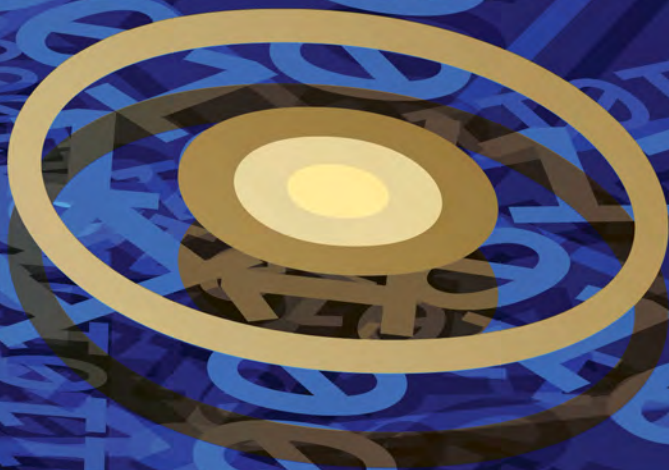# USE MOBILE COMMUNICATIONS DATA TO IGNITE IMPROVEMENT STRATEGIES

Greenbush Logistics Mines Integrated Data from Mobile Communications and LoadMaster to Develop Profitable New Business Strategies

The data generated by your mobile communications systems can provide a gold mine of information about your business. It ranges from drivers' HOS, tractor location, and trailer location to arrival and departure times, refrigerated trailer temperature, and out-of-route occurrences, and it's hard to imagine running a trucking company successfully today without this vital information. Your operations staff relies on this data constantly to handle every detail about moving the freight.

But if you are using this data only to manage operations in the short term, you're missing a valuable opportunity. By employing the tools within LoadMaster and other McLeod modules, this data can be leveraged to create vital new strategies for improving the business.

# Integration is Key: Access Your Mobile Comm Data in LoadMaster

LoadMaster users can have easy access to mobile comm data via McLeod's Symphony Mobile Communications module. The Symphony module integrates the two systems so that mobile comm data flows seamlessly into LoadMaster screens. This data is then available to be put to use with a variety of LoadMaster tools and modules.

What are your business goals? If you're focused on driver satisfaction or improving on-time delivery, try using **Driver Feasibility**. By tapping into drivers' HOS data, this tool allows you to track the hours drivers have available and see quickly whether or not any specified driver can make a preassignment on time.

If you're seeking to reduce deadhead or improve asset utilization, use **Find Near**. This tool makes it easy to see which available tractors are closest to an order or which orders are closest to an available tractor. Mobile comm data is used to generate maps that show the current positions of tractors and orders, so that you can match your tractors to nearby loads.

