2027 PLANNING EDITION

Premier® TRAILER LEASING

The CFO's Guide to Trailer Fleets

Trailer costs used to be one of the easier lines on your balance sheet. Replace on a schedule, budget for it, move on. That's not how it works right now.

Trade policy, equipment pricing, and uneven freight volumes have turned a routine call into a genuinely hard one. This guide is for the person who has to make it anyway. We'll cover what's driving equipment costs, how to think about your mix of rented, leased, and owned trailers, and when the call actually has to be made. Let's jump in.

Table of Contents

SECTION 1
What CFOs and Leaders Should Consider When Dealing With Trailer Fleets..... 4-7

SECTION 2
Why Trailers Have an Impact on Your Company's Bottom Line.....8-13

SECTION 3
How to Maximize Trailer ROI 14-17

SECTION 4
How to Get More Out of the Trailers You Already Have..... 18-21

QUICK-GLANCE TRAILER TIPS
for CFOs and Leaders 22-23

SECTION 1:

What CFOs and Leaders Should Consider When Dealing With Trailer Fleets

For most business leaders and CFOs, trailers don't sit at the top of the financial priority list. It's just a box on wheels, right? Well... it's not that easy. If trailers aren't managed in the right way, operations can be disrupted and costs can spin out of control. Here are a few tips to help business leaders nail down their trailer needs:

1. Determine what types of trailers you truly need.

The overall cost of trailers varies wildly depending on the trailers you choose. That's why it's important to decide which ages and types of trailers will be most cost-effective.

One of the best ways to decide whether brand new or older models make the most sense is to consider how you'll use your trailers. Ask yourself:

- **Are your trailers completing nationwide, statewide, or local runs?**
- **How frequently are your trailers hauling special or temperature-sensitive cargo?**
- **How flexible do you have to be to adapt to changing needs?**
- **How important is your customer's perception of your fleet?**

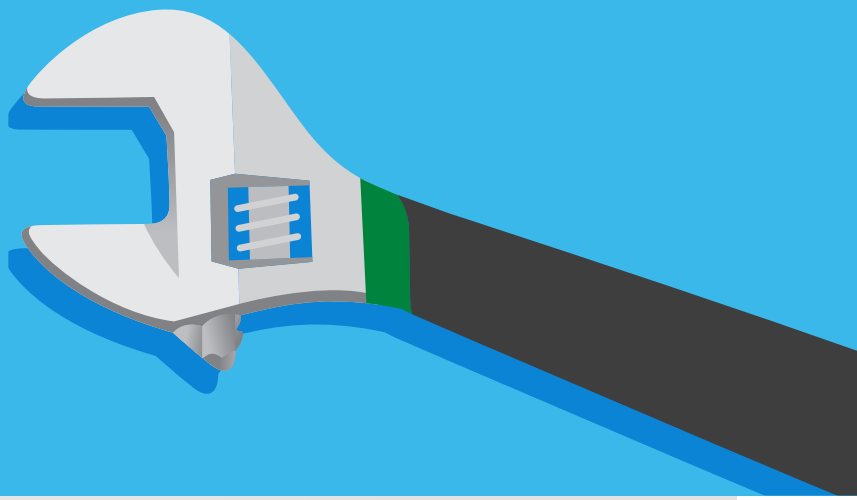
These are all questions that can help you to begin to narrow down what age of trailers to use, your maintenance needs, and whether you should buy, lease, or rent. But there is more to consider...

2. Identify how you want to allocate capital.

Smart trailer investments will depend on your team's long-term financial plans. For instance, if you plan on maintaining your own trailers and you operate across the country, you may need to invest in a wide network of facilities to keep them on the road. Here are some basic questions to consider when deciding how to allocate capital:

- **Do we have facilities to support maintenance?**
- **Are we willing to invest in a rigorous maintenance operation?**
- **Is buying new trailers important to our brand?**
- **How far are our trailers traveling?**
- **Are we willing to consider renting or leasing options?**

If you plan on maintaining your own trailers and you operate across the country, you may need to invest in a wide network of facilities to keep them on the road.

