



# KNOWLEDGE IS POWER

**From lowly beginnings, telematics is increasingly at the heart of operators' improvement agendas. Brian Tinham discovers why - and talks to DVSA about its future in next-generation enforcement**

It's not that many years since telematics - little more than vehicle tracking at the time - was a bunch of technologies reserved mainly for monitoring refrigerated trailers and buses. Back then, few in haulage had much truck with IT and certainly not software seen as providing Big Brother capabilities for management to pry on professional drivers in their cabs.

However, in the last few years, that view of telematics has been debunked. Now, not only are systems being implemented virtually everywhere, but, as hauliers see the power of new systems, and the scale and speed of payback, many are upping the ante and adding sophistication to keep the benefits coming.

That's the obvious conclusion from talking to truck and van operators right across industry. Whether it's independent logistics companies like Downton and Wreford's Transport, or temperature-controlled distribution firms such as Cool Express or NFT Distribution, telematics is right up there in terms of cutting costs, increasing vehicle uptime and driver safety, and improving customer relationships. And the same goes for organisations as varied as electrical contractor Barlows, plant hire specialist Garic, catering trade butcher Price and Fretwell, and vehicle hire specialist Sunrent. All see telematics as key to their operations' success.

Take Cool Express, which runs a fleet of multi-temperature Mercedes

Sprinters delivering goods to RDCs, retailers and restaurants throughout the UK and Europe. Managing director Nick Askew says he recently renewed the firm's contract with AGM Telematics because knowing the whereabouts and arrival times of vehicles is critical. "We can even allow clients access to view vehicles' progress in real time with the 'share trip' feature on the RouteMaster system," he says, adding that on-screen vehicle location and journey history are invaluable.

Meanwhile, Derbyshire-based Price and Fretwell says it, too, has improved customer service but also driver behaviour since deploying Masternaut's telematics. The firm runs 10 vehicles - refrigerated transit vans and company cars - and says speeding is down 73% while harsh driving events have been cut by 60%. "We're a small team, but Masternaut Connect helps make us even more efficient, and has provided us with fuel cost savings, ensuring the system pays for itself," says general manager Kevin Chappell.

Barlows Electrics UK fleet manager Mark Barlow tells a similar tale and reckons the firm has seen £20,000

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Lewis Morgan

efficiency and scheduling savings every year, since implementing Fleet Manager from MiX Telematics. The Cheshire-based business says it has also cut accident rates across its 180-strong van fleet and improved community relations by creating geo-fenced areas to prevent speeding in residential areas. "We rely on the system to help us monitor vehicle and driver activity, plan the best routes and communicate arrival times to customers," comments Barlow. "It gives us tighter control of our fleet and enables us to make sensible decisions using solid, accurate data."

And so the success stories continue, with Garic revealing savings of more than £50,000 in its annual fuel bill since

monitoring driver behaviour across its 45-strong mixed fleet of HGVs, vans and cars. This company implemented TomTom Telematics' Webfleet system, with its OptiDrive indicator, and logistics manager Phil Hibbert says: "HGV idling time has dropped dramatically, with drivers now thinking about fuel consumption and changing their driving styles to achieve the weekly fuel bonus. In addition, our hire desk team is using Webfleet to provide customers with accurate, real-time ETAs."

What about mainstream haulage companies? Downton group telematics analyst Lewis Morgan confirms the technology's fuel savings potential, but advises that it's not just about

monitoring driver behaviour remotely, but also offering incentives to keep drivers engaged. The company runs some 500 tractor units - 95% DAF but also some Mercedes-Benz, while its south Wales depot runs MAN trucks - and implemented Microlise two and a half years ago.

"We use the system to monitor all our drivers, including regular agency drivers, so that everyone is trained to the right standard and there's no risk of a poor driver dragging down a whole depot," explains Morgan.

"The system is embedded and backed by a bonus programme; our drivers are used to it; and we've definitely seen higher mpg figures. In

## Next-generation enforcement

Earned recognition – a state of grace that means DVSA (Driver and Vehicle Standards Agency) undertakes no longer to stop qualifying operators' trucks – looks set to become a reality. DVSA head of enforcement transformation Caroline Hicks says the agency's new approach, currently at the proof of concept stage, is founded on operators opening up their telematics data to remote DVSA officers, who can then check compliance behind the scenes.

Clearly, there's a stumbling block. Some operators may be reluctant to expose their information. However, Hicks says the quid pro quo will be a significant cost saving for participating operators. And she adds that, if and when the scheme is launched, it would free up DVSA enforcement officers to focus on those few operators still bringing transport into disrepute.

"One of our national supermarket chains put the average cost of clear roadside encounters at £4,000, because their truck movements run 'just in time', so late arrivals mean fines and, for fresh produce, even whole loads being dumped," explains Hicks. "If we could remotely access exemplar operators' on-board telematics at any time, we could save them that money."

