



MILEAGE TRENDS: FLASH REPORT

OCTOBER 22, 2020

As we head into the fall season, the pandemic continues to disrupt business activity in the U.S. The severity of the disruption varies by region and industry, and many leaders are monitoring multiple leading indicators of business activity. This report covers business mileage – an indicator of field activity levels—and presents a current view of economic growth and recovery for different regions and industry sectors.





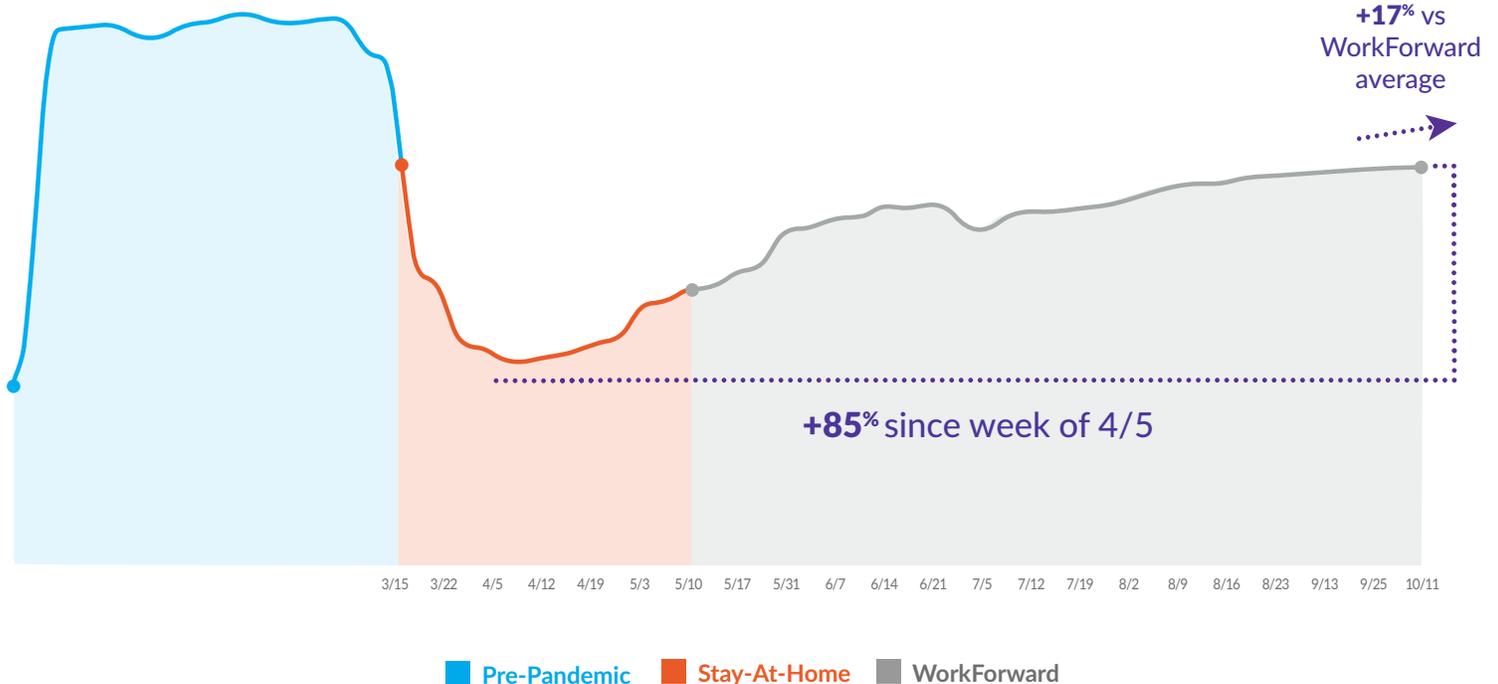
NATIONAL AND REGIONAL MILEAGE TRENDS

NATIONAL BUSINESS MILEAGE TREND

National business mileage activity has shifted from a plateau to a slow but steady increase over recent months. Current mileage activity remains higher than the stay-at-home phase, but incremental growth is at a much slower pace, and has not fully recovered to pre-pandemic levels. As people WorkForward, field activity is 85% higher than the week of April 5th, the lowest level of business mileage in 2020.