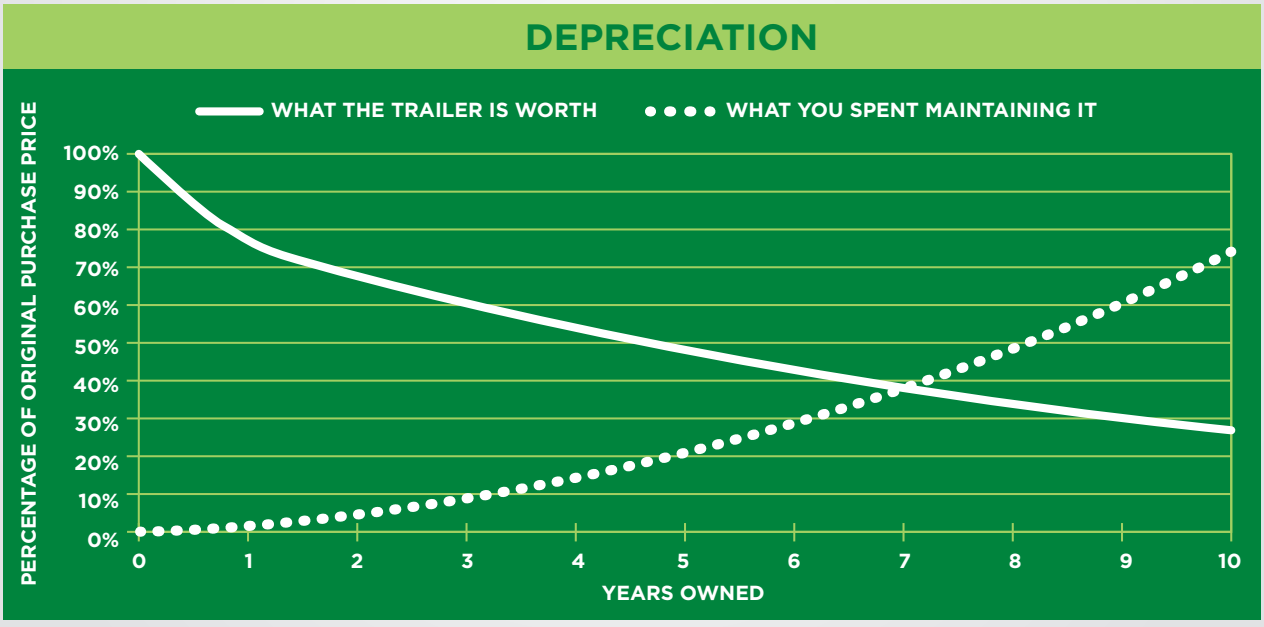


3. Decide if owning new trailers is financially sound.

Your monthly costs do not equal long-term costs when it comes to trailers. Before buying new, business leaders should examine their margins and decide if absorbing the depreciation that hits new trailers is a wise investment.

4. Keep an eye on your aging assets.

Your trailer fleet is changing every day. To protect you from unforeseen trailer-related expenses, get to know your company's weak spots and identify any aging or suspect trailers regularly. If you're using old trailers to haul expensive goods across the nation and they fail, stoppages, lost business, and repairs will pile onto your trailers' overall costs.



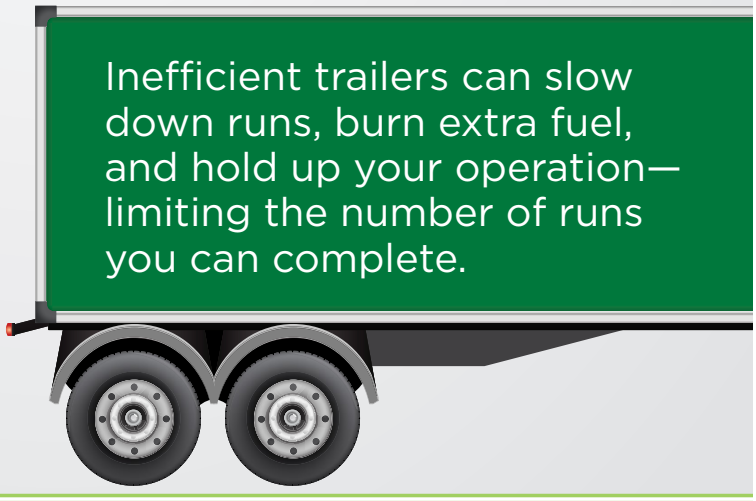
Residual value and cumulative maintenance on a new dry van, both shown as a percentage of original purchase price. Actual figures vary by spec, duty cycle, and market.

