

FLEET Maintenance

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- Roger Blume, President

"I've learned organization at the top goes throughout the entire workforce"

- Chuck Ritter,
Director of Maintenance

"The president's buy in is what got the ball rolling"

- Darry Stuart

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When this fleet experienced severe growing pains, it found a “limited time executive” with a solution to its problems

By Mark O’Connell

Picture this: the year is 2000; you’re responsible for a fleet that provides dedicated service transporting food and dairy products direct from manufacturing and processing plants to grocery stores; your fleet consists of 400 Class-8 trucks and 900 refrigerated trailers; equipment is spread out over eight states, and you’ve got nine maintenance garages in those states, each operating three shifts.

Doesn’t sound too complicated so far, does it?

Now add this to the picture: the company has been growing by leaps and bounds; there’s no time to order new trucks or trailers when a new account is added, so the company is dependent on used equipment; the ten maintenance garages all operate independently of each other; nothing is computerized.

Now it’s not such a pretty picture, is it?

But that’s exactly where Nashville, TN-based Quickway Transport was only four short years ago. A victim of its own success, the company branched out to service new clients so quickly that there was never any time to centralize or coordinate the activities of the fleet.

“We are a very decentralized operation,” explains Quickway president Roger Blume. “Every unit is geared toward its particular customer’s application; this is not a cookie cutter deal.

“In order to get going, in order to get new business, we needed ‘x’ number of 96-wide refrigerated dairy units, but we had to go out on the market to see what was there, and we had to buy used,” he says. “So, because we were so decentralized, we suddenly found ourselves with eight or nine different companies, buying their own equipment, doing their own maintenance.”

You have to give Blume and his maintenance team, headed by corporate director of maintenance Chuck Ritter, a lot of credit for making such a loose organization function as well as it did. It’s not easy to keep a decentralized fleet of old trucks running reliably and still be increasing your business.

“Each individual location had its own fleet of trucks to take care of, and they pretty well did what they wanted to,” says Ritter. “There was no synergy there.”

“The company would go out and buy whatever they could buy,” continues Ritter, who opened the central Nashville shop five years ago. “The trucks were old, some with 600,000 miles plus, and eight or nine years old a lot of them. It was pretty difficult keeping them on the road.

“We had adequate trucks and adequate trailers, but you’d always anticipate a breakdown,” he says. “We’d usually have three or four trucks out in the yard waiting to come in the shop to be fixed.”

“We needed centralization, and standardization,” says Blume. “While we had people in the company who were very good at executing these plans at a local level, we didn’t have someone who could give us a corporate direction, and that’s where Darry came in. He helped us fill in some of those gaps.”

CALLING FOR HELP

Enter Darry Stuart, the industry’s preeminent—and quite possibly only—“limited time fleet executive.” With 35 years of fleet maintenance and operations management under his belt, Stuart was the perfect solution to Quickway’s needs.

Operating out of his Boston, MA, offices, Stuart might describe himself as a technician, a mentor, a trainer, a troubleshooter and a motivator, all in one. In the course of his career, he has maintained fleets ranging from petroleum, construction, farm, food and refuse haulers to leased trucks; he has founded his own parts business and operated a truck leasing and rental business. In his words, “I’ve always been around equipment.”

But in the late 90’s, he found himself in a pickle. He was in a position to command a higher salary than most fleets would pay for a VP of Operations responsible for maintenance management, and didn’t want to uproot himself and his family from New England. His choices were limited at best, and he was having a hard time finding a place to fit in. Going backwards was not an option.

The obvious solution was to become a consultant, but the word didn’t sit well with him. “In the dictionary, consultant means ‘an expert that transfers knowledge to other people,’ Stuart reflects, “but in the trucking industry, it means something more like ‘a guy who can’t find a job,’ and at that particular moment it appeared I fell into that category.”

That’s when the concept of the “limited time executive” was born.

“I figured I could offer two days a month, three days a month, to different fleets, give them my expertise, not screw up their salary structure, and bring a different level to their operation,” he explains. “I’ve spent a career organizing, building, cleaning up shops and motivating people. If they have their own guy run the fleet, then I’ll tutor him.”

Quickway became one of Stuart's first two clients, and he's been with them for three and half years. Which brings up an important point about what "limited time" means. It refers not to the duration of Stuart's time on the job, but to the "volume." He has been on Quickway's accounts payable payroll for nearly four years, and could continue on for many more. But he only spends a week or two a month working for them, and the rest of his time is split between other fleet clients, while staying in constant contact.

