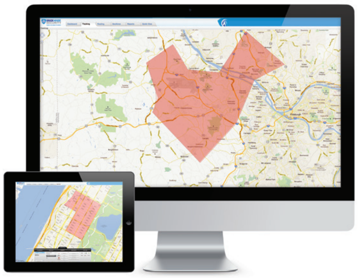

05 GPS FLEET TRACKING SUCCESS STORIES

BRICKHOUSE SECURITY

Contents

Introduction

> "There is always a way to tighten belts and run operations more ***efficiently and safely*** using GPS."

Think On Your Fleet

How attention to detail can help you avoid these 5 costly management mistakes

In leaner economic times, every department is tapped to cut costs in order to remain competitive, and fleet management is no exception. Whether you're AT&T with tens of thousands of vehicles in the field, or a small business owner with a couple of company cars, there is always a way to tighten belts and run operations more efficiently and safely using GPS.

With nearly 20 million commercial cars and trucks on the road, it's sometimes difficult to think of how your specific needs fit within that tapestry. You may not even consider yourself a "fleet manager" in the literal sense. But, with even a small mobile workforce, the issues remain the same across the board: How do I save on fuel? How do I extend the life of my vehicles? And how do I keep my drivers on time in order to provide quality customer service? Or, in more basic terms, am I doing something? Or, if I am doing something, am I doing enough?

The important thing to remember is that, no matter what you identify as your specific pain points, there is a solution staring you in the face; it may even be a feature of your current management system and you don't even realize it. Or, if this is the first time you're moving towards a more proactive GPS fleet tracking system, the answer could be within the system you select.

BrickHouse Security has identified 5 common mistakes that many fleet managers make, and simple ways to solve them using GPS.

01

> *"**Every day** a driver could be burning through approximately **$100 of gas** simply through idling."*

Burning Through Profits One Gallon at a Time

Even if you only have one vehicle on the road there's a good chance you're worried about fuel. Gas prices are as costly as they are unpredictable. While there's no way to avoid paying for gas, there are surefire ways to maximize the efficiency of your vehicles without burning through your profits. Many fleet managers make the mistake of accepting fuel inefficiency as part of the job, when a more hands-on approach can add up to savings of thousands of dollars a year.

The best way to curb inefficient driving is through knowledge. By identifying fuel-wasting vehicles and drivers, you can not only stop it as it's happening, but you can train drivers to improve efficiency.

The first inefficiency identifier is idle times. According to a study by Ford Motor Company, 1 hour of idle time is equivalent to 25 miles of driving. What's more, most drivers idle for nearly 10 minutes per hour of normal operation. With most driver shifts easily exceeding 6 hours at a time, every day a driver could be burning through $100 of gas or more simply through idling. By contrast, the Environmental Protection Agency (EPA) states that restarting a vehicle uses no more fuel than 30 seconds of idle time.

This same philosophy extends to excessive speed and acceleration. Jackrabbit starts burn 40% more fuel and save mere minutes per hour on drive times. Speeding is an even bigger waste of fuel. The EPA estimates that every 5 miles per hour beyond the speed limit equates to nearly 20 cents more per gallon of gas. Speeding is not only dangerous to other drivers, but it's an unnecessary risk that winds up punishing a fleet manager's bottom line.

Through proper GPS and diagnostic deployment, a fleet manager can view detailed reports of driver idle times and speeds, as well as receive customizable alerts if drivers exceed a predefined idle time, speed, or engage in rapid acceleration. This knowledge can be used as a conversation starter for a manager to improve upon driver efficiency. Incentives can be given to the most cost-effective drivers, and inefficient drivers can be targeted for retraining.

Managers can also use a real-time GPS tracking system to avoid unnecessary drive times. Detailed route planning keeps a driver on task without wasting unnecessary resources.

