

ANALYSIS ON THE ON THE ROAD FREIGHT TRANSPORT DURING 2010-2016

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Abstract:

Transport affects all sides of economic and social life, and their harmonious and orderly development in line with the requirements of the enlarged reproduction is an important objective of economic policy state.

Road transport has the largest share of all transport modes, both in terms of passenger and freight transport, his development of lately undergoing a rapid ascent. In the last 30 years mileage using road transport tripled.

According to the data presented this paper proposes an analysis on road freight transport, which by his mobility and free movement experienced an extraordinary development.

For a better understanding of theoretical and practical information we used research methods as synthesis, comparative analysis, classification.

Keywords: *transport, road transport, goods, companies, carriers, law.*

1. Introduction

Road transport is not just another mode of transport is an important generator of economic growth and few people realize the significance of road transport for everyday life. Without road transport none of us did not have the favorite magazine on the desk or coffee cup early in the morning, because the road is like a capillary network serving any point, however small.

Road transport it is a terrestrial mode of transport and also a distinct entity of the national transport system, which ensures movement of goods and people into space using vehicles. (Alexa C., 2003). By *road transport* means any operation which is carried by road vehicles for moving people, goods and property. (Ștefan C., Gheordunesc M., 2015). *Road freight transport* designate movement in space of goods using specialized auto vehicles.

Road transport industry has recorded a lot of progress over time, its existence generating other related fields, such as road freight transport, very useful. for all. Through haulage services facilitates the delivery of heavy or dangerous goods in optimal conditions, anywhere in the world.

Anyone can use transport of goods services, whereas, his degree of development is a performance and safety level.

2. Research Methodology

Concidering, the submitted the above, the main objective of this paper is an analysis of road freight transport through some of specific terms.

This paper is based on different types of data from the transport market, through different sources of information, which gives a qualitative character and catitativ otherwise.

3. Presentation and analysis of data

Road freight transport remained a dynamic competitive segment with many players and heavily dependent on international transport orders confirmed in the following.

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So for the first year analyzed respectively **2010** we can say that most transport modes have decreased.

Concretely road transport has decreased in terms of quantity of goods, by 40.3% compared to 2009 and by 51.0% compared to 2007 as shown in the following table:

(Table no. 1)

Road transport	U.M.	2007	2008	2009	2010
Goods transported	mil. tonnes	357	365	293	175
During goods	mild.tonnes-km	60	56	34	26

Source: <http://www.insse.ro>

The economic recession affected transport industry thus in **2011** the road freight market decreased by 48.5% compared to 2007, being strongly influenced by the reduction of goods transported both internationally, their volume reduced by a CAGR 18.1% and national level, the amount of goods transported decreased by an average annual rate of 15.6%.

The top 10 companies in the road freight transport market achieved in **2011** a turnover of 556 million euros. The share of each player's total combined turnover was as follows:

- Aquila Part Prod Com – 21%;
- Schenker România – 13% ;
- Trans Bitum – 13%;
- Waberer's România – 9%;
- Dumagas Transport – 9%;
- Havi Logistics – 8%;
- Gefco România – 8%;
- Transcondor – 7%;
- International Lazăr Company – 7%;
- Dunca Expeditions – 6%.

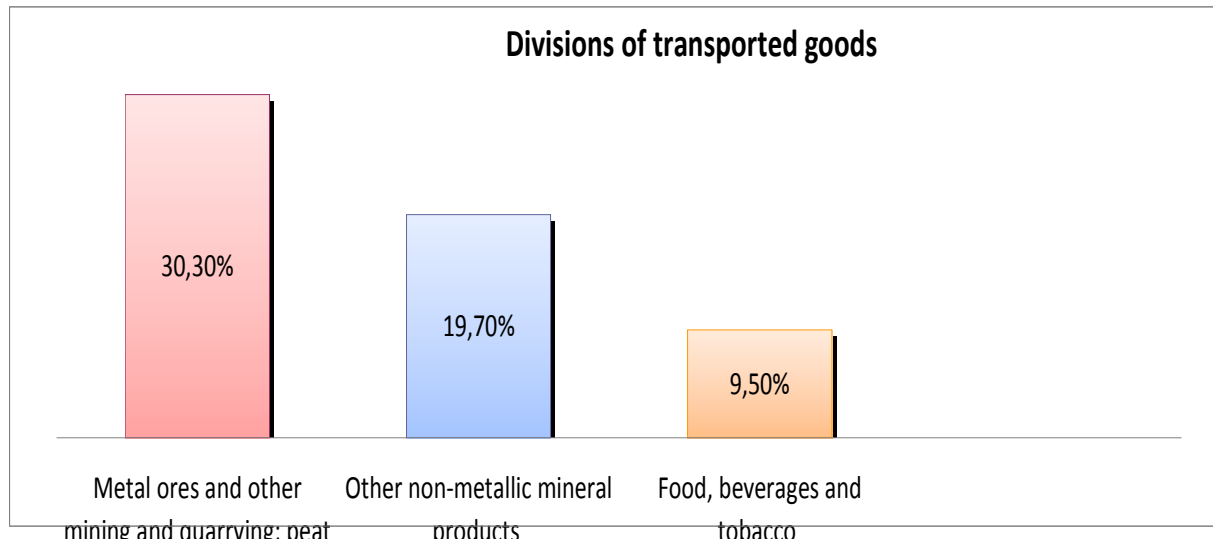
Therefore, we can say that for the companies of the road freight transport sector year 2011 was marked by a rate slightly negative, but the competition was very strong.