5. Trailer fleet mistakes CFOs and business leaders should avoid.

Many CFOs and business leaders hit the same financial bumps—but you can avoid them altogether. Here are some common myths to clear up if you want to make the most out of your trailer budget:

1. **Low monthly costs don't mean low costs overall:** Before buying, renting, or leasing trailers, make sure you're considering long-term costs. That may include things like depreciation, maintenance costs, repair expenses, and the effect trailer performance has on your business's reputation.
2. **Deferred maintenance can balloon costs:** If a trailer fails, it can cause your operation to screech to a halt. Even before you factor in the costs to repair that trailer, these disruptions waste labor hours, hold up deliveries, and damage your reputation. That's why maintenance needs to be a CFO's top priority.
3. **Using inefficient trailers can wreck long-term returns:** Inefficient trailers can slow down runs, burn extra fuel, and hold up your operation—limiting the number of runs you can complete. Worse yet, business partners will take their money elsewhere if your fleet's performance is second-rate.
4. **Technology may lower your total costs:** Trailer technology can increase efficiency, lift productivity, and improve your bottom line. For instance, trailers equipped with geo-tracking technology can help you locate them when they are lost, and cargo sensing can help you identify empty trailers quickly. That all adds up to more efficient hauls, less downtime, and more business.
5. **Buying new is a bet on price. When you buy, you lock in today's cost and carry it for ten years or more. That's a good bet when equipment prices are flat. It's a harder one when they're climbing for reasons that have nothing to do with demand. Leasing moves that exposure off your books and keeps your capital free for something that pays off sooner.**

Inefficient trailers can slow down runs, burn extra fuel, and hold up your operation—limiting the number of runs you can complete.



SECTION 2:

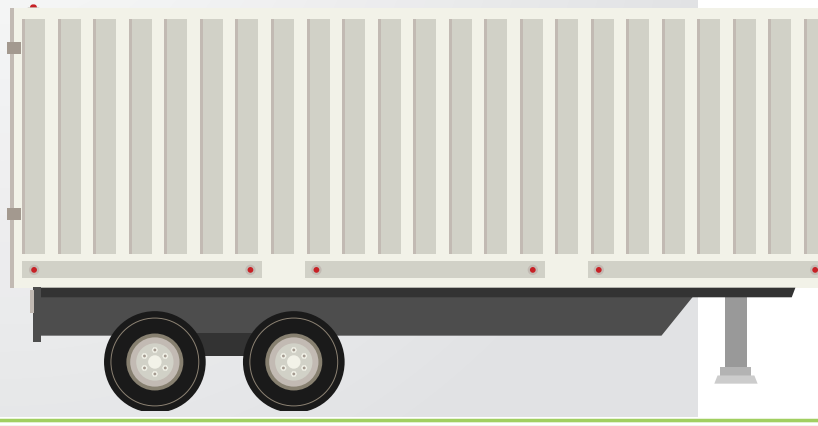
Why Trailers Have an Impact on Your Company's Bottom Line

Want to squeeze the most value possible out of trailers? Here are a few of the most important factors to consider:

1. Your company's reputation.

To find the best trailer solution possible, leaders need to look at their reputation and understand what messages they want to send through their trailers.

If your company's brand relies on a pristine image, new or new-looking trailers may be non-negotiable. If that's the case, you'll want to make sure you're setting aside cash to buy new, ready to swallow depreciation, and investing heavily in maintenance to limit losses. This may also be an instance where leasing new or lightly used trailers makes the most financial sense.



2. Your operation's resources.

To pull the most ROI possible out of trailers, CFOs and business leaders need to evaluate their resources. Here are a few to consider:

- **Maintenance resources:** Do you have the facilities, labor, and time to keep trailers running in top condition, or is it smarter to partner with a leasing partner who handles maintenance for you?
- **Available capital:** How much of your fleet is funded by borrowing? When credit is expensive, every trailer you own is competing with everything else that money could do. Well-maintained used equipment is one answer. Leasing is another, and it takes the acquisition question off the table.
- **Existing fleets:** If you already own, rent, or lease trailers, what is their condition? You may be able to up their value by rotating older trailers to shorter runs and rely on newer units to carry sensitive cargo or complete longer hauls.

