triax®

Sustainable Energy Company Tracks Equipment to Uncover 32% Cost Opportunity

How Triax® helped identify waste within the equipment budget to improve overall cost controls and right-size equipment rental

The Challenge

When a sustainable energy company looked to improve the efficiency of their operations, they looked to the large amount of equipment rental spend. Using slap and track devices can determine location and usage with real time data, but could that translate into seven figure savings? That was the question posed by an existing labor productivity and safety client.

"This client knew that they had over $1M in reclaimable burn around human labor productivity on each of their turnarounds, says Ian Ouellette, VP of Data for Triax. "They wondered if they could optimize their equipment rental spend to right size it with the needs of the business to save them from spending money where it didn't need to be spent. We said that Triax could absolutely help with this."

The Opportunity

Leaders suspected that they were sometimes paying for equipment that was not even present on site. By implementing slap-and-track equipment tags, every item

on-site was accounted for and site management gained real time visibility to not only the location but also usage data. Providing proof-of-presence, effectively access control for equipment, resulted in an immediate overbilling savings of 10% even before Operations Managers used the data to improve their procurement processes.

Once installed, the devices, connected via the Triax on-site network, gathered engine runtime usage and location based usage data for every piece of equipment outfitted with a tag upon arrival at the site.

The full site equipment inventory was outfitted in under than a week with slap-and-track tags and entered into Spot-r using bulk importing.

Assets were tagged by class to give visibility into utilization by Class: Loader, truck, scrubber, skidsteer, forklifts, lull, boomlift, and Lifts. Each class began collecting data that was visualized via the Triax Equipment Dashboard.

The Results

The client set a productivity benchmark of 72% utilization for each piece of equipment. They quickly realized that only two equipment classes, the skidsteers and lifts, were meeting this benchmark, meaning six categories of equipment were not. The client leveraged these data to right size their rental spend, identifying a 32% cost recovery opportunity.

They also were able to help boost their team's productivity by investing in renting more equipment for skidsteers & lifts. They used a rule of thumb of renting 10% more equipment if it showed usage above 90%. For their teams on the ground, this was important as nothing is more expensive than having a team wandering around the site looking for a necessary equipment type they need to complete their work assignment.

At the end of the day, this client saved over $4M while making their workforce safer and more productive.

Now, they are excited to work with Triax and our partners at MCi to automate equipment payables and confirm using Triax proof of presence.

Learn More

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