

# THE BUSINESS OF... MANAGING UPTIME

Minimising vehicle off-road time can save a business money, improve customer loyalty and boost its reputation – find out how inside



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Published by

CommercialFleet

# Maximise uptime to minimise cost and disruption

Any vehicles off the road can have far-reaching effects for a business, but simple steps can be taken to avoid problems. *Gareth Roberts* reports

**E**very minute a vehicle is off the road costs a company money and harms its customer loyalty, competitive edge and reputation.

The stakes are extremely high. LeasePlan has calculated that the average cost of having a van off the road is between £700 and £1,000 per day.

However, a substantial number of fleet managers appear to be unaware of the financial impact, with 40% of those surveyed by Autoglass unable to estimate the business cost of having a vehicle off the road. Those who were able to give a figure said the average cost in terms of lost business revenue was £727 per day per van.

"Ensuring fleet managers are aware of this cost is often the first step in improving the utilisation of a vehicle," says Mark Lovett, head of commercial vehicles at LeasePlan UK.

The cost is not just confined to the price of a component, labour rate or replacement vehicle, it also relates to an employee's wages and productivity, along with a reputational impact if an appointment cannot be kept or a delivery made.

But so often this key component of cost management is neglected. Mark Cartwright, head of light commercial vehicles at the Freight Transport Association, says: "An increasing number of van operators are managing their fuel spend and residual values, but still almost half of respondents to a recent Van Excellence survey admitted they fail to manage planned and unplanned vehicle off-road time."

He adds: "Given that many operators would put the cost of having a vehicle off the road as being in the hundreds, if not thousands, of pounds per day, it is surprising that more operators aren't taking more positive action."

## MAXIMISING RELIABILITY

Vehicle selection is a critical first step to maximising reliability and minimising downtime, but all too often businesses are tempted to cut costs.

Price becomes the motivating factor and vehicles end up on the fleet that are not fit for purpose in terms of size, gross vehicle weight and axle weight.

"Vans are worked hard in our industry, in every area," says Charlie Shiels, executive director for central operations at DPD UK. "We need the van to be well designed and built with the robust nature of our industry in mind."

"For example, load doors can be opened 120 times per day, which is 600 times a week, 30,000 times a year or 150,000 times over the van's life – van design and build is everything."

A vehicle that isn't fit for purpose will be placed under

**£1,000**  
potential daily loss for an off-road vehicle, estimates LeasePlan

**40%**  
of fleets are ignorant of downtime cost, an Autoglass survey has found

**99%**  
vehicle uptime rate achieved by the RAC



For more on reducing vehicle downtime, visit: [fleetnews.co.uk/downtime](http://fleetnews.co.uk/downtime)





Ford's van network introduced extended servicing hours in March

increased strain, leading to unreliability and vehicle downtime. Making the right choice, however, can provide companies with a quick win, says Lovett.

"Vehicle utilisation can be significantly boosted by simply ensuring the chosen vehicle is correctly specified for the job it will be doing," he adds.

But to push home that advantage, fleet operators must also ensure they employ the right service, maintenance and repair (SMR) regime.

### TAKE A PROACTIVE APPROACH

"Planning is key," says Mohammed Imran, head of vehicle and supplier operations at Arval. "Take a proactive approach to avoid unscheduled work, including daily vehicle checks and a clear process for recording and rectifying faults."

Achieving an uptime rate of 99% on around 1,500 vehicles, the RAC's fleet operations manager, Tim Hartles, agrees.

"The importance of the daily routine checks cannot be underestimated," he says. "All our drivers of patrol and recovery vehicles will complete daily checks, which are electronically recorded."

It allows the RAC's drivers to plan any service or repair at a time convenient to them and the business, helping to maximise vehicle uptime.

Booking SMR work with franchised dealers, independent garages and fast-fits in advance also avoids unnecessary delays and ensures part availability.

Franchised dealers are also starting to join many fast-fit centres and independent garages by offering longer opening hours and weekend working, which will be welcomed by fleets wanting to increase vehicle availability.

A *Commercial Fleet* poll late last year found that of the 43% of respondents who did not have access to out-of-hours servicing, 69% would like it.