KEEPING BUSY

There has been plenty to keep Stuart busy at Quickway. When he started the job, Blume gave him a list of five areas that needed to be addressed:

- Equipment spec'ing and purchasing
- PM process
- Parts & tire purchasing
- Management of shop labor
- Data collection and analysis

To Stuart, an organized and efficient spec'ing and purchasing process was the first thing that needed to be implemented.

"One day they woke up and had 10 locations and about 400 trucks and about 900 trailers," he explains. "They never realized they had to pull it together. During that growth, when they suddenly needed 10 trucks, they'd go out and buy 10 trucks; the safety director would buy 10 trucks here, the garage guy would buy 20 trailers. They ended up with a mish-mash of equipment, realizing that they were a \$60 million a year business, and none of it was centralized. Costs were escalating, because everything they bought was used."

"Guess what happens when you buy lots of used equipment in different parts of the country?" laughs Blume. "Darry spent a lot of time figuring out our applications. Instead of buying 10 used trucks here or there, we aggregated and started buying in the triple digits at a time, and we got better pricing, we got better control of the quality. Darry had excellent contacts with a number of these manufacturers."

As it happened, the timing was perfect for investing in new trucks and trailers. Now the company rolls almost exclusively on Mack tractors, Hyundai trailers and Carrier reefers. Now that the company is reaching the end of its five-year replacement schedule, the average age of the tractors is two and a half years, while the trailers average out at three to four years.

Which brings up the second step in Quickway's transformation: if you have new equipment to take care of, you'd better have very good PM.

THINKING ALIKE

With ten separate shops operating independently, the trick was to get everyone thinking alike and sharing the same philosophy, not just for PM's but for overall shop management.

"The next step was to get all the guys in the facilities and get them to pull together as one," recalls Stuart. "We had to get them on some consistent standards for managing time, maintenance philosophies, PM schedules, and pull that together."



NEAT AND CLEAN: AT QUICKWAY TRANSPORT'S NEWARK, OH, MAINTENANCE FACILITY, THERE'S A PLACE FOR EVERYTHING, AND EVERYTHING IS IN ITS PLACE. THE FLOORS ARE CLEAN, THE LIGHTING IS BRIGHT, WORK IS COMPLETED ON TIME, AND, AMAZINGLY, THERE ISN'T A COMPUTER IN THE PLACE; ALL THE MAINTENANCE ORDERS AND ACTIVITIES ARE RECORDED ON PAPER AND SENT TO NASHVILLE.

"At the same time, it was about cleaning up the facilities, because with cleanliness comes productivity," he continues. "We went around to all the facilities, cleaning them, organizing them, implementing safe work practices, and building a maintenance team, not through pushing and shoving but by leading and motivating, and just doing good, solid PM."

"Realistically, it all came together about the same time we were putting these new trucks in," says Ritter of the new PM and shop management process. "It took quite a while to see things come around because the PM program was a better PM program than they had ever done, so they were finding a lot more wrong with the trucks, and then you spend a lot more money. So about the time the new trucks came is when we put the extended maintenance program in."

PURCHASING SMART

Next on the list was parts and tire purchasing. Here again. Stuart's industry contacts were well-suited to the task. Where before the company had nine different maintenance managers buying tires, oil, lubes and equipment, Stuart and Ritter together brought all the purchasing under one umbrella, directed by Ritter with his day to day leadership.

"That was the toughest part, getting everyone to agree to do things the same everywhere," recalls Ritter. "Everyone had their own way of doing things, their own philosophy of maintenance. At that time there were seven managers each buying what they felt was the best product, best part, whatever."

OPEN 24/7

When it came to the issue of labor management at Quickway's shops, Stuart

Maintenance Management by the Minute

Eighty cents a minute.

That's the figure Darryl Stuart applies to every activity in the maintenance shop. Whether a technician is rebuilding an engine, finding a part or sweeping the floor, it's costing eighty cents a minute. And he sees a lot of industry-wide issues that are costing fleets a lot of eighty-cent minutes: housekeeping is #1; parts organization is #2; and quality of PM is #3.

"You go into fleets and the parts rooms are all in disarray, inventories are off, the shop is a disaster, there are creepers with wheels off of them, there are light bulbs that aren't burning, there are bulletin boards with twelve year old stuff on them, and you can go on and on..." Stuart says.

"The truth is fleets, garages and maintenance facilities need to operate like today's supermarkets: neat, clean and organized, a place for everything and everything in its place."