If we refer to the **2012** road freight transport carried by transport licensed operators decreased by 12.0% in terms of volume goods transported. Of the total by 28763.0 thousand tons of total cargo transported, 25854.0 thousand tons were operated in national transport.

In the first quarter of **2012**, the national road transport, 62.5% of goods were transported on small range(between 1-49 km), while 17.1% range between 50-149 km. On distance of at least 150 km were transported 20.4% of all goods operated by carriers.

In road transport, freight divisions with the largest share in total goods transported were metal ores and other mining and quarrying; peat; uranium and thorium (30.3%), other non-metallic mineral products (19.7%) and food, beverages and tobacco (9.5%).

(Figure no.1)



Source: Created by author based on information retrieved

As regards during goods divisions food, beverages and tobacco goods grouped transported together accounted for 13.5% of total during .

These vary between the weights of the main divisions of products in total goods transported in total traveled arising from the different distances that goods are transported, such as: construction materials are transported over short distances, and have the largest share in total freight carried, and manufacturing products over long distances and have share in the total process.

In road freight goods transported on own account represented 65.0% of the total and 35.0% paid. Regarding transportation of goods by destination, 89.9% of the total was registered in national transport and only 10.1% in international transport (including transit).

For international road transport of goods, 95.1% of all goods unloaded came from EU Member States, while 95.1% of all goods loaded were directed to EU Member States. The largest amounts of goods was from Germany (26.6%), Italy (21.7%) and Hungary (11.7%) and in terms of volume of goods loaded, 28.7% were directed to Germany, Italy 21.9% and 10.1% Hungary. Of all goods transported on international routes, which is 2.909 million tons, transit held 35.6%, loaded goods 33.8% and unloaded goods 30.6%.

2013 was marked by a moderate dynamics of the turnover in conditions of high profitability compared with 2012 in wich accelerated growth of income was accompanied by losses. Investments increased, similar evolution in 2012, but were financed in faulty mode respectively by a very low degree of capitalization. More than half of the companies have recorded a negative working capital during 2013, disregarding the principle of maturity maturities of allocation of resources contracted on long-term by the investment.

According to financial statements published by the Finance Ministry, a total of 27 252 firms that have the main activity Road freight transport generated during **2013** a total turnover of 26.6 billion, up by 8% over the previous year.

If is analyzing the distribution of these companies by turnover, it appears that a quarter of those who submitted statements for 2013 did not perform in reality no activity, while 1,010 companies from this sector recorded an annual turnover below a million euros, being those that generate about 64% of the income recorded in the entire sector.

Following the structure of the profit and loss for the companies in the sector and its impact on the balances recorded in the consolidated balance sheets, it can be noted that, in

contrast to 2012, which registered a sectoral advance total turnover of 15 % and about 70% of companies achieved revenue growth in 2013 was seen some moderation in this regard. Thus, the advance of consolidated turnover at sectoral level in 2013 was 8% compared to the previous year, given that only 57% of companies reported increasing income. Despite this, the net result evolved better, both in terms of absolute values and its dynamics. Such as the values recorded for this indicator at sectoral level for 2013 was by 1% compared to -1% on the previous year.

In terms of attracting financial resources and the allocation of resources for long-term investment, Coface considers that during 2013 the companies of analyzed sector have allocated significant investments to expand the fixed assets, but down slightly compared to the previous year.

Indebtedness registered at sectorial level decreased from 90% (2012) to 85% for 2013, but the share numerical of indebted companies is still very high. More exactly five in ten companies has a degree of negative capitalization (equivalent to a debt greater than 100%), which are mostly small firms or below average size. Liquidity indicators show a slight trend improvement to sectorial level. Diminishing liquidity indicators recorded on preserving profits in companies and increasing balances from suppliers and banks

Sectoral risk analysis reveals that 4,295 companies in the transport of goods by road ceased activity during 2013, and of these, 41 companies recorded a turnover of over one million euros.