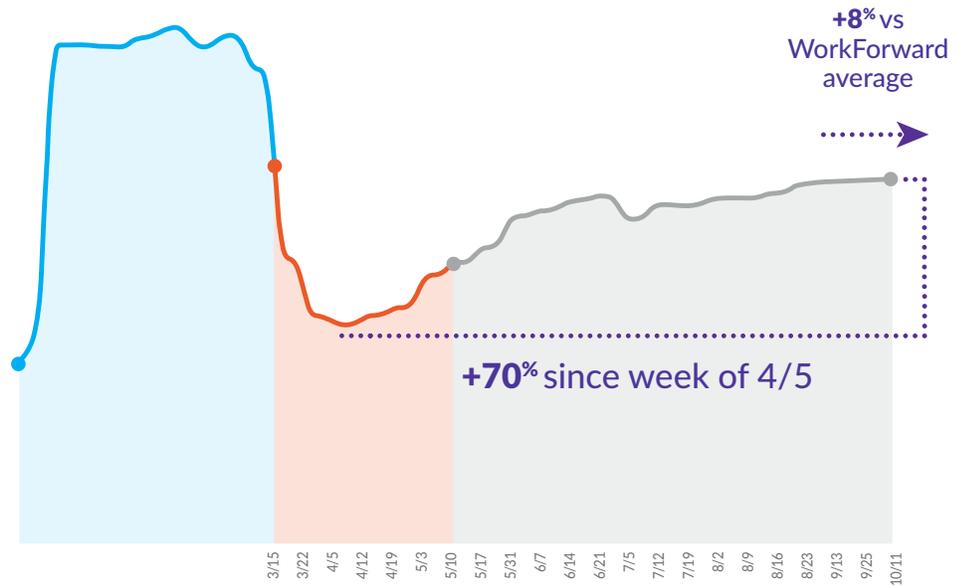
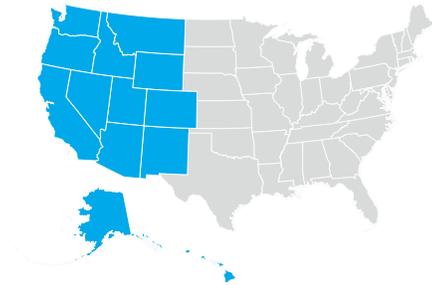
Average business mileage during WorkForward has increased to **65%** of pre-pandemic levels

BUSINESS MILEAGE INCREASING GRADUALLY



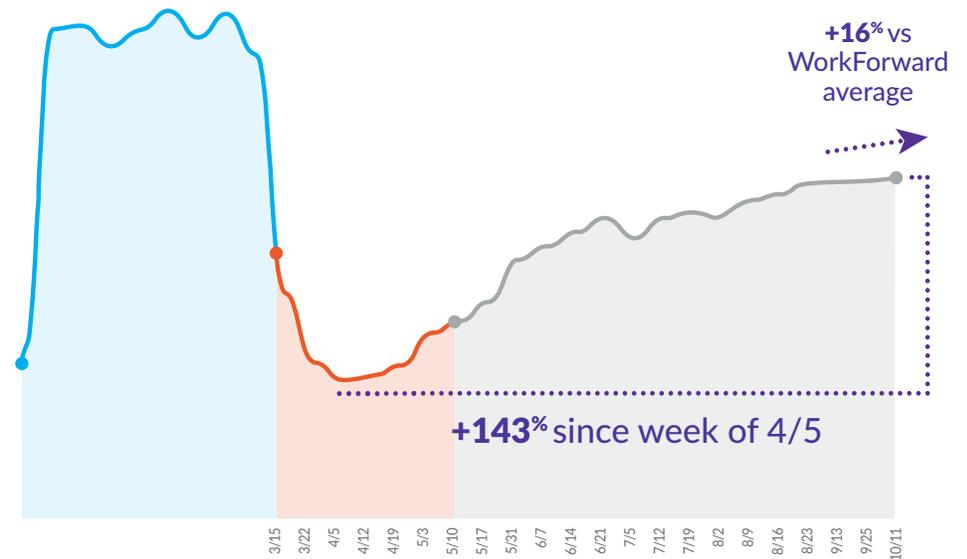
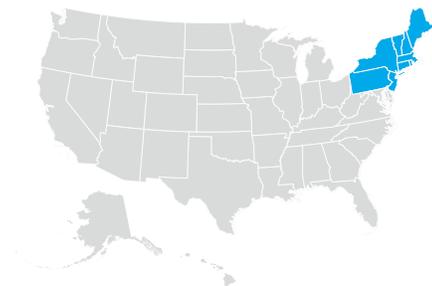
WESTERN U.S.

- Average business mileage during WorkForward is trending at 67% of pre-pandemic levels
- Driving activity in the West has increased slightly in throughout September, but has plateaued over recent weeks



NORTHEASTERN U.S.

