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Contractors are using GPS tracking systems to control more than just vehicle costs

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Rick Hildebrandt wanted to keep a closer eye on his trucks and his employees, and he also wanted to track the time his workers spent at jobs.

So the president of CR Custom Electric turned to Global Positioning Systems, commonly referred to as GPS, to find out how his company could run more efficiently. He installed the systems into six vehicles and used them as a tracking device.

The systems log when the vehicle starts, how long it drives, how long it idles, rate of speed and many other details.

"I wanted to see where my vehicles were going," Hildebrandt said. "I wanted to watch the personal use of my vehicles and see if they were taking them on weekends for side jobs."

To get an accurate assessment of the situation, Hildebrandt installed the systems and didn't tell his employees for a couple weeks. What he saw confirmed his suspicions.

"I saw quite a bit of difference on timecards than what the system showed, stopping at Circle Ks four times a day and some personal use of my vehicles," Hildebrandt said. "So I sat down with the employees and talked with them and I saw a lot less of that."

Hildebrandt said the system also helped him lower his gas bill, watch his vehicles and estimate costs of jobs since he can watch how long the jobs take. He said the GPS systems "definitely" paid for themselves.

According to Myron Hammes, president of GPS Fleet Management, GPS systems were developed in the late 1960s by the U.S. Department of Defense. In 1978 the first GPS satellite was launched, and today there are currently 29 satellites orbiting in space. Magellan GPS introduced the first hand-held receiver in 1989, and in 2000 the government turned off the air code that required civilian receivers to be within no more than 100 meters of accuracy. That level was changed to ten meters of accuracy, and widespread use of GPS has since taken off.

"My smallest customer has one truck and our



A GPS unit installed under the dashboard of a service truck.

largest has 200," Hammes said. "The majority are in the five to 25 range."

Some of the first industries that jumped on board with using GPS systems to manage vehicle fleets were people in the pool and landscaping industries, Hammes said. Recently, many owners in the electrical industry have been using the technology to increase efficiency of their businesses.

"Ninety percent of my customers will say it pays for itself in 90 days," Hammes said. "The systems run about \$500 and the companies save about \$100 to \$200 each month just on fuel."

Many industries including restaurant cleaning, fencing companies, construction, cabinet companies and others use the systems. Hammes said the technology has gotten to the point where batteries and parts are small enough that the units can go on things like trailers and backhoes.

"There are people out there who typically sell a product," Hammes said, "but we really do play a consulting role. We will show them the pros and cons of different brands and work in phases to help them implement it into their company."

GPS Fleet Management installs both active and passive GPS systems. The passive systems use computer chips to log what a vehicle does and report it to the employer when it returns from a trip, and the active systems use cellular technology to show the employer the vehicle's location at any time.

For Hildebrandt, the biggest reason he purchased the GPS systems was "to keep the guys honest." Before, they were on the honor system," Hildebrandt said. "But now the amount of overtime has gone down and there is a lot less personal use of my vehicles. I'm very pleased with it."