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Make this Resolution: get **fuel-smart** now... even while prices are low!

by Jack Lee

How's business? Most of us have seen cut backs in the last few months but today I have some good news for you. A fuel smart strategy will actually make you money. And it's not hard to do. Extra cash is sitting right there on your company's spreadsheet masquerading as an expense or hidden inside other costs.

When fuel prices were high, everyone wanted to know how to cut them. Now while fuel prices are lower (a temporary thing, I assure you), fuel is still the highest operating cost for businesses in construction, earth-moving, transport and logistics right after labour. Up to 20% of your fuel costs are buried in labour, administration and overhead. And there's even more in waste, inefficiency, lost productivity and misappropriation. So, how do you reduce some of these hidden expenses?

Unlike other variable costs, your cost of refuelling is relatively easy to manage. There are a number of things you can do today which will eliminate unnecessary waste, and tomorrow, when fuel prices start to creep up again, those savings will be even bigger.

You don't have to be a mathematician to understand how this can put more operating cash into your company. By employing even a couple of these strategies you can measurably – and permanently – reduce your refuelling expenses. It's a lot of money and when fuel prices go up, it's even more.

To start make a resolution to be more "fuel responsible" in the New Year. You have heard this before: fuel is a non-renewable resource,

so plan to be more responsible. Make this a company-wide initiative. Decide who will

become your company's Fuel Manager then empower them to work with you to cut your fuel consumption. Here are a few tips.

How are you getting the fuel you need today? Does it make sense for you to send your fleet to card-locks and pay the over-time, maintenance and administration? Do site tanks make sense or are there hidden expenses in that fuel related to insurance, environment or theft? Have you looked into having fuel delivered directly to your vehicles? Onsite cuts the cost of labour, reduce environmental risk, eliminates theft and converts time waiting to fuel into time getting more work done – roughly 20 minutes per vehicle per day.

This one strategy alone can save you thousands of dollars each year.

Check with an onsite delivery company and have a fuel needs analysis done and compare it with your current method of refuelling. For the best efficiency, refuelling is done when your equipment is idle, so productivity is not interrupted. Another benefit of having your fuel delivered to each truck or piece of equipment is time saved. On average each refuelling you do can take at least 20 minutes. You'll save the fuel used traveling to and from the card lock too. Add this all up and each month you can save a lot of fuel and hundreds of hours in labour costs. This saved time is instantly converted to productivity, rather than refuelling.

Another fuel smart initiative is to plan to measure and manage your fuel. Technology exists that can help you and it is not expensive. Here's what I mean. You can record every drop of fuel consumed by each piece of equipment and have that data delivered via email. Now you can check your fuel consumption and make qualified operating decisions. With this information

in hand you can talk to your operators and show them

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