	-2.0%
13	Pitt Ohio Transportation Group	\$912	\$909	-0.3%
14	Forward Air	\$969	\$846	-12.7%
15	Mullen Group*	\$779	\$770	-1.1%
16	AAA Cooper Transportation	\$727	\$764	5.1%
17	Manitoulin Transport*	\$767	\$758	-1.2%
18	Day & Ross Freight*	\$710	\$624	-12.1%
19	A. Duie Pyle	\$568	\$570	0.4%
20	Roadrunner	\$400	\$410	2.5%
21	Daylight Transport	\$389	\$374	-3.9%
22	Oak Harbor Freight Lines	\$338	\$320	-5.3%
23	Ward Trucking Corporation	\$256	\$253	-1.2%
24	FastFrate*	\$250	\$226	-9.6%
25	Cross Country Freight Solutions	\$187	\$207	10.6%
26	Midland Transport*	\$190	\$171	-10.0%

27	M-O Freight Lines*	\$178	\$165	-7.3%
28	Midwest Motor Express*	\$153	\$160	4.6%
29	Magnum LTL	\$152	\$155	2.0%
30	Lynden Transport	\$126	\$132	4.8%
31	Sutton Transport	\$112	\$123	9.8%
32	Span Alaska*	\$136	\$121	-11.0%
33	Dependable Highway Express	\$131	\$112	-14.5%
34	Peninsula Truck Lines*	\$110	\$108	-1.8%
35	Hercules Freight*	\$115	\$107	-7.0%
36	Standard Forwarding*	\$106	\$98	-7.5%
37	North Park Transportation	\$82	\$94	14.6%
38	Canada Cartage*	\$99	\$92	-7.5%
39	GLS Freight*	\$84	\$86	2.4%
40	N&M Transfer*	\$73	\$66	-9.6%
TOTAL TOP 40 LTL CARRIERS		\$52,094	\$49,654	-4.9%
ALL OTHER CARRIERS		\$4,841	\$4,641	4.1%
TOTAL LTL MARKET		\$62,180	\$56,628	-8.9%

Excludes Yellow Corp. (closed in August 2023)

Source: Company reports and *SJ Consulting Group estimates

Prepared by SJ Consulting Group, Inc.