

# Tearing up the paper

## Shredding firm leverages software to optimize fleet

THE WORLD'S LARGEST MOBILE SHREDDING FIRM, SHRED-IT, A TORONTO-BASED company with more than 1,000 full-size cargo vehicles on the road globally, is increasingly relying on software to cut costs, optimize equipment and human resources, improve customer service and make better long-range decisions.

"We need to manage overtime and fuel costs while meeting customer expectations and ensuring client satisfaction," says Delvin Fletcher, CIO with Securit, the parent company of Shred-it. The organization is a privately-held firm that securely manages and destroys confidential information.

"Our vehicles need to be punctual, but the time required at each customer's location

can be highly variable, which can make accurate, effective scheduling more difficult," Fletcher explains.

Security-savvy firms know moving shredded documents is safer than transporting intact information. They also realize only the most sophisticated shredders make it impossible to piece a document together again. For many organizations, outsourcing

to firms such as Shred-it is safer, speedier and cheaper than destroying such documents in-house.

Shred-it uses a secure, proprietary cross-cut shredding technology which cuts the paper into small confetti. Each of the trucks, valued in the six-figures, is 25 per cent shredder with the remaining space devoted to storage. The drivers/operators are uniformed, security-screened, insured and committed to shredding everything on site.

Many Shred-it clients also appreciate its commitment to recycling, which ensures 100 per cent of the shredded paper is



*Shred-it uses Descartes' delivery management suite to handle the thousands of simultaneous orders coming in to the company.*

# FLEET MANAGEMENT

reused. Up to 99 per cent of the material shredded is paper, although the company also handles items such as police uniforms.

“Effective routing and strategically locating our depots/warehouses is the key to profitability since our clients pay us to collect and destroy confidential data—not for moving paper between our location and theirs,” says Fletcher.

To efficiently and profitably use Shred-it’s truck fleet and most effectively locate its depots and warehouses, the company’s founder and CEO, the late Greg Brophy, began investigating software six years ago. Management recognized that scalable, robust software would be vital as the branch network was grown and refined nationally and globally.

“The software had to be able to build a database and offer the sophisticated analytical tools that would provide us with information on which to base significant business decisions,” says Fletcher. “It also had to be able to handle multiple underlying mapping engines because our corporate offices and franchise partners have 140 locations in a dozen countries and are continuing to grow.”

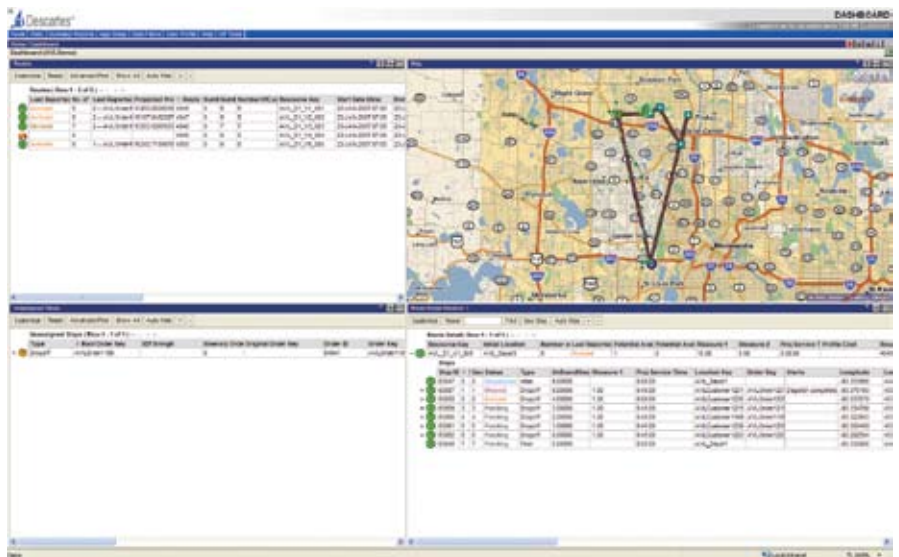
## Global rollout

In the end, Shred-it selected Descartes software, since it can handle thousands of simultaneous orders, and has the underlying technology and architecture to meet the company’s changing business needs.

Shred-it has been implementing key components of the Descartes delivery management suite on a region-by-region basis in its Canadian, US and UK offices for the past 18 months. It plans to complete its global rollout in 2009 or 2010. Although many of Shred-it’s offices have English as a primary language, Descartes software can also support up to 13 languages and unlimited transactions.

Shred-it uses Descartes to model new branch location scenarios and test business changes. While Shred-it already has a powerful in-market footprint, management is determined to refine its ability to serve those markets and better manage branch costs.

“Descartes helps us decide whether we need a single branch, two or even three branches serving a geographic market,”



***The system helps Shred-it optimize its routes and scheduling, and it also conducts what-if scenarios on depot location and other business changes.***

says Fletcher. “It really helps us get the most out of existing resources.”

Although Shred-it committed to the Descartes software as a strategic initiative, Fletcher notes there are other significant benefits. Already, overtime, miles/stop and operating costs/mile are down, while the use of fixed assets, such as the trucks, has improved. To date, the number of miles covered to service a particular set of customers is also down by five to 15 per cent and Shred-it expects it will see five to 10 per cent improvements in fleet asset utilization in many of its markets.

“The rewards may be substantial. If we can eliminate or redeploy one of our trucks, that’s a significant advantage,” says Fletcher.

## Proactive management

The Descartes suite slashes costs through better route economics (shorter drive times and fewer miles driven), driver performance, service time consistency and awareness of slack and waiting times.

Customer service and satisfaction are improved because Descartes offers proactive exception management and notification of order status. The system improves on-time arrival and sets customer delivery windows. It automates manual and labour-intensive

processes and ensures more accurate data capture, while giving field and office staff universal access to data in a hosted, managed environment.

Descartes helps optimize inbound and outbound delivery performance by integrating strategic delivery planning, route and load planning, reservations, supply chain visibility, dispatch, performance management and reporting services, and messaging solutions.

The software also allocates Shred-it’s resources between regular, recurring business and new, one-off projects. When a prospective customer closes or consolidates offices, Shred-it is typically needed on site within 72 hours, and it’s generally a project with significant volumes. “We need to respond quickly to such on-demand queries and can’t risk losing that business,” says Fletcher.

As Shred-it continues to roll out the Descartes system in its 140 locations worldwide, management and on-site users will be relying on it to satisfy customer expectations while cutting fuel and overtime costs and providing the information that helps the company best allocate and deploy its resources.

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