



PM Quality & Vehicle Decommissioning Survey Report

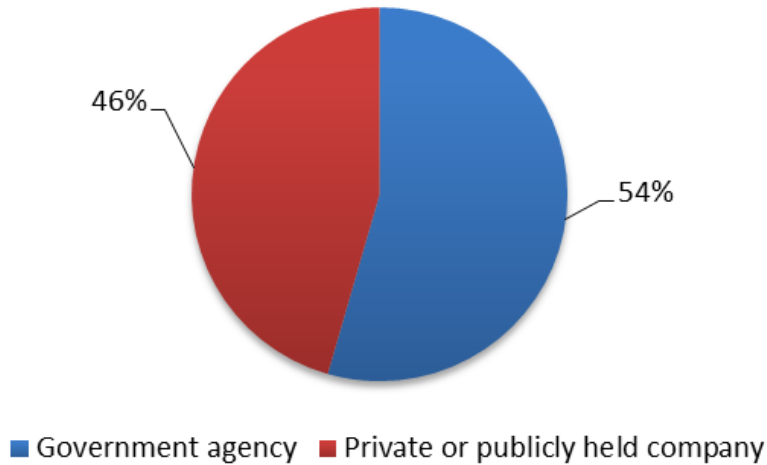
This survey analyzed the quality of preventive maintenance and best practices for vehicle decommissioning among fleets in North America.

Over 120 Fleet Managers and Fleet Directors in North America participated in this survey effort with 112 completed responses.

Demographics

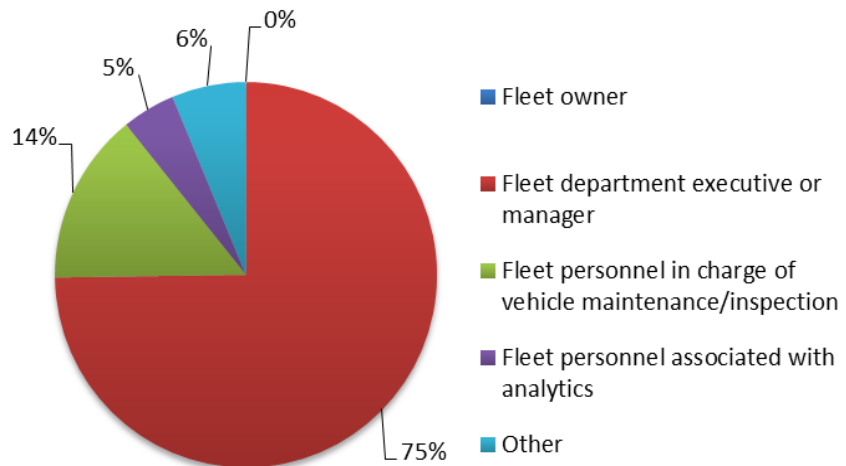
Q) Which of the following best describes the organization you work for?

54% of respondents belong to government agencies, whereas 46% of respondents belong to private or publicly held companies.



Q) Which of the following best describes your role within the organization?

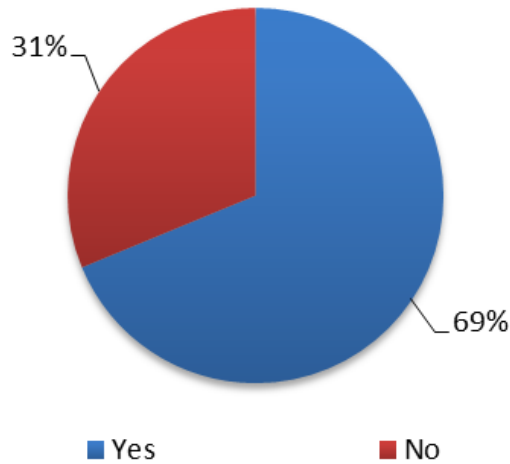
75% of respondents are either a fleet department executive or manager.



Quality of Preventive Maintenance

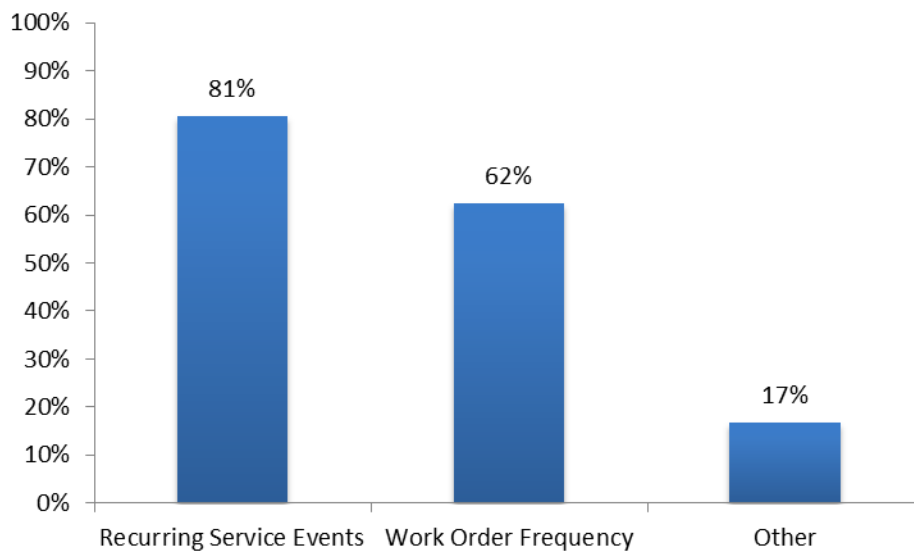
Q) Do you track the quality of your preventive maintenance?

