



## Construction Fuel Mining Case Study

- Capital: \$165 Million.
- Consultancy: Many Solutions.
- Cost: \$113,755,000 Reduction.

### Create Cash Flow for Growth!

- **Company:** Construction, Mining
- **Industry:** Cement, Aggregate, Mining (Construction)
- **Initial Need:** Reduce Costs and Improve Profits for Oil and Fuel Consumption

### We approached this prospect several times:

(1) Email; (2) Phone; (3) Video Conference; and (4) finally, in person. Through the entire process of our discussions, we listened to the need of centralization. We discussed their goals, what they wanted to do with the information we would find, how they would go about strengthening their procurement and financial systems through centralization, and we provided an outline of what we could do to help them with this.

**Their need arose due to the tens of millions of dollars per year they were spending on fuel, oil, fleet usage, and fuel management costs.**

### We conducted our assessment and our analysis summary resulted in:

- They were buying from many suppliers that did not allow this organization to utilize the leverage of volume buying.
- Their accounting department paying multiple vendors (multiple procedures, processes, invoices, requisitions, purchase orders, and logistics).
- The fuel area to procure was not just fuel, but multiple bids (see below).

### Percentage, Savings, and Profit Improvement

1. Fleet - 23% Savings - \$ 6,300,000.00 Cost Savings - This included fuel, finance, and maintenance for more than 4,000 vehicles - Outcomes: Vendors Selected.
2. Trucks - 14% Savings - \$ 1,355,000.00 - Ford Fleet Trucks - Outcomes: Ford Rebates Increased & Vendor Selected.
3. Fuel Card - 11% Savings - \$ 2,700,000.00 - Outcomes: Created standardization and savings does not mirror Level C Fuel Stations; Vendor Selected.
4. Fuel Hedging - 24% - \$ 12,400,000.00 - Outcomes: Fuel / Oil Hedge; Vendor Selected.



**Total Savings: \$ 22,755,000.00**

### **Outcomes**

ATS was able to reduce costs by \$22.75M from the above cost categories, while increasing effectiveness through improved communications, implementing best practices throughout the organization for these projects. With a \$165 Million increase in capital, the growth and M&A plan was implemented.

By working with each location, vendors, and client staff we helped all understand their vital role in the most important part of their business – their core competencies and their customers. We conducted stakeholder meetings to improve all processes, procedures, ideas, and best practice.

### **How Can We Serve You Today?!**

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**30+ years serving thousands with growth in capital, consultancy, and cost.**