

## Cadec Helps G&C Foods Take Control of Rising Transportation Costs

### ***Food distributor anticipates \$300,000 savings in first year***

G&C Foods, based in Syracuse, NY, is one of the most respected food service re-distributors in the Northeast. The company specializes in boxed beef and other center-of-the-plate items, and also stocks a wide variety of frozen, refrigerated and dry products, serving customers from New England to Ohio. The company's 2008 revenues will approach \$350 million.

G&C is known for running one of the most modern truck fleets, and for its prodigious use of technology. In the 1990's, G&C was one of the first food distribution firms to implement fleet tracking technology. "It was a first-generation system," recalls G&C president David Lepage. "It met our then-limited need to simply track truck location. But in recent years, the system fell behind the times. The software had not been re-written for years, and it lacked features that had become common in more modern solutions, such as the ability to monitor driver behaviors."



### **Escalating transportation costs drive need to upgrade fleet management technology**

As G&C's operating costs escalated, Lepage knew that gathering objective data on factors such as speeding and idling would be essential toward helping to identify areas of waste and reduce costs. "Transportation is our single biggest cost center – we spend over \$2 million a year just on fuel. Anything we can do to reduce costs, even by a percentage or two, makes a big impact," says Lepage. "We knew technology could help."

The G&C team evaluated options, including newer versions from its legacy vendor, and eventually opted to switch to Cadec.

Larry Clark, Transportation Manager for G&C, reports that G&C selected Cadec for several reasons. First, the software is very flexible and easily customized. Second, the paperless logging features are rich and easy to use. And third, Cadec offered the best reporting options. "I have used other fleet management software, and have found that Cadec's reports, particularly the GYR report, are the best in the industry," says Clark.

Cadec's GYR report – for Green, Yellow, Red – enables fleet managers to track driving behavior and safety factors for individual drivers, calculate weighted scores, and then display them graphically. G&C managers use the data to determine where remedial training might be required (drivers with yellow or red scores).

### **Major reductions in speeding, idling in just one week**

The first two areas G&C began to monitor and publish GYR reports on were speeding and excessive idling. "At the beginning, the majority of our 40 drivers were in the red for both speeding and idling," recalls Clark. "We suspected as much, and had talked with drivers about their behavior in the past, but the GYR reports provided the objective data we needed to prove that it was a problem."

### Cadec Customer at a Glance

**Company:**  
G&C Foods ([www.gcfoods.com](http://www.gcfoods.com))

**Industry:**  
Food distribution

**Cadec Solution:**  
Mobius TTS

**Objectives:**

- Gather hard data on driver behaviors that waste fuel.
- Change those behaviors over time.
- Ensure timely deliveries and accurate information for customers.

**Results:**

- Speeding and idling reduced dramatically, leading to lower fuel consumption.
- Anticipate savings of \$300,000 in first year.

Data in hand, Clark spoke with drivers individually, and reminded them that eliminating speeding and idling was not only safer for drivers and the environment, but would also help keep G&C healthy, in turn providing more job stability. “Within one week, we saw drastic reductions in both speeding and excessive idling. Our reports went from 80 percent red to just a few drivers in the red, and over time we’ve seen more improvements. Our ability to track this behavior with Cadec had a major impact on driver behavior.”

### Paperless logging ensures accuracy, saves time and money

Another key Cadec feature G&C is leveraging is paperless logs. Prior to implementing Cadec, G&C used traditional paper logs, and had to have someone review each of the 40 logs weekly for compliance. It was time consuming, expensive and prone to mistakes. “Penalties for Hours of Service violations are dramatic,” Clark explains. “And no matter how meticulous you think you are, paper logs are subject to basic human error. Cadec automates the whole process for us, recording hours of service, pickups, dropoffs... everything that we used to record by hand. Drivers don’t even need to think about it. Cadec ensures our records are accurate and complete.”

The G&C team is now expanding its use of Cadec to monitor and improve factors such as MPGs, sudden acceleration/deceleration and off-route driving. “There are still a lot of areas for us to explore, measure and

improve,” says Clark. “If we can’t measure it, we can’t manage it.” G&C also plans to use Cadec to help track returns back to inventory and capture invoice signatures during deliveries. In the past, lost returns and inability to collect on unsigned invoices have caused measurable revenue loss for the firm.

### G&C anticipates saving \$300,000 in first year

“Our overall transportation expenses for 2008 will be about \$6 million,” says Lepage. “If Cadec helps reduce that by just three percent, that’s \$180,000 in savings. But when we consider all the areas Cadec can contribute to – reduced fuel consumption, safety improvements, better logging compliance, better return tracking, and improving our ability to collect on invoices – we think our savings will be closer to \$300,000 per year. Cadec will be the key to reducing our transportation costs while improving service to our customers.”

G&C is already planning next steps, including phasing in electronic signature capture and pallet scanning using Cadec’s handhelds. The company is also looking to implement routing and HR packages that will be tightly integrated with Cadec, further extending the supply chain and enabling G&C to pay drivers electronically. “We’re very comfortable with the Cadec team, and confident that we still have a lot of runway with the product – we’re constantly finding new things we can do with it,” says Lepage.

“Having these types of controls and access to information is how you run high-performance teams,” said Clark. “Cadec provides all the data we need to make quick, well-founded decisions. It’s had a tremendous positive impact on G&C Foods.”