

**2008 Household Goods Carriers  
Annual Report Analysis  
With  
Comparison of Financial and  
Operational Statistics  
For the Years 2004 through 2008**

**Transportation Bureau**

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## **INTRODUCTION**

The Illinois Commercial Transportation Law, 625 ILCS 5/18a-1101 et seq., authorizes the Illinois Commerce Commission's Transportation Division to regulate the operating authorities, rates, and business practices of intrastate household goods moving companies. As required by Commission regulation, all licensed Illinois household goods carriers must submit to the Commission an annual report that includes financial and operational information. Although annual reports are not audited and the information in them is accepted in good faith, the reports are reviewed to assure that they are complete and that the information in them is financially reasonable and operationally feasible.

Annual reports filed by licensed motor carriers are public documents and are available upon request. Analysis of annual report information from prior years is available on the Commission web site <http://www.icc.illinois.gov>.

Carriers that fail to file a properly completed annual report by the May 15th statutory filing date are given a 30-day written notice prior to revocation of their household goods authority. Carriers may request a one-time 60-day extension in time to file the report.

The Annual Report Form follows this analysis: Part 1 requests information for all transportation activities including household goods moves, storage, general freight and other transportation operations. Part 2 requests information about Illinois intrastate household goods activity. The mover reports revenue derived from all intrastate household goods shipments and the number of moves made within Illinois, both local moves using an hourly rate and moves charged by weight and distance. The mover also indicates if storage facilities are provided. Part 3 requests the names of each stockholder, partner or owner with telephone numbers and percentage of ownership, as well as the company's federal employer identification number. If a change in ownership of the company has occurred during the year, the mover is required to check the appropriate box. Finally, the annual report requests that the individual filing the report provide their name, title, telephone number, fax-number, email address and signature, indicating that the information submitted is accurate.

The following analysis first describes the location of the licensed moving companies and then summarizes the data submitted for 2008, beginning with Part 1 of the Annual Report and proceeding to Part 2. Included within the discussion of the information for each part of the Annual Report is a comparison of 2008 information to prior years' data.

## LOCATION OF CARRIERS

Of the 306 licensed movers submitting annual reports, 266 are “active” carriers, that is, they are actively engaged in Illinois intrastate household goods operations, from point to point within Illinois. Most of these active intrastate moving companies are located in Illinois, but 20 companies, 7 percent, are headquartered outside of Illinois. Table 1 captures the number of active intrastate movers by county, showing that almost 6 percent of the licensed movers in Illinois are the sole household goods company in their county: 17 counties have only one carrier. Cook County has the largest number of active movers with 108 companies or 41 percent of the industry. Another 67 companies, 25 percent of the 266 active movers, are headquartered in four collar counties in northeastern Illinois: DuPage, Kane, Lake and Will. The remaining 26 percent of active movers are spread throughout Illinois. Figure 1 on the following page provides a geographical representation of the number of active movers by county.

**TABLE 1:  
Number of Active Movers by County**

Adams	1	Madison	3
Boone	1	Massac	1
Bureau	1	McDonough	1
Champaign	5	McHenry	6
Cook	108	McLean	3
DeKalb	3	Montgomery	1
DuPage	34	Morgan	1
Fulton	1	Peoria	3
Grundy	2	Perry	1
Jackson	2	Rock Island	2
Jasper	1	Sangamon	5
Jefferson	1	St. Clair	4
Kane	12	Stephenson	2
Kendall	1	Tazewell	3
Knox	2	Whiteside	1
Lake	13	Will	8
LaSalle	2	Williamson	1
Lee	1	Winnebago	5
Macon	2	Woodford	1
Macoupin	1	Outside of Illinois	20
Total Active Movers			266