3. When to lease, rent, or own.

Finding the right trailer mix is crucial if you want to maximize the value of your fleet. But there's no one-size-fits-all mix of rented, leased, and owned trailers that's perfect for everyone.

Here are a few pros and cons of each option to help financial leaders pick out the best trailer mix for their company:

Renting Pros and Cons

If your operation uses trailers inconsistently, you probably don't have the time or resources to maintain them in-house. That's where renting trailers can be a solid option. With renting, you don't have to worry about doing as much long-term maintenance yourself. You also can access several different types of trailers on a case-by-case basis, without committing to owning any one unit outright.

The cons? Renting long-term can end up being more expensive than longer-term leasing or owning options.

Leasing Pros and Cons

Leasing can be a lifesaver if you aren't a massive operation that wants to invest in maintenance centers. That's because, if you do business with a well-established partner like Premier, the leasing company will help facilitate of maintenance.

When leased trailers are maintained well, they also last longer. That means you may be able to shave money off your bottom line by leasing older trailers that your leasing partner has kept running in smooth condition through preventative maintenance.

Of course, leasing isn't a bulletproof solution for everyone either. If your operation has the cash to buy units and is investing in maintenance centers, owning may make more fiscal sense.

Owning Pros and Cons

If you run a massive operation, use trailers frequently, and have your own maintenance hubs dotted across the country, owning your core fleet likely will be your best bet.

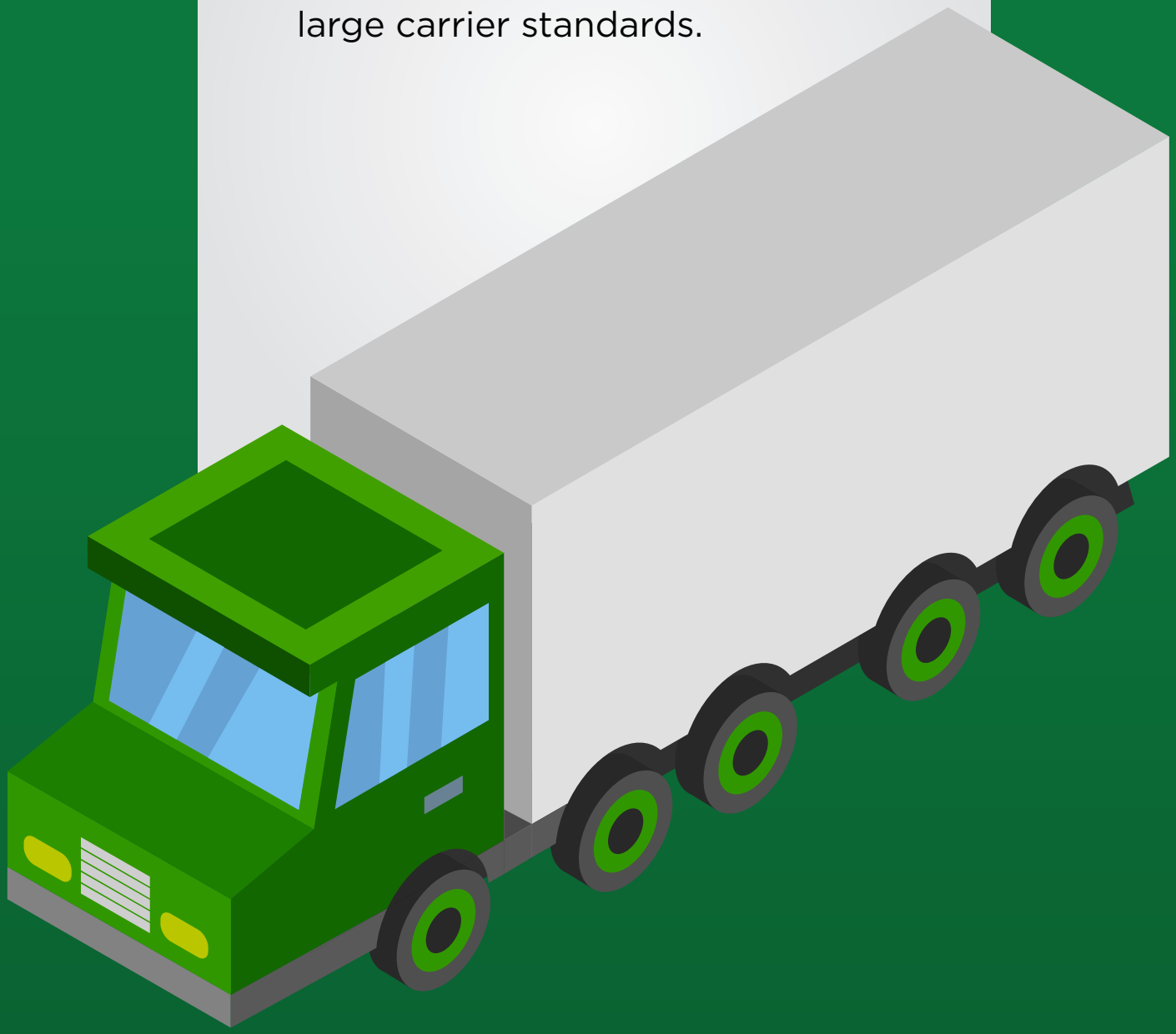
On the downside, owning means absorbing depreciation and tying up capital for the life of the asset. Timing cuts both ways. Buy at the bottom of a cost cycle and ownership looks smart for a decade. Buy at the top and you're carrying an inflated basis long after the market moves on.