69% of respondents track the quality of their preventive maintenance.



Q) How do you track the quality of your preventive maintenance?

Of the 69% of respondents who track the quality of their PM, 81% of them track the quality of their PM through recurring service events.



17% of respondents track the quality of their PM through other means such as the following:

Breakdown/Road call in proximity to PM

Road call metrics, repair to payroll/productivity

Number of deficiencies found during PM service vs. nonscheduled repairs as a percentage

Cost by service/PM on trl and reefers per week, month, yearly

Repeat work – same VRMS code in three months following servicing

The number of repairs within 30 days of a PM

System cost trends

QC inspections

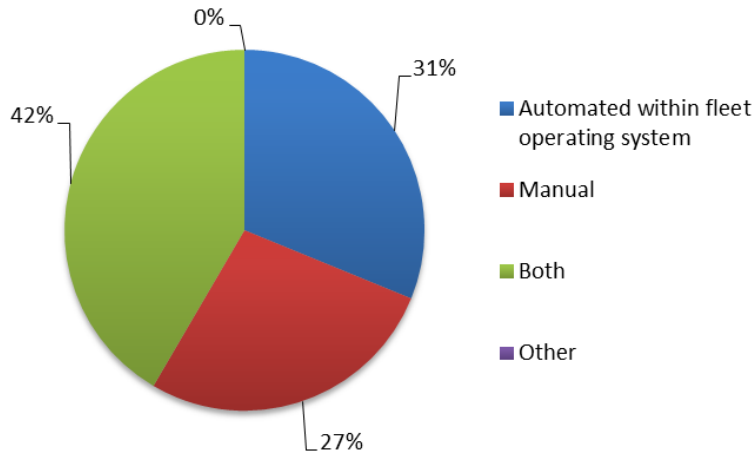
Road calls, unplanned maintenance

Spot check

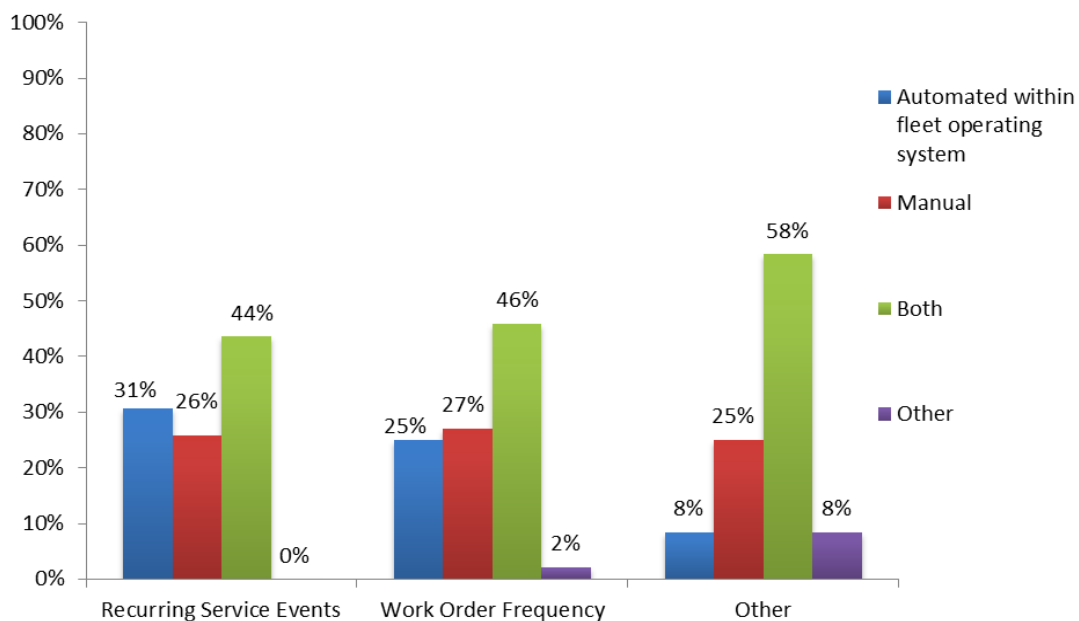
Audits

Q) What is your PM quality process?

Of the 69% of respondents who track the quality of their preventive maintenance, 42% of them use both manual and an automated process to track PM quality. 31% of respondents use an automated process within fleet operating systems, while 27% of respondents manually track the quality of their PM.

