12 Trailer Builders Take 74% of Market

By Paul Schenck

1993 Production of 12 Largest Trailer Manufacturers	Trailers	Chassis	Containers
1. Great Dane Trailers Inc	24,700	7,500	7,340
2. Wabash National Corporation	22,600	500	
3. Trailmobile Inc (estimate)	15,000		
4. Utility Trailer Manufacturing	13,800		
5. Stoughton Trailers Inc	13,400	1,000	5,000 (est)
6. Strick Corporation	12,800	6,500	
7. Pines Trailer Ltd Partnership	10,315		
8. Dorsey Trailers Inc	10,160		200
9. Monon Corporation (estimate)	9,500	8,350	8,800
10. Fruehauf Trailer Corporation	9,445		
11. Lufkin Trailers	3,476		
12. Oshkosh Trailer Division	2,700	1,100	
Total	**147,896**	**24,950**	**21,340**

THE LARGEST truck trailer manufacturers had an outstanding year in 1993, and they are having another high-production year in 1994. Backlogs are at an all-time high for some manufacturers, with production completely sold out until 1995.

Preliminary reports from the Census Bureau indicate that in 1993, trailer manufacturers built 188,319 complete trailers, which is slightly higher than the 185,000 predicted at the 1993 convention of the Truck Trailer Manufacturers Association. However, some industry analysts believe that the final Census Bureau figures that will be reported in three to six months will show well over 200,000 trailers were built in 1993, approaching the 214,000 complete trailers built in the previous high year of 1984 or the 209,000 built in 1974 and 1979. Stephen M Humphrey, president of Rockwell International Corporation's On-Highway Products business, a major manufacturer of both truck and trailer axles, is one of those predicting that the 1994 trailer sales should be even better than 1993—somewhere above 200,000 complete trailers.

It was a big year in 1993 for both dry freight vans, up 15%, and flatbed trailers, up 20%, compared to the 14% increase registered for all complete trailers. It was an even bigger year for demountables, which are reported separately because they are not complete trailers. Census said that 44,341 containers and chassis were built last year, an 89% increase over 1992. This is the largest number of containers and chassis ever reported by Census, but perhaps not large enough. Reports from individual trailer manufacturers indicate that four manufacturers alone built more than the 44,341 containers and chassis reported by Census without adding the production from the many other chassis manufacturers.

The large number of containers and chassis built last year complicate the ranking of trailer manufacturers in terms of the number of trailers built. For example, if considering only complete trailers and not the demountables, Monon Corp is the ninth largest manufacturer. If counting container chassis as trailers, Monon becomes the fourth largest manufacturer of wheeled units. And if containers are added to chassis and complete trailers, Monon is the second largest manufacturer of total units.

Great Dane Trailers is unchallenged as the largest manufacturer, building approximately 24,700 van and platform trailers in 1993, of which about 8,400 were refrigerated vans. In addition, Great Dane built 7,500 container chassis, 6,340 domestic containers as dry freight boxes, and another 1,000 refrigerated domestic containers. The production backlog is into 1995 for some product lines, but Great Dane has reserved open production slots for small orders for delivery this year.

Wabash National Corporation built some 22,600 trailers in 1993, and over 10% of them were refrigerated trailers. The Wabash total includes about 1,000 RoadRailer trailers, which are complete trailers with heavy-duty reinforcements to allow the attachment of rail bogies so they can be pulled in trains. Not counted in the complete trailer figure are 500 container chassis Wabash built in 1993. The backlog at Wabash is about a half-billion dollars, double the figure at January 1, 1993. Standard vans are being quoted for October delivery, but the popular aluminum plate van is sold out for the year. Platform deliveries can be made in the third quarter. Wabash President Jerry Ehrlich says the company is continuing to expand production at its single plant in Lafayette, Indiana.

Trailmobile Inc declined to reveal its production figures, but it is considered to be the third largest manufacturer of complete trailers. Its 1993 production is estimated at 15,000 complete units, of which 1,000 to 2,000 were refrigerated. Trailmobile has been limited to the production capacity at its single large manufacturing plant in Charleston, Illinois. However, a second plant in Jonesboro, Arkansas, is coming on stream now.

Utility Trailer, a family firm that is celebrating its 80th anniversary this year, is the fourth largest complete trailer manufacturer. Utility built about 13,800 trailers last year, of which some 9,000 to 10,000 we estimate to be refrigerated vans. The backlog at Utility is more than double what it was last year at this time, which was the highest in its history at that time. With four plants nationwide, Utility is adding a fifth plant in Paragould, Arkansas. However, rather than reducing the pressure at Utility's other plants, the Arkansas plant is expected to expand Utility's market share in the dry freight van segment.

Stoughton Trailers Inc is the fifth largest trailer manufacturer, producing about 13,400 complete trailers, and 1,000 container chassis in 1993. We estimate that production of domestic containers at Stoughton would add about 5,000 units to that total. Up to now, all production has been in Stoughton, Wisconsin, but two new plants in southern Wisconsin are coming on stream now. One new plant in Brodhead, Wisconsin, is dedicated to the new pultruded composites refrigerated van that Stoughton introduced at the International Intermodal Expo

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in Atlanta in April 1993. The second new plant will be dedicated to production of domestic containers and chassis, but is convertible to van trailer production.

Strick Corporation is the sixth largest manufacturer of complete trailers, building 12,800 in 1993. It was a big year for container chassis at Strick, building another 6,500 of these wheeled units. If complete trailers and container chassis were counted together, Strick would be the third largest manufacturer, building 19,300 wheeled units. Strick has three trailer plants located in Pennsylvania, Illinois, and Arizona.

