

September - October 2009

# tow *canada*

[www.towcanada.ca](http://www.towcanada.ca)



## How to measure **ROI**

### Equipment: Dollies

### Training: doing it right, doing it safe



**PLUS:**





# Is Fuel Theft OK?

by Jack Lee, President/CEO, 4Refuel Inc.

## **D**o you accept theft in your company?

This may seem like a silly question, but let me explain. Let's look at a small construction company for example. Over the years the business has grown from a friendly partnership to a thriving enterprise managing millions of dollars in annual projects. At first it was no big deal for the boys to help themselves to some materials or even fuel. The occasional fill up on the company was viewed as an employee perk and part of the cost of doing business. As business grew and more staff were added new policies took over. It was no longer acceptable for fuel to be taken by employees, but guess what? It hasn't stopped. Old habits die hard, entitlement lives on and it's always been easier to turn a blind eye. Regardless of how you justify it – as waste, spillage, shrinkage or a perk – it is still theft.

Fuel theft costs companies hundreds of thousands of dollars. In a recent issue of Truck News Magazine, one company reported tens of thousands of litres in diesel fuel stolen over only a few weeks. The thieves had carefully planned their robberies, with electric pumps, a generator and large plastic fuel tanks. They drove off with thousands of litres of fuel three separate times – their haul valued at \$18,000, \$27,000 and \$50,000! Imagine the impact on the businesses affected.

Whether it's your staff casually helping themselves to your fuel or organized thieves stealing fuel to re-sell it – it's a problem. But it's not beyond your control.

The first situation is more common than you may want to admit. Sure, some fuel goes missing but it's not huge so you write it off. But when it's stolen in bulk, the police are notified and you beef up security. But is one situation really any different from the other? In most cases, they add up to the same over time. Look at it this way: every dollar spent on fuel should provide a return on investment. You can actually calculate that return if you track your fuel consumption. But consider that every litre of fuel that disappears due to theft has to be replaced - effectively doubling your cost and halving your return. I have the answer to Fuel Theft.

## **Track your fuel accurately and theft will disappear.**

Total Fuel Management is a concept that can help you to eliminate theft, increase accountability and minimize other risks associated with refuelling. Its greatest benefit is helping you to measure the return on your fuel investment.

TFM gives you the tools to control fuel costs while helping you measure and manage profitability from one project to the next. Fuel theft effects your bottom line. It is part of your total cost of refuelling just like the cost of labour, the time spent refuelling, insurance etc. Because refuelling is done by certified professionals wheel to wheel, your employees are no longer part of the refuelling process. When your vehicles and equipment are refuelled by an independent company you 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. You can measure and manage each drop of fuel, so you are guaranteed that there will be no unauthorized fill ups.

A complete TFM system includes proven software that allows you to set operating thresholds for each machine and you quickly