To select the best partner possible, make sure you ask your new trailer lessor these questions:

Question to ask your potential trailer lessor	Premier's Answer	Other Vendor Answers
What trailer selection do you offer and what does your availability look like?	Premier offers its customers a diverse and extensive fleet of over 70,000 dry vans, reefers, flatbeds, chassis and specialized equipment of various ages to support different applications.	
Do you offer nationwide coverage/branch locations?	With more than 40 branches across the nation, Premier is where you need us most. We also offer flexibility around return locations if needed.	
How flexible is your drop policy?	Premier prides itself on our flexibility and customer focus. We do not charge drop fees for standard over-the-road vans.	
What are your trailer turn-in requirements? Does your company offer non-stringent repair standards?	As a true business partner, Premier's no-nonsense return requirements make sure turn-in fees are reasonable. In case of needed repairs, we are known for keeping our standards in line with large carrier standards. You can find our Turn-In Condition and Repair Standards at https://premiertrailerleasing.com/docs/default-source/default-document-library/Turn-in-Condition-and-Repairs.pdf	
How do you maintain your trailer fleet?	Premier rigorously maintains all trailers on a regular basis for optimal performance and to reduce the risk of downtime.	
Do you offer in-house 24/7 roadside assistance?	24-hour roadside assistance from our in-house RoadCARE team is available.	

Question to ask your potential trailer lessor	Premier's Answer	Other Vendor Answers
How flexible are you to accommodate my unique requirements or make contract adjustments?	Premier strives to tailor its solutions to meet the unique needs of each customer, providing flexibility and speedy support.	
Do your trailers come with the latest trailer technology?	Premier trailers are equipped with cutting-edge trailer tracking technology, including real-time GPS tracking with geofencing, cargo sensing for identifying empty trailers without yard checks and reefers with remote-controlled refrigeration monitoring.	
Do your reefer trailers include reefer telematics?	Premier reefers (refrigerated vans) include advanced technology to help you maintain control of your cold-chain operations. That includes: ✓ Real-time temperature monitoring and two-way remote controls ✓ Air chutes to eliminate hot spots ✓ 26-watt weatherproof solar panel to extend battery life	
Do your over-the-road (OTR) trailers include air-ride suspension?	Premier trailers include air-ride suspension to increase load versatility, protect sensitive cargo, minimize trailer wear, and provide the best driving experience.	
How will I be able to access my trailer tracking and billing information with you?	Premier's web-based client dashboard offers easy access to key account information—from billing and insurance details to real-time trailer tracking, and loss damage waiver (LDW) service option with a quick claims process.	

