

## US LTL capacity tightens further as Estes cyberattack outage continues



*The disruption caused by the cyberattack at Estes will tighten LTL capacity further, even though it is likely a short-term event. Photo credit: Estes Express Lines.*

**William B. Cassidy, Senior Editor and Ari Ashe, Senior Editor | Oct 3, 2023, 1:02 PM EDT**

US less-than-truckload (LTL) shippers face a difficult week as Estes Express Lines deals with an ongoing outage in its core information technology infrastructure affecting several systems. The company confirmed Tuesday that a cyberattack caused the outage that is still unresolved more than 36 hours later.

“While we are unable to share specific details at this time, our terminals and drivers are effectively picking up and delivering freight while we work through this event,” Estes said in an advisory posted on LinkedIn and other social media sites.

“We’re working as quickly as possible to resolve this issue and return to business as usual,” Estes said of the outage that began around around midnight Sunday.

As quickly as possible won’t be soon enough for shippers still dealing with the late-July collapse of Yellow, then the third-largest US LTL carrier. Yellow’s shutdown sent waves of LTL freight to other carriers, including Estes, significantly tightening LTL capacity.

The impact of the cyberattack on Estes won’t be as large, but it will intersect with existing disruptions, particularly for smaller shippers. “Larger shippers can pivot more easily, it’s the smaller shippers that will have trouble,” said Kevin Day, president of LTL at AFS Logistics.

Day noted that Estes is picking up and delivering freight despite the cyberattack. “They will have to do it old school,” he said. “Estes has the kind of tribal knowledge to execute that. It may not be pretty, but they will get it done.”

Estes is now the fourth-largest US LTL carrier and the largest privately owned US trucking company, with \$4.4 billion in LTL revenue last year, according to SJ Consulting Group estimates. Estes hauled slightly more freight than Yellow in 2022, handling approximately 7% of US LTL shipments, SJ’s data shows. That share is likely higher post-Yellow.

The Richmond, Va.-based company is the largest US motor carrier targeted in a cyberattack.

The disruption caused by the cyberattack will tighten LTL capacity further, even though it is likely a short-term event. “This is not going to be a good week for anybody, and LTL service will suffer,” an LTL carrier executive who did not want to be identified told the *Journal of Commerce* Monday.

AFS’s Day said LTL capacity is available, but it may take longer to ship this week, and transactional shippers may pay more.

## Stressed networks

Most LTL carriers are handling higher volumes of freight in the aftermath of Yellow’s collapse, and they say they have little space left in stressed networks.

One food shipper, who asked not to be identified, said her company would be tendering loads to the second LTL carrier in its routing guide through at least Wednesday. A second retailer shipper, who also asked not to be identified, said his

company may take a similar tact if the situation remained unresolved by Wednesday morning.

Three other major Estes customers told the *Journal of Commerce* that their pickups and deliveries have not been impacted and they would not make any changes unless the situation with Estes deteriorates further.

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