



Control Your Fuel and Maintenance Costs

Learn how to Manage and Contain Your Fleet's Fuel and Maintenance Expenses

Executive Summary

There are ways to save real money on your fleet's fuel and maintenance costs.

You face countless challenges every day, so a full focus on fuel and maintenance controls for your fleet might not be a priority. The problem is, you could be throwing perfectly good money away. That's right, recent industry research finds that as much as 15% of a company's fleet fuel budget is wasted by misuse and fraud. The same research also mentions that efficiencies are possible, and profitable.

There are systems available to companies of all sizes designed to gain financial control over their fleets by streamlining fleet administration, reducing fuel and maintenance costs, marginalizing card misuse and fraud, and increasing driver satisfaction. And in most instances it's as easy as swiping your card.

With the right fleet card, your drivers have access to our extensive nationwide network for fuel and maintenance vendors. This one-card solution eases the administrative workload and reduces driver downtime associated with seeking out particular vendors. It also simplifies your billing and offers you a host of comprehensive online and offline transaction activity reports.

You can save up to 15% per year in fuel and maintenance costs. It's really simple to do.



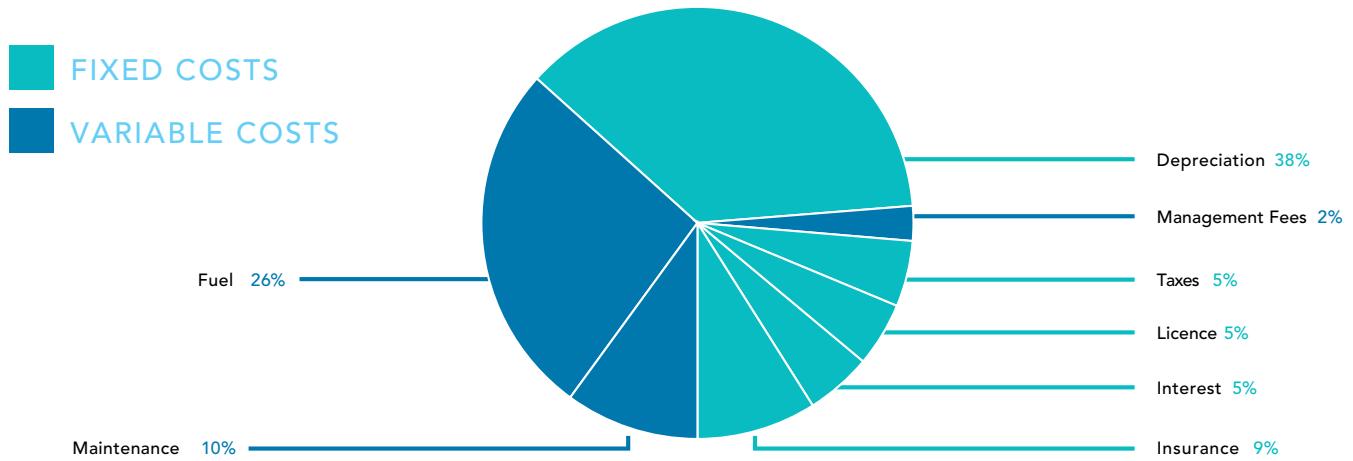
Today's fleet management systems also empower fleet administrators to manage their maintenance purchases as they happen. By establishing card spending limits you control the amount your driver's spend on maintenance. For all purchase requests that exceed those limits the maintenance vendor is required to make mandatory authorization calls. These authorization calls are screened by a certified Vehicle Maintenance Technician who has access to the vehicle's maintenance records and pre-established parameters set by your company, thus validating the repairman's claims for work.

There are many flexible fleet card programs to choose from. Just make sure you ask your fleet provider what services they offer and you may be surprised at the nominal fees associated with the convenience, reduction in cost and added control of your fleet's operating costs. It makes sense to get advice from professionals on methods to handle your fuel and maintenance management. This will allow you to focus on what matters most: growing your business.

