



CASE STUDY

Fuel and Labor Efficiency: Beverage Distributor Saves \$2 Million Annually

Client Profile:



Top North American Beverage Distributor

Our client is one of the largest beverage distributors in the United States, with more than 60 distribution centers in 38 states, a fleet of 1,700 power units, and more than 7.5 million gallons of fuel purchased annually.

Company leaders recognized that fuel management required a more consistent, data-driven approach.

Challenges:



Different Fueling Practices and Vendors for Each Location

This beverage distributor had allowed managers at each distribution center to direct key areas of the operation, including fuel oversight.

As the company grew rapidly, distribution managers became overwhelmed, and fuel purchasing took a backseat to day-to-day activities that were perceived to be more urgent.

Solutions:



Consolidated Fuel Card Platform, Mobile Fueling, Better Pricing

Interviewing managers, we found that fuel oversight was being handled differently at each location, and information was not flowing up to the corporate offices.

Most locations were buying fuel at retail locations, using different fuel card brands, paying card fees, and not receiving rebates or discounts.

Another major issue was the amount of time spent fueling. We learned that each retail fuel stop lasted at least 30 minutes. This translated to less time spent making deliveries and more money wasted paying drivers to sit at fuel stops!

Analysis of fuel data showed that mobile fueling would cost about the same as fuel at retail locations. However, it would save a lot of time for the drivers, and that translated into considerable labor savings.

Sokolis implemented a new fuel card program with retail and mobile fueling consolidated onto a single platform. All fuel purchase data was available online in real-time to distribution centers and corporate management. Sokolis validated the accuracy of all transactions and negotiated pricing with retail and mobile fueling vendors based on OPIS (Oil Price Information Service) benchmarks.

“With Sokolis, our managers concentrate more on the day-to-day operations and leave the fuel management to the experts. **Sokolis is our fuel department.**”



Results:



\$2 Million Per Year in Fuel and Labor Savings

Sokolis fuel management program saves the beverage distributor:

- **More than \$18,000 per month in fuel card savings and discounts from retail locations.**
- **More than \$9,000 per month in mobile fuel costs.**
- **An additional \$140,000 per month in labor costs.**
- **A total of more than \$2 MILLION PER YEAR.**

In addition to improving data flow across the company, the combined savings generated by lower fuel card fees, higher fuel card rebates, and discounted pricing from retail locations totaled more than \$18,000 per month.

Mobile fueling at 30 locations saved the beverage company more than \$9,000 per month in fuel costs – and a whopping \$140,000 in labor costs.

Sokolis continues to manage fuel cards and negotiate new retail fuel pricing and terms when volume increases or new vendors enter the market. We also audit every fuel transaction to validate pricing, detect fraud, and manage credits and rebills when needed.



Driving Down Your Fuel Costs.