

# National savings

As fleet managers look to re-evaluate their LCV fleets, Keith Read highlights some of the major developments in van engineering, maintenance and whole-life running costs

**W**ant to save money running your LCV? Whether it's a single panel van or a mixed fleet of thousands, you could do worse than take careful note of advice from a man whose company is responsible for more than 1.5 million vehicles around the world.

"The best money-saving ideas for LCVs, in terms of operating and maintenance, often come before the vehicle is even acquired," says Eddie Parker, LCV consultant at GE Capital, fleet services. "By making the right vehicle choice in the first place, future operational and maintenance costs can be minimised and controlled to an extent that is often impossible once a van has arrived on a fleet."

GE spends a large amount of time talking with its customers, endeavouring to ensure they make the best choice for their requirements. "One money-saving route is to look at whether there are opportunities for vehicle downsizing," explains Parker. "Imagine you have an LCV fleet for service

engineers operating across the UK, using long-wheelbase Transit panel vans and carrying parts that would cover almost any repair. A large proportion of these parts are hardly ever needed."

Parker reckons that just switching to smaller, easier to drive Transit Connects would greatly reduce operating and maintenance costs. "Connects use less fuel and are cheaper to maintain," he reasons – but, at the same time, warns that smaller is not always cheaper or better.

## Over-specification

"Another route could be to over-specify the vehicles. If you have a fleet of vans that are predominantly used to carry chilled goods, the chances are you've adopted standard chilled units. However, by switching to full-frozen units, you could make substantial savings. They reach the operating temperature more rapidly and have a much higher degree of insulation, putting less strain on the vehicle, because they don't continually draw power.

## Bringing bodybuilding in-house

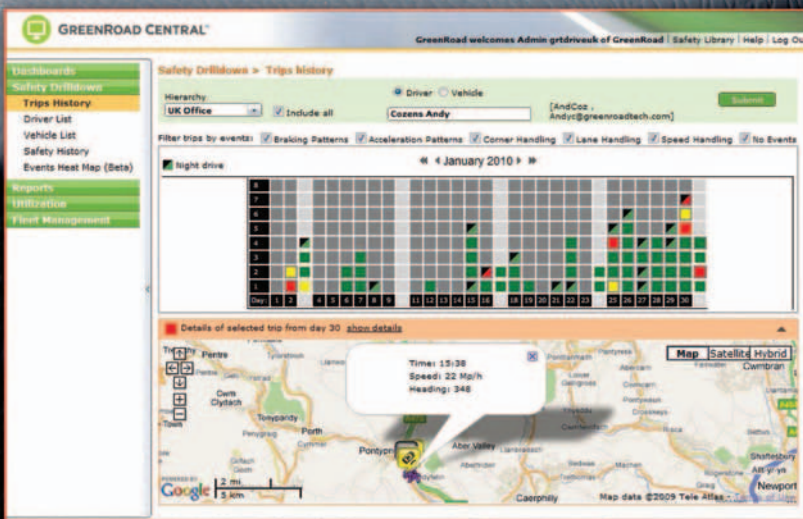
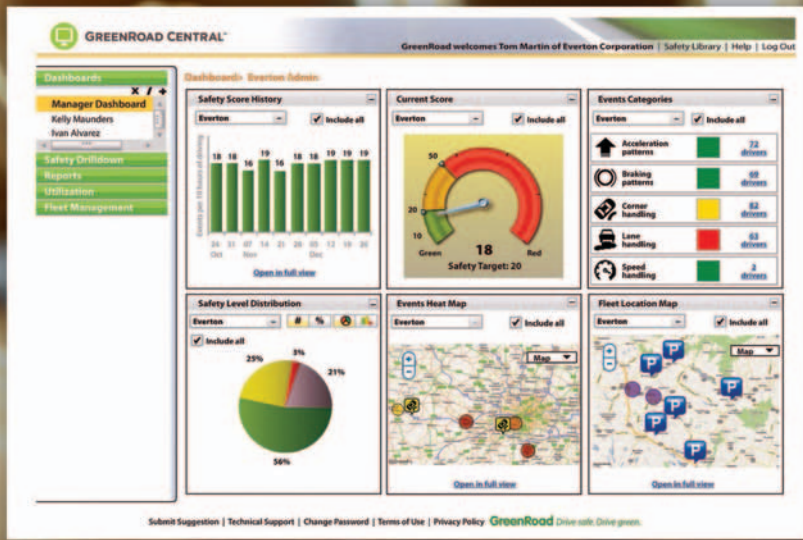
When it comes to specialist applications, making do with a compromise can be costly, with inefficiency a hefty barrier to profitable operation. OEMs have long since recognised the need for bespoke bodywork and increasingly offer factory-built conversions or links to bodybuilders that meet their approval criteria. The latter means that operators can buy conversions, safe in the knowledge that they come with the OEM's seal of approval and its full warranty intact.

