

Tesla's New Semi Could Change Shipping As We Know It

Tesla is shaking up logistics world with its semiautonomous truck.

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Thanks in part to Tesla, the logistics industry is on the road to a transportation transformation.

In November 2017, Tesla rolled out the heavy-duty Semi, an electric-powered, semiautonomous truck that's already been pre-ordered by the likes of DHL, Anheuser-Busch, J.B. Hunt and Walmart. If all goes as planned, those companies will be among the first to transport goods aboard these sleek, modern vehicles in the not-too-distant future.

Some forecasters predict electric-powered trucks will be the norm in as little as 10 years. And the timing for self-driving trucks could be in the same lane. Bill Meahl, chief commercial officer at DHL, says logistics companies need to think now about transportation's autonomous future.

"Semi-trucks controlled entirely by artificial intelligence (AI) may be a long way off, but companies managing large vehicle fleets cannot ignore advances in technology and the impact they might have," Meahl wrote on a company blog. "Logistics industry players certainly need to prepare for a future more reliant upon autonomous vehicles. Failure to plan for this eventual inevitability will be a costly mistake."

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Year

Zero to 60 in five seconds.

DHL Supply Chain North America has ordered 10 Tesla Semi trucks and plans to test them in major U.S. metro areas once the vehicles become available in 2019. The company intends to try out the trucks for shuttle deliveries, same-day deliveries and longer-haul trips.

“This is a revolutionary approach to trucking, and we want to be a part of it for our customers, for our employees and for our industry,” says Jim Monkmeyer, president of transportation at DHL Supply Chain North America.

Tesla claims its new vehicle will improve logistics safety, boost efficiency and reduce costs. Without a trailer, the Tesla Semi – powered by four electric motors – can reach 60 mph in five seconds, compared with 15 seconds in a comparable diesel truck. With a full 80,000-pound load, that feat can be achieved in 20 seconds, versus about 60 seconds in a diesel truck, according to Tesla.

Inside the truck, two touchscreen displays offer navigation, blind-spot monitoring and electronic-data-logging capabilities. Built-in connectivity will allow direct communication with a fleet’s routing and scheduling system.

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Advanced features – at a price.

On the safety front, the Tesla Semi features a windshield made of impact-resistant glass, onboard stability sensors, safety-hazard cameras, automatic emergency braking, lane-departure warnings and lane-control functionality.

As for costs, the Tesla Semi will minimize upkeep because it won't have an engine or a transmission system. A fully loaded vehicle will consume less than 2 kilowatt-hours of energy per mile, with a range up to 500 miles at highway speeds. (A single 30-minute, solar-powered charge at one of Tesla's roadside Megacharger stations will enable 400 miles of travel.) Tesla estimates a truck owner can expect to save at least \$200,000 in fuel costs for every 1 million miles traveled.

Those cost savings will come at a steep up-front cost, though. A Tesla Semi with a 300-mile range will sell for \$150,000, while the model with a 500-mile range will fetch \$180,000. By comparison, the base price of a traditional semi-truck is around \$80,000.

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Long-term benefits.

Owners of Tesla trucks, though, will get an added bonus: environmental benefits.

Leaders at Anheuser-Busch ordered 40 Tesla Semis. They believe incorporating the trucks into their distribution network will help the achieve the goal of reducing the companies carbon footprint by 30 percent by 2025. According to the beer-brewing giant, that's the equivalent of taking nearly 500,000 cars off the roads each year.

"We can't wait to get these trucks on the road and keep leading our industry forward to a greener, smarter future in partnership with some of the world's most innovative companies," says James Sembrot, senior director of logistics strategy at Anheuser-Busch. "The transportation industry is evolving fast, and we're really excited to play a leadership role in driving this evolution by integrating these new

technologies across our network.”

Of course, time will tell whether Tesla and its visionary leader, Elon Musk, can pull off this advancement in logistics. Critics remain skeptical.

“Tesla has done a very good job in passenger vehicles, making electric power interesting and accessible for consumers,” Antti Lindstrom told Trucks.com. The trucking-industry analyst at IHS Market added: “There’s a feeling they may have bit off more than they can chew with this truck talk.”

Nonetheless, the unveiling of the Tesla Semi has given the logistics industry plenty to chew on.

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