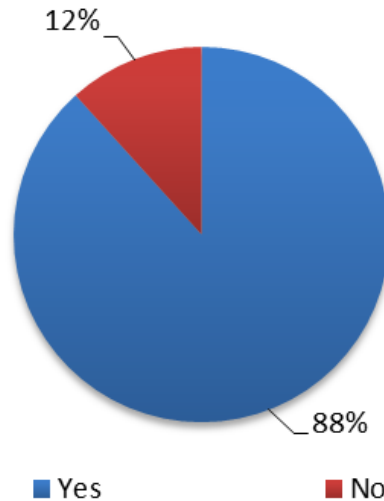


Of the respondents who track the quality of their PM through recurring service events, work order frequency, and other methods, over 44% of them use both manual and an automated process to track PM quality.



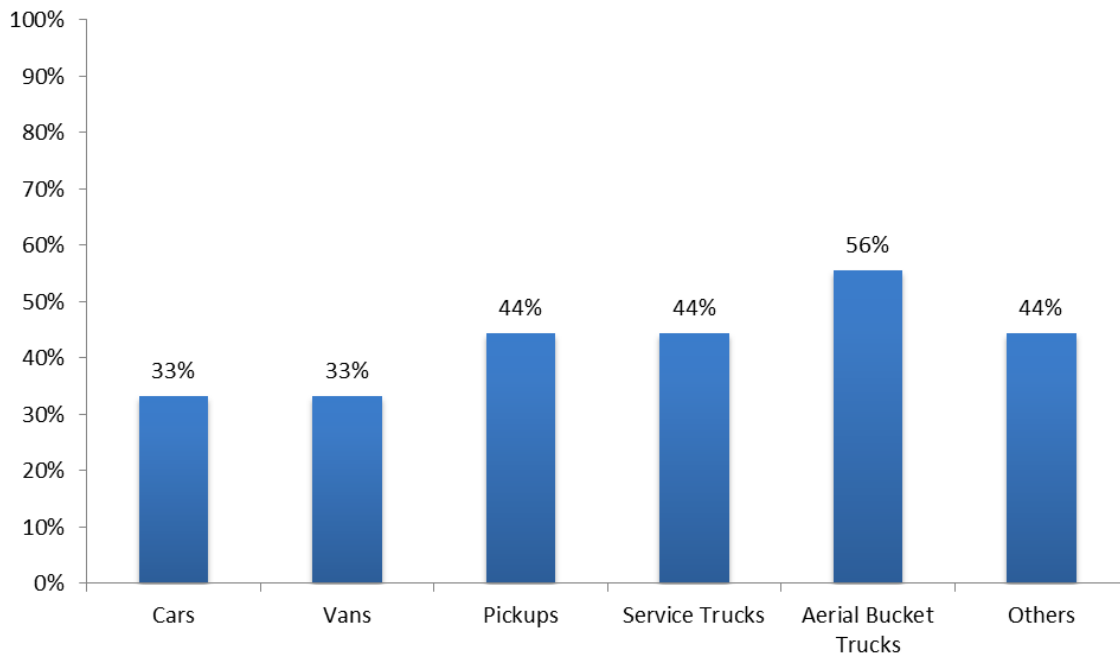
Q) Do you track the PM quality of all your fleet?

Of the 69% of respondents who track the quality of their preventive maintenance, 88% of them track it for all of their fleet.



Q) If no, for what classes of vehicles do you track the quality of PM?

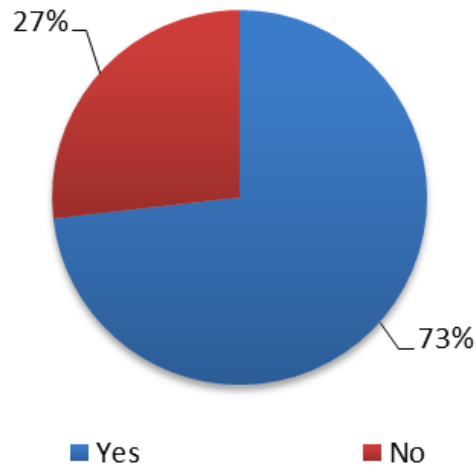
Of the 12% of respondents who do not track the PM quality of all their fleet, 56% of them track the PM quality of their aerial bucket trucks.



Vehicle Decommissioning Process

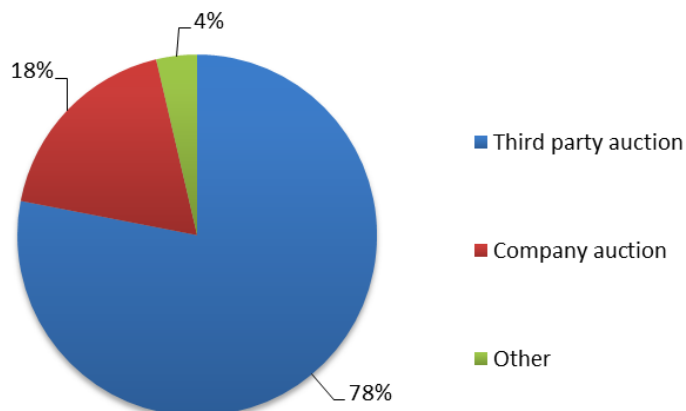
Q) *Do you have a documented process in place to decommission vehicles?*

73% of respondents have a documented process in place to decommission vehicles.