Andy Lawson, head of fleet at Mercedes-Benz Vans, says: "On average, our workshops are open up to 100 hours a week, including Saturdays, with more than one-third of these open 24 hours a day throughout the working week, and more than 90% operating at least two shifts daily, meaning that vans can be repaired and maintained at times to suit the customer, not the manufacturer."

Ford's network of 100 van specialists introduced extended opening hours to customers for vehicle servicing and maintenance in March. Transit centres must open from 7.30am to 6.30pm Monday to Friday as a minimum, and also from 8am to 1pm on Saturdays. They must also offer one late night service every Thursday, which must, as a minimum, allow customers to drop their vehicles off at the dealership at 4pm and collect them no later than 10am the next day.

Having strong links to manufacturer and independent garages helps the RAC. "Working closely with manufacturers enables early identification of possible trends and allows both parties to plan any rectification," says Hartles.

RAC has direct links to either manufacturer customer care



*"The importance of the daily routine checks cannot be underestimated. All our drivers of patrol and recovery vehicles will complete daily checks, which are electronically recorded"*

Tim Hartles, RAC

or technical teams which allows discussion to drive out any future faults.

Lawson says: "Fleet operators need to ask themselves if their vans are being maintained by a dedicated van network or being shoehorned in-between the 'more important' car customers or sat in a queue behind a lorry, which requires much more time spent on it."

### WORKING IN PARTNERSHIP

Leasing companies have also been eager to adapt their services to help fleet operators improve vehicle availability.

LeasePlan's Uptime uses telematics data to capture vehicle mileage every 24 hours and then plan each service, inspection or other scheduled event around the operator's working patterns. Launched three years ago, it applies an HGV approach to LCV maintenance.

Arval operates a similar service called Downtime Management, while Lex Autolease launched the first of its new range of purpose-built 'Driveaway' commercial vehicles last year.

The vehicles are pre-fitted with industry-specific internal fixtures and fittings such as racking and storage solutions and are held as stock. With supply time averaging between 14 and 21 days, businesses benefit from shorter lead times and by not having to remove the vehicle from the road to undergo a separate conversion.

But, with a wealth of third-party suppliers providing everything from glass repair and replacement to breakdown and recovery services, matching the customer with the most appropriate supplier is vital.

"This ensures that the service supplier builds a strong understanding of the customer's business so they can deliver planned service schedules, quick diagnosis and an effective response to problems," says Imran.

# The Business of Managing Uptime

**Y**our business's van is an essential tool, just like any other, so making sure it's out there earning its keep is vital – especially as research shows that when a van is off the road, it costs a business an average of £500 a day.

Not many businesses can afford losses like this, so when choosing a van you need to consider both the support offered by the manufacturer and their understanding of your particular industry. If one of your vans broke down now, who'd make sure it's back on the road and working hard, as soon as possible?



## Free 30-year roadside assistance keeps businesses moving

Every Mercedes-Benz van comes with free 30-year roadside assistance – MobiloVan – covering vehicles on a call-out basis across the UK and Europe. 150 dedicated roadside recovery vehicles across the UK means an average response time of less than an hour, and over 80% of vehicles are fixed at the roadside – vital when it comes to managing uptime.

These stats are possible because MobiloVan recovery vehicles are well-stocked with GenuineParts and manned by a Mercedes-Benz trained Technician, at no cost to you. MobiloVan cover includes notifiable failures such as indicator failures or damaged wing mirrors, as well as minor non-warranty roadside repairs up to £130 (inc. VAT). If roadside repair isn't possible, recovery to the nearest Mercedes-Benz Vans dealer workshop is also included for free.



## You control the downtime

### 100 hours a week

On average, Mercedes-Benz Vans dealer workshops are open up to 100 hours a week (including Saturdays).

### 24 hours a day

Over 1/3 of Mercedes-Benz Vans dealer workshops are open 24 hours a day throughout the working week.

### 2 daily shifts

Over 90% of Mercedes-Benz Vans dealer workshops operate at least two shifts daily.

## Case study:

### 100% fleet uptime for Iceland Foods

On 13 August 2014, not a single one of Iceland Food's 420 Mercedes-Benz home delivery vans was off the road.