Only One-Third of Fleet Costs are Manageable

Optimizing your fuel and maintenance purchases offers the best opportunity to reduce fleet costs.

TYPICAL FLEET COST ANALYSIS



The pie chart above shows a typical breakdown of fleet expenses. Insurance, interest payments, licensing fees, taxes, and depreciation together represent over 60 percent of fleet costs. Yet for the most part, these costs are not manageable. The management fee—which is an obvious place to seek out cost savings—represents less than 2% of spending.

The remaining one-third of fleet expenses comprise fuel and maintenance purchases; and together provide the greatest opportunity for optimizing fleet costs.

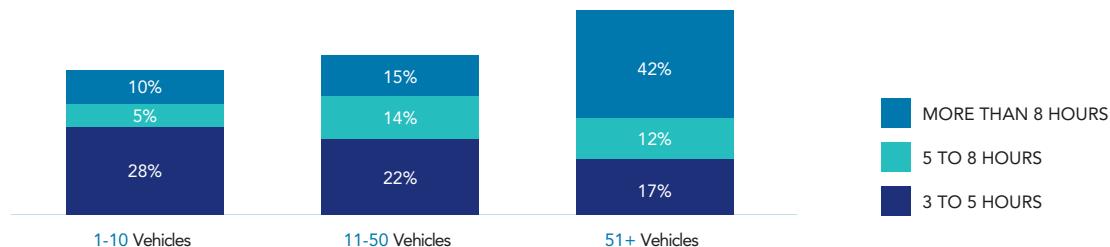
Are you spending too much time tracking down and overseeing fleet expenses?

Eliminate waste and focus on your business.

One Invoice, One Cheque

Collecting, recording, and reconciling fuel and maintenance purchase receipts is tedious work. A one-card solution will save you time and keep you focused on the bottom line

INCREMENTAL HOURS SPENT ON ADMIN WORK WITHOUT A FLEET CARD



Results from fleet administrator survey reporting the number of additional hours spent administering fuel and maintenance purchases without a fleet card program.

A recent study found that fleet administrators spend upwards of 24 hours each month simply collecting, recording, and reconciling fuel and maintenance purchase receipts. Today's fleet management programs eliminate the menial and repetitive tasks that pull you away from what you do best: running a successful business. The one-card program consolidates all of your fuel and maintenance purchases through a single billing system, freeing you from administrative hassles while saving you time and money. People certainly like the idea of, "One invoice, one cheque."

Consolidated invoices conveniently itemize all purchases and allocate every expense to a specific driver or vehicle. Because these programs consolidate all fuel and maintenance expenses with one card, extra work associated with carrying multiple cards is eliminated. Not to mention the fact that a single card drastically reduces the risk of loss or theft.

Reduced Driver Downtime

A single card system helps your drivers be more efficient by keeping them on the road and productive.

Unlike a single-branded gas card, these specific fleet programs we are talking about gives your drivers access to virtually all of Canada's major fuel and maintenance vendors, and a wide selection of pre-approved independent maintenance facilities in every province. As these fleet cards are accepted at 99% of all gas stations in Canada, this reduces driver downtime associated with locating specific fuel vendors. And when you reduce driver downtime, you save money. There are also vendor volume discounts to help reduce the cost of your fleet's fuel burn. In addition to these benefits, you'll find that these comprehensive fleet programs will vastly improve driver satisfaction and increase productivity.

THE HIDDEN COST OF DRIVER DOWNTIME

One employee at \$20.00 per hour equals	0.33 \$ per minute
Minutes to drive to a specific site	5 minutes
Number of monthly fuel fill-ups	7 per vehicle
Number of company vehicles	30
Monthly cost of driver downtime – entire fleet	350.00 \$
Lost business opportunity spent on the road (mins)	35 per employee per month
Billable service rate per hour	\$75.00 per employee
Monthly lost revenue per vehicle	\$43.75
Monthly lost revenue – entire fleet	1,312.50 \$
Monthly cost of driver downtime and lost productivity	1,662.50 \$
Annual cost of driver downtime and lost productivity	19,950.00 \$

OK, you've caught my attention but I'm wondering:

How can you save me money?

