



**Sunbelt Rentals Will
SAVE Millions Through
Improved Processes
and Increased Uptime**



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Introduction

Maintenance and repair expenses are the highest fleets costs after depreciation. When Eric Jahnsen CTP, Director, Transportation Fleet at Sunbelt Rentals, was trying to increase savings while also drilling down into the total cost of ownership by vehicle make, model, engine type, and fuel type, he realized he lacked reliable internal data he needed.

“I found that we needed a third-party partner to help us manage and report the costs, provide analytics, handle the day-to-day management, and work through maintenance and repair administration with the third-party shops,” Jahnsen said.

Sunbelt partnered with FleetNet, and now the rental company tracks costs all the way down to major components and monitors the average cost per unit per day. Sunbelt has also reduced costs while improving its preventive maintenance (PM) compliance. **“The world knows that if you stay on time with your PM, you should improve your costs,”** Jahnsen said.

Through the partnership, Sunbelt also improved the amount of time it takes for vehicles to be serviced. **“We’ve come to see that time is much more valuable than the dollar-cost savings we experience.** Vehicles down mean unfulfilled customer promises, drivers with nothing to do, and possible rental vehicles,” Jahnsen said. “There are a lot of cost savings involved with having vehicles available for us to make deliveries.”

Sunbelt saw its average maintenance cost per on-road unit per day drop to about \$11 from about \$15 a day during its initial pilot project with FleetNet. “I don’t always expect to see that type of improvement over the entire fleet, but if we just saw a \$2 improvement per asset per day, that would be a \$9.3 million average reduction in maintenance expense,” Jahnsen said.



Additionally, Sunbelt saw downtime decrease to three days per vehicle from more than four days per vehicle. “A one-day improvement per month for every asset in the fleet would equal a \$60 million annual reduction in expenses to the company’s operating bottom line,” Jahnsen said. “Whether or not we get that done for the whole company is unknown, but the opportunity to do that should not be ignored.”

Experiencing real-world savings through a pilot project was critical for Jahnsen, and he spent years evaluating vendors and engaging in pilot projects before finding a successful model with FleetNet. “We realized we needed a partner focused on commercial vehicles because those are more difficult to manage than the light-duty vehicles,” he explained, adding that FleetNet was also able to handle light-duty equipment.

The pilot project started with one of Sunbelt’s largest fleet markets. “Because we have several specialty types of businesses as well, we wanted to bring in one of those divisions to also join the pilot so that we could get as broad of experience and feedback from the pilot program as possible,” Jahnsen said.

FleetNet took a hands-on approach with Sunbelt to create a customized program to meet the company’s needs. “We worked with them, came up with good solutions, and implemented them into the standards strategy,” Jahnsen said. “That was one of the reasons I chose to move forward with the full rollout.”

Sunbelt saw results much sooner than expected. “In the maintenance world, you may not see savings for years. With this, we saw a benefit after eight months on the pilot. We saw success a lot sooner and greater than I expected,” Jahnsen said.

After eight months, Jahnsen had enough information to present the program to Sunbelt’s executive team. He focused on linking the benefits back to costs and the value of time. “Anything we can design and implement from our office that helps our people focus on the core business of renting equipment is going to benefit our company. This is one of those things,” he said.



Establishing Savings

FleetNet and Sunbelt worked together to create a multi-pronged approach to create immediate and long-term savings.

As part of its processes, FleetNet reviews every repair estimate, focusing on items that seem to be priced higher than the market. FleetNet also identifies warranty opportunities, including occasions when tow truck expenses are covered under warranty. "Those costs are helping us save \$50 here or \$100 there, but when you have 12,000 units, those numbers will start to add up significantly," Jahnsen said.



FleetNet also recommended changes to PM intervals, which reduced equipment downtime. "In the past, we struggled with getting our PMs done on time. Several years ago, we made it mandatory to have all commercial vehicles inspected by a third-party shop quarterly. FleetNet suggested we time those inspections with the oil changes or standard PMs so that we're not doing them as a separate scheduled event," Jahnsen said.

Ensuring everything within the fleet is following established protocols is critical, and FleetNet's processes ensure Sunbelt's policies are implemented. "It is our policy that our techs don't turn wrenches on trucks, but FleetNet has shown us the policy isn't always followed," Jahnsen said. "The easier FleetNet makes it on those individual branches to go to a third party for service, the more they will do it."



FleetNet helped improve uptime by monitoring the shops that have the fastest turnaround times. “Shops that are having more difficulty in employing people or keeping people employed because of COVID can take longer,” Jansen said.

He added that accounting and fuel management benefitted as well, and there have been back-office savings. “Sunbelt works with thousands of local facilities, from New York to Hawaii to Canada. Jahnsen said that with the FleetNet partnership, the company went from receiving tens of thousands of separate invoices to a weekly invoice from FleetNet,



Making Informed Decisions



For Jahnsen, the actual value lies in the data. He uses the information to compare vehicle makes and models and the cost per unit per day to maintain those vehicles. "The pilot showed that of the three brands of heavy tractors we buy, there is a significant difference between one and the other two to maintain those," he said. "Now that we have a much larger reporting size, we still see that discrepancy."

Jahnsen said some of the costs change significantly based on the type of transmission, the type of brakes, or the fuel type. Having this type of information will help Sunbelt make better purchasing decisions or make agreements based on the total cost of ownership rather than the original purchase price. "I want to know how much it costs me to maintain an engine and the fuel economy over its life, but I also want to figure out what engine I want to buy for the future. I think it is equally as important," Jahnsen said.

Currently, Jahnsen is discussing battery-electric vehicles. "If we switch our vehicles over to all-electric in the next 15 years, that will change how we service vehicles," he said.

Garrett Stroupe, TMcare® Project Manager at FleetNet, said he shares FleetNet's insights into new equipment, how we can get the data together and reducing downtime, during weekly calls.



Forming A Partnership

Working together to form a partnership was critical. As part of its relationship with FleetNet, Sunbelt provides open feedback, which James Lovekamp, a FleetNet America Account Executive, said is incredibly valuable and helps shape the best solution.



“Generally, the heart of a good partnership is good communication, and it is no different here,” Jahnsen said. “Excellent communication is crucial, and we all understand we’re on the same team,” he added.

Sunbelt’s willingness to complete integrations has added to the savings and the success of the relationship. “We have a lot of electronic integrations from GPS systems to full telematics on their rental equipment. We know when a piece of equipment moves in their system, and it will automatically update on our side,” Lovekamp said.

As part of its regular communication, FleetNet holds weekly calls with Sunbelt and has an “around the room” to discuss struggles or successes, potential improvements, and operations. “There is always plenty to talk about,” Jahnsen said. “Every time I change the spec, brand, or components we’re going to buy, it is going to affect our operations.”



Tim Moore, Vice President of TMcare Operations at FleetNet America, said forming a partnership has created additional value. "It is refreshing to have the support of Eric and his team to open the door and hold it open, and for us to join as a partner. I feel like a Sunbelt employee," he said.





Increasing Focus



Jahnsen said, “working with FleetNet has enabled Sunbelt to focus on its core competencies.” “We’re in the rental business, and that is what we’re focused on. FleetNet now handles maintenance so we can focus on what we do best,” he said. “We’re not focused on managing relationships with local service facilities to handle our maintenance.” Jahnsen expressed.