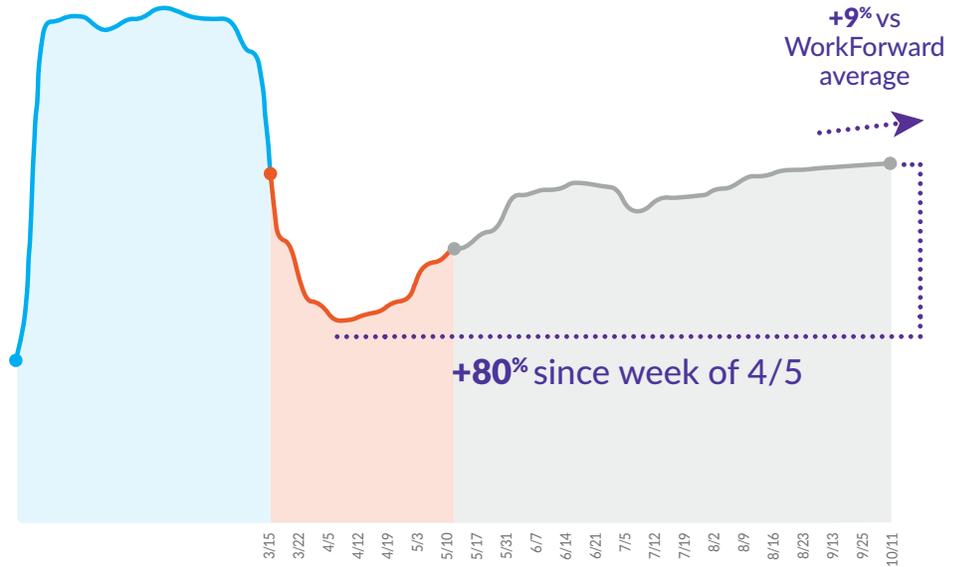
- Average business mileage during WorkForward has grown to 60% of pre-pandemic levels
- Driving activity in the NorthWest was trending upward on a steady week-over-week basis, but growth has slowed over recent weeks



■ Pre-Pandemic ■ Stay-At-Home ■ WorkForward

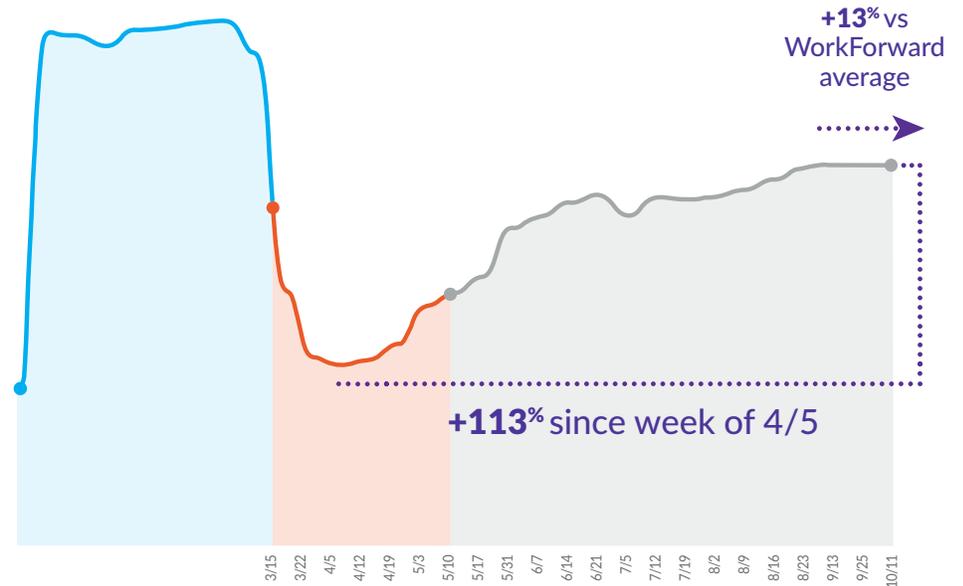
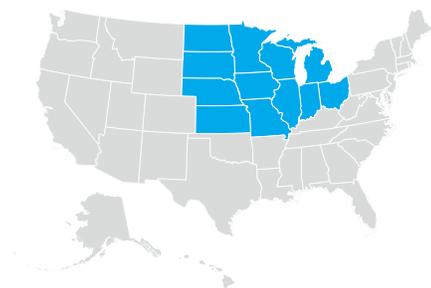
SOUTHERN U.S.