02

> *With the wealth of features afforded to the modern-day fleet manager, there's* ***no excuse*** *for having unsatisfied customers.*

Losing Business Because of Poor Customer Service

It's a common trope in business that the cost of acquiring a new customer is 6-7 times more than retaining an existing one. A less commonly cited fact, however, is that a customer is 4 times more likely to buy from a competitor if the problem is related to service versus a problem related to price.

Having an ill-prepared customer service department as a result of poor fleet management is a common mistake that allows profits to walk out the door.

In any line of work, communication is king, and fleet management is certainly no exception. Communication between management and drivers, communication between drivers and customer service, and communication between customer service and customers all affect the overall quality of service your business provides; and nobody is excepted.

Any GPS fleet management system should be able to streamline these lines of communication.

For example, if you're a small delivery company with two vans, and a customer calls in wondering where their package is, not only should you be able to tell them where their delivery is, but also when it should arrive; and if there's a reason it's late, you should be able to correct any mistakes through a direct line of communication with the driver.

Most GPS fleet tracking platforms will give not only a fleet manager, but also customer service, the ability to see on a map where vehicles are in real time. And, as a result, the nearest vehicle can be easily dispatched to cover a pickup or delivery. The best GPS platforms will offer a shareable link of that map so customers can know where their delivery is, up to the minute.

There are certain fleet management systems that even allow a manager to arrange their drivers' routes into landmark-based events; so when a delivery is made a driver doesn't need to check in or perform any further action. If a fleet manager can see that a driver has made a stop and then continued on his or her route it's clear that a delivery has been made or attempted.

With the wealth of features afforded to the modern-day fleet manager, there's no excuse for having unsatisfied customers. Thanks to proper communication, you may even be able to turn some of those retained, happy customers into referrals.

03

> "Conventional wisdom says that vehicles need preventative maintenance **every 3,000 miles,** when in reality many can go twice that between checkups."

Letting Vehicles Die an Early Death

As much as fuel mismanagement and customer dissatisfaction are problems, one of the biggest mistakes fleet managers make is engaging in shortsighted thinking about vehicle wear and tear, which can cause equipment turnover long before a vehicle's expiration date.

Many of the same points we highlighted in section one are applicable here. Except, when speaking of extended idle times, excessive speeding, and jack-rabbit starts, we aren't talking about the poor gas economy associated with these behaviors; we're talking about the early maturation of vehicles.

Excessive speeding, fast accelerating, long idle times and hard braking are the equivalent of sprinting at the beginning of a marathon. The most successful runners know that setting a steady pace and not pushing too hard is the only way to ensure longevity.

The best fleet management systems give managers the ability to not only track inefficiencies in driving, but also to get a full picture of a vehicle's health. Through advanced diagnostics, detailed reports, and full vehicle profiles, a manager can identify any problems that could affect a vehicle's longevity and fix it before it becomes a critical issue. An advanced fleet tracking system also sets alerts for scheduled maintenance and emissions tests, so a vehicle never goes neglected.

By gaining inside knowledge of a vehicle's health, a fleet manager is not only able to stay on top of necessary maintenance, but also to manage when maintenance is most appropriate. Every vehicle has its own needs based on its frequency and severity of use.

Conventional wisdom within fleet management has stated that preventative maintenance (PM) is a necessity every 3,000 miles, a belief that is only true for vehicles that operate under "severe" use as defined by the original equipment manufacturer (OEM). In reality, many "light duty" vehicles within a fleet can last for 6,000 or 7,000 miles between PMs.

By monitoring driver performance and keeping a close eye on vehicle diagnostics, a smart fleet manager using the right system is able to schedule necessary PMs to not only extend a vehicle's life, but also save on gratuitous checkups. The key to proper vehicle maintenance isn't in quantity; it's in quality PMs deployed at the right time.

04

> *In 2011, commercial vehicle crashes resulted in*
> ***$87 billion***
> *in costs.*

Leaving Yourself Liable to Ruin Due to Negligence

In previous points we've discussed the mechanical toll of unsafe driving; but the reality is it's much more dangerous from a personal and liability standpoint than anything else. Many fleet managers fail to grasp the human element of dangerous driving, and the financial burden that it can cause a company.