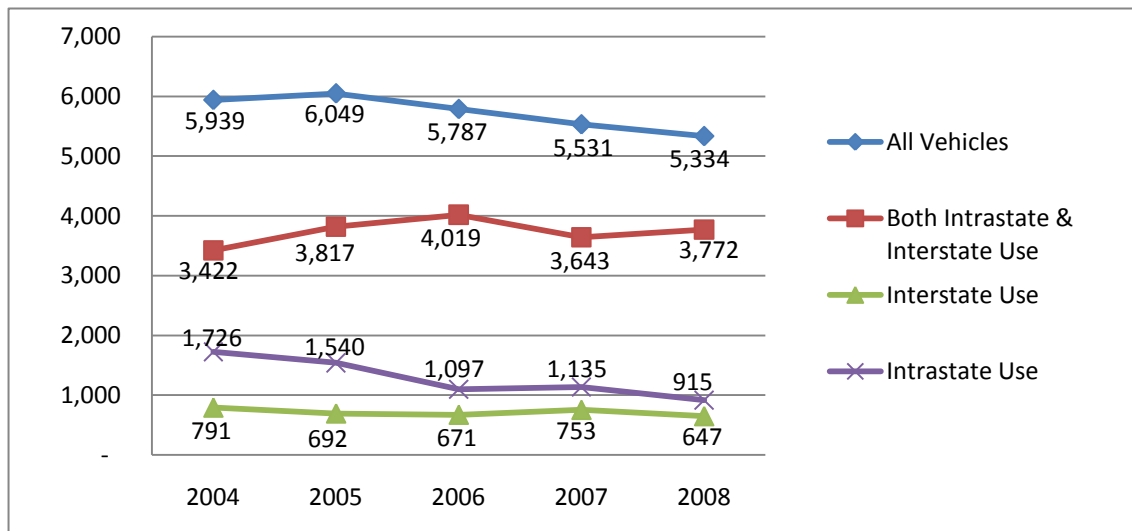
## PART I - ALL FOR-HIRE TRUCKING OPERATIONS

In Part 1 there is no distinction between interstate or intrastate household goods, general freight hauling or other for-hire transportation operations conducted by the carrier. This part of the annual report requests information on the motor carrier's overall operations with questions regarding the number of trucks and their use in intrastate and/or interstate activity, total miles traveled, number of employees and total company revenue and expense.

Out of 306 carriers licensed to transport household goods, 9 reported no for-hire transportation activity of any kind. The remaining 297 companies employed 10,554 people, generated \$1.45 billion in total for-hire transportation revenue and logged 246 million miles for the year, averaging 46,561 miles per truck. This is a continuing trend, as the average miles per vehicle have steadily decreased since 2004, which averaged 76,275 miles per truck.

Figure 2 shows that the total number of vehicles used by active carriers continues a downward trend averaging 4.3 percent annually since 2006. The number of vehicles dedicated to either intrastate or interstate moves decreased 24 and 16 percent, respectively, in 2008. A 3.4 percent increase in the number of vehicles performing both intrastate and interstate moves occurred in 2008.

**FIGURE 2:  
Number of Vehicles Operated by Activity Type for Active Carriers  
2004-2008**



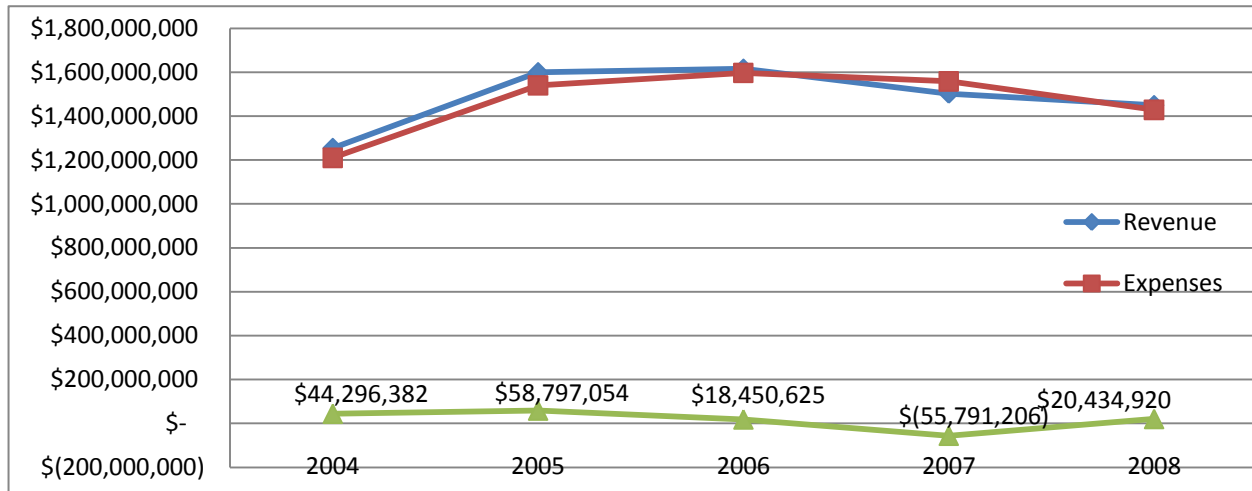
Total company revenue, expense and net income for all operations, including but not limited to intrastate household goods moves, for active movers from 2004 through 2008 is shown in Table 2. Dividing total operating expense by total operating revenue shows the operating ratio for the industry. The higher the ratio, expressed as a percent, the smaller the operating profit from operations. The ratios, shown in Table 2, range from 96.3 percent in 2005 to 103.7 percent in 2007. Both 2007 and 2008 saw a continued decline in gross revenue. In 2008, lower operating expenses led the industry to an overall operating ratio of 98.6 percent, compensating for the loss in 2007.