Among the latest to launch a range of specialist conversions is Renault. Four factory-built conversions have been added to the Master line-up – a box van, a dropside, a three-way tipper and a 17-seat minibus. In addition, two locally converted products – a Luton van and a curtainsider from approved bodybuilders – have joined the Master range.

Darren Payne, Renault UK's fleet and CV operations director, says: "We've made no bones about our ambitious plans to increase our share of the UK conversions market to 8% in the months ahead. We've approved 20 UK converters and we're looking to sign up more."

Apart from the obvious optimum efficiency in day-to-day operations, a well-maintained conversion – such as a dropside – is likely to command good residuals, certainly compared to a panel van pressed into service for which it was never intended. And that's a positive factor in the scheme to reduce whole-life vehicle costs.





**GreenRoad's driver monitoring aims to improve driver behaviour and cut fleets' fuel costs**

They also have better residuals. In short, these will be cheaper to operate."

Parker's thoughts are echoed by Jon Lawes, divisional managing director of Hitachi Capital Commercial Vehicle Services. "Most of our customers want to deliver benefits on the environmental agenda, as well as cost savings. The only way they can do both is to downsize their vehicle fleets."

But he has identified another cost-saving move – assembly of a network of mainly independent service and repair centres. By using 800 independents around the country, Hitachi provides customers with a personalised service, where no LCV customer is more than 12 miles from the nearest workshop.

"By doing this, we've been able to reduce costs and simultaneously improve customer service," says

Lawes. "In terms of in-life operation, it's probably the most significant thing we've done. We're also able to guarantee a labour rate to our customers."

And the benefits apply not only to Hitachi's lease customers, who carry the costs of repairs and maintenance, but also to its contract-hire vehicle operators, whose repair and maintenance costs are handled by Hitachi.

Any warranty work could also be undertaken by the independents or by the vehicle manufacturer's franchised dealer, explains Lawes. In fact, Hitachi uses 150 dealerships (most of them Volkswagen) to look after its 17,250 LCVs, of which 35% are VW, 35% Ford, 20% Vauxhall and the balance a mix of other makes.

Interestingly, Hitachi's arrangements for servicing and repairs have highlighted the fact that some OEMs are more in tune with the needs of LCV operators than others. The best have dedicated van dealerships located within striking distance of main population centres, and operate twilight and over-night shifts, so that vehicle downtime is minimised.

"VW is very good at this," asserts Lawes. "Some franchised dealerships are more inclined to look after the cars and leave the vans until last. Our customers are very clear on this. They tell us they want their vans kept running. They don't want them off the road, in a garage, waiting to be serviced or repaired. VW offers overnight servicing and 60% of our independents offer the same."

Lawes cites Vauxhall as another LCV manufacturer offering out-of-hours, dedicated, van service and repair centres. Others, he says, are beginning to see the light, and starting to offer the twilight and over-night servicing shifts, in a bid to win back after-sales business and keep van repairs and maintenance in-house.

**Repair and contrast**

Meanwhile, accident damage can be a major cost to vehicle operators, as well as an inconvenience when vehicles are off the road. Reducing accidents by improving driving behaviour not only minimises repair costs, but can also favourably impact fuel costs (and thereby emissions), long-term wear-and-tear and insurance premiums. According to GreenRoad – founded in the US less than 10 years ago, but already well established there and in Europe – all these cost-reducing benefits can be achieved through its in-vehicle driver monitoring, measuring and coaching programme.

This approach might have shades of Big Brother, but some of GreenRoad's UK customers say their drivers have warmed to the company's services and that costs have been slashed, while return on investment (ROI) has been achieved in mere months, rather than years.

