

# What is the real cost of your fleet?

Uncover the benefits of centralizing cost components and gain valuable total cost of ownership insights.

# What is the **real cost** of your fleet?

## Fleet Costs are a Controllable Expense.

Yet, fleet costs can be difficult to understand if your organization lacks a central data warehouse or consolidated fleet operations. Often, costs associated with managing and operating a fleet (CapEx, fuel, maintenance and repair, downtime, accident, tolls & violations, rental costs, and fleet associated taxes) are reported separately, across various silos, especially in large organizations.

These challenges can make it difficult to get a comprehensive fleet cost analysis. However, these costs have a significant impact on an organization's profitability, operational efficiency, and can negatively impact cash flows over the long term.

## Considerations for your fleet cost analysis:



Identify Savings Opportunities



Maintenance Trends

## Case Study

Are your fleet vehicles currently in a closed-end lease? Could an open-end/TRAC lease save you money? Find out more on page 4.

# Identify Savings Opportunities



There are a lot of factors that go into the total cost of your fleet management program. Partnering with a Fleet Management Company (FMC) can help uncover critical resources and insights to drive results and improve your bottom line.

## 5 considerations:

- 1 Reduce Total Cost of Ownership**  
By enabling real-time fleet monitoring and utilization of robust analytics, clients are empowered to make data-driven decisions to drive down the total cost of your fleet.
- 2 Increase Cash Flow through Strategic Financing**  
Gain access to capital for investment in your core business through strategic initiatives such as sale leaseback and optimal amortization.
- 3 CapEx to OpEx**  
Vehicle leasing alleviates CapEx and generates cash flow. By establishing an effective vehicle replacement strategy, you can take advantage of increased savings and adapt to changing remarketing conditions.

An estimated **12.7 million** vehicles are now directly or indirectly supervised by fleet management firms. The **fleet management trend is growing.**

Source: MarketsandMarkets.com



# Identify Savings Opportunities

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## OpEx Reduction

Streamline administrative burdens and mitigate operational costs. A team of dedicated fleet experts can help you improve productivity, decrease downtime, and enable your team to focus on your core business.

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## Centralized Management

Partnering with a trusted fleet management company gives you a single contact for end-to-end fleet solutions. By providing continuous monitoring and actionable insights, you'll gain critical support and insight to optimize operations while saving time and money.

## Case Study | TRAC vs Closed-End Lease

### Situation

A service client was financing its fleet vehicles using a closed-end lease with additional fixed, monthly payments for maintenance. While the setup allowed the client to budget properly, there were severe maintenance cost overruns and loss of resale gains.

### Solution

Our team of expert consultants conducted a cost-benefit analysis and determined that an open-end/TRAC lease would provide the client with the flexibility of ownership as well as the incremental benefits of leasing. In addition, the TRAC lease owners retain the exclusive use of the fleet vehicle, control of vehicle selection, operation, and cycle timing.

### Impact

The client's transition to a TRAC lease and managed maintenance program has yielded the following results in the first three years of implementation:

- \$1M in total savings
- \$3K+ savings per vehicle
- No end-of-term wear and tear or over mileage penalties





## Contact Us Today

To learn how Element can reduce costs, increase your fleet efficiency, and free up capital

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