And if there is something out of place, chances are Stuart will notice it. When he becomes involved with a fleet's maintenance program, he goes over the entire operation with a fine-toothed comb.

"You don't fix things from the conference room table," he insists. "I have a theory of 'MBWA,' management by wandering around. That's how you fix things. Long before the costs hit the report, they hit you right in the face. Companies force their service managers into doing clerical duties, sitting in front of computers, looking at reports, and they miss the boat on how to motivate their people and get them to solve their problems. So while Rome is burning, Nero is fiddling."

"Some companies will want to hire me to come in and verify that their director of maintenance should be fired because he's not doing his job," he goes on. "But I will not tell them what they want me to tell them, I tell them what the issues are. I can go into any facility and feel very comfortable. My clients rely on me to be very candid."

In a sense, it's Stuart's job to come into a maintenance operation and turn it upside down. He admits that the bigger the mess, the more he wants to take on the job.

"I don't do pretty," he says. "If it's ugly, I want to do it."

drew a bead on the third shift, which he considered unnecessary. In Stuart's view, the operations department had grown "dependent" on the maintenance department, expecting it to be available 24 hours a day, seven days a week. Their thinking was that if you've got trucks running all day and all night, you've got to have maintenance staff on hand at all times.

Not true, says Stuart.

"We pushed the emphasis of better maintenance, better PMs," he explains, "so we could staff it the way it needs to be staffed and deal with the impurities when they come to the table. Now they're staffed thinly, not open 24 hours."

According to Ritter, Quickway has been able to reduce staffing at many of its shops. "At several locations, they have three to four people and I don't have a shop manager," he says proudly. "They pretty much have their own responsibilities; some are truck people, some are trailer people, some are reefer people."

ONE COMPUTER

The final step, data collection and analysis, started small, with the introduction of one computer. One computer may not sound like much, but it was an improvement over the old system, where every shop sent its paperwork to the Nashville office and maintenance information was compiled by hand in the accounting office. The new computer allowed Ritter, for the first time, to compile service histories on his equipment.

"We capture the data and keep track through the computer, and see whatever anomalies are coming up," says Blume of the central database. "We have a more aggressive management of warranties; we get the big picture of what's happening."

Although Stuart and Ritter are currently shopping for an updated computer system, there are no plans to put terminals in any of the remote shops. To Ritter, it's a simple matter of efficiency: "We want the technicians fixing trucks, not putting stuff in the computer."

FIVE UP, FIVE DOWN

That's five up, five down; every critical issue on Blume's list has been addressed, and the company is humming along nicely. But has it really been as easy as it sounds? Can a limited time maintenance executive really come and go from week to week and month to month and mesh with the permanent staff? Does the permanent staff resent being managed by a limited time boss?

"I'm considered part of the family," says Stuart. "I work shoulder to shoulder with people. When the staff gets the sense of who I am, they adapt pretty quickly. I get calls from them all the time when I'm not there, asking me about issues, what they should do. It's a team thing; they know I'm involved in the company."

He recalls an early presentation he gave to Blume and the maintenance staff that set the stage for what was to come. In his presentation, Stuart showed slides of some of the ugliest, nastiest maintenance shops he's seen in his long career. Halfway through the slide show, Blume asked a pointed question: "I think some of these are pictures of our places, aren't they?"

"The guys all nodded," Stuart says. "Roger said 'This is not the way we're going to run our business.' That was the first real look he had at things, and he remembers that. When he started looking at what was going on in his facilities, all he could see was how much money was being wasted. Blume's buy-in is what got the ball rolling."

"The biggest challenge was everyday life," he explains, "getting everybody understanding that they were one huge company and that there were real synergies. Putting them together as a team was to me a lot of fun, getting them out of the habit of buying

WHY THE WHITE STRIPE? EVERY QUICKWAY TRUCK THAT COMES IN FOR PM AUTOMATICALLY GETS A TOE CHECK ON THE STEER TIRES, ONE OF STUART'S MAINTENANCE MUSTS.



STUART'S INFLUENCE ON QUICKWAY'S MAINTENANCE OPERATIONS CAN BE SEEN IN MANY WAYS, FROM THE CLEAN FLOOR TO THE ORDERLY PARTS ROOM TO THE EASILY-REPLACED CUT-OFF BUMPER ON THE MACK TRACTOR IN THE SERVICE BAY. THE NEWARK, OH, SHOP IS ONE OF SEVERAL IN QUICKWAY'S OPERATION THAT RITTER IS ABLE TO KEEP HUMMING ALONG WITHOUT ANY MANAGEMENT STAFF ON-SITE.

used equipment. That was the culture because that's how they built the business."