Compare this to the same period two years ago, with a fleet made up entirely of vans from another manufacturer – 15% of the total number of vehicles off the road were the same age as today's Mercedes-Benz stock.

This achievement wasn't a one-off. Iceland's fleet is split fairly evenly between Mercedes-Benz vans and vehicles from the other manufacturer.


In May 2015, there were 21 Iceland Food vans off the road. Only 6 of these were Mercedes-Benz – and each one was only out of action for an average of 6 hours, compared to an average of 16 hours per van for the other manufacturer.

“This is a fantastic result across both accident and maintenance for our fleet. The 24-hour support of Mercedes-Benz Vans dealers really helps to keep vehicle downtime to a minimum, but to have a fully utilised fleet is virtually unheard of.”

Alex McKinlay, Head of Home Delivery, Iceland Foods



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Data gathered by the latest technology can be used to keep vehicles on the road

# Embrace technology to cut vehicle downtime

Advanced telematics and the latest technology are providing fleets with the tools to drive efficiency and vehicle availability. *Gareth Roberts* reports

**C**rash avoidance systems, electronic vehicle checks, advanced telematics and engine fault reporting all have the potential to help fleet operators improve their vehicle uptime.

"Innovation in the sector is now really generating value," says Gerry Keaney, chairman of the British Vehicle Rental and Leasing Association (BVRLA).

"Whether it is safety functions, such as autonomous emergency braking or fleet management features, such as telematics, the rental and leasing sector is well aware of the potential developments in automotive technology."

LeasePlan UK's technology-based proactive vehicle off-road management solution Uptime has led to cost savings of up to 60% for its customers, primarily stemming from an overall increase in vehicle availability.

Through in-vehicle telematics, Uptime transmits performance updates to LeasePlan's dedicated LCV team every 24 hours. All routine MOTs and repairs are then automatically co-ordinated through its service network.

Mark Lovett, head of commercial vehicles at LeasePlan, says: "Solutions like Uptime can also maintain electronic copies of MOT documents, as well as all service, maintenance and repair work carried out to ensure each vehicle is fully compliant with existing legislation."

Uptime is just one example of how real-time feedback served by telematics-based products is helping fleets make smarter decisions on which vehicles to service and when.

## 80%

**potential reduction in unplanned downtime possible to increased connectivity**

## 54%

**of fleets say the main cause of unexpected downtime was general wear and tear**

The RAC's 1,500-strong fleet is fitted with a telematics system developed in-house by the breakdown and recovery company. Tim Hartles, RAC fleet operations manager, says: "We link telematics data to fuel drawn and maintenance spend, which helps us understand where our focus needs to be to reduce downtime and identify drivers that may need training or education."

"For example, matching maintenance spend with telematics data can give a direct correlation with brake wear and driving style which allows us to have a more informed conversation with a driver."

Mohammed Imran, head of vehicle and supplier operations at Arval, is convinced that telematics has a role to play in improving vehicle availability.

"At a basic level, data supports journey planning and vehicle allocation," he says. "Additionally, it provides valuable information highlighting issues with driver behaviour which can lead to increased levels of mechanical wear, accidents and damage."

Travis Perkins, which has equipped its fleet of 4,000 commercial vehicles with telematics, has taken costs worth millions of pounds out of the business.

It is also running an uptime rate of 93%, compared to 60% before the technology was fitted. Other benefits have included a 12.6% reduction in vehicle accident costs as a consequence of managing vehicle speed and monitoring driver behaviour.





“That’s why data is so important,” says Graham Bellman, group fleet director at Travis Perkins. “It influences driver behaviour and maintenance regimes and can help reduce accidents.”

Andy Lawson, head of fleet at Mercedes-Benz Vans, agrees. He says: “The telematics within vans now enables fleet managers to measure the performance of the vehicle and the driver, checking everything from miles per gallon to maintenance schedules.”

Richard Robinson, director of Strategy Analytics, believes that more than half of vehicles on the market will be fitted with embedded telematics by 2021 compared to less than 25% now. This means more vehicles will be able to report ‘home’ to the dealer with faults, wear and tear, and servicing requirements, so specific parts can be pre-ordered in advance of the service booking.