- Average business mileage during WorkForward has grown to 66% of pre-pandemic levels
- Business driving activity in the South has increased steadily over recent months but growth is trending towards a plateau



MIDWESTERN U.S.

- Average business mileage during WorkForward has grown to 66% of pre-pandemic levels
- Following a dip in early July, driving activity in the Midwest increased steadily, but has plateaued in September



■ Pre-Pandemic ■ Stay-At-Home ■ WorkForward



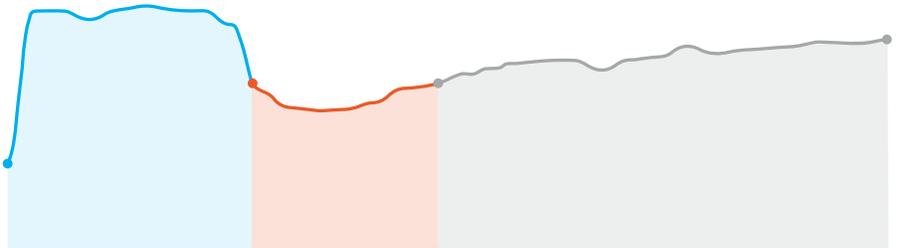
ACTIVITY TRENDS INDUSTRY SECTOR

While activity levels vary from region to region, there is an even wider variety among industry sectors and their many subsectors. Mileage trended upward rapidly in most industries in May and June – most likely due to widespread reopening efforts and pent-up demand. Recent months have seen more volatility in mileage in different industry sectors—illustrating how business activity trends differ depending on where and how companies operate.



FOOD & BEVERAGE

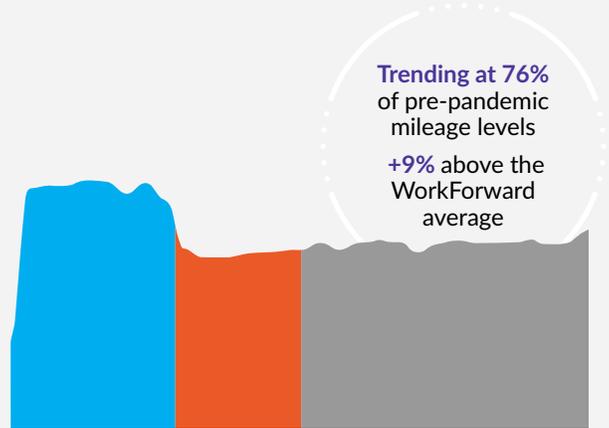
Business mileage is trending at 79% of pre-pandemic levels, a 48% increase over the week of 4/5



CLOSER LOOK: FOOD & BEVERAGE

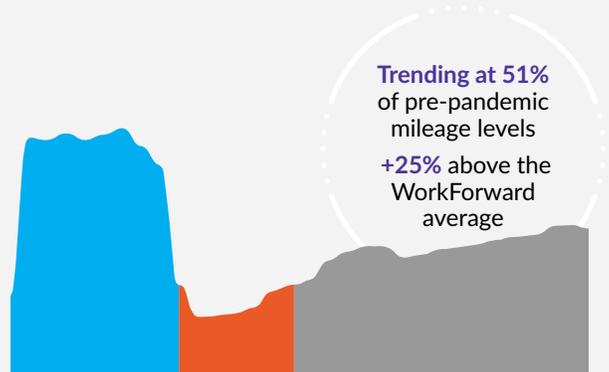
Some companies in the food & beverage space were impacted less than the larger industry sector. These companies had less of a decline during stay-at-home and are showing increased activity in the WorkForward phase – including further growth in recent weeks. This group includes:

- Food & beverage manufacturers
- Retail beer and liquor distributors
- Grocery distributors



Other companies in food & beverage were impacted more severely than the larger industry sector. This group includes:

- Foodservice tech
- Food suppliers to dine-in restaurants
- Distributors to educational institutes and similar organizations

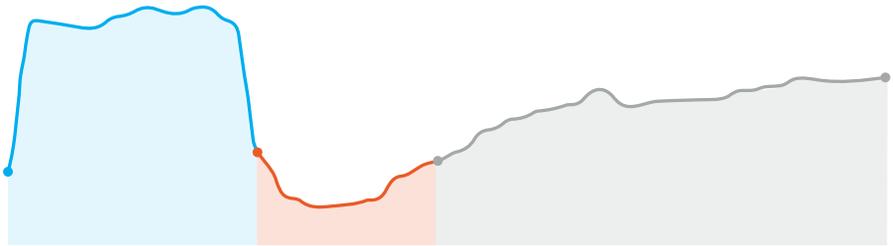


■ Pre-Pandemic ■ Stay-At-Home ■ WorkForward



PHARMACEUTICAL/BIOTECH & MEDICAL DEVICES

Business mileage is trending at 56% of pre-pandemic levels in the WorkForward phase, +29% above the WorkForward average

