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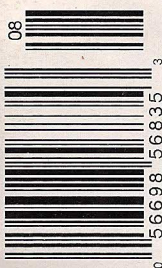
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Ten ways to prevent fuel theft

by Jack Lee

Fuel theft costs many different types of companies hundreds of thousands of dollars. In recently reported incidents in Ontario, professional fuel thieves drove away with tens of thousands of litres in stolen diesel fuel. The thieves had carefully planned their robberies and were ready with electric pumps, a generator and large plastic fuel tanks. In three separate incidents, their hauls were estimated at \$18,000, \$27,000 and \$50,000. Imagine the impact on the businesses affected.

"These thefts could have been prevented," said Jack Lee, President/CEO of 4Refuel Ltd., a leading provider of total fuel management solutions. "All you need is a system to track the fuel you are buying against the fuel you are using. The good news is that systems exist that automate

tracking and make detailed fuel records viewable online. Whether the tracking starts at procurement, tank dispensing or wheel-to-wheel fuel delivery, each drop of fuel can be measured and managed. Wheel-to-wheel delivery is when a fuel service truck delivers fuel directly to the tanks of trucks and equipment in the yard after hours and during non-productive time. The service saves time – about 20 minutes per vehicle per day according to industry averages. It also reduces non-productive expenditures in labour, administration, overhead, maintenance, etc. This procedure is called Total Fuel Management and it is changing the way fuel is being used across Canada."

"Total Fuel Management streamlines logistics and automates tracking, so you

can actually see where every drop of fuel goes and you know where and when your equipment is being refuelled. It locks out theft, simple as that. But that's just the beginning," says Lee.

Not all fuel theft is done by organized thugs. A more common situation is when fuel is pumped illegally by workers for their own private use. With the high cost of fuel, it is a growing problem, notes Lee. "In addition, spillage is also on the increase. The price of fuel has increased to where it can be the largest operating expense for many companies, so every litre of fuel that is not used for productivity affects the company's bottom line. Years ago it was no big deal for the boys to help themselves to some fuel. The occasional fill-up on the company was viewed as an employee perk



An example of wheel-to-wheel fuel delivery. A 4Refuel tanker delivers fuel directly to a transport truck. Photo courtesy 4Refuel Ltd.

and part of the cost of doing business – but not any more. With fuel prices having gone up significantly, new anti-theft policies are now being put in place.

However, old habits die hard, entitlement lives on and it's always been easy to turn a blind eye. Regardless of how you justify it – as waste, spillage, shrinkage or a perk – it is still theft. "Before starting with us at 4Refuel, one client had been writing off 10% to 15% of his fuel costs, every month, because of identifiable theft," says Lee.

Because refuelling is done by certified professionals wheel-to-wheel, your employees will no longer be part of the refuelling process and you will know when and exactly how much fuel went into each tank. In fact, positive identification software can tell you which vehicle, tank, or piece of equipment was filled. A company can measure and manage each drop of fuel, so it is guaranteed there will be no unauthorized fill ups.

"Here at 4Refuel, one of the most important advances to help curb fuel theft is our Total Fuel Management (TFM) system which features Advanced Mobile Fuel Management Technology," says Lee from his Langley, British Columbia office. "This records details of each fuelling, matches data to vehicle numbers and uploads it to our online reporting system. It's simple to identify discrepancies, isolate any problems and take swift action."

"Helping stop fuel theft is only one benefit of TFM, adds Lee. "Its greatest benefit is helping you to measure the return on your fuel investment. TFM gives you the tools to measure and manage profitability from one project to the next. Since fuel theft affects your bottom line, it is part of your total cost of refuelling – just like the costs of labour, the time spent refuelling, insurance and so on."

A complete TFM system includes proven software that allows you to set

operating thresholds for each machine and you quickly see where the most fuel is being used – or wasted. Once you have that, you can manage your employees and your fuel better. It is not impossible to cut refuelling expenses by 15% or more.

Do you use your own fuel storage tanks? Total Fuel Management takes fuel tank monitoring to the next level. Remote tank monitoring and prevention devices are attached which advise managers when a theft occurs. Here is how it works: fuel tanks are equipped with digital software that is activated each time the tank is open. An alert text message or email can be set up to let you know when each refuelling takes place. In addition, each fuel tank can have an alarm and warning beacon attached which activates if there are any after-hours or unauthorized fill-ups. Both systems have been proven to eliminate fuel theft.

Remote tank monitoring also has other benefits. Each fill-up measures the exact amount along with a date and time stamp. The positive identification of equipment and vehicles can work in tandem to provide exact refuelling information so a company can gauge efficiency and productivity. In addition, data capture software at point of refuelling streamlines accounting with instant accurate data for simple reconciliation. For multi-location users, all this information can be delivered to one office via email for immediate reporting.

Lee concludes, "Fuel theft can be an annoying and expensive problem and until you can measure each refuelling, you will continue to pay for losses every month. For many companies, fuel is the second largest cost next to labour, so you must pay attention to even the slightest fuel theft. With more stringent fuel management policies you will send a message that theft of any kind is not acceptable." ■

10 WAYS TO ELIMINATE FUEL THEFT

DEFINE YOUR COMPANY FUEL POLICY – Post it where everyone can see it and talk to your staff about it and talk about the penalties for theft.

GET A FUEL NEEDS ASSESSMENT DONE – To reveal where you can increase savings and efficiency and reduce supply threats.

CONSIDER WHEEL-TO-WHEEL REFUELLING – It eliminates theft and increases productivity by 10 hours a day for a fleet of 30.

CALCULATE YOUR FUEL RETURN ON INVESTMENT – Measure how much each litre contributes to your bottom line .

USE POSITIVE ID ON TANKS – The fuel doesn't flow until the system identifies vehicle and user – easily installed on fuel storage tanks, fuel islands, etc.

MEASURE WHERE YOUR FUEL IS ACTUALLY GOING – An online fuel management system shows you who, where, when and how much.

MANAGE YOUR FUEL CONSUMPTION – Measure volumes, control costs and improve efficiency – you'll leave no room for theft.

ADD SECURITY TO FUEL STORAGE TANKS – Remote monitoring systems alert you of sudden drops in volume and can sound alarms, even activate warning beacons.

TRAIN FLEET MANAGERS TO MANAGE FUEL – With online reporting and automated records, it only takes minutes a day to make a significant difference in your fuel management.

TALK TO A FUEL MANAGEMENT EXPERT – The fuel management experts at 4Refuel and similar companies can help you save money and lock out theft.