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WHITE PAPER: SPIREON - GET SMART BEST PRACTICES

Don't Get More Trailers, GET SMART

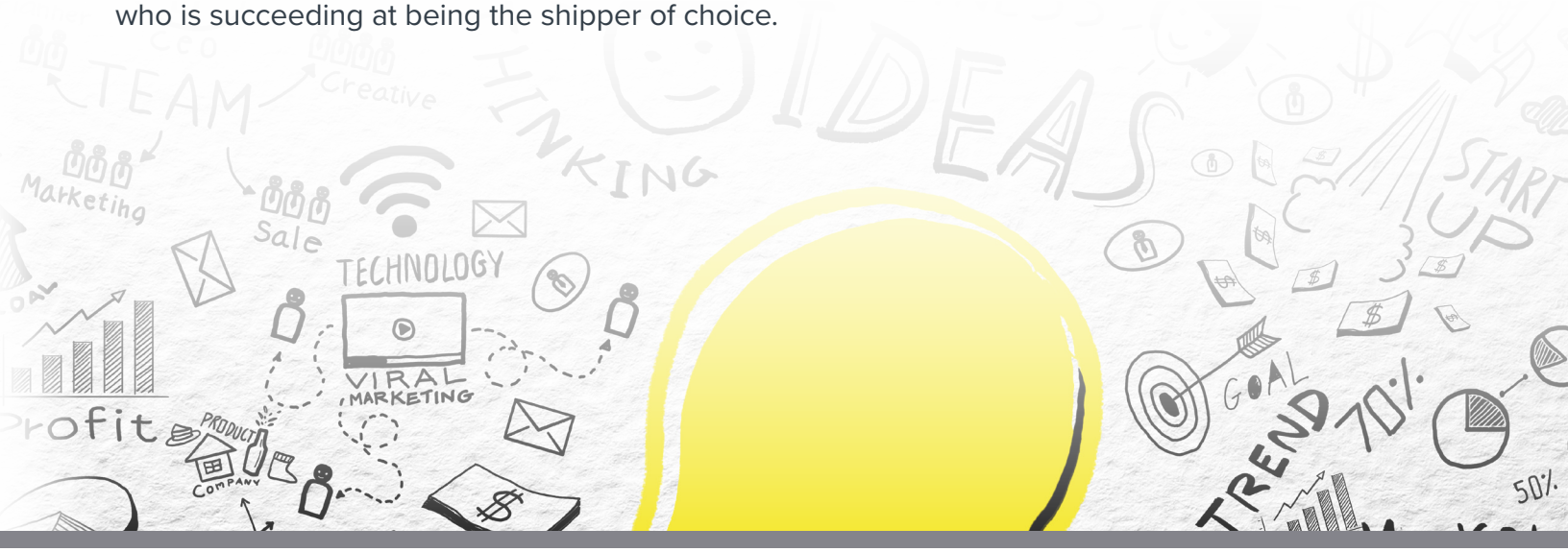
How Two Thriving Fleets Became Extraordinary Operations

Not long ago, trailer telematics technology was being used only by top fleets. However, fierce competition in the transportation market has led to soaring adoption rates. Businesses need optimal trailer management if they intend to crush their utilization and productivity goals. Regardless if these devices are for 10 trailers or 100,000, trailer tracking can pay for itself.

According to the 2019–2020 C.J. Driscoll & Associates U.S. Mobile Resource Management Market Study, in 2018, approximately 1.3 million trailers and containers operating in the United States were equipped with GPS monitoring systems. Since 2015, the market has grown by more than 18 percent each year. C.J. Driscoll & Associates is predicting continued growth with upward of 2.5 million GPS-tracked trailers and containers in the market by 2022.

Tracking tech is especially sticky because once trucking companies adopt it, they continue to use it. So, even if they eventually decide to drop their provider, they aren't opting to do without the technology altogether, they find another provider – one who's better, faster, stronger.

Why? Derek Leathers, CEO of Werner, has cited the availability of data that puts a microscope on problems such as detention, which was not possible in the past. He says shippers need to know that more data is available to carrier than ever before in real time and that they can see what's happening at all shipper facilities across the country. Indeed, Werner takes all the data from the truck, the driver, and the trailer and displays it on a heat map of the country to show customers who is succeeding at being the shipper of choice.



For Hire Carrier Perspective: Western Express
Western Express has been in transportation and logistics as a for-hire truckload carrier for nearly 20 years. With fingers in freight management, fleet augmentation, shuttleyard maintenance, private fleet conversions, and a host of other things, 85 percent of its 2,900 power units and 6,500 trailers are trackable currently, with 100 percent coverage targeted by end of 2019.

The telematics mission for Western Express is visibility for all units. All units includes tractors, which already has been the case for a number of years, and trailers, which are just now getting to that point.

"We are improving detention time of trailers for utilization and billing," says David Sivils, vice president of information technology at Western Express. "It's hard to do without exceptional visibility on the trailer, including whether or not it is loaded. When we can see delivery of a trailer — that it's been there for three days and it's still loaded — we know there is an issue we should address with our customer."

Sivils was originally brought in to evaluate the IT department at Western Express and bring it up to speed. In his first 18 months on the job, he's expanded the company's trailer tracking devices based on a 22-point matrix of criteria on which to evaluate each vendor:

Trailer Tracking Provider Matrix

- **PRICING OPTIONS —** Can units be leased and/or purchased. What are the length of term options?
- **SUPPORT —** Support of new devices and customer service. How are hardware issues resolved? How do web portal issues get resolved?
- **INSTALLATION —** How is installation of units performed? OEM installs and running trailers?
- **LOCATIONS —** Number and locations for installation/repair.
- **WEBSITE —** How well constructed is the website for administrative personnel? Is it intuitive?
- **GEOFENCING —** Types of geofencing capabilities: radius, polygonal, etc.
- **CONSUMABLE DATA —** How can data be consumed for other internal usage? API's, XML, JSON, etc.

