

LKQ - Saving Auto Parts and Money

LKQ Corporation is the premier supplier of recycled OEM automotive parts and assemblies serving tens of thousands collision - repair businesses, mechanical service shops, and vehicle dealerships throughout the United States and Canada.

In 2007, LKQ Corporation acquired Keystone Automotive Industries, Inc. to form the nation's leading supplier of aftermarket collision parts and recycled OEM parts. With this acquisition, LKQ expanded its network to nearly 300 facilities nationwide. As a result, LKQ was faced with procuring a more efficient and accurate fleet management solution—one that will provide automatic mileage reports and better driver visibility.

The company's process for fleet management was comprised with drivers manually entering the mileage of each vehicle into a paper log book—a very time consuming event. Moreover, the fleet managers did not have visibility with their drivers throughout the day, resulting in unnecessary fuel expenses. With this method, the driver's performance reviews concluded with each driver (50 drivers total) spending 1 - 2 hours a week to manually enter the mileage driven and a total of 646 hours of idle time for the fleet. Considering a gallon of diesel fuel cost \$4.00, the fleet wasted \$1,472.88 in fuel just by excessive idling. LKQ management wanted to find a solution to ease the labor of manually entering the mileage reports, and provide fleet managers with vehicles visibility in order to avoid unnecessary idle times.

LKQ chose Discrete Wireless' MARCUS® GPS Fleet Management Solution as its fleet management provider because of the feature rich web application providing reports, alerts, and dispatch elements. LKQ installed 50 GPS units into their vehicles stationed in Belleville, Michigan. One month after the units were installed into each vehicle, LKQ saw a drastic change in the management of the entire fleet. The time the drivers spent each week entering the mileage of the vehicle was completely eliminated. With the MARCUS® application the mileage is logged automatically and the fleet manager can generate an instant report of miles driven daily, weekly, and even monthly. LKQ fleet managers found the reporting options in the MARCUS® web application extraordinarily flexible providing detailed information of vehicle and driver according to a company's specific needs. "The system does all the work for you," affirms Randy Dean, Regional Logistics Manager.

Additionally, the excess idling of the fleet was decreased by 80% in the first month of using the MARCUS® GPS Fleet Management Solution. Fleet idle time is now just 120 hours—saving LKQ an estimated 526 hours of idle time with a total savings of \$1,199.28 in fuel for one month. Using the MARCUS® alert feature, LKQ is able to set a limit to amount of time a vehicle is stopped. An alert is sent via email to inform managers when one of their vehicles has been stopped for longer than 20 minutes. Once the drivers were aware of this feature they became more conscience of idling for long periods of time, saving not only their performance reviews, but more importantly company money.

As a result of LKQ Belleville's savings in drivers' time and the decrease in fuel costs, the company will install the MARCUS® v8 Drive solution in 40 Keystone Automotive vehicles. MARCUS® v8 Drive is Discrete Wireless' newest product that allows fleet managers to dispatch and communicate instantly to their drivers via an in-vehicle Garmin PND.