

ON THE ROAD AGAIN— PROFITABLY



Warmed up and ready to roll each morning are the 12.3 million trucks and autos of America's motor fleets. In the jaundiced eye of the fleet manager, it's another day of potential fuel waste, faulty navigation, incorrect shipments and misplaced tools or materials.

For a mature nuts-and-bolts industry like motor fleet management, infusions of game-changing technology are rare. True, the largest transit companies have advanced logistics software, but data shows some eight in 10 fleet managers riding herd on a dozen or fewer vehicles. Far removed from the core competencies of the businesses they serve, these fleets can be a squeaky wheel yet still not get the grease, according to Mark Mattox.

"Factors like fuel cost and traffic congestion are so beyond a company's control that it's hard to get inspired about efficiency," says Mattox, Verizon's manager of business strategy for the transportation sector. "However, now is one of those times when you can legitimately raise the bar—several notches—using Verizon's Machine to Machine [M2M] Solutions."

M2M connectivity on a high-speed platform like the Verizon 4G LTE wireless

network is basically a solution looking for problems. One natural candidate: incremental profit leakage. Mattox recently worked with a customer that provides high-grade lumber products to construction sites. Its focus is squarely on timber sourcing and precision milling, such that, "given a choice, the company would rather not operate its fleet," says Mattox. With Verizon Wireless Machine to Machine Solutions, however, the lumber company and others like it can save millions of dollars by simply squeezing an extra mile per gallon (mpg) out of each tank of diesel fuel. So, for example, a fleet that travels 15 million miles per year at a rate of 5.5 mpg would, at current fuel prices, spend roughly \$10.3 million to gas up. At 6.5 mpg, the company could save nearly \$1.6 million per year. This increase in mpg is very attainable with solutions such as remote monitoring of trucks, and alerts to drivers about things like unnecessary idling and traffic disruptions.

Where is wireless M2M headed in fleet management? Picture a tiny sensor inside a truck tire, signaling air pressure loss via RFID signal to a module in the dashboard that sends a wireless message to the fleet manager notifying them of the change of condition. Based on various factors, a manager then opts to have the driver seek

repairs or continue to the destination. "And with products available from leading tire manufacturers, you can even have an in-tire air compressor that automatically refills the tire," says Mattox. Fleet managers with the most advanced M2M portals will also get the greatest benefit as the "intelligent roadway" buildout continues, and time loss from traffic ahead is computed and transmitted in real-time. When a machine is about to send a wireless message to another machine, it doesn't think twice or reflect on its sensitivity training. Excess idling of commercial trucks is a money-burner that can also draw citations and fines, and M2M messages—truck to server—now track idle time, demand an operator's reply to an unanswered inquiry, then move ahead to remotely shut off the engine. "Wasted fuel and undue engine wear keep getting rationalized," says Mattox. "M2M Solutions cut through that."

Even when a fleet vehicle isn't blocked by traffic or disabled by mechanical problems, it is prone to loss based on what it is or isn't carrying.

"Inventory stock and expensive service tools can be tagged, so your server can count them or provide their GPS location," says Mattox. "Now, an in-store point-of-sale terminal can tell a server about a sudden high volume of razor sales, and that message goes to a truck about to leave a warehouse without enough razor stock. All without humans talking to humans." It's likewise for a service vehicle when two tradespeople start the van in motion, each thinking the other has stowed a \$400 impact driver. "With Verizon Wireless Machine to Machine Solutions," Mattox notes, "they get an alert before they're underway that the tool is left on the site." In other words, it's like an inventory and maintenance checklist that matches your fleet management needs, and you don't have to worry about someone forgetting to use it. ●

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