FUTURE FOCUS

As he continues on at Quickway, Stuart is focusing his time and energy on broader operational issues, such as negotiating the purchase of the new software upgrade, negotiating equipment leases, and developing a predictive equipment replacement system.

"I want to operate a maintenance operation that gives Quickway the ability to be a low cost provider," he says, "and give them the structure and organization to where there are no truck-related issues that interfere with the day-to-day operation."

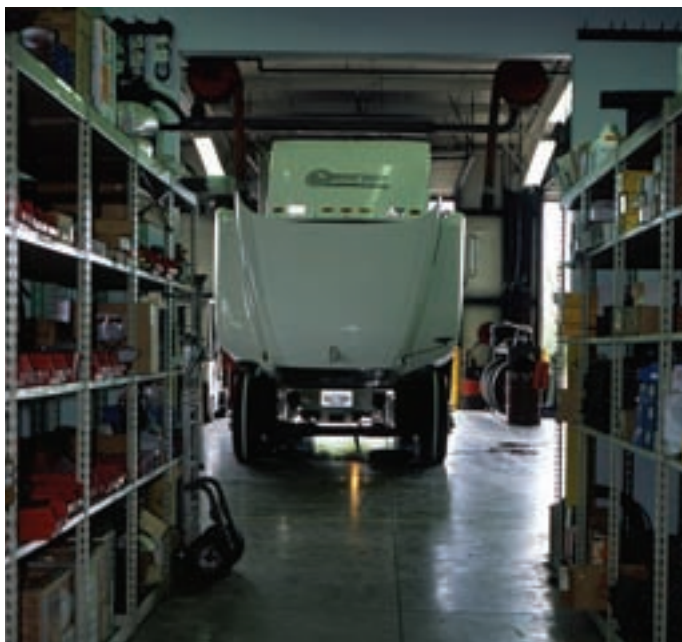
"Whatever they choose to take on, I am absolutely convinced that the maintenance department can take that challenge on," says Stuart of Ritter and his staff.

For Blume, hiring a limited time executive is the perfect way to meet his company's needs. Stuart provides Quickway with some immediate answers to critical issues, and facilitates the long-term development of Ritter's management skills.

"I've learned organization" says Ritter. "Not only at the top but it has to go through the entire workforce: shop being organized, parts being organized, cleanliness."

"Chuck's development has been fantastic," says Blume. "He has learned from Darry and contributed to the process a great deal. It hasn't been a one-way street; it's been a give-and-take. There are ideas that Chuck and his 'direct reports' have, and they're melded with Darry's experience with lots of different fleets."

"We end up with the best of both worlds," Blume says, "what we had before, and what Darry is able to bring through the best practices of other companies."



CONFERENCE ON THE SHOP FLOOR: STUART (CENTER) AND RITTER (RIGHT) HAVE AN IMPROMPTU MEETING WITH ONE OF THE NEWARK TECHNICIANS. STUART IS A BIG BELIEVER IN 'MANAGEMENT BY WALKING AROUND,' INSISTING THAT MAINTENANCE ISSUES ARE RARELY, IF EVER, SOLVED IN CONFERENCE ROOMS. ALTHOUGH HE WORKS FOR QUICKWAY ON A LIMITED-TIME BASIS, STUART IS ACCEPTED BY THE STAFF AS AN INTEGRAL PART OF THE MAINTENANCE TEAM.

Vast EXPERIENCE

DWS Fleet Management Services provides companies, legal firms and associations with Fleet Management leadership options. Behind DWS Fleet Management services is the 35 years of experience that Darry Stuart brings to bear for each and every client. An ASE-certified master technician, he began his career on the shop floor rising to Vice President of a \$1.3 billion corporation.

Also part of Darry Stuart's resume is his involvement with industry associations, including 28 years as an active member of the Technology & Maintenance Council (TMC) of American Trucking Associations. At TMC, he has served on the Board of Directors and numerous task forces.

To learn more about DWS Fleet Management Services, call (508) 384-9021, email DWS@darrystuart.com, or visit www.darrystuart.com.

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- 2- Is the value of your fleet assets over \$1,000,000? YES NO
- 3- Do you use a professional firm for 401(k) & cash asset management? YES NO
- 4- Do you or should you personally have a financial planner? YES NO
- 5- Would you allow an inexperienced person to manage your personal assets? YES NO

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