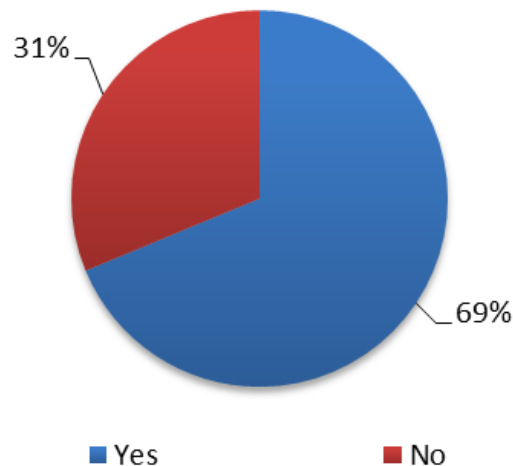
Q) *How do you dispose of your vehicles?*

Of the 73% of respondents who have a documented process in place to decommission their vehicles, 78% of respondents dispose their vehicles through third-party auctions. 18% of respondents dispose their vehicles through company auctions.



Q) *If third party auction, do you handle all the vehicle decommissioning/disposal work?*

Of the 78% of respondents who dispose of their vehicles through third party auctions, 69% of them indicated that they handle all the vehicle decommissioning/disposal work.



Q) *How is your vehicle decommissioning work performed?*

Of the 73% of respondents who have a documented process in place to decommission their vehicles, 59% of respondents perform their vehicle decommissioning work internally and 34% of them do it internally and externally.

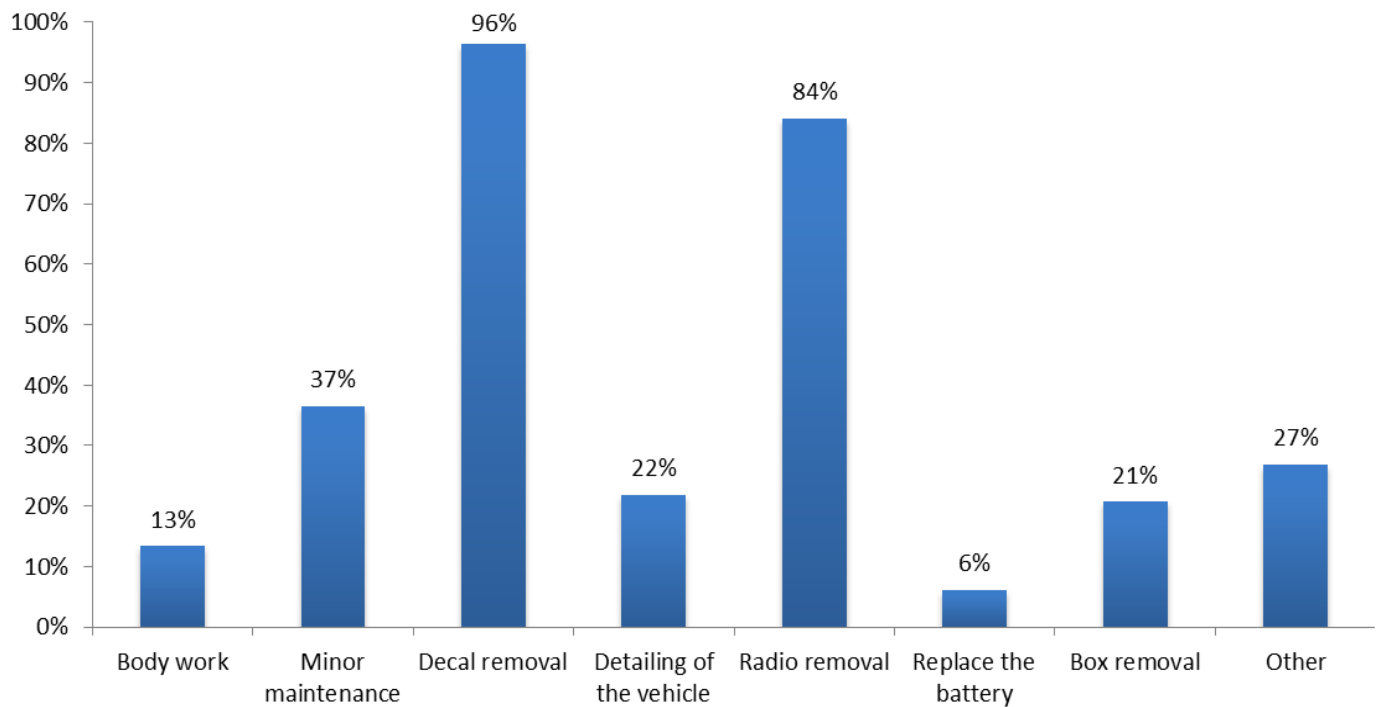
Only 7% of respondents perform their vehicle decommissioning work externally.

Vehicle Decommissioning Work	Percentage of Respondents
Internally	59%
Externally	7%
Both	34%

Q) What process is used to decommission your vehicles?

Decal removal is most commonly used in the vehicle decommissioning process with 96% of respondents indicating that they remove the vehicle decal. 84% of respondents remove the radio from the vehicle as part of the decommissioning process.

The least common process is battery replacement with only 6% of respondents stating that they replace the battery as part of process.



