

Effectively Reducing the Maintenance Costs for One of North-America's Largest Private Fleets

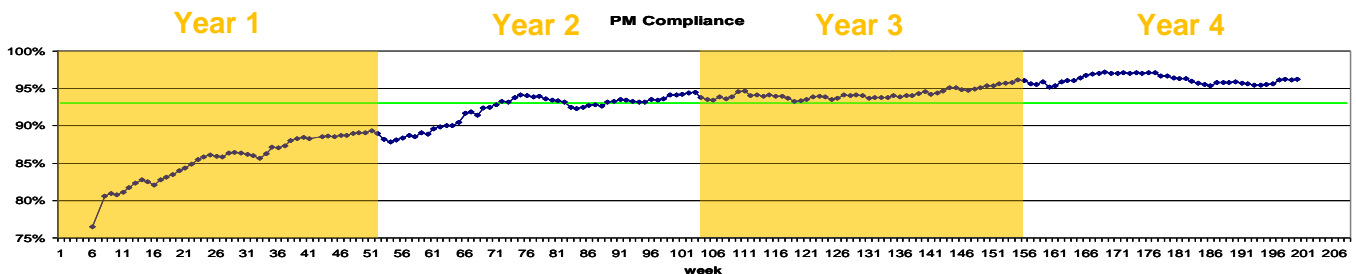
Transervice has full maintenance accountability for one of North-America's largest privately owned fleets through a network of 46 maintenance shops and a call center, staffed with over 145 certified technicians and support staff. A management team of 12 oversees the relationship with the client.

Over 12,000 vehicles and miscellaneous equipment pieces are maintained throughout these 46 locations. Vehicle types range from regular utility trucks to passenger cars, vans and pickups. Also included are specialized aerial equipment, such as plant placers and digger derricks, trailers, material handling equipment, as well as, generators, inverters and other assorted off-road equipment.

The current annual fleet maintenance expense of approximately \$32M **represents a 14% cost improvement, amounting to over five million dollars in actual dollar savings.**

Transervice has successfully achieved such success through several proactive initiatives, of which some are:

- Maintenance Overhaul:** Creating a rigid and preventative maintenance program, as well as, by improving the PM Compliance KPI from a starting point of 77% to a current stable rate of over 95%. This has also positively impacted other significant Key Performance Indicators (KPIs) and **reduced vehicle downtime by 67%, and the annual average of vehicle touches by over 1 touch (17% improvement).**



- Purchasing Guidance:** Assisting our customer through a national contract renewal, while establishing sourcing guidelines for the fleet maintenance operations that strictly imposes purchase of proper parts from proper vendors. The achieved 90% compliance to guidelines has been highly effective and **lead to cost savings in excess of \$154k annually.**
- Supplier Consolidation:** Reducing the active supplier database by 33% through consolidation activity, local agreements has in turn been negotiated with a limited number of preferred local vendors, ultimately **improving the current parts pricing by over 8%.**
- Task Efficiency:** Right-sizing of shop personnel by helping them to repatriate vended out tasks, has **improved vended out spend dollars by as much as 8%.**
- Additional Cost Saving Measures:** Implementation of an in-house OEM warranty program, legislated emission testing and equipment certification.

Transervice's staff did in addition lend its technical expertise to our customer assisting in a CAPEX decrease, in excess of \$1.4M, through an overhauling generator program while substantially extending assets' life expectancy and coordinated sale of unsalvageable units.

Overall, the fleet maintenance savings continue to soar at every level for this utility client, as Transervice's maintenance team effectively transitions its operations into an even more lucrative and prospective era.