**TABLE 2:  
Revenue, Expense and Net Income from All For-Hire Transportation Operations  
2004-2008**

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Revenue	\$1,254,220,534	\$1,599,314,820	\$1,615,306,067	\$1,502,684,299	\$ 1,449,214,813
Expenses	\$1,209,924,152	\$1,540,517,766	\$1,596,855,442	\$1,558,475,505	\$ 1,428,779,893
Net Income/Loss	\$ 44,296,382	\$ 58,797,054	\$ 18,450,625	\$ (55,791,206)	\$ 20,434,920
Operating Ratio	96.5%	96.3%	98.9%	103.7%	98.6%

Figure 3 graphs the average revenue, expense and net income for total company operations showing the pattern of growth and decline for active movers. The industry experienced a 3.7 percent decrease in revenue and 9.1 percent decrease in expenses for the year 2008.

**FIGURE 3:  
Revenue, Expense and Net Income for All For-Hire Transportation  
2004-2008**



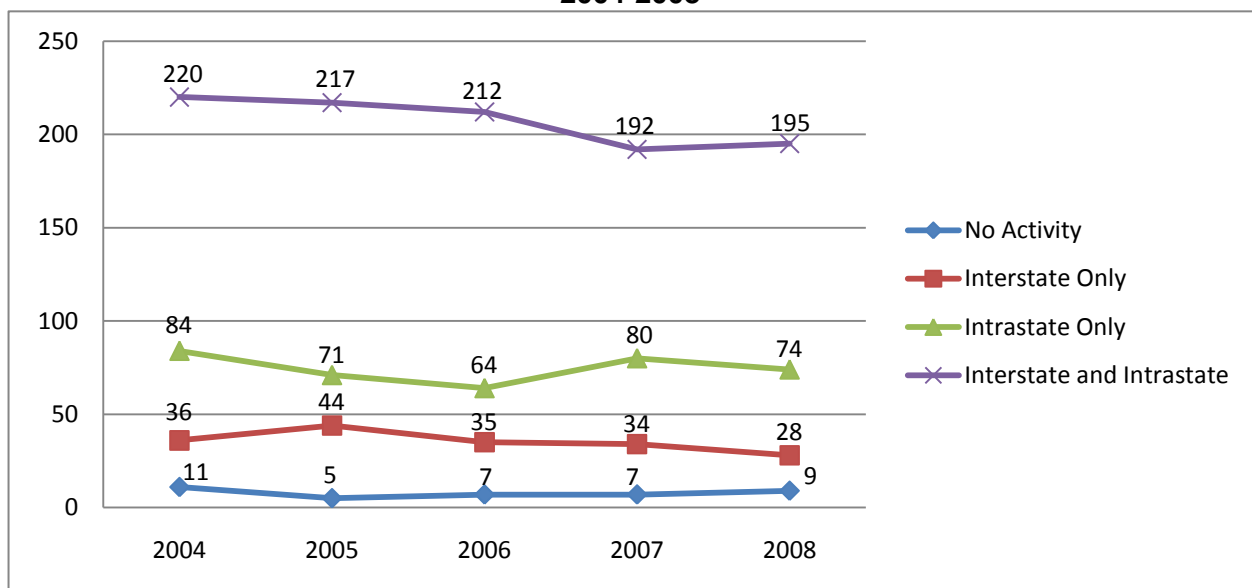
The next section of this analysis, after a comparison of interstate and intrastate business activity for all movers, discusses Illinois intrastate household goods activity as reported in Part 2 of the 2008 Annual Reports for 266 licensed household goods carriers active in intrastate moves from point to point within Illinois.