He says: “The commercial vehicle sector has been using data and technology successfully, and manufacturers need to realise that data also has value for them.”

Advanced telematics solutions can provide insight into how vehicles are performing by reporting trouble codes directly from their engines. If a vehicle is low on oil or has an engine fault, the fleet manager can be immediately notified to ensure problems are quickly fixed.

Paul Foster, solutions engineer at Telogis Fleet, says: “Manufacturers such as Ford are now building these preventative solutions on the factory floor, offering managers a range of integrated vehicle health information and alerts on mechanical issues, including water contamination in the diesel and oil life remaining.”

Volvo Trucks says incidents of unplanned downtime can be cut by 80% thanks to the growth of online connectivity. “Any unplanned downtime can hit a company hard,” says Hayder Wokil, director of quality and uptime at Volvo Trucks.

“We have to be better at understanding why these unscheduled incidents happen, then help both customers and drivers increase vehicle uptime and their profitability.”

Volvo recently conducted a survey based on real-life user data from 3,500 Volvo trucks gathered over a five-year period. It used this information to conduct simulations and



### POTHOLE DETECTION AND AVOIDANCE TECHNOLOGY

Jaguar Land Rover (JLR) is researching technology that will allow a vehicle to identify potholes, broken drains and manhole covers.

If a car can receive a warning from another vehicle about a problem ahead, then drivers would be able to slow down and avoid the danger – or the vehicle could adjust suspension settings to reduce the impact and smooth the ride. This could help reduce punctures, wheel and vehicle damage as well as accidents.

Dr Mike Bell, global connected car director at JLR, says: “By monitoring the motion of the vehicle and changes in the height of the suspension, the car is able to continuously adjust its suspension

characteristics, giving passengers a more comfortable ride over uneven and damaged road surfaces.”

While this is being developed for JLR vehicles, the manufacturer thinks there is a huge opportunity to turn the information into ‘big data’ and share it for the benefit of other road users, including commercial fleets.

“This could help prevent billions of pounds of vehicle damage and make road repairs more effective,” says Bell.

The project is also investigating whether JLR’s experimental camera could take an image of the pothole or damaged manhole and share this with the road authorities, together with a GPS location.

*“Technology has a massive role to play in improving vehicle utilisation”*



Andy Lawson,  
Mercedes-Benz Vans



For more ways to maximise vehicle uptime, visit:  
[fleetnews.co.uk/downtime](http://fleetnews.co.uk/downtime)

generated a variety of possible service situations to analyse how, why and when trucks suffer from unexpected downtime. The aim was to find out how this can be avoided.

“The study clearly showed that by being able to monitor the truck’s usage and the current status of the vehicle’s various key components, it is possible to plan maintenance better,” says Wokil.

Mercedes-Benz is also looking at harnessing the vehicle’s own systems to further help with vehicle uptime, which will be rolled-out next year. Lawson concludes: “Technology has a massive role to play in improving vehicle utilisation.”

### TECHNOLOGY STREAMLINES VEHICLE CHECKS

Technology is helping fleet operators increase efficiency and reduce administration by streamlining vehicle checks.

Tim Hartles, fleet operations manager for RAC, says: “All our drivers of patrol and recovery vehicles will complete daily checks, which are electronically recorded.

“Having this focus and diligence allows our drivers to plan ahead any service or repair which may include replacing tyres at a time convenient to them and the business, helping to maximise vehicle uptime.”

Some products, such as Fleetcheck or

Jaama’s Defect Manager, can be used by drivers to record information from a walkaround check on a smartphone, which automatically transfers it into a fleet management software package.

However, only 27% of fleets surveyed by Autoglass last year said they performed regular maintenance checks.

This was despite 54% of respondents saying the main cause of unexpected downtime for emergency repairs was general wear and tear.

Travis Perkins, which operates 4,000

commercial vehicles and 2,500 company cars, recently introduced an electronic vehicle check system.

It replaced a paper-based questionnaire, with checks tailored to each vehicle rather than being generic, and also gives the ability to message drivers individually.