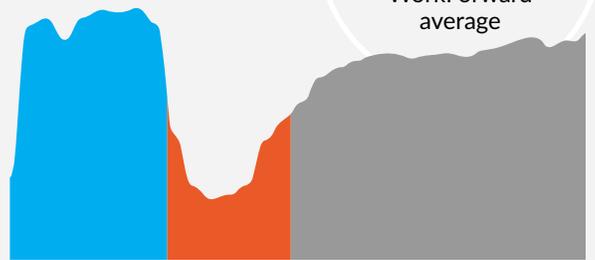


CLOSER LOOK: BIOTECH & MEDICAL DEVICES

Some companies in the biotech & medical device space are showing increased activity more rapidly than the larger industry sector. Companies that provide essential medical equipment and services showed an uptick in activity earlier than other companies in the stay-at-home phase and steady growth in the WorkForward phase. This group includes companies that provide:

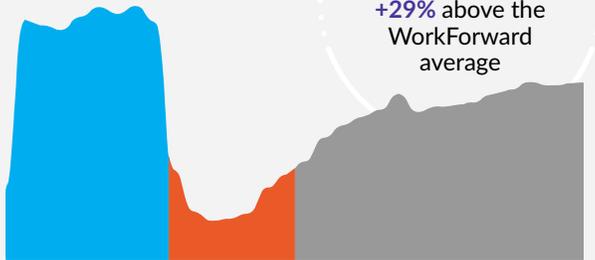
- Respiratory equipment
- Lab tests
- Face shields and other personal protective equipment

Trending at 84% of pre-pandemic mileage levels
+14% above the WorkForward average



Other companies in biotech & medical devices are recovering from a sharp drop in business mileage and are on a slower path to recovery. Companies in the group below provide equipment and supplies to dentists – a service deemed nonessential in many states during stay-at-home orders. The steady build in activity beginning in the WorkForward phase dipped over the summer before building momentum with consistent increases in activity over recent months.

Trending at 56% of pre-pandemic mileage levels
+29% above the WorkForward average

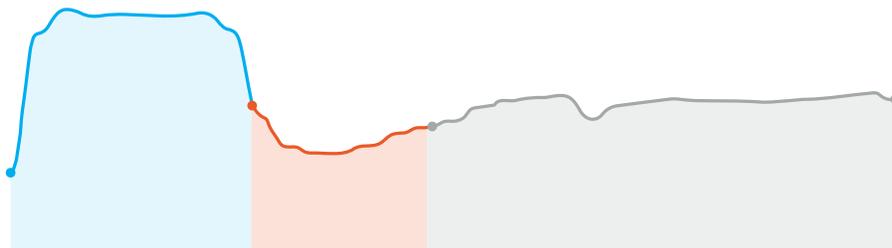


■ Pre-Pandemic ■ Stay-At-Home ■ WorkForward



HOSPITALS & HEALTHCARE

Business mileage is trending at 60% of pre-pandemic levels in the WorkForward phase, +7% above the WorkForward average

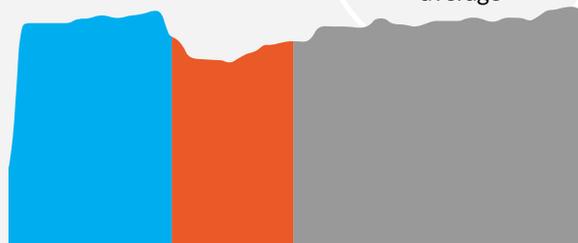


CLOSER LOOK: HOSPITALS & HEALTHCARE

Some companies in the hospital & healthcare sector sustained a higher level of activity than the larger industry. These businesses showed steady activity levels throughout the stay-at-home phase and have nearly recovered in the WorkForward phase. This group includes companies that provide:

- In-home nursing services
- Home medical products and devices
- Clinical laboratory services

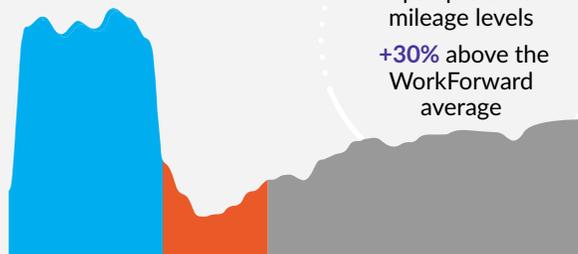
Trending at 97% of pre-pandemic mileage levels
+7% above the WorkForward average