27% of respondents decommission their vehicles through other processes:

Salvage of hard-to-find parts that can be used in other vehicles

Remove emergency equipment

Depends on lighting aluminum accessories

All law enforcement equipment

Removal of ambulance items and equipment

Accessory removal

Remove AVL and fuel management system components. On law enforcement vehicles, lights, prisnor screen and other equipment.

Remove inverter, strobe light or other re-useable items

Removal of attached equipment

Remove code-3 lights/siren

Vehicles are crushed and recycle

GPS removal

We are starting a pilot to improve the condition of our surplus equipment. Light repairs, detailing to see if we increase our revenue.

Paint corporate color back to white

LE equipment removal

Removal of other components and hiking vehicles

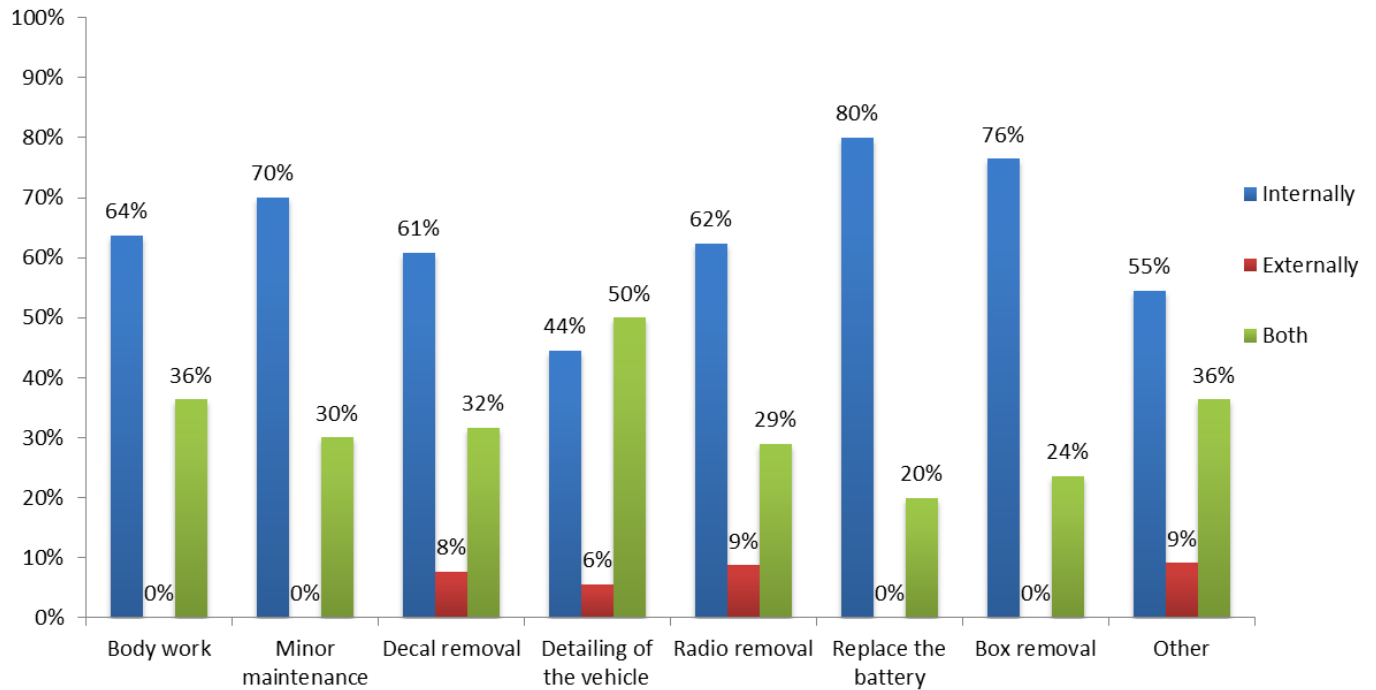
Police / Fire equipment

Removal of specialized equipment

Removal of police lighting

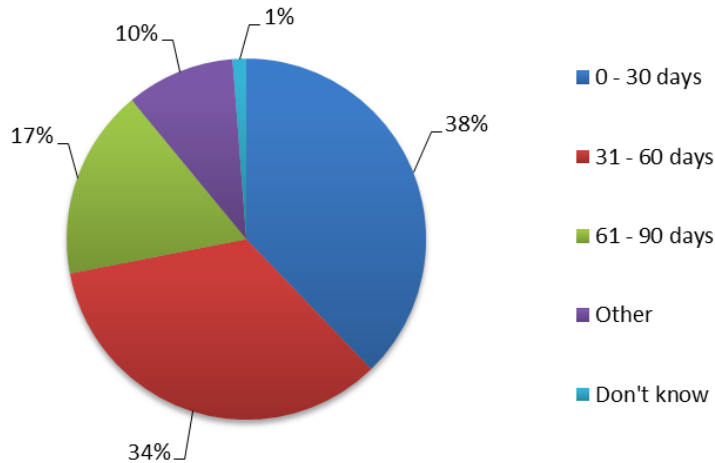
With the exception of detailing the vehicle, over 60% of respondents perform their decommissioning processes internally. Only 44% of respondents who selected detailing of their vehicles as part of their decommissioning process perform it internally.