In case of needed repairs, we are known for keeping our standards (and your turn-in costs) reasonable and in line with large carrier standards.



SECTION 3:

How to Maximize Trailer ROI

Investing in the right trailers is important, but it's not the only way to boost the value of a fleet. Here are a few extra tricks CFOs and business leaders can use to maximize their trailer return on investment (ROI).

1. Evaluate your fleet's age.

It's important to look at the age and condition of your trailers and find the right mix of older, middle-aged, and newer trailers to drive down costs. Here's how new, middle-aged, and older trailers stack up:

Pros and Cons of New Trailers

Newer trailers are units that are 0-5 years old. A few pros and cons to think about if you're considering adding new trailers to your mix are:

- ⊕ Pro: Low maintenance costs
- ⊕ Pro: May include technology that saves time and money
- ⊕ Pro: Efficient and reliable
- ⊗ Con: Require a high upfront investment
- ⊗ Con: High depreciation
- ⊗ Con: Higher risk of going underwater on loans

Pros and Cons of Middle-Aged Trailers

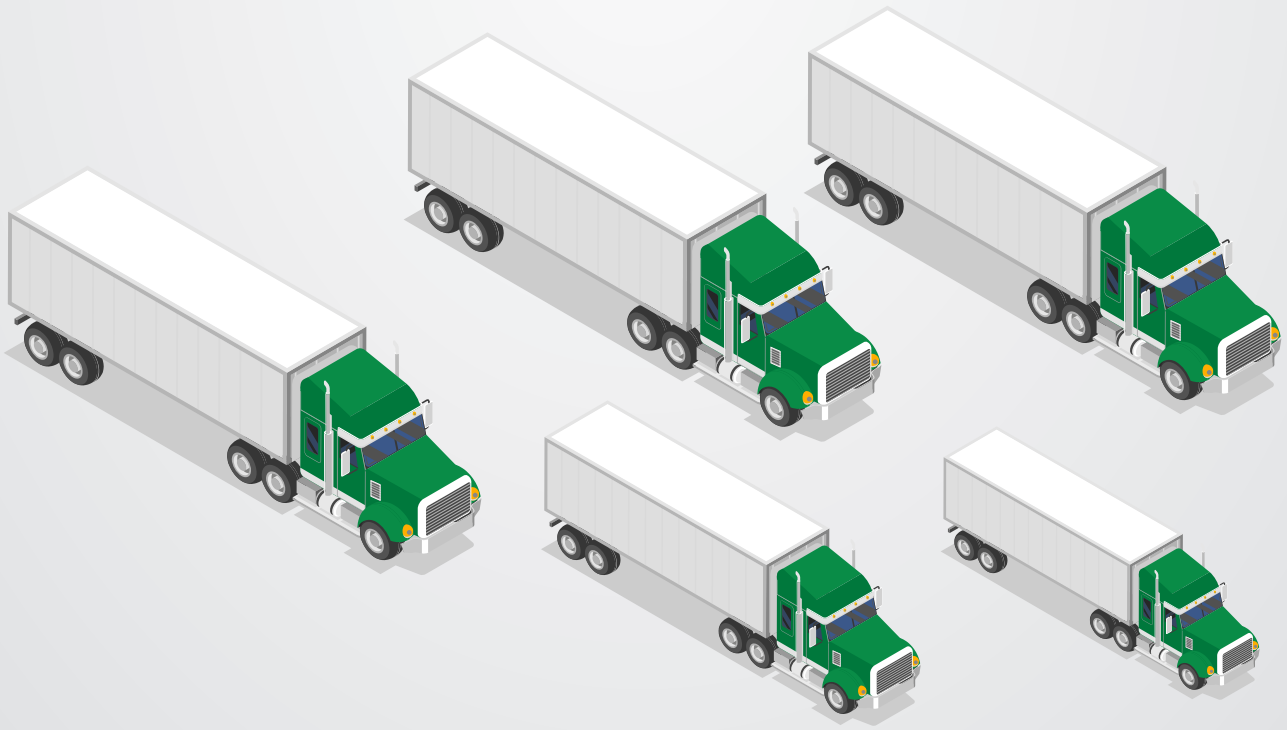
Middle-aged trailers generally fall in the 6-10 year old range.

