



Building Services Company Controlled Costs Through Vehicle Acquisition

FLEET PROFILE

Fleet Size **5,700**
Industry **Building
Services**

Vehicle Type **Full-Size Cargo Van, SUV,
Light-Duty Truck, Sedan,
and Passenger Bus**

OPPORTUNITY

Control costs with a more balanced vehicle acquisition process

This company delivers facility solutions to a wide range of industries and clients across the United States. To fulfill its mission in providing comprehensive janitorial, electrical, landscaping services and more, it needs an agile fleet that can respond whenever a new building need beckons.

Historically, the typical factory order cycle didn't fit the company's operational model as they often had a short lead time before they needed vehicles on site. As a result, 80% of vehicles were ordered out of stock. It sought a more balanced approach that decreased capitalized cost or the average vehicle odometer.

STRATEGY

Utilized pool vehicle sourcing & inventory management tools

Wheels analyzed five years of their order history to establish a vehicle blueprint based on popular models and configurations. Next, Wheels & the client negotiated pool agreements with the three major domestic OEMs. Once they began ordering vehicles into their pool, Wheels provided an extensive suite of reports and dashboards to manage order status and inventory.

For ease of use, they posted their pool inventory to their intranet site, allowing their operations teams to view what vehicles were available and their position in the build-to-delivery timeline.

RESULTS+

Achieved near even factory-to-stock order split at year's end

The company nearly balanced their factory-to-stock order ratio, with a **25-point reduction** in stock orders. With continued strategic planning, the team hopes to continue the momentum and achieve 50% factory orders by 2020 year's end.

Since implementing the OEM pool program, the company **saved over \$2 million** in out-of-stock premiums. Additional wins include decreasing capitalized cost by 9% and reducing vehicle odometers by 11%. Now, as the client expands its offerings with new programs to help facility management professionals offer building clients safer, healthier spaces, the right vehicles for the job are just a few clicks away.