“We have some great drivers, but we need to have an audit trail that checks are being undertaken,” says Graham Bellman, group fleet director at Travis Perkins.

“An electronic system further enhances our procedures.”

CASE STUDY: DPD UK

**F**leet performance is vital when meeting strict deadlines for one of the UK's biggest time-critical carriers. DPD UK operates a fleet of more than 4,000 Mercedes-Benz Sprinter vans, 300-plus 7.5-tonne trucks and 800 tractor units for deliveries across the UK and Europe.

Charlie Shiels, executive director for central operations at DPD UK, says the company delivers more than 2.5 million parcels a week for some of the biggest brands in the UK.

"We clearly cannot fail," he says. "Reliability is essential in a service industry such as ours."

"We hate to fail, and move heaven and earth to ensure we keep our promises to our customers."

DPD UK is achieving an uptime rate above 99% for its van fleet thanks to a focus on both its vehicles and drivers.

One of the most important measures it employs to improve vehicle utilisation is preventative maintenance.

"We would rather over-maintain than under-maintain," says Shiels.

It is also vital to ensure a vehicle is fit for purpose. But equally



DPD has a vehicle uptime rate of more than 99%

FACTFILE

**Company:** DPD UK

**Fleet size:** 4,000-plus vans, 300-plus 7.5t rigids, 800 tractor units and 1,300 trailers

**Executive director for central operations:** Charlie Shiels

**Headquarters:** Oldbury, West Midlands

important, according to Shiels, is driver engagement. "Drivers need to understand [that] if you look after your van it will look after you," he says. "It's common sense."

DPD's attention to detail is clearly paying off after the parcel delivery company was recently honoured by consumer champion Which? with a special award.

The courier was recognised for consistently topping customer satisfaction tables, offering the best in customer care and driving change in its sector.

Recognition from the consumer group followed hot on the heels of DPD winning the Queen's Award for Enterprise in April for its Predict service.

Predict gives customers a one-hour delivery slot and if they can't be home they can use a series of 'in-flight' options in real-time to tell their driver to deliver to a specific neighbour or their nearest DPD Pickup parcel shop.



*"We would rather over-maintain than under-maintain"*

Charlie Shiels, DPD UK

CASE STUDY: ICELAND FOODS

**M**eeting customer expectations is key when delivering frozen produce to homes across the country from a network of 850 stores. Iceland Foods operates around 1,400 dual compartment refrigerated vehicles to fulfil a demanding home delivery operation, which was first launched in 1996.

Almost 20 years later, it continues to go from strength to strength, making around 200,000 deliveries a week thanks to a vehicle uptime rate in excess of 95%.

The VMS Group maintains the fleet through a combination of the Mercedes-Benz dealer network and VMS mobile technicians.

With the majority of its stores on the high street, Alex McKinlay, commercial fleet manager for Iceland, says: "We do not have the convenience of dedicated sites with

FACTFILE

**Company:** Iceland Foods

**Fleet size:** 1,400 dual compartment refrigerated vehicles, consisting of panel vans and trucks

**Commercial fleet manager:**

Alex McKinlay

**Headquarters:** Deeside, Flintshire

*"We don't have the convenience of dedicated sites"*



Alex McKinlay, Iceland Foods

dedicated transport managers. Therefore, when low level maintenance is required, we need a third party to put the vehicle back on the road."

Iceland operates a fleet of spare vehicles to assist with vehicle downtime. These are provided within geographic areas and their placement is managed by its store teams.

The fleet of spare vehicles is complemented by 30 courtesy vehicles provided by VMS, which are used for any downtime due to accident damage.

McKinlay says: "Our business prides itself on on-time, same-day delivery. If our vehicles are not available then this directly impacts on our ability to deliver what our customers expect."

Technology is also playing a part in helping increase Iceland's vehicle uptime, with telematics due to be fitted to all vehicles by December.

"By understanding how our vehicles are being driven and feeding this back to our drivers, we have cut our fuel bill and reduced accidents," says McKinlay. "Telematics also provides the ability to understand exactly where our vehicles are and when they are, and are not, being used."



Telematics is being rolled out across Iceland's fleet



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