If the goal is to streamline the work of communicating with your drivers, you'll be able to **view all mobile comm messages easily**. With one click, a dispatcher can view all of the mobile comm messages that are feeding in. This can be done through the Order Planning screen so that there is no need to move to a different screen to view this information.
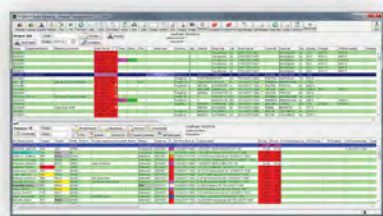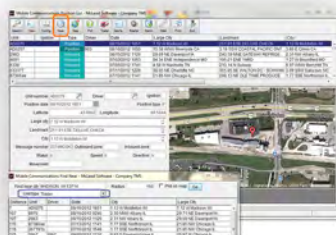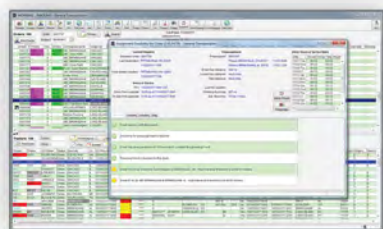
If your mobile comm system is gathering **temperature data from your reefer trailers**, you'll be able to monitor that in LoadMaster. View minimum and maximum temperatures, the set point, and the return air temperature for each order and insure you are managing the reefer shipment according to the customer's requirements for that commodity.
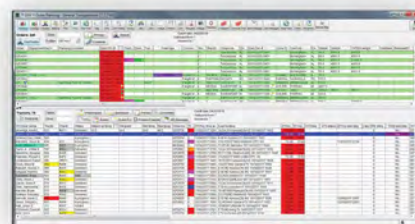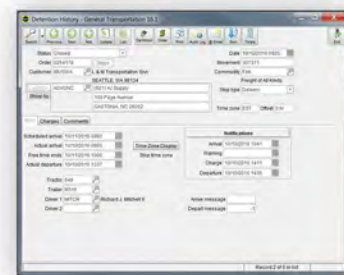
If you are striving to be proactive rather than reactive with managing service, use the **ETA-OOR module**. McLeod's ETA-OOR module uses real-time position data from your mobile comm system to project arrival times and detect out-of-route occurrences. Know in advance if you're going to be late or early and manage that outcome, rather than having an unexpected service failure or forcing a driver to cool their heels waiting on an appointment when you might be able to make an adjustment in the appointment to prevent either circumstance. Find the exception so that you can manage by exception. Act in a timeframe that makes a difference.
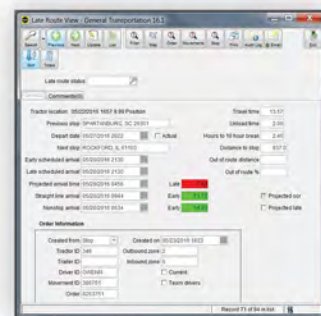
If you want to reduce or eliminate the time your drivers spend detained at loading docks, use the **Detention module**. McLeod's Detention module uses mobile comm data to determine when your drivers are being detained and it keeps a record of the length of detention. You can set up warning messages for the shipper or consignee when contractual detention limits are approaching. You can use this data to fully document your charges for detention and to negotiate with customers about reducing detention.

Case study: Greenbush Logistics

Greenbush Logistics is the in-house carrier for Great Southern Wood Preserving. Based in Abbeville, Alabama, Great Southern Wood is the nation's largest producer of pressure treated pine. The company and its subsidiaries operate 14 plants with distribution coverage that stretches from Florida to Texas and to Canada. In addition to managing truckload brokerage for all of the parent company's shipments, Greenbush operates as a commercial for-hire carrier and uses backhaul capacity to handle both spot and contracted freight. The company's private fleet operates with over 200 trucks and over 430 trailers and has an average length of haul of 110 miles. The primary commodity is lumber, but Greenbush also hauls coils, steel, pipe, shingles, and fertilizer. "We've improved efficiency in several ways by feeding mobile comm data into our McLeod tools," said Mills Carter, analytics director for Greenbush. "Visibility into our truck locations allowed us to transform our business. A spike in demand for Great Southern Wood products recently meant a sharp increase in loads for Greenbush. Had we not made the gains in efficiency, we wouldn't have been able to handle the increased volume."

Previously we were managing our business based on traditional KPIs, such as revenue and deadhead.

"We deliver 80,000 loads a year and we manage an additional 60,000 loads, all with outside carriers. We do that because we have seasonal fluctuations. We have a huge season in February, March, and April, and we hardly do anything in November, December, and January. Our thinking was very traditional. We were focused on revenue and deadhead, and we wanted to keep our drivers busy. We were always trying to keep our drivers on a load to keep them paid."

We analyzed our business by taking data from our mobile communications system and looking at what that told us within the context provided by all of the information within LoadMaster.

"Our mobile comm data is automatically integrated into LoadMaster. This makes it easy to use the ETA-OOR module to analyze our delivery patterns. We took our entire delivery area and broke it up into 15x15-mile grids. We used mobile comm data along with Google to assign a geo spot to all of our locations and each location had its own set of statistics. We tracked where we came from, where we went next, and how long it took to get in and out. Previously we didn't have visibility into the location of all of our trucks, but we gained that. We can see where trucks are in real time. We can see which of our trucks are going into certain locations. Plus we have information about each truck that tells why they are where they are."

We gained valuable insights into operations

» **Short-haul loads were going to outside carriers**—"We started noticing that of the 60,000 loads that we were always giving the outside carriers, many were within 60 miles of our facilities. Why were we using outside carriers to deliver within 60 miles of our facilities? It turns out that this occurred because of our effort to keep our drivers on loads. We had gotten into a habit of sending our assets on the longest loads in order to give the driver more miles, but we hadn't looked at this practice to see if it actually made sense for the business."