- Pro: Less depreciation than new trailers
- Pro: If they're well-maintained, they can outperform newer trailers
- Pro: Higher bottom-line savings
- Con: Require consistent maintenance
- Con: Higher risk of trailer failures

Pros and Cons of Older Trailers

Older trailers are units that are 10 years or older.

- Pro: Low upfront costs
- Pro: Can save money on trailers that are low use or acting as storage units
- Pro: Keeps capital free when equipment prices are climbing
- Con: Higher rate of failures, disruptions, and lost jobs
- Con: Maintenance costs may outpace the trailer's value



2. Invest in maintenance.

CFOs and business leaders can push down long-term costs by investing in consistent maintenance.

Maintenance, or lack of maintenance, can swing a trailer's value in either direction—regardless of its age. That's why it's so important for CFOs and business leaders to set aside capital for consistent trailer maintenance and keep trailer maintenance in mind when comparing fleet options.

Of course, it won't make sense for many companies to buy, set up, and run their own maintenance centers. An alternative way of investing in trailer maintenance is to partner with a renting or leasing company that regularly maintains trailers. Here are a few ways nationwide companies like Premier Trailer Leasing help trailers retain their value longer:

- **They position locations across the nation.**
- **They regularly conduct preventive maintenance on trailers.**
- **They check trailers every time they come into a branch.**
- **They monitor trailers before they leave the branch.**
- **When trailers show signs of wear, they refurbish or retire them.**

SECTION 4:

How to Get More Out of the Trailers You Already Have

Choosing the right trailers matters. So does knowing what they're doing once you have them.

Most fleets run more trailers than they need, and nobody planned it that way. Trailers sit at customer docks. They get dropped and forgotten. Nobody knows which ones are empty, so nobody moves them. Every one of those is a unit you're paying for that isn't earning.

Here's the scale of it. ATRI puts the annual cost of detention across the industry at $15.1 billion, most of it lost productivity, and estimates the hit at $11,000 to $19,000 per driver per year. Federal data from 2023 shows drivers still run into detention on nearly four out of ten stops.

You can bill for some of that. Most fleets try. But 94.5% of carriers say they charge detention fees, and fewer than half of those invoices ever get paid. Chasing the money afterward is a losing game. Not losing the hours in the first place is where the return is.

Here's what makes the difference:

1. Know where your trailers are and how long they've been there

Location data on its own is useful. Dwell time is what turns it into money.

A trailer that hasn't moved in eleven days is telling you something. Maybe it's parked at a customer who's using it as free storage. Maybe it's at your own yard behind three other units. Maybe nobody remembers it exists. All three cost you the same.

Fleets looking at this data for the first time usually find the same thing: they need fewer trailers than they've been carrying. Rentals get returned sooner. Dormant units get put back to work. Next year's fleet gets sized on what actually happened instead of what everyone assumed.

2. Know which ones are empty

Location gets you halfway. The question that blocks the dispatch decision is whether the trailer is loaded.

Cargo sensing answers it without sending anyone to walk the yard. That saves time on its own, and it changes what your team can do. Empty trailers get found and repositioned instead of sitting. Drivers stop getting sent to the wrong unit. Trailers that are barely loaded get consolidated instead of moving half full.

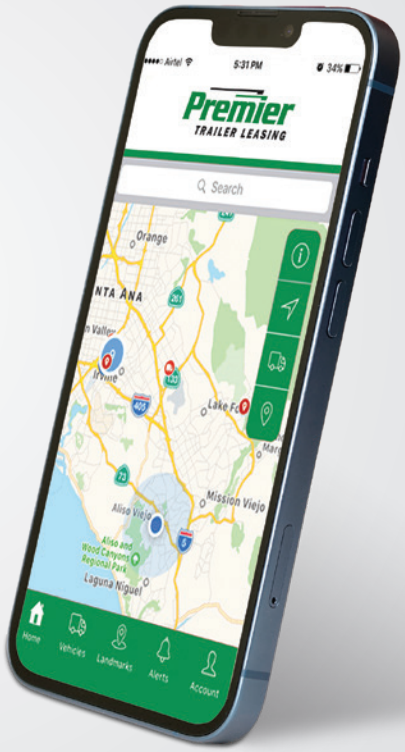
The technology varies quite a bit between providers, and so does the accuracy. It's worth understanding what you'd actually be getting rather than assuming all cargo sensing is the same.