## PART 2 - ILLINOIS INTRASTATE HOUSEHOLD GOODS ACTIVITY

### Interstate vs. Intrastate Business Activity

Licensed movers actively provide different levels of intrastate moving service. Figure 4 shows that 195 of the licensed carriers in 2008, or 64 percent, report both interstate and intrastate activity and 74 carriers, or 24 percent, are engaged exclusively in intrastate business activity. Together, 269 companies, or 88 percent of the licensed carriers provided some type of intrastate moving services. The total of 28 companies, or 9 percent, who engage only in interstate moving activity and 9 household goods carriers, or 3 percent, who report no moving activity for the year 2008 combined makes 37 carriers, or 12 percent, of the licensed carriers did not provide intrastate services in 2008.

**FIGURE 4:  
Number of Companies by Activity Type  
2004-2008**



Looking across years, the number of companies providing the various types of transportation service fluctuates only slightly at two to six percent within their respective categories. For the given time period, interstate moving services were at a high in 2005 with 13 percent, while comprising the over all low of 9 percent of the industry in 2008. Both 2004 and 2008 indicated an industry high of 24 percent of household goods moving companies providing intrastate moving services only. Companies providing both interstate and intrastate services continue to represent the largest majority of licensed carriers with a five-year average of 64 percent. Since 2004 approximately 87 percent of the industry is involved in intrastate moves.

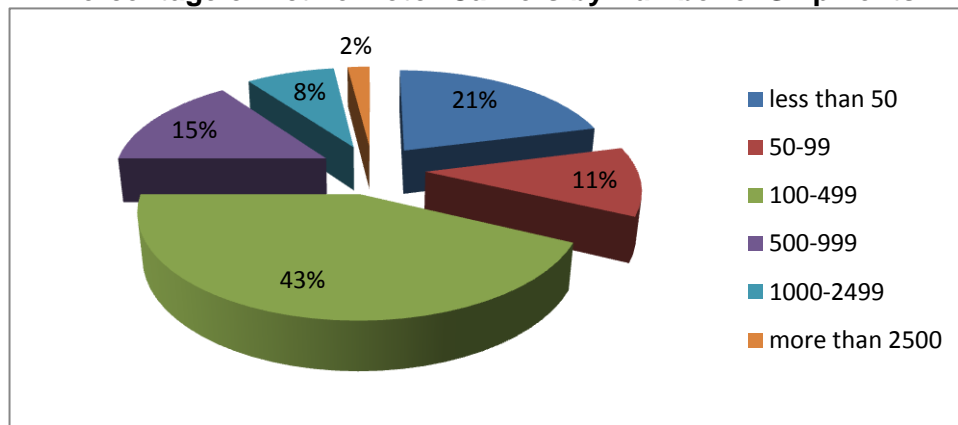


### Illinois Intrastate Household Goods Revenue and Shipments:

In 2008, the 266 active carriers report that 95 percent of all intrastate shipments (106,966 of 112,521) were hourly rated shipments, and 5,555 shipments, or approximately 5 percent of the total intrastate moves were weight distance shipments. The allocation of shipments remains fairly constant, varying only 2 percent during the last five years.