» **Bad loads were revealed**—"Some of our loads were costing us in terms of capacity while not generating enough revenue. For example, we learned that whenever we went to Nicholasville, Kentucky from our north Alabama treating facility, we would spend one and a half days away from home. So we would have to pay outside carriers for all of the loads we could have hauled for one and a half days within 60 miles of our plant because we had lost an asset. So the Nicholasville load was a bad move for us. It was unprofitable."

WE CHANGED OUR STRATEGIES AND TOOK ACTIONS TO IMPROVE

» **We made rules for where our trucks go**—"We created 'Go' and 'No-go' zones, based on the GIS data that we got through our mobile comm system and from our McLeod ETA-OOR module. We established areas where trucks should not go, areas where they could go as a last resort, and areas where they should go. We started measuring trucks on how well they followed this. This has become an in-house KPI for us. It's completely different from anything we used previously."

» **We coordinated on arrival times with business partners and customers**—"Using McLeod's ETA-OOR module and real-time data from our mobile comm system, we can pinpoint the time that trucks should arrive. If a truck is scheduled to arrive at 8:30 and we can see that it will be arriving at 9:00, we get in touch. We communicate with our partners— our sawmill partners and our customers—to update them on the truck's expected arrival. That didn't happen before. In the past, we started by calling to schedule a pickup. We would give them a pickup number over the phone to write down. We didn't always know when a truck was delayed. If we did know, we might pick up the phone and call the customer, depending on how busy we were. Before ETA-OOR, we had to do all of this manually. Now we get reports the night before and then updated text alerts when the driver is at a set number of miles away. If there are changes, we notify the customer through texts or email. Some of our partners who are more technologically savvy appreciate the fact that we're doing this and sometimes they give us preferential treatment when our trucks arrive."

» **We improved efficiency with a major partner**— "One of our largest sawmill partners provides us with about 15% of our lumber, which means picking up thousands of loads each year from their mill. By communicating more closely, we've reduced the time spent there by 18 minutes on average. Given the number of loads involved, that's a huge time saving for us. We're calling ahead to get our truck into queue to go ahead and be loaded. If we need to make changes to our order, we're doing that as well based on our inventory needs at the time. We are giving them a constant update from up to 30 minutes from arrival about what we need to pick up and when our truck will be arriving. This has helped tremendously."

» **We adopted new KPIs that reflect the nature of our business footprint**—"We decided to abandon our old KPIs. Instead of focusing on revenue, deadhead, and keeping our drivers always busy, we're looking at cost, time, and driver satisfaction. What is the cost? What is the time spent? How can we reduce that time? How can we keep our drivers happy? We determined that we can handle a high volume of deadhead if we manage the loads correctly. We can deliver a load 30 miles out and come back and pick up a load 5 miles from the plant—a backhaul. This may be unusual for most carriers, but it works for us. We learned this from analyzing the data."

» **We changed the way we use outside carriers**— "We began using our drivers for the shorter hauls and gave more of the longer hauls to outside carriers through our brokerage team, because this turns out to be a better use of our assets."

» **We found a better way to calculate driver pay**— "We started paying our drivers on turns, instead of miles. It doesn't matter how much the load is 'worth,' they get paid now on the number of loads. So they want to haul the loads closer to home, which works for us. Previously they wanted the loads further away because those loads paid more, but we discovered that it's better to have them handling the local loads than sending them off for three days. It also means that they get to spend more time at home, which they like. At first, they were concerned that they wouldn't get paid as much with the new payment method, but we've shown them that it provides new opportunities."

WE ACHIEVED THESE RESULTS

» **Reduction in fleet size**—
"We reduced our fleet by 12% from 220 to 194."

» **Improvement in turns**—
"Our turns are up 14% (2.05 versus 1.79)."

» **More home time for drivers**—
"Our drivers are at home more."

» **Less driver turnover**—
"Driver turnover is down significantly."

» **Reduced use of outside carriers**—
"We're spending $450,000 less with outside carriers by paying them to haul the ones we need them to haul, not the ones that are closer to home."

» **Better operational performance overall**—
"Our production planning is more efficient. We've increased asset utilization and on-time performance. We have fewer late deliveries, fewer unplanned splits, less dwell time, and less detention."