Pines Trailer is the seventh largest trailer manufacturer, building 10,315 dry freight vans and 250 converter dollies in 1993. Pines has been operating out of plants in Kewanee, Illinois, and Greenville, Mississippi, and is now starting production in a third plant, also in Kewanee.

Dorsey Trailers in eighth place built 10,160 trailers in 1993, including 2,020 refrigerated trailers. Dorsey also built 200 converter dollies and 200 special aluminum dry bulk containers. The van plant in Elba, Alabama, is quoting December delivery, but Dorsey's dump trailer and platform plant in Northumberland, Pennsylvania, offers quicker delivery on dumps and flatbeds.

Monon Corp says it built 26,642 total units in 1993, with no breakdown available. However, we are assuming that this total is roughly divided in three more or less equal parts between trailers, domestic containers, and container chassis, with perhaps a slightly heavier emphasis on trailers. Therefore, we are arbitrarily ascribing 9,500 units to trailers, 8,800 units to domestic containers, and 8,350 to container chassis. The trailer figure puts Monon in ninth place. However, if we assume that one domestic container and one container chassis equal one trailer (even though considerably more work and cost are involved in a container-on-chassis), then Monon would rank as the fourth largest trailer manufacturer, building 17,500 to 18,000 wheeled van units.

Fruehauf Trailer Corporation dropped to tenth position from third place the previous year. Fruehauf production dropped to 9,445 trailers in 1993, primarily because it could not get sufficient financing. Fruehauf says it could have built twice as many trailers in 1993 if it had sufficient capital. That problem was solved in September with a $45-million capital infusion. Fruehauf closed its Indianola, Iowa, refrigerated trailer plant in May and its Waverly, Ohio, van plant in September. Its parts plant in Delphos, Ohio, was shut down also, but the Fruehauf axle plant remains in Delphos. Fruehauf sold its Decatur, Alabama, aluminum extrusion and sheet rolling mill in December, and announced that it would cease production of tank trailers at its Liquid and Bulk Tank Division plant in Omaha, Nebraska, on February 18. The company is completing an arrangement whereby Remtec Inc of Chambly, Quebec, Canada, would lease the plant and produce tank trailers for sale by Fruehauf. When the Omaha plant is transferred to these new operators, Fruehauf will have only two trailer plants, the Fort Madison, Iowa, van plant and the Scott County, Tennessee, platform and dump trailer plant.

Lufkin Trailers is in eleventh position after building 3,476 trailers in 1993. It was a very successful year for Lufkin, and 1994 promises to be equally good. Lufkin's backlog exceeds its 1993 production, and very few production slots are left open for 1994 delivery. The Lufkin Trailers Division of Lufkin Industries had been put up for sale over two years ago, but now it has been taken off the market. Jim Barber, general manager of the trailer division, says that Lufkin Industries is now committed to staying in the trailer industry. The company is expected to announce two new models this year—an aluminum plate van trailer and an aluminum-steel combo platform trailer.

Rank of Trailer Builders When Trailers & Chassis Combined

1. Great Dane Trailers	32,200
2. Wabash National	23,100
3. Strick Corp	19,300
4. Monon Corp (est)	17,850
5. Trailmobile Inc (est)	15,000
6. Stoughton Trailers (est)	14,400
7. Utility Trailer	13,800
8. Pines Trailer	10,315
9. Dorsey Trailers	10,160
10. Fruehauf Trailer	9,445
11. Oshkosh Trailer	3,800
12. Lufkin Trailers	3,476
Total	**172,846**

Oshkosh Trailer Division is in twelfth place with 2,700 van trailers. About half of these were remanufactured trailers consisting of an all-new van body and rebuilt axles. Oshkosh also built 1,100 container chassis, of which 350 were on remanufactured axles. Adding the 2,700 vans and 1,100 chassis would put Oshkosh in eleventh place when counting wheeled units.

These 12 largest trailer manufacturers built 147,896 complete trailers in 1993 or 78.5% of the total trailer figure drawn from the Census Bureau reports. If the 188,319 total is correct, then the other 150 trailer manufacturers that Census reports on built only 40,483 complete trailers in 1993. When the final Census figures are reported later this year, another 15,000 to 25,000 trailers may be added to the total. A more realistic figure of 200,000 trailers produced in 1993 would give a market share of 74% for the top 12.

The refrigerated trailer total is a good example of the apparent underreporting in the Census figures. The five largest manufacturers of refrigerated trailers built 23,000 to 25,000 fully insulated vans in 1993, while the preliminary Census report shows only 21,241 insulated vans built by the 15 manufacturers that report insulated vans to Census.

The container and container chassis figures provide another example of undercounting. Six manufacturers built about 25,000 container chassis in 1993 and three of these manufacturers also built 21,000 domestic containers. This 46,000 demountable total is more than the 44,341 containers and chassis reported by Census, not counting the production of the dozen or more smaller companies that build containers and chassis. The final container and chassis figure is expected to be in the 50,000 to 60,000 range, not counting the rather extensive production of ISO and domestic containers and container chassis at the HyMex plant in Tijuana, Mexico, that is not reported as US manufacture but is delivered to customers in the US for the most part.

If we assume at least 200,000 complete trailers were built in 1993, then Great Dane Trailers has a 12.4% market share and Wabash National Corp has an 11.3% share. Trailmobile and Utility Trailer are in the 7% range, and Stoughton and Strick are in the 6% range. Pines, Dorsey, Monon, and Fruehauf have about a 5% share each. The top 12 manufacturers as a group have a 74% market share. □