Less than 10% of respondents outsource their vehicle decommissioning process.



Q) How long does it take to get the vehicle off the property once it has been removed from service?

38% of the majority of respondents spend 0-30 days to take their vehicles off the property once it has been removed from service. 34% of respondents spend 31-60 days.



10% of respondents normally spend the following amount of time to get their fleet vehicles off the property once it has been removed from service. A period of 6 months is to be the most common amount of time among these respondents:

6 months

4 months

Maybe only a few weeks or months depending on the next schedule auction date and the time a vehicle comes out of service

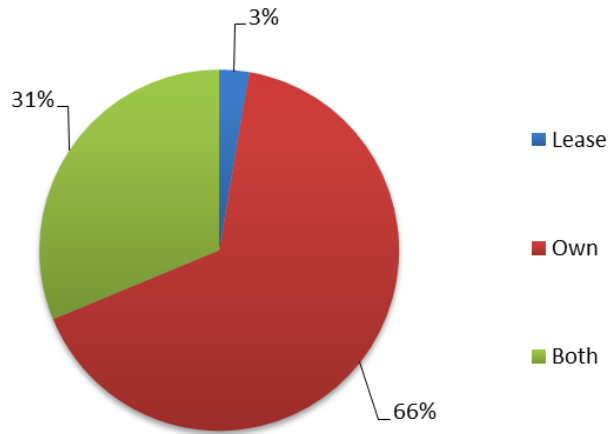
Between 1 – 6 months

Hold vehicles until 45 days before auction

Ownership of Vehicles

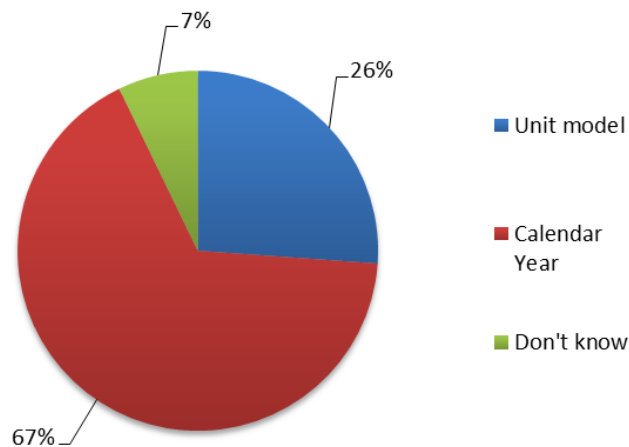
Q) Do you lease or own your fleet vehicles?

66% of respondents own their fleet vehicles and 31% of respondents both lease and own their fleet vehicles.

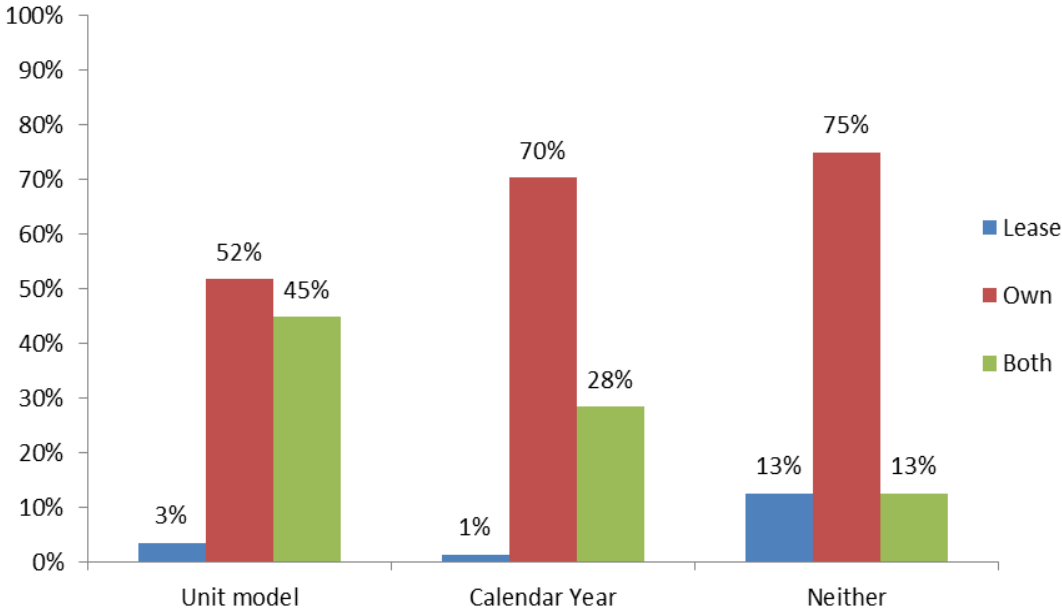


Q) Is your order cycle on a unit model or calendar year?

67% of respondents' order cycle is on a calendar year and 26% of respondents' order cycle is on a unit model.



Of the respondents whose order cycle is on a unit model or calendar year, over 52% of them own their fleet vehicles. 45% of respondents whose order cycle is on a unit model both lease and own their vehicles, compared to 28% of respondents whose order cycle is based on calendar year.