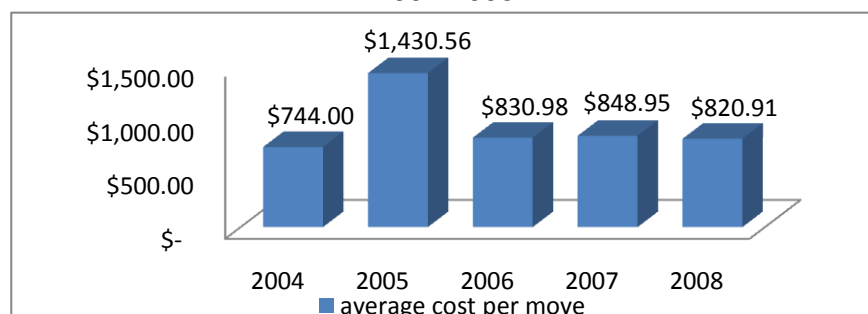
Figure 5 reflects the percentage of companies by total number of shipments made for the year 2008. The majority of active carriers, 75 percent, provided fewer than 500 intrastate shipments of which 56 carriers or 21 percent reported less than 50 intrastate shipments for the year. Only 10 percent or 27 carriers reported making more than 1,000 intrastate shipments last year of which 5 carriers reported 2,500 or more shipments. The distribution of companies' shipments parallels the activity reported in the past.

**FIGURE 5:  
Percentage of Active Motor Carriers by Number of Shipments**



With 112,521 for-hire household goods shipments within Illinois in 2008 generating approximately \$92.4 million in annual revenue, the average consumer cost was \$820 per move. Figure 6 on the following page shows the average revenue per shipment remains steady for the last three years at an average of \$834, after falling dramatically in 2006 from the average cost per move of \$1430.56 in 2005.

**FIGURE 6:  
Average Revenue per Intrastate Shipment  
2004-2008**



In 2008 the median (middle) revenue per shipment of \$756 is lower than the average revenue per shipment of \$821, so more companies' revenue per move is less than the average revenue per move. Based upon information submitted in the reports, these results are due to the fact that companies with an average cost below the median are performing more moves generating less revenue and companies with an average cost above the median are performing fewer moves while generating more revenue.

Table 3 shows the total number of intrastate shipments as well as the intrastate revenue generated by the top five percent of the carriers based on number of shipments. The last column indicates ranking based on intrastate revenue. The top 5 percent, or 15 carriers, account for 34 percent of all intrastate shipments made during calendar year 2008 and 27 percent of all intrastate revenue generated for 2008. Five companies have been in the top 5 percent for the last five years, and 4 are appearing for the first time.

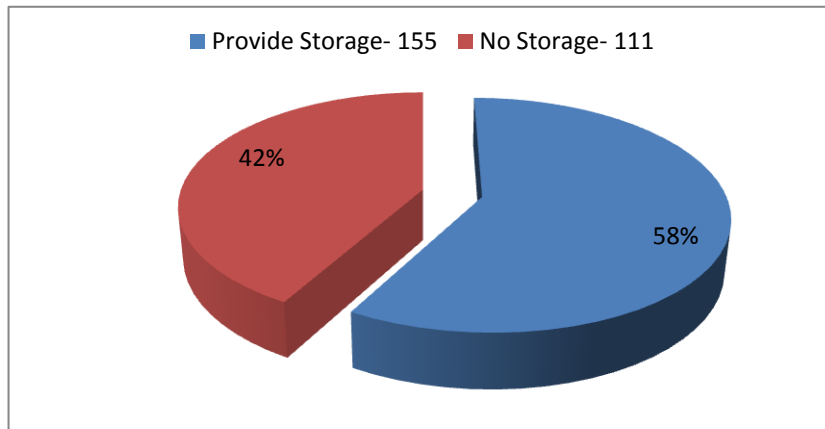
**TABLE 3:  
Top 5 % Active Moving Companies Based on Total Intrastate Shipments**