It's no secret that civil lawsuits are a booming industry in the United States. Some estimates put their cost to the U.S. economy somewhere in the $233 billion range annually. The average compensation for a payout in an injury lawsuit sits somewhere around $60,000, with nearly 50% of all plaintiffs winning their case (and 84% of them being awarded cash).

According to the Federal Motor Carrier Safety Administration, in 2011, commercial vehicle crashes resulted in $87 billion in costs, a staggering number for any industry. Needless to say, for a smaller company, the liability associated with having vehicles on the road can be crippling.

In 2014, comedian Tracy Morgan was was in a devastating car crash that left him in critical condition and killed fellow comedian James McNair. The accident was caused when a delivery driver for Walmart failed to brake in time, running into 3 cars on the highway including Morgan's. Later reports revealed that the driver was not only speeding, but he had logged 13.5 hours behind the wheel prior to the accident. Walmart recently settled with the McNair family for $10 million.

Through a robust fleet management system, tracking driver road times and habits is just a click away. By having a full range of knowledge on how your drivers are behaving, once again including speed alerts, you're able to mitigate common risks associated with commercial driving.

This risk mitigation has also caught the attention of insurance companies. While personal auto insurance providers have instituted savings plans based on safe driving tracked by GPS (Progressive's Snapshot program, State Farm's In-Drive, and Allstate's Driverwise, for example), commercial auto insurance has a history of offering discounts to companies with GPS monitoring systems installed.

Insurances companies such as Travelers, USAA, Liberty Mutual, AAA, and others can save you up to 15% by maintaining a GPS tracking system. By encouraging safe driving habits and having numbers to support your claims, you can not only save lives, but save on unnecessary costs as well.

05

> "Cargo theft in the United States alone amounts to a **$30 billion** business; and its a trend that appears to be on the rise."

Focusing on Vehicles But Ignoring What's Inside Them

Throughout the course of this piece, we've talked about everything dealing with vehicles: minimizing natural wear and tear, promoting safe driving, the financial toll of inefficiency, etc. But in the process we neglected to consider what's inside the vehicles; a consideration many fleet managers fail to make as well.

As a fleet manager, it's essential to never underestimate the value of your cargo, and never settle for theft as a cost of doing business. Whether you're hauling 500 pounds of copper wiring, an expensive toolbox, or a pallet of iPads, it's essential for a fleet manager to always keep tabs on that cargo.

Cargo theft in the United States alone amounts to a $30 billion business; and its a trend that appears to be on the rise.

Investing in a GPS system that's optimized not only for vehicles, but also for assets, can make all the difference between a successful delivery and thousands of dollars walking out your door; it also means diversifying the kind of GPS devices you have on a single platform. While your vehicles may be outfitted with tracking devices hardwired into the vehicle's power source for unlimited battery life and the ability to read diagnostics, the trackers you use to monitor assets will be smaller, battery-powered devices.

The best systems will have fast cold start times, so when the tracker senses motion, you'll be immediately notified and able to follow your cargo's movement. These devices will also feature economical battery lives, so they won't track when you don't want them to; instead saving their tracking time for crucial moments.

The most important feature a GPS system will have is integration between vehicle and asset tracking. Being able to look at a map and identify and organize all of the valuables you're monitoring is paramount for any savvy and successful fleet manager.

Whether you identify yourself as a fleet manager or not, the truth of the matter is that even having one vehicle in the field is enough to consider these 5 common mistakes. Managing cars, vans, and trucks leaves a lot of room for potential loss in profit. But, with a few smart decisions, a little bit of extra attention, and the implementation of an intelligent, comprehensive fleet and asset management system, you could save your company a tremendous amount of money.

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BrickHouse Security
980 Avenue of the Americas
New York, NY 10018

(855) 247-2491
sales-private@brickhousesecurity.com

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