3. Get the data where your team already works

This is the part most fleets underestimate.

A portal your team has to remember to open is a portal your team will stop opening. Within a month, checking trailer status is one more thing nobody has time for, and you're back to phone calls.

Data that flows into the systems you already run gets used. Dispatchers see trailer status on the same screen as everything else. Nobody logs into a second tool, and nobody rekeys anything. When you're evaluating options, whether the data can reach your TMS, and what that costs, matters more than the feature list.



4. Don’t lose track of the seams

Most fleets run a mix of owned, leased, and rented trailers. The visibility gap usually shows up where they meet, with owned units in one system and rented units somewhere else, or nowhere at all.

That gap is the reason a fleet with good tracking can still lose a trailer for three weeks. Whatever you use, the goal is one list, one map, one set of reports.

Some leasing companies now offer visibility on the units you rent from them inside the same portal you use for the rest of your fleet. Premier Trailer Leasing is one of them, which means the trailers you rent don’t drop out of view the moment they leave the branch.

What it’s worth

None of this requires buying equipment. It requires knowing what your trailers are doing.

If visibility saves you one trailer on the books, one detention hour a week, or one empty repositioning move a month, it’s paid for itself. Most fleets find all three.

Quick-Glance Trailer Tips for CFOs and Leaders

Important factors For CFOs and business leaders to consider:

1. Questions to ask yourself before getting started:

- What kind of trailer fleet does your business require?
- How do you want to allocate capital?
- What types of trailers do you need?
- Is owning your best option?
- Where are your fleet's biggest holes?

2. Avoid these common mistakes:

- Low monthly costs don't mean low costs overall.
- Deferred maintenance can balloon costs.
- Using inefficient trailers can lower long-term returns.
- Not using technology might increase your total costs.
- Buying new isn't always the best option.

How to use trailers to increase your company's bottom line:

- Know your company's brand image.
- Evaluate your operation's resources.
- Find your right renting, leasing, and owning mix.

How to maximize trailer ROI:

- Evaluate your fleet's age.
- Know the use cases for old, middle-aged, and new trailers.
- Invest heavily in maintenance.

How to use technology to boost the value of your trailer fleets:

- Keep goods moving.
- Track and improve trailer routes.
- Reduce waste and lower costs.
- Slash operational costs with cargo sensing.
- Keep equipment and cargo safe.
- Increase driver retention.

Optimize Your Trailer Fleet Operation

CFOs and business leaders can keep costs low and revenue rolling in by managing their trailer fleets carefully. But you don't have to do it on your own. Our Premier Trailer Leasing team knows the ins and outs of the industry, and we help our partners find the best solution to push their company forward.

Premier is one of the largest trailer leasing and rental companies in the nation—with over 70,000 trailers and more than 40 locations nationwide. We're committed to giving our partners flexible, friendly, and fair options. And we work hard to help our partners find the best trailer solutions for their operations.

Ready to get started? We'll help you find the smartest financial solution for your trailer fleet.

DISCLAIMER: FOR INFORMATIONAL PURPOSES ONLY; USE AT YOUR OWN RISK. The materials, opinions and information contained herein (collectively, the "Information") is provided for informational purposes only. The Information does not constitute advice and may not be relied upon for any purpose whatsoever. Any use of the Information shall be at the recipient's sole risk. Provision of the Information shall in no event constitute a contract, agreement or other relationship between Premier Trailer Leasing, Inc. or any of its affiliates (collectively, "Premier Trailer Leasing") and any person or entity, including the recipient of the Information. The Information is provided on an "as is" basis with no guarantees of completeness, accuracy, usefulness or timeliness. Premier Trailer Leasing assumes no responsibility or liability for any errors or omissions contained in the Information. Premier Trailer Leasing makes no representation or warranty, express or implied, with respect to the Information or otherwise. This document and the Information may not be reproduced, distributed or used for any purpose without the prior written consent of Premier Trailer Leasing.

Premier®
TRAILER LEASING

premiertrailerleasing.com