Executive Summary:

Whether you are looking to buy an Electronic Logging Device (ELD) just to ensure compliance with FMCSA regulations, or you are looking for a broader feature set to help you maximize the profitability of your fleet, buying an electronic logging device is much like buying anything else; it pays to be educated and know the right questions to ask.

We have created this guide to provide you with the information, and therefore the confidence, you need to make an optimal decision for your fleet.

This guide covers the following:

• Three features you should look for in an ELD to maximize ROI

• ELD integration with current and future systems

• The ELD Mandate and how it affects your selection criteria

• Comparing traditional on-board computer vs. mobile on