Access Comprehensive Reports

There are a number of comprehensive reporting tools that provide the information you need to make the best decisions. Knowledge is power when it comes to managing your fleet.

Fleet costs come in a variety of shapes and sizes. For example, the extra day per month that you spend on administrative duties impacts your bottom line. We all know that these tasks take you away from the bigger issues of effectively managing a growing business. There are a variety of comprehensive fleet management reporting tools available that include cardholder details, transaction activities and spending patterns. Many reporting capabilities are robust, allowing you to easily monitor and control your maintenance and fuel costs. Just find the appropriate partner to make it right for you.



Control Fuel Card Misuse

Many programs feature strict spending controls that greatly decrease the frequency of inappropriate fuel and maintenance purchases.

A recent Havill & Company study reported that many fleet managers felt they were the victim of fuel purchase misuse. When your drivers are filling up their own vehicles using your money, well, that's a problem.

The more sophisticated programs identify behaviours that are out of the norm for a particular card holder to help identify fraud and abuse. Some people think that traditional credit cards with chip technology eliminates this risk, however this is not the case. When you have the facts, you're in a better position to act properly.

When suspicious spending is identified, the card is immediately red-flagged and you are notified. In certain cases, the card will be preemptively deactivated and a new card issued.

As for external fraud, there has been an increase in fleet card identity theft in the form of card duplication and card sales to the black market. A number of fleet card providers have developed innovative tools and features that mitigate the risk of card misuse and fraud. And the dollars you save go directly to the company's bottom line.

Eliminating Unnecessary Maintenance Work

Fleet maintenance spending represents a huge portion of variable expenses that must be managed effectively to achieve significant cost savings. Fleet card programs provide you with the convenience and the control you need to significantly increase efficiency and drive savings.

The programs are as simple as they are effective. Set maintenance purchase thresholds, which means you'll never again receive one of those surprise maintenance invoices. In addition to accessing a vast maintenance vendor network, customers receive detailed vehicle maintenance transaction history reports to help you keep on top of your spending. You can opt for your provider's own in-house Vehicle Maintenance Technicians (VMTs) to screen maintenance purchase requests. On average, customers save over \$60 per call when screened by a professional VMT.

COST SAVINGS FOR A 10, 20 & 50-VEHICLE FLEET

Number of company vehicles	10	20	50
Monthly fuel litres burned per vehicle	372	372	372
Fuel cost per litre	1.25 \$	1.25 \$	1.25 \$
Fuel cost per month	4,650.00 \$	9,300.00 \$	23,250.00 \$
Industry calculated fuel abuse/fraud percentage	15%	15%	15%
Monthly abuse and fraud	697.18 \$	1,395.00 \$	3,487.50 \$
Annual potential fuel savings	8,370.00 \$	16,740.00 \$	41,850.00 \$
Annual service visits per vehicle	3	3	3
Total annual fleet service visits	30	60	150
Average saving per maintenance call	60.00 \$	60.00 \$	60.00 \$
Annual potential maintenance savings	1,800.00 \$	3,600.00 \$	9,000.00 \$
Annual potential savings by using fleet card	10,170.00 \$	20,340.00 \$	50,850.00 \$

Feature	Foss Fleet	Foss Fleet Advance
Convenience		
One-Card Solution	✓	✓
Consolidated Billing	✓	✓
Paperless Billing	✓	✓
Universal Fuel Card Acceptance	✓	✓
Extensive Maintenance Vendor Network	✓	✓
Cost		
Volume Discount	✓	✓
National Maintenance Account Pricing	✓	✓
Vehicle Maintenance Technicians		✓
Control		
Fuel Exception Report 7 Days a Week	✓	✓
Custom Maintenance Cost Parameters		✓
On-Demand Online Reporting	✓	✓
Roadside Assistance	✓	✓

Driving innovation

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