Other companies in this sector were impacted more severely than their industry peers. For example, companies that specialize in medical procedures and treatments. Business mileage activity for these companies indicates accelerating week-over-week growth. This group includes companies that provide technology and services for:

- Pathology
- Physiotherapy
- Preventative care

Trending at 46% of pre-pandemic mileage levels
+30% above the WorkForward average

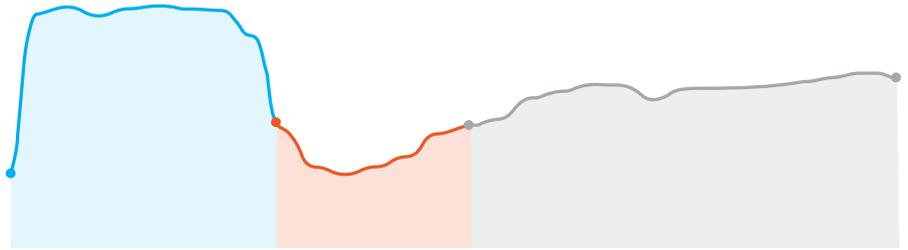


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MACHINERY

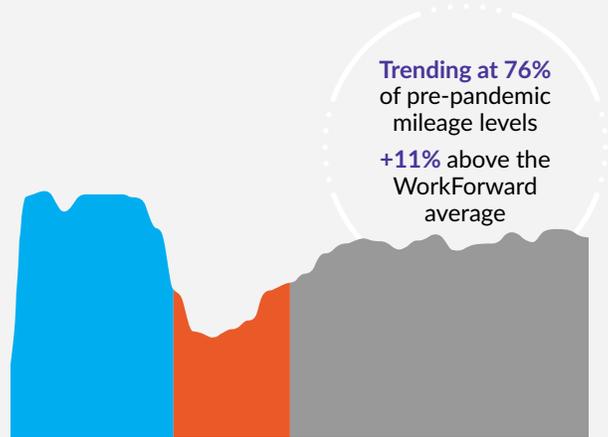
Business mileage is trending at 63% of pre-pandemic levels, +16% above the WorkForward average



CLOSER LOOK: MACHINERY

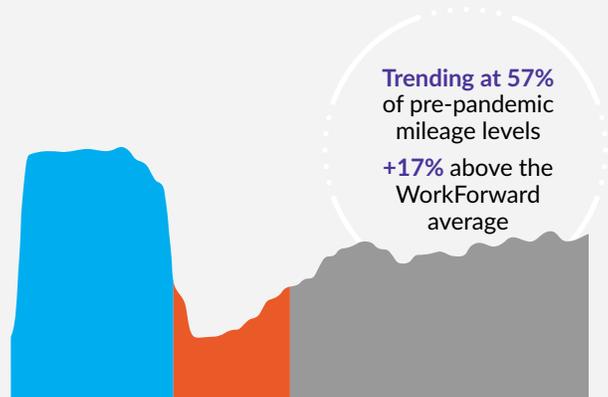
Companies in the machinery sector that supported essential businesses sustained a higher level of activity than the larger industry sector during stay-at-home. Mileage activity growth has levelled off for these businesses over recent weeks. This group includes companies that provide:

- Warehouse and shipping machinery
- Packaging supplies and equipment
- Agricultural and heavy construction equipment



Companies that specialize in equipment or distribution for some manufacturers are showing a slower rate of growth in business mileage activity but have recovered from a decline in July. This group includes companies that provide:

- Industrial controls and automation
- Outdoor power equipment
- Automation controls

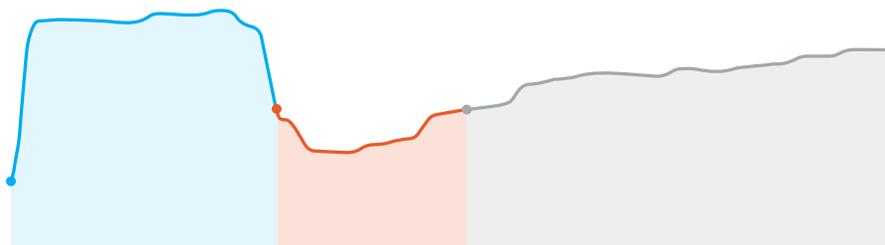


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CONSTRUCTION & BUILDING MATERIALS