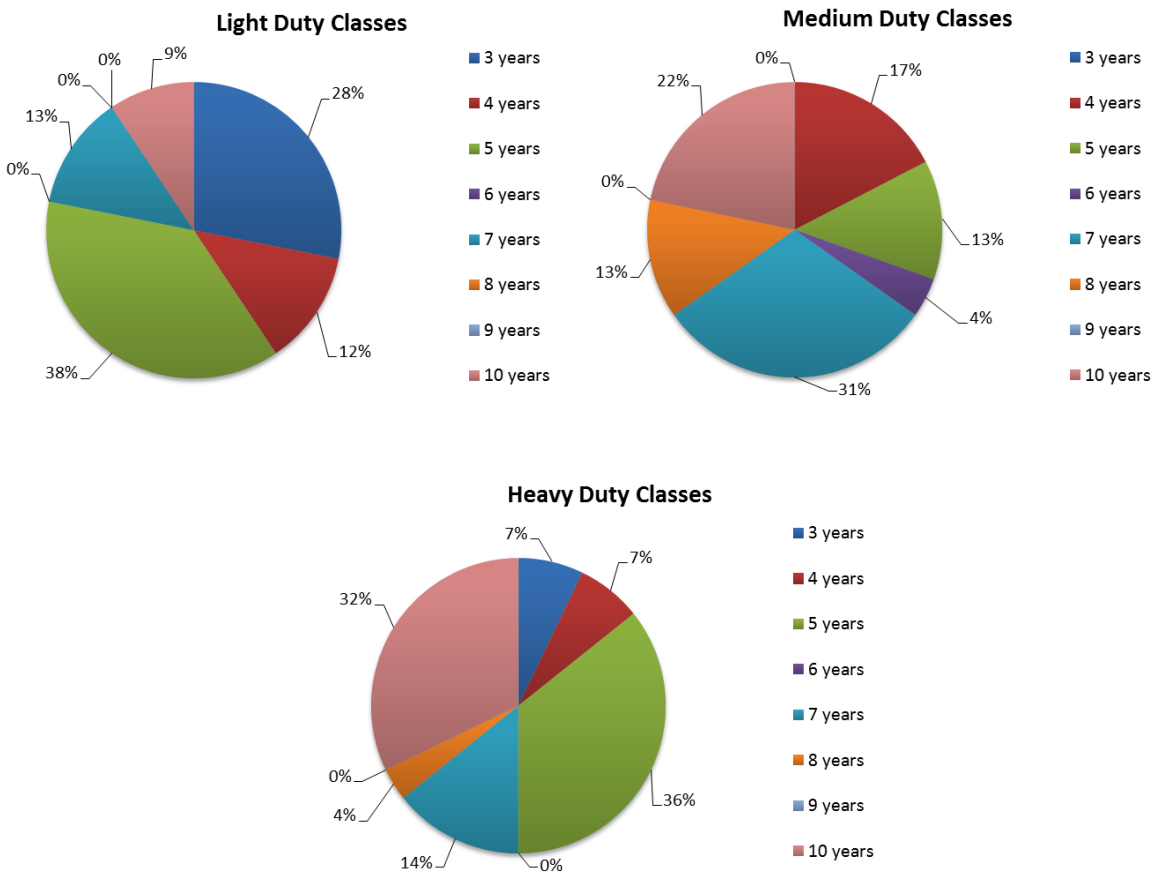


Leasing of Vehicles

Q) If you lease, what is your typical lease period?

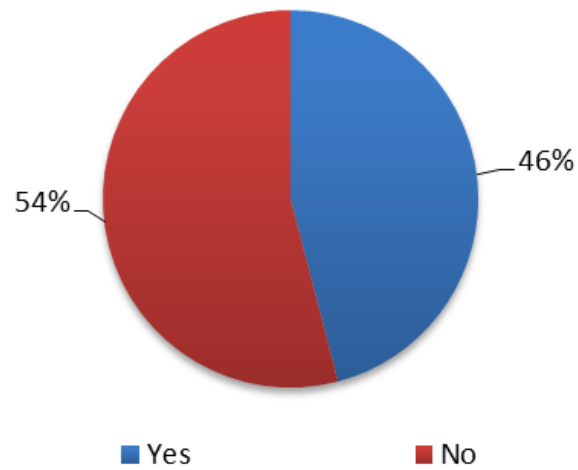
Of the 34% of respondents who lease some of their vehicles, the typical lease period for different vehicle classes are as follows:

- At 38%, the majority of respondents lease their light duty vehicles for 5 years. The second most typical lease period for light duty vehicles, at 28%, is 3 years.
- At 31%, the majority of respondents lease their medium duty vehicles for 7 years. The second most typical lease period for medium duty vehicles, at 22%, is 5 years.
- At 36%, the majority of respondents lease their heavy duty vehicles for 5 years. The second most typical lease period for heavy duty vehicles, at 32%, is 10 years.