One such customer, Mark Moore, group transport manager at Bunzl Healthcare, says: "We calculate

## Pure and simple LCV selection

If making the best choice saves money throughout an LCV's life, how can operators make sure they get it right? One route could be to look at the Van Leasing Made Simple website, if leasing is under consideration.

Why? Because it looks at lease deals on more than 2,500 different vehicles from all of the van manufacturers.

Created by Automotive Finance and Leasing (AFL), one of the largest UK providers of contract hire and leasing, the website emulates the company's existing Car Leasing Made Simple, which receives more than 40,000 hits each month.

"As one of the UK's leading leasing companies, sourcing thousands of vehicles, AFL has an almost unique relationship with the vehicle manufacturers," states AFL director Paul Fagan. "Van Leasing Made Simple allows buyers to search for exactly the right van for their needs, compare it in detail to all the alternatives and generate lease quotes – all in real time. Our system allows the undecided to narrow the field by type, specification and even CO<sub>2</sub> emissions."

Peugeot has recently launched a similar website – [www.peugeotcompare.co.uk](http://www.peugeotcompare.co.uk) – which allows customers to compare facts and figures to see which Peugeot, or competitor LCV, is best in key sectors. Peugeot says the site is less prescriptive than some others, as it allows users to prioritise the vehicle aspects that experience shows matter to them.

that GreenRoad's service started delivering an ROI after just three months – and that's not counting long-term benefits, such as a reduction in wear and tear and the renewed drivers' pride in their vehicles, including washing them every day. This minor investment is paying big dividends."

Earlier this year, the UK wing of the US-based Iron Mountain data storage and protection organisation signed up with GreenRoad across its entire fleet, which is manned by more than 500 drivers. A pilot programme among 32 drivers last year delivered a 77% reduction in driver risk, a 93% cut in crashes and a 14% reduction in fuel consumption, as well as the associated reduction in CO<sub>2</sub> emissions. "The results speak for themselves," comments Rory Morgan, Iron Mountain's national logistics general manager.

The company now plans to increase its fuel savings by using GreenRoad's recently introduced idling solution, where customers typically see a 2% to 5% drop in consumption by quickly identifying specific drivers, vehicles or trips that negatively impact fuel

performance. Iron Mountain is also the first UK fleet to use GreenRoad's optional 'speed by speed zone' feature across its entire fleet, to highlight any speed violations by drivers.

Of course, whole-life vehicle costs have to include maintenance, repairs and replacements, which is why Ken Read, aftermarket product and marketing manager at filtration specialist Mann + Hummel (UK), warns operators of the consequences for running costs of water in diesel fuel. "Modern diesel injection systems thrive on fuel that is almost completely free of contaminants. However, diesel fuel may contain harmful contaminants, including water, which is responsible for corrosion and oxidation of injectors and other components," he says.

### Action in the aftermarket

"This, together with the continuous rise in injection pressures for common rail systems, and the demand from vehicle and engine producers for enhanced component protection, has led us to pioneer a new generation of ultra-high performance diesel fuel filter media, Multigrade F," he continues. Read says the new multi-layer media is up to four times more efficient than conventional filter paper. "Key to its performance is the combination of hydrophobic [water-repellent] superfine fibres to eliminate water ingress, plus a compressed layer of cellulose media that provides unparalleled contaminant retention."

OEMs appear to be convinced, with many now opting for Multigrade F. This suggests that Read's advice – to use the new filters during routine service replacement to maintain the same level of protection – is more than just the exhortation you'd expect from the company's marketing man.

There is a perception problem we need to get over here. Using budget-priced consumables, such as lubricants, friction components etc, might seem like a way to save money. And the workshop balance sheet bottom line might – initially, at least – indicate lower spending. But this can be a false economy.

Blue-chip organisations such as Shell spend fortunes on developing top-flight consumables, designed to reduce wear and prolong the life of costly vehicle components. The result: vehicle lifetime costs are lower, thanks to reduced, or even eliminated, requirements for expensive replacements.

Tyres fall into a similar category, with premium brands offering not only greater mileage, but also reduced fuel consumption and better safety. Sometimes it pays to spend more and pay less. **TE**

**Mann + Hummel's Multigrade F diesel fuel filter claims to be up to four times more efficient than a conventional unit**