In fact, the approach builds on DVSA's OCRS (Operator Compliance Risk Score) scheme and the agency's latest remote enforcement project, currently coming to the end of a 12-month trial in the South West. The latter entails DVSA sending postal information requests following every non-clear roadside encounter, instead of the present labour intensive selected few visits from inspectors, depending on seriousness and risk.

"It's faster and much more robust than the conventional approach," says Hicks, adding that information is checked against DVSA's networked ANPR (automatic number plate recognition) cameras and other data. "Also, whereas when some operators get a prohibition, they think of it as an occupational hazard, when we keep writing to them they realise they have to improve."

Beyond that, however, remote enforcement also cuts out waste – of DVSA time travelling to and fro, waiting while information is found, etc, but also for operators' senior people, who can collate the data at their convenience. Perhaps even more importantly, Hicks contends that the process further enables DVSA to identify each operator's culture, not just its state of compliance. "At the moment, if something goes wrong, we have to treat all operators the same. But during the trial, from their responses we've quickly been able to separate those that want to do everything right, from others thumbing their noses at us – which means we can treat them appropriately."

That last point is crucial. "The whole idea of next-generation enforcement is that we use very little resource to deal with those that want to be compliant, and focus instead on serially and seriously non-compliant operators," says Hicks. "And it works. For example, during the trial we were able to target one of our top 10 problem operators. Using our networked ANPR cameras, we stopped 24 of its vehicles in a four-hour period. They rang up and said we can't sustain this, so we will make everything compliant."

In just four hours, DVSA was able to bring about real change that months of earlier interventions had failed to achieve. "With our new approaches to enforcement, non compliance will no longer be an option... Compliance will equate to good business value, because operators don't get stopped."

Asked about a timeframe for the next phase of 'earned recognition', Hicks says DVSA is presently working with transport industry representatives and others – including the FTA (Freight Transport Association), CPT (Confederation of Passenger Transport) and the Guild of British Coach Operators. The goal, she says, is to understand the scope of existing systems and to determine the processes and standards that could lead to a trial. "Progress with all that will determine how quickly we can take it to a successful roll out."

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But he agrees there's more to go at. Currently, Downton sees daily reports on driver performance - measured against the dashboard green band - which it uses to drive the bonus scheme and training. The firm has also invested in the Microlise DCM6 driver communications system, running on in-cab tablets in place of conventional handsets. But the next step could be instant feedback for drivers. "We plan to incorporate more Microlise software, but at the moment we're walking before we run," he says.

Fair enough, but NFT Distribution managing director Andy De'Vere is another Microlise user who absolutely proves the power of running when the time is right. His company runs 450 tractors (now moving to 450bhp Volvo FMs) and 570 trailers, and handles 130,000 pallets per week through its network.

NFT came at telematics for an entirely different requirement - vehicle tracking - but De'Vere now expects the system to deliver far more. "We implemented Microlise just over two years ago to track vehicle deliveries, collections, etc, but since then we've been doing so much more," he says.

"Looking at tangible benefits, we've seen real improvements, for example, in fuel consumption and driver shift length - things that drive real value to the bottom line."

Putting some numbers on those, De'Vere suggests the firm is now saving some £500,000 per year in fuel plus another £250,000 from efficiency improvements. "We've been using the system to monitor and improve driver style, focusing on the usual harsh braking, rapid pullaway, idling time, time in cruise control on motorways, etc. But we've also reduced driver shift lengths by approximately 12 minutes per driver per week, which, with 150 drivers, amounts to a lot of money."

#### CUTTING TIME

That latter achievement is partly due to better route planning, which also improves fuel consumption, but also results from knowing the location of vehicles available to carry loads and bearing down on waiting and loading times. "Knowing arrival and departure

times, we've been able to speak to manufacturers

and retailers to cut waste there, and there's still a lot more to go for," says De'Vere.

Now NFT is trialling Microlise's in-cab driver management technology, which reveals driving performance on tablet devices. "Drivers can see the results of their actions in real time: they don't have to wait for daily reports. Also, we can communicate with them for route changes, and the system provides data about the sites they're delivering to and collecting from." That includes risk assessments, so drivers can see site safety policies, where to pull up, where they can and can't walk, etc. However, it also provides live data for the firm's warehouse management system.

"Also, subcontract haulier partners in our NFX division can now log on to the system through their smartphones. We can't check their driver styles, but we can track vehicle location and availability, and give visibility to our clients - which is a real selling point," enthuses De'Vere.

"Payback was easily a year, and we now employ an innovations guy who works with Microlise to turn their technology to our advantage. Telematics will take over." **TE**



**Microlise and DAF: driving Downton**