Business mileage is trending at 73% of pre-pandemic levels, +18% above the WorkForward average

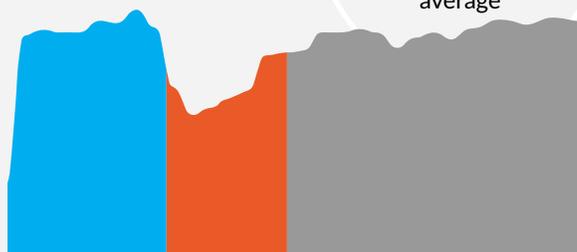


CLOSER LOOK: CONSTRUCTION & BUILDING MATERIALS

Companies that specialize in equipment or distribution for engineering and homebuilding are showing a slow decline after months of steady growth in business mileage activity. This group includes:

- Building materials producers and distributors
- Engineering and contracting firms
- Homebuilders

Trending at 94% of pre-pandemic mileage levels
+8% above the WorkForward average



Other construction and building materials companies were impacted more severely than the larger industry sector. After mileage growth throughout the beginning of the WorkForward phase, activity is trending lower. Companies in this group include:

- Infrastructure construction
- HVAC distribution
- Millwork & wood products

Trending at 43% of pre-pandemic mileage levels
+19% above the WorkForward average

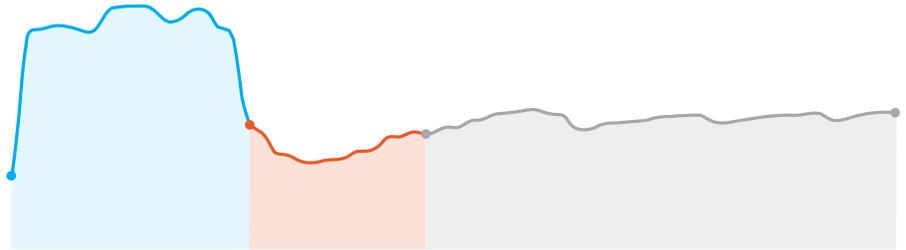


■ Pre-Pandemic ■ Stay-At-Home ■ WorkForward



RETAIL

Business mileage is trending at 55% of pre-pandemic levels, +9% above the WorkForward average

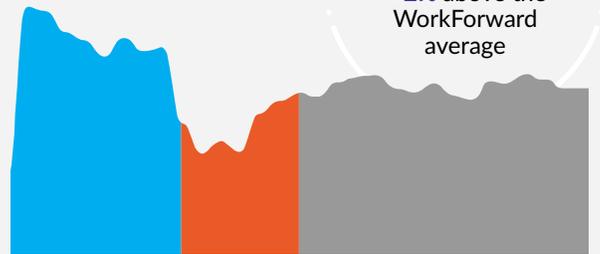


CLOSER LOOK: RETAIL

The retail sector includes some companies that did not close stores when stay-at-home orders went into effect. Although many of these companies experienced a decline in business mileage, it was not as severe as what the entire sector experienced. While these companies have a shorter path to recovery than their industry peers, activity in recent months is trending downward. This group includes companies that focus on:

- Hardware and home improvement
- Pharmacies
- Pet supplies

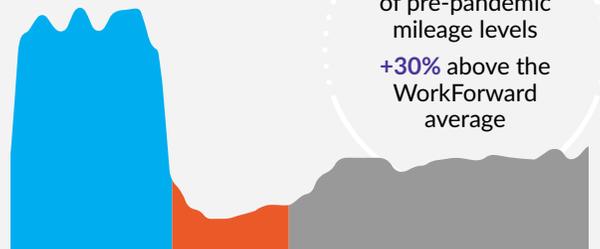
Trending at 74% of pre-pandemic mileage levels
+2% above the WorkForward average



Other companies in this sector suffered a severe drop in their business mileage activity when stay-at-home orders were in place. After week-over-week increases in May, mileage growth has jumped up and down in recent months. This group includes companies that focus on:

- Apparel
- Office supplies
- Furniture

Trending at 36% of pre-pandemic mileage levels
+30% above the WorkForward average

