

Fuelling **BENEFITS**

Devoting management time and resources to big-ticket items such as diesel and tyres can make a massive difference to

Subjects don't come much bigger than improving your fleet's efficiency. Where do you start? Fuel and tyres are both big-ticket items, so delegates were keen to hear from two fleet managers who had concentrated specifically on these. Phil Thompson (below), UK fleet manager for Carlsberg Supply Chain went for the fuel side, while Chris Bull (right), tyre operations manager from Ryder's support services, hunted down rubber savings.

Carlsberg UK has a substantial logistics operation with its primary network handled by XPO Logistics. The firm's secondary retail operation is currently in-house, but it's not small beer. It manages 11 stocked locations and 750 employees with 290 trucks and 89 trailers. With a secondary fleet that clocks up 14 million km every year, opportunities for saving fuel were everywhere, but Thompson homed in on driver training backed by telematics.

His secret: "Without full driver engagement, none



of the training systems will deliver the goods," said Thompson. "There's a natural honeymoon period after training but drivers almost inevitably lapse back into old habits, losing some of those gains."

After successful SAFED training in 2008, Thompson set about a fuel economy programme the following year. It needed investment so he recruited four driver-trainers to develop DCPC training focused on eco driving. Vivaly, he added a Microlise telematics package to monitor performance. "The aim was to introduce the Microlise 'A to G' programme, and make it sufficiently challenging to get good results, but not so tough that an 'A' rating was unachievable," explained Thompson. Importantly, he also used in-house videos of drivers themselves to enhance the training. While the latter added cost, he said it was invaluable.

By any standard, the savings were impressive. After a 2010 introduction, in 2011 Carlsberg saved more than 200,000 litres of fuel and £240,000. As could be expected, savings reduced as time went by, and there were challenges to face – including the volume of data and a lack of engagement from management.

By 2015, additional savings had dropped to under 20,000 litres and £19,000. So, with the groundwork done, in 2015 Thompson reduced the 'A to G' list from seven to four, and created logos and posters to offer visual reminders. Fuel-saving criteria were simplified to idling, over-speeding, harsh braking and adherence to the green band. Microlise was also tuned to recognise and reward coasting, which was bringing good results. Coasting – more accurately overrun – was defined as any use of the vehicle where cruise control was not engaged. Neither the accelerator nor brake pedals were being pressed, and the vehicle was in gear and moving. Use of overrun is a good measure of driver awareness and forward thinking as they approach traffic signals and roundabouts, he explained.

Between 2011 and 2015, just under 490,000 litres of fuel and £556,000 had been saved. Following

2015's driving style initiative, Thompson told delegates that latest year-to-date figures show a further 16,960 litres' improvement – on target for a 25,440 litre year-end total. Thompson reported that the refined approach continues to work and concluded that the investment required had been more than justified.

RUBBER REWARDS

Moving on to tyres, Chris Bull, tyre operations manager at Ryder, said he came to the conclusion that a specifically defined partnership with a tyre and service provider is essential if tyre costs are not to run away. "We'd had a trading relationship with Bridgestone since 1994," he explained, "but no defined partnership."

Bull is part of the Ryder Europe network, which consumes a lot of tyres. After 45 years' trading, the firm now operates nearly 15,000 tractors and LCVs, and approaching 8,000 trailers. The UK team has well over 1,000 employees. But with two major acquisitions in 2011 and 2012 – Hill Hire and Euroway – Bull inherited transactional tyre contracts with significant variations on policy and no standard ways of working.

Call-out rates were high and in 2012 tyre replacement rates were running at one every nine minutes fleet-wide. It needed reining in. Ryder was happy with Bridgestone products, but wanted contract management improvements. "We knew that there was money to be saved, so we appointed operational business leads at Bridgestone and Ryder so that sustainable long-term goals could be agreed and worked towards," Bull told delegates. "This was going to improve our end-users' experience, too."

Management reporting models were designed and implemented across Ryder's entire network, replacing piecemeal arrangements. Training was improved; tyre inspection regimes were redesigned; and transactions all conformed to a central model.

Most of the tyre majors have management

FACT

Fewer tyre replacements since 2012 equates to 897,750 litres of oil

operators' bottom lines. Sustaining such programmes is the issue. Ian Norwell reports from the fleet efficiency session

operations that monitor and service tyre contracts, so Bull was happy to take on Bridgestone's TTM (Total Tyre Manager). "A bit of updated IT worked wonders," said Bull. "A tablet-based application developed by Bridgestone's TTM in 2014 allows their tyre auditors to work in conjunction with Ryder, uploading data in real time. That reduced the admin burden and increased available inspection time by 20%."

Information now available gave Ryder the ability to review the cost of tyre service and supply by vehicle, trailer, location and dealer – so weeding out anomalies that would be concealed. The results: better pressure management, reduced out-of-hours and unscheduled call-outs and tyre damage cut, too.

"The benefits were greater than we expected. We can identify high usage activity; track and allocate fleets to dealers for fleet management and clinics; and we can interrogate invoice volumes, financials and job rejections. That reduces errors and improves productivity. It provides the information necessary for balanced management decisions."

Putting meat on the bones: downtime for call-outs to worn tyre events was cut by 29%, compared to a 2012 baseline; tyre volumes were down by 11% between 2015 and 2016; and fitment frequency was cut from the 2012 figure of nine minutes to 14 minutes in 2016. Crucially, emergency calls were down 46% between 2014 and 2016, with better tyre management slashing expensive out-of-hours work.

Corporate objectives were given a lift, too, with environmental benefits. Total reduction in tyre replacements since 2012 equates to 897,750 litres of oil (7,650 barrels) with more than 53% of Ryder tyres being reused, and the remainder going to green recycling projects. Bull concluded: "The acquisitions in 2011 and 2012 were the spur for us to get our tyre management better organised. Tyres are a speciality, and their impact on overall costs goes far beyond replacement." ■