However, the sector remains one competitive volume and caliber of companies that have ceased their activity during 2013 is relatively equal to that of established companies in the sector in 2011 and 2012 combined.

According to the financial data available for **2014**, companies in road freight transport have been recorded increasing income which were found in insufficient profits. Investments in new technologies represents 32% of total assets, significantly above dynamics wear them for the third consecutive year. But the impact is not very visible in terms of increasing insufficient profits. Companies of the analyzed sector have maintained the high level of supplier credit, the average payment of which is 122 days, while receivables are collected within 90 days.

According to financial statements published by the Finance Ministry, companies that have the main activity Road freight transport generated in 2014 a total turnover of 30.33 MLD up of 14% compared to previous year. Much of the advance income is generated by companies already on the market. In this context ,41% of companies operating in this sector reported declining decreasing income in 2014.

Analyzing the distribution of these companies by turnover, it appears that:

- About 20% of companies that have submitted their declarations for 2014 were held in reality no activity;
- More than half of active companies recorded a turnover of less than EUR 100 K / year (2014), but the share in total turnover value of this segment is only 7%;
- 157 companies in this sector recorded an annual turnover of more than 1 million euros in 2014, 15% more than the 2013 level, namely 1,010 companies. This segment represents approximately 4% of the total active companies, but generates about 64% of revenue recorded for the entire sector;
- Sectorial consolidated net result for 2014 was 1.8%, with a dynamic slightly increasing compared to the past, or 1.2% for 2013 and -1.2% in 2012;
- Operating margin increased from the level recorded in 2012, respectively 0.5%, 3.5% in 2014;
- 47% of companies operating in this sector reported a deterioration in net result in 2014 compared with the previous year, approximately 16% moving from profit in loss;

- Dynamics records amid huge debts contracted by domestic companies, they recorded a total indebtedness of 82%.
- The way of finances investments by domestic companies is not sustainable. The share of short-term debt in total borrowed capital has increased to over 65%;
- The average duration of debt collection fell to 90 days, the liquidity situation is improving only marginally, while the coverage of short-term debt by net cash increased by 15%. Source preserving liquidity is not sustainable in the long term, given that suppliers are paid later.
- The surplus liquidity is used in a destination classic for long-term investments in fixed assets - machinery, transport, both in 2013 and 2014 - but at the expense of creditors, such as suppliers and banks The average duration of payment of short-term debt decreased in 2014 compared to 2012 to 122 days (132 days), while the cumulative rotation receivables and inventories (operational cycle) decreased by 6 days relative to 2012., where the leverage is slightly down;
- The average duration of payment of short-term debt decreased in 2014 compared to 2012 to 122 days (132 days), while the cumulative rotation receivables and inventories (operational cycle) decreased by 6 days reported to 2012. Reducing the time of payment of short-term debts (decrease of 10 days) with four days over decrease in inventories and receivables (decrease of 6 days) has encouraged companies by analyzed sector to finance important investment long-term (above amortization)

So **2014**, brought divergent results for this sector in terms of income their level increasing by 14%. Although 41% of companies reported declining income progress achieved since the rest of the companies was sufficient to cause an advance income to sectorial level. However, the advance income is found very little in additional profits, dynamics being only slightly increasing.

In 2015, the financial statements of the strongest companies that the field road freight were positive in most cases, but in many cases it was noted a slowdown of the growth rate. Concrete has registered a 4% increase in the volumes transported compared to the previous year.

Aquila Part Prod Com from Prahova ,most powerful road road freight transport had a increase by of this indicator and its profit increased by not less than 31% to 5.5 millions. However, in the standings, profits Aquila rank only eighth position. The second largest Romanian carrier Carrion Expedition from Cluj recorded in 2015 a turnover of over 550 millions, increasing by no less than 45% over the previous year. And in net profit, the company specializes in refrigerated transport had a surprisingly good result reporting an increase of this indicator from 8.7 millions in 2014 to 28 millions in 2015.

Profits ranking, first place is occupied by Transpeco Logistic & Distribution from Bucharest, drawn from the company Petrom in 2007 which has as main activity oil tanker. Transpeco achieved a net profit of 33.3 million lei, almost the same as in 2014. However the total of 198.6 million tonnes of freight transported, 84.3% were operated in national transport. Overall road transport during goods increased by over 11.1% compared to 2014.

Regarding the **2016** in first quarter total volume of goods transported by road was 42.4 million tons.