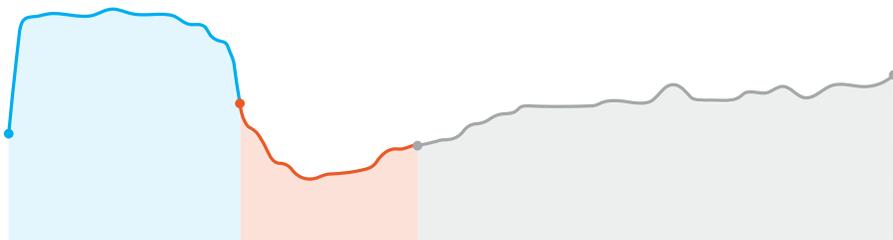


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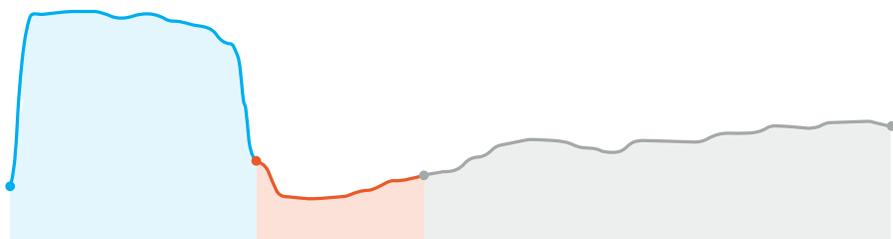
BUSINESS SERVICES

Business mileage is trending at 60% of pre-pandemic levels, +24% above the WorkForward average



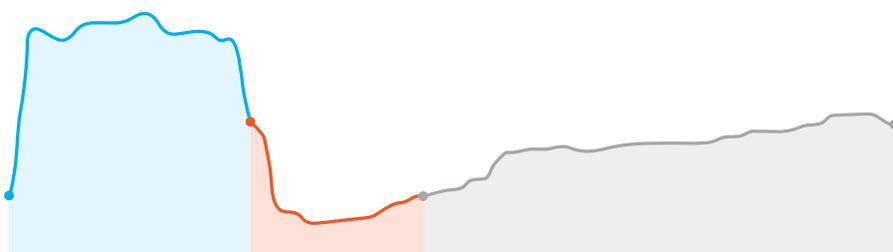
ENERGY & ENVIRONMENTAL

Business mileage is trending at 45% of pre-pandemic levels, +22% above the WorkForward average



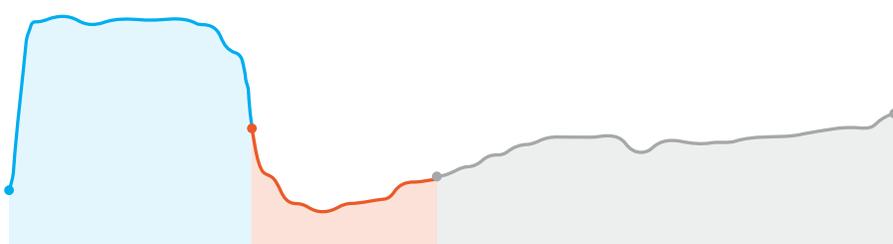
AUTOMOTIVE

Business mileage is trending at 45% of pre-pandemic levels, +30 above the WorkForward average



MANUFACTURING

Business mileage is trending at 44% of pre-pandemic levels, +36% above the WorkForward average



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Mileage activity can provide insight into the rate of recovery for both regions and specific types of businesses. It is impossible for business leaders to predict the future as we navigate Q4. Things are not the same for businesses in every region or industry. As companies WorkForward, they can rely on Motus as a resource for indicators of the current direction of activity in their areas and industries.

Can your workforce adapt to unexpected disruptions? Motus will help you get there.

CONTACT US

METHODOLOGY

More than 5 million business mileage logs from the world's largest retained pool of drivers were analyzed to identify trends in different regions and industry sectors. Driving activity is measured in business mileage levels and trip volumes. Data covered all 50 states and more than 50 industry sectors. Regions follow the U.S. Census classification of states.



ABOUT MOTUS

Motus is the definitive leader in solutions for businesses with mobile-enabled workforces. Motus simplifies reimbursement and management of mileage, mobile devices and remote work with proprietary software that calculates personalized reimbursements for each employee, while improving employee productivity, reducing overall mobility costs and supporting our customers' tax and labor law compliance programs. The company's unmatched living cost data, refined over more than 80 years and updated in real time, has made Motus the leading provider of mobile workforce management solutions for top Fortune 500 companies. Motus automotive data, captured and analyzed across the world's largest retained pool of drivers, also underpins the annual Internal Revenue Service (IRS) business mileage standard, the amount an individual can deduct for business vehicle expenses. For more information please visit www.motus.com or connect with us on [Twitter](#), [Facebook](#), [Instagram](#) or [LinkedIn](#).