- **DETENTION DATA —** How is detention data configured and captured? Are there API's for that and/or email alerts?
- **UPLOADING LOCATIONS —** Can mass uploads of geocoded customer locations be accomplished, and how? Can a radius/polygon be set at the same time?
- **SLA —** What is the service level agreement?
- **DATA STORAGE —** How much historical data is available? Website and other data retention?
- **SPECIAL REPORTS —** Can special reports be created by users or only on request to the vendor?
- **SOLAR PANEL —** Is there a solar panel for battery charging?
- **INTEGRATED SENSORS —** What other sensors/data can also be captured?
- **TERRESTRIAL CARRIER —** Which carrier is the primary vendor? Does it switch to another carrier if the signal is stronger?
- **SATELLITES —** Can these devices use satellite communication in the event terrestrial coverage is lost?
- **BATTERY LIFE —** How long will a battery last before it needs to be changed? Meantime between failure rates?
- **HEALTH REPORT —** Is there a status report that checks the units for issues? Can it be a scheduled report?
- **DEVICE SHIPMENT —** How many devices are shipped out monthly/annually? How fast can units be shipped for replacement? What is the RMA process?
- **TRAILER TRACKING SYSTEMS INTEGRATION —** What TMS systems have an integration in place?
- **EMPLOYEES —** Number of employees. Customer service representatives and engineering.
- **FINANCIALS —** Is the company in good financial status? What if the company files for bankruptcy/dissolves?

"When you look at a vendor, you are not just buying a piece of hardware, you are working with a company," Sivils advises.

A number of departments at Western Express use trailer tracking data, including its operations department, its asset management department, and another unit that deals specifically with detention.

Private Fleet Perspective: Bridgestone

Bridgestone operates its own private fleet that makes daily LTL deliveries to its Firestone stores, dealers, and mass merchandisers from seven distribution centers located across the United States. One-hundred percent of its equipment is tracked by GPS, including 310 power units and 856 dry van trailers manned by approximately 380 drivers. Bridgestone represents a long-standing commitment to the value of asset tracking, having done so in its tractors since 1995 and in all of its trailers since 2006. Its customer base includes not only retailers, but anyone else it may backhaul on a for-hire basis.

"We realized that we could hand off a trailer a couple of times or it could be left someplace away from the power unit, and we wouldn't have visibility of it," says Kirk Rutherford, manager private fleet maintenance and equipment for Bridgestone Americas Fleet Operations. "So that's when we started focusing really on the trailers."

Total visibility was the tire company's main goal, as well as improved tractor utilization, reduced dwell time, and reduced delivery detention.

- **Utilization**
  "In a 12-hour period, we may have had three different tractors underneath a single trailer without being able to know exactly where it was load-wise," Rutherford says. "By going to trailer tracking, we were able to feed it back directly to our dispatch to track the load."

  Bridgestone also uses trailer tracking to gain awareness of when an asset is sitting idle and hitting a detention threshold. As the fleet started doing more backhauls, this issue became more prevalent.

- **Dwell Time**
  Bridgestone also uses telematics to tighten up operations — identify specific issues in unload times, delays in getting unload started, customer paperwork, etc.
  "The telematics on the trailer side really gave us the ability to understand where our trailers were sitting, why they were sitting there, and for how long, and then also being able to locate them," says Rutherford.

  If a trailer that's been dropped can't be located, its exact location can be pulled up and relayed to the field. Everyone can get back to the business at hand rather than futzing around trying to locate a trailer like a lost TV remote.

- **Delivery Detention**
  Another smart application of Bridgestone's tracking capabilities is on delivery cycles. Its stores do not include loading docks. It unloads its tire and auto parts deliveries right into the store, which can complicate drop-off spacing. Bridgestone circumvents the issue by geofencing its stores. When a trailer breaks the geofence on departure, an email is automatically sent to the next store alerting that delivery is en route with an ETA. This gives the next store adequate time to move cars around so the delivery vehicle can pull right up and drop off its load with no delay.

  "A lot of these improvements were focused around streamlining our delivery cycle and optimizing our routes, including how much we could fit on a trailer and how many stops a driver could make in a given day," explains Rutherford. "We even use it to feed mileage into our maintenance program to better understand how well trailers are being used mileage-wise and how often they are being reloaded at one of our distribution centers. If they aren't making it back to distribution as often as we want, we can see what's holding it up."

Insight is 20/20
The Western Express and Bridgestone experiences tell us that full visibility is critical to success. Important tracking data doesn't just come on the tractor and driver levels, but also at the trailer level as well.

Additionally, a tracking vendor that values its partnerships by providing visibility, transparency, and strategic analysis can be of great value as well. Strategic analysis can include quarterly business reviews, service bulletins, device health reports, and other KPI reporting.

Mixing these ingredients together helps create a tighter transport business that uses its current assets more efficiently instead of one that's unnecessarily bloated and expensive.

For more information about gaining greater visibility of your trailers and fleet, visit spireon.com/trailer-management or call one of our friendly experts at 800.557.1449.

David Sivils and Kirk Rutherford were the featured guest speakers for "Get Smart: Best Practices for Rightsizing Your Trailer Fleet" a recent webinar hosted by Spireon. To see the upcoming slate of Spireon webinars featuring fleet and trailer management, visit spireon.com/webinars.