Road freight traffic is more intense in areas with developed infrastructure. Maximum values are between Bucharest and Muntenia, lows - between Moldova and almost all regions of the country. The most intense exchanges of goods by road occur over short distances (under 150 kilometers), usually within regions and between regions traffic

volume depends on the state of infrastructure according to the data study "Passenger and cargo on modules in the first quarter of 2016 .

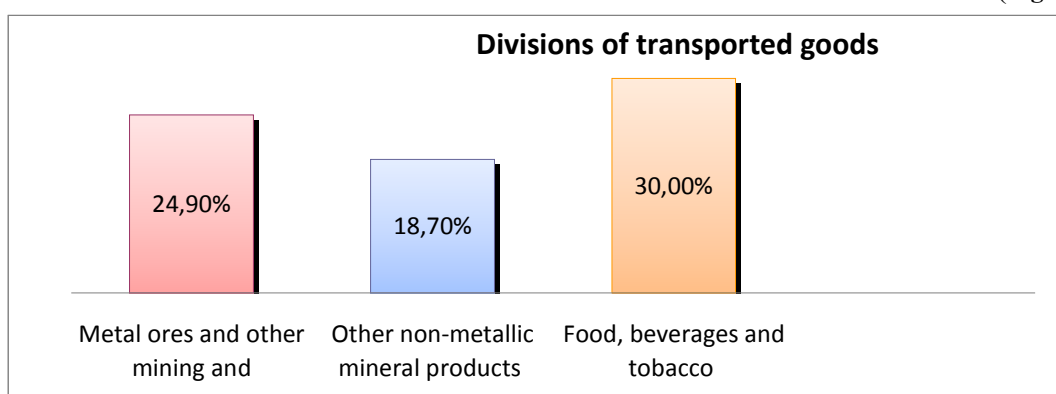
In the Central, Southeast and West region were recorded the highest values of local freight traffic, 4.4 million and 3.3 million tons in the first quarter. Lowest local traffic was registered, according to INS, in Bucharest-Ilfov, where trade in goods weighed in total, only 1.7 million tons. The study „Transportation of passengers and freight by modules in the first quarter of 2016”, conducted by the National Statistics Institute shows that "62.4% of goods were transported short distances between 1 and 49 kilometers and 18.2% range between 50 and 149 kilometers and 17.4% range between 150 and 499 kilometers ". Among the regions, the most intense exchanges of goods were registered on relations Bucharest Muntenia (617,000 tonnes in the shower and 576,000 tonnes at back) and Centre - North West (220,000 tonnes in the shower and 385,000 tonnes at back) . The weakest exchanges were recorded, according to INS, on-Moldova relations Oltenia (11,000 tons to 12,000 tons went to the back) and Banat-Moldova (8,000 tonnes and 18,000 tonnes went to the back)

According to the same study, the traffic of goods recorded a whole "increased by 32.9% in terms of volumes transported compared to the first quarter of the previous year." Of the total 42.4 million tons of goods transported, 77.7% were operated in national transport.

Volumes of goods transported in national transport increased by 28.8% compared to the first quarter of 2015

In road transport, freight divisions with the largest share in total transported goods were metallic ores and other products mining and quarry peat, uranium and thorium (24.9%) and non-metallic mineral products (18.7%). Regarding during goods, food, beverages and tobacco held the largest share - 30%. The weights of main goods are determined by the different distances that are transported so: construction materials are transported over short distances, and have the largest share in the total, and product manufacturing are transported over long distances and have the largest share in total way. "In the first quarter 2016, road freight, goods carried on own account represented 52.4% of the total.

(Figure no.2)



Source: Created by author based on information retrieved

In terms of destination, 22.3% of goods was recorded in international transport (including transport between third countries and cabotage). "In international road transport of goods, 92.5% of all goods unloaded were from Member States of the European Union, while 90.7% of total goods loaded were directed to EU member states." The largest amounts of goods were from Germany (20.5%), Italy (15.3%) and Hungary (7.6%), while 18.8% of the goods loaded were directed to Germany then 9.2% 11.3% Italy and Hungary.

According to INS Southeast and Central regions recorded in the first three months of this year, the highest volume of goods transported both the delivery and procurement. At loads (deliveries), Central region recorded 5.1 million tons and downloads (purchases) - 5.4 million tons. The lower volumes were recorded deliveries Bucharest-Ilfov (3.2 million tonnes) and South-West Oltenia from acquisitions (3.3 million).

It is noted that income grew slower in terms of higher profits, but the latter are insufficient compared to the investments made at the expense of suppliers.

4. Conclusions

Considering the submitted, it can be concluded that road freight transport has undergone and is undergoing a period of incertitudine swings in the market situation.

At the same time remained a key factor in economic growth, social development, full contributions to strengthening the national economy and international relations.

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