



corcentric™



Corcentric Solution Helps Fleet Take Control of Life Cycle Costs

Access to better data helped this company save \$1M a year

THE BUSINESS

G&P Trucking was established in 1935 and over the years has earned the reputation of being “a great company with great people.” A regional truckload carrier in the southeast, it provides dedicated intermodal operations at the ports of Norfolk, Virginia; Charleston, South Carolina; and Savannah, Georgia.

The family-owned business operates about 375 trucks, 2900 trailers, and has another 230 independent contractors. It also has a logistics/brokerage division that handles business outside of the southeast region. In addition, G&P provides dedicated operations for select customers and has a robust automotive business concentration in Mexico.

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When G&P Trucking was faced with making hard decisions about its aging fleet, they realized they needed help. “We had solid data capture, but it was tough to pull it all together in a comprehensive platform, and then integrate all that into a fleet plan with a long delivery cycle on equipment,” said Greg Grubbs, Senior Vice President for G&P Trucking.

Given the competitive trucking environment with its challenges of attracting customers, recruiting drivers, and reserving vehicle

build slots, Grubbs knew it was necessary to invest in information technology in order to gain complete visibility into fleet operations and take G&P Trucking to the next level.

Although Grubbs was not actively looking for a solution to his data problem, he was searching for a way to refine his data within existing constraints. He explored some information technology systems that carried a huge cost, and considered the services of a number of finance companies, but never found the solution he was looking for. And then Corcentric found him.

THE EXPERIENCE

Grubbs admits that he is a finance guy by training, and when he took over maintenance, it had been a while since the company had purchased tractors. In 2018, it became clear that there was going to be a need for new equipment. This time around, things would have to be different. He started a discussion about how to solve the correlated issues of equipment and retaining drivers, and landed on Corcentric as the answer.

Key Highlights

66-72-month trade cycle >>
45-48-month plan

\$1m
annual savings with informed equipment purchasing decisions

"I inherited a maintenance system that was a little outdated, so I was not able to extract data in a presentation format that made sense to me," Grubbs said. "I could understand the [equipment] costs, but not where they were coming from. What attracted me to Corcentric was the unbelievable amount of detail available. We can now zero in by make, model and year, and really see what those costs are."

Grubbs chose Corcentric because of its extensive suite of solutions, and its strong understanding of the company's business and industry, including equipment, finance, supplies and remarketing. "Corcentric's offering was much more in tune with our business and industry," Grubbs said. "Their solutions are well designed to meet the challenge of transforming our strategic fleet management

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into cutting-edge sophistication, which is essential in the hyper-competitive environment in which we operate."

G&P Trucking's greatest challenge was understanding its life cycle costs, and when to move equipment in and out of the fleet. Through the new data analysis provided by the Corcentric solution, the company has seen a change in trade cycle that has led to promising results. "We were at a 66- to 72-month trade cycle, and now we are looking at a 45- to 48-month plan," Grubbs said. "There are all kinds of benefits to that shorter life cycle, including a positive effect on maintenance and fuel costs."

The data supplied also resulted in more accurate spend forecasting. "We are now able to project, based upon our equipment and history, what our maintenance costs are going to be going forward and that was very helpful to our finance team."

All of these changes have helped G&P Trucking realize a \$1M savings per year. Freeing up this working capital allowed the company to purchase more trailers for specific projects they have underway.

THE FUTURE

Looking ahead to the next five or six years, Grubbs said that the business intelligence gained from implementing the Corcentric solution will allow them to make better decisions. For example, being able to determine which piece of equipment works for a particular operation, as opposed to a one size fits all approach.

"We just shopped whatever the deal was, and had a generic spec. The Corcentric solution has helped us determine which makes of trucks perform better in which of our applications. This will help us identify and spec trucks for a specific application to help streamline our fleet and keep costs down."

Using this tool has helped Grubbs stay a year ahead in his planning, which has helped him secure truck build slots. "It has been very helpful for me to look further ahead when we talk about life-cycle, where we need to be and what we need to be ordering," he said. "This provides the ability to adjust to the changing environment because we are looking farther ahead."

The possibilities for more growth are on the horizon. Grubbs says every time he has discussions with the Corcentric team, there is something new to explore. In fact, G&P Trucking is implementing Corcentric's payables automation solution to help with cost control and to speed up financial processing. As their partnership progresses, Grubbs has some advice for others considering the Corcentric solution.

"Kick the tires and you won't be disappointed."



Procurement and Finance Solutions

ABOUT CORCENTRIC

Corcentric is a leading provider of source-to-pay services and solutions for businesses in the United States and Europe that optimize how they purchase, pay, and get paid. Corcentric's procurement, accounts payable, and accounts receivable solutions empower companies to spend smarter, optimize cash flow, and drive profitability. Since 1996, more than 6,000 customers from the middle market to the Fortune 1000 have used Corcentric to reduce costs and improve working capital. Learn more at [corcentric.com](https://www.corcentric.com).