



Networkfleet® Helps Pak West Paper & Packaging Cut Overtime by 50% While Still Meeting Customer Service Goals

Summary

The ability to fulfill unexpected customer orders with same-day deliveries while controlling overtime costs can be a challenge for any company. Pak West Paper & Packaging has been able to do both by implementing Networkfleet, a wireless fleet management system. Since implementation, the company has reduced driver overtime by half – at an annual savings of \$100,000+.

Problem

Located in Santa Ana, CA, Pak West Paper & Packaging is a division of the Blower Dempsay Corporation, a fully integrated packaging solutions provider. Pak West's product line includes custom corrugated and stock boxes, specialty packaging films, packaging equipment, office papers, cleaning and maintenance equipment as well as design and technical support.

"We pride ourselves on helping customers get out of a bind," said Gary Smith, Operations Manager at Pak West. "When we receive a request for same-day delivery, we do what we can to accommodate our customer. It's a constant balancing act between maintaining a high level of customer service while also keeping overtime and fuel costs down."

With a fleet of 85 assorted vehicles, it became increasingly difficult to track drivers and locations. Time-critical requests from internal sources and "just-in-time" orders from valued customers were often difficult to schedule efficiently. Smith found that overtime costs were reaching an unacceptable level.

"We had to reduce driver overtime and ensure that our drivers were not operating outside of their routes so that we could be more efficient when last-minute requests came in."

Solution

Smith went to work evaluating his options. After doing Web research on several companies that offer fleet tracking and management solutions, he received a personal call from Networkfleet, the provider of a patented technology that combines GPS-based Automatic Vehicle Location (AVL) technology with remote diagnostic monitoring capabilities. An onsite demo of this technology convinced Smith to look no further.

"Networkfleet was extremely user friendly and cost effective. We could get a return on investment in a short period of time."

Pak West went live with Networkfleet and the benefits of the new GPS and diagnostic-monitoring technology were introduced to the company's drivers during a quarterly safety meeting. According to Smith, the drivers' response was positive. "A few were intimidated, but they all stuck with us. There was not a single resignation that came as a direct result of the new technology."

Results

A week after implementation, driver overtime at Pak West dropped dramatically – from 120 hours per week to 60 hours per week. More than a year later, it has remained steady. "On average we're saving the company more than \$100,000 in overtime each year. This doesn't include savings from lower fuel usage and improved fuel efficiency from being able to monitor drivers' speeds."

With Networkfleet the company can handle time-sensitive emergency deliveries or pick-ups efficiently. "It is a great service tool for our customers," Smith said. "It allows me to look at routes, locate the closest vehicle, and schedule unanticipated stops in the most efficient way."

The new GPS capability has resulted in an increased volume of repeat business because the company can now give customers estimated delivery times.

Additionally, Networkfleet is an overall management tool. According to Smith, "The system offers reports that benefit the company and the drivers. I can see how much time was spent at each stop, the amount of idle time, and also if the driver went to an unscheduled location or is driving too fast."

Results

- *Cut overtime hours by 50%, yielding a return on investment in less than one year, saving more than \$100,000.*
- *Improved vehicle management so that time-sensitive requests from customers are handled more efficiently.*
- *Increased repeat business and improved customer service by estimating delivery times and scheduling same-day deliveries.*
- *Reduced speeding, idling and overall fuel usage, which lowered costs and environmental impact.*

For more information on Networkfleet visit networkfleet.com or call 858.410.5778.