Rank	Company Name	Shipment			Dollars	Rank
		Local	Wgt Distance	Total		
1	Midway Moving & Storage, Inc.	6,147	32	6,179	\$ 2,834,125.00	3
2	Golan's Moving and Storage, Inc.	5,885	0	5,885	\$ 5,260,929.00	1
3	EZ Movers, Inc.	2,813	0	2,813	\$ 1,704,995.00	5
4	Mid-West Moving & Storage, Inc.	2,749	15	2,764	\$ 3,130,898.00	2
5	Breda Moving Company, Inc.	2,650	35	2,685	\$ 1,852,000.00	4
6	SAB Moving LLC	2,259	23	2,282	\$ 1,268,512.00	8
7	All My Sons Moving & Storage, Inc.	2,213	39	2,252	\$ 1,530,263.80	6
8	The Professionals, Inc.	2,160	0	2,160	\$ 867,316.23	13
9	Apex of Michigan, LLC	2,150	10	2,160	\$ 1,105,581.00	9
10	Kenney's Delivery, Inc.	1,719	34	1,753	\$ 659,979.00	15
11	J3 Enterprises, Inc.	1,463	53	1,516	\$ 733,107.00	14
12	North Shore Van Lines, Inc.	1,493	19	1,512	\$ 1,278,486.00	7
13	In and Out Moving & Storage, Inc.	1,498	0	1,498	\$ 1,018,850.00	10
14	Sebby Enterprises, Inc.	1,491	0	1,491	\$ 900,351.45	11
15	U.S.A. Moving and Storage, Inc.	1,394	59	1,453	\$ 889,604.00	12

**Storage:**

Carriers that provide household goods storage for their customers are licensed by the Illinois Department of Agriculture, Bureau of Warehousing. In Part 2 of the annual report carriers indicate to the Commission if they provide storage for household goods. Figure 7 on the following page captures the carriers' responses, showing that 42 percent do not provide storage and 58 percent do offer storage for household goods.

**FIGURE 7:  
Household Goods Storage Provided by Carrier**



## SUMMARY

For analysis purposes, an active carrier is defined as having generated at least one dollar in revenue for household goods shipments wholly within Illinois. For the calendar year 2008, 306 household goods carriers filed an annual report. Forty reported no intrastate household goods activity, resulting in the identification of 266 companies as active intrastate household goods carriers.

- Cook County has the largest number of active movers with 108 companies or 41 percent of the industry. Another 67 companies or 25 percent of the 266 active carriers are headquartered in four collar counties: DuPage, Kane, Lake and Will; 20 companies or seven percent are headquartered outside of Illinois, the remaining 26 percent are located throughout the State of Illinois. In fact, 17 counties have only carrier.
- Moving companies reported employing 10,554 people, generating \$1.45 billion in total for-hire transportation revenue and logging 246 million miles for the year, over 46,119 thousand miles per truck.
- The total number of vehicles used by active carriers decreased an average of 4.3 percent since 2006 with a 3.4 percent increase in the number of trucks used for both intrastate and interstate activity, a 3 percent decrease in the number of trucks used only for interstate activity, and 24 percent decrease in the number of trucks used only for intrastate moves.
- Operating ratios decreased from 103.7 percent in 2007 to 98.6 percent in 2008, showing improvement with an operating ratio for the industry similar to levels reported in 2006.
- Licensed movers provide different levels of intrastate moving service. The majority of carriers were involved in interstate moving and not solely dependent on moving household goods within Illinois as a primary source of revenue. 64 percent or 195 of the licensed carriers report both interstate and intrastate activity while 24 percent or 74 carriers are engaged exclusively in intrastate business activity. Together, 269 companies, or 88 percent of the licensed carriers provided some type of intrastate moving services.
- The vast majority of active carriers are small companies. During the year 2008, the majority of active carriers, 75 percent, provided fewer than 500 intrastate shipments of which 56 carriers or 21 percent reported less than 50 intrastate shipments for the year.
- The number of active carriers earning 100 percent of their revenue from Illinois intrastate shipments has fluctuated only slightly within the last five years. On average, 23 percent of the licensed carriers earn all of their revenue from intrastate household goods moves.
- With almost 113,000 for-hire household goods shipments within Illinois last year generating approximately \$92.4 million in annual revenue, the average consumer cost was \$820 per move.

- Using the total number of intrastate shipments as a ranking, the top 5 percent of active carriers accounted for approximately 34 percent of all intrastate shipments and 27 percent of all intrastate revenue generated during the year 2008.