

Crescent Electric Supply Company Realizes Big Savings with GPS Tracking

Company: Crescent Electric Supply Company

Industry: Electrical Supply Chain

Fleet Size: Large

Contact: Burnett Thackery, Warehouse Manager



Background: Crescent Electric Supply Company (CESCO) is a national electrical distribution company which supplies electrical parts for the industrial, commercial, and residential markets. They have 300 vehicles nationally and have 5 vehicles at the Salt Lake City, UT location.

Challenge: In 2009, Crescent Electric Supply Company, decided to implement a GPS fleet tracking initiative. "I embraced the idea to track my assets," Thackery recalls. "My background is in logistics and I was having a hard time trying to quantify and evaluate my fleet and personnel." From what Thackery could tell, their delivery service needed to make significant improvements in both the number of deliveries made and the time it took to complete the deliveries. Thackery also wanted to track total mileage, cost per mile, and cost per ticket. He knew that a GPS tracking solution would improve his delivery process, uncover unknown issues with his fleet, and provide the metrics he needed to monitor costs.

How it was solved: Crescent Electric researched several GPS providers, and conducted a 30-day pilot program with GPS Insight and three other vendors. They selected the GPS Insight Fleet Tracking Solution in June of 2009. Within the first month, the company had learned that some routes were taking longer than they should, and that some employees were not making the best decisions on route set-up and delivery. Thackery also mentioned that they were able to correct the unnecessary and unauthorized stops that took place during work hours. In one month's time, Crescent's Salt Lake City branch saw a mileage reduction of 1,605 miles. The cost per mile (\$3.00) multiplied by miles (1,605) saved the branch \$4,815. This is a 93% return on investment from reduced mileage alone. "The real savings is getting two more years of life out of each of our vehicles," Thackery notes. "A new extended van costs \$47,000." This ROI was achieved due to more efficient routing, eliminating unauthorized usage, and monitoring maintenance on each vehicle.

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During the pilot period, the Salt Lake City branch also saw an increase in transaction tickets from 790 to 814, and a decrease in the cost per ticket. CESCO is now able to place more transaction tickets per delivery run, avoiding unnecessary trips. "Our

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goal is to have deliveries start at 7am and be completed by noon. We then verify when afternoon deliveries are needed by the customer. If they do not need the delivery in the afternoon, we reschedule for the next morning. This has helped reduce unnecessary miles in the afternoon," says Thackery.

"In the last 18 months, it has been the intangibles that have been the most valuable for us," Thackery adds. Crescent has noticed a great improvement in their customer service by setting up delivery notifications for each of their major customers via GPS Insight. The company "landmarks" customer delivery locations, and then sets an automated email or text message (typically to the foreman's cell phone or purchasing agent's computer) when the CESCO vehicle enters and leaves that customer's delivery location (jobsite, etc). "We were delivering for a multi-million dollar hospital project. GPS Insight's "Alerts" feature allowed us to automatically notify the foreman via text message 10 minutes before our arrival, as we entered the jobsite landmark's perimeter. He was able to have his employees ready for the crane off-load. Crane time is very expensive, and was at a premium at this job site," Thackery stated. "We were given preferential treatment due to our proactive notification and exact arrival time at the site. When we reconciled our delivery log with the delivery tickets, we stapled a copy of the GPS Insight Activity Detail Report to our delivery log, which provided verification of the delivery of goods."



Sample Landmark Alert with Location

Another example Thackery detailed was how GPS Insight helped correct a delivery mistake. "We delivered a \$1,000 package to the wrong customer that had a similar name. Four days later the original customer called in asking for the material. We gave him the name and date of the delivery; he informed us that he had never received the material. I ran my Landmark Report and it showed that we had not delivered to that location. Thanks to GPS Insight, we were able to cross reference another stop that showed a delivery, but was not on our delivery paper log. We identified our mistake and quickly got the correct customer the correct material."

"As a result of GPS Insight tracking we are better able to control costs, increase customer service, and streamline routes and delivery runs..."

Crescent Electric has also been able to rectify customer complaints with the assistance of GPS tracking. "We have had three situations arise when a citizen called in a complaint on our driver. Two were allegedly driving recklessly and another had material flying off the truck," Thackery explained. "On each of these instances we viewed our activity history and our vehicles were nowhere near the alleged instances. It saved us on all three situations and our drivers were cleared."

"As a result of GPS Insight tracking we are better able to control costs, increase customer service, and streamline routes and delivery runs...GPS Insight has been extremely valuable in the success of my warehouse. The support from the GPS Insight support staff has been unparalleled, and the ability to manage our company assets and have them a click away is simply AWESOME!"

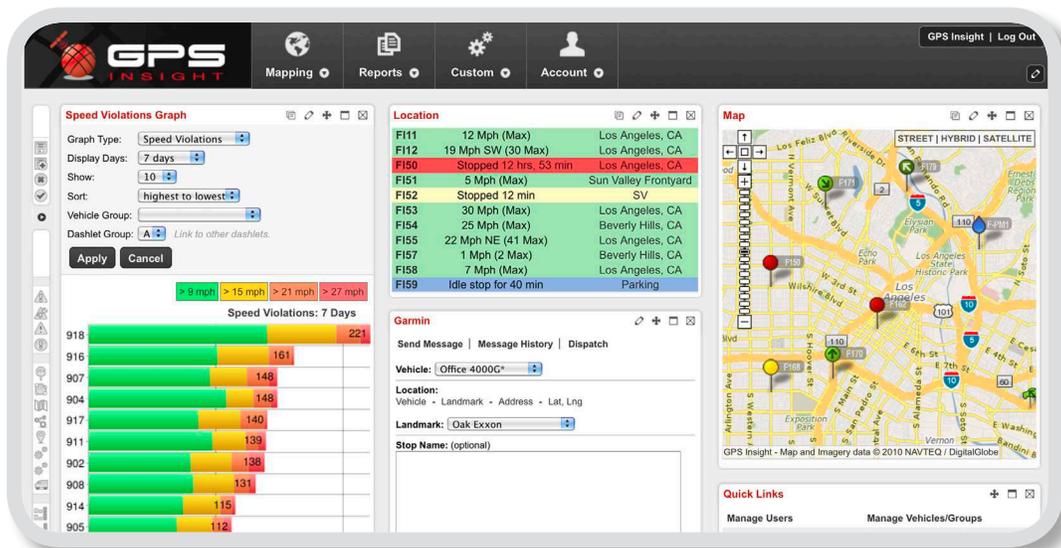
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How Crescent Electric Supply believes **GPS Insight** can help other companies like yours:

- Extend the life of your fleet
- Cut fuel costs
- Monitor your fleet in real-time
- Improve estimated delivery times
- Improve customer service



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