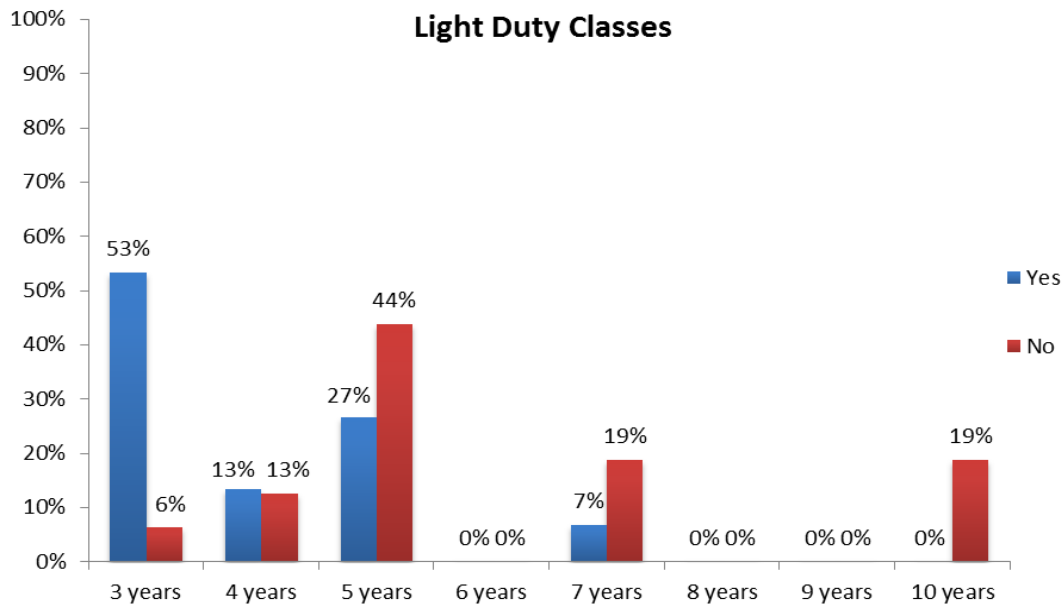
Q) Do you turn in your vehicles at the end of the lease period?

Of the 34% of respondents who lease some of their vehicles, 54% of respondents do not turn in their vehicles at the end of the lease period. 46% of respondents turn in their vehicles at the end of the lease period.



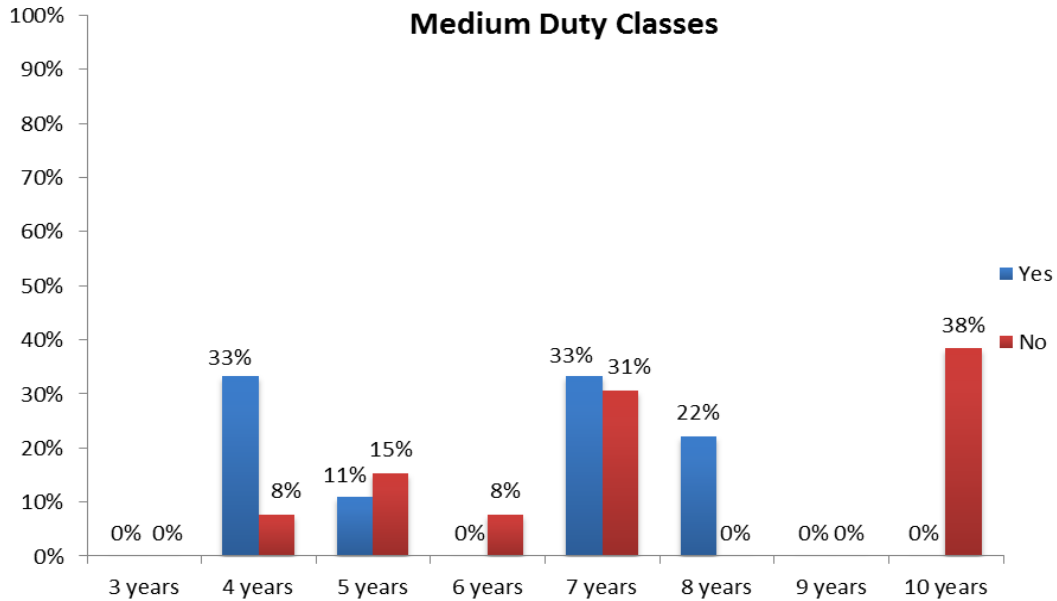
Of the respondents who turn in their light duty vehicles at the end of the lease period, the typical lease period for 53% of them is 3 years. At 44%, the typical lease period for the majority of respondents who do not return their light duty vehicles at the end of the lease period is 5 years.

After a typical lease period of 5 years, 38% of respondents do not turn in their light duty vehicles, compared to 7% of respondents who turn in their light duty vehicles at the end of their lease period.



Of the respondents who turn in their medium duty vehicles at the end of their lease period, 33% of them typically have a lease period of either 4 years or 7 years.

The majority of respondents, at 38%, who do not turn in their medium duty vehicles at the end of their lease period, typically lease their medium duty vehicles for 10 years.



At 40%, the majority of respondents who turn in their heavy duty vehicles at the end of their lease period typically lease their vehicles 5 years.

95% of respondents who do not turn in their heavy duty vehicles at the end of their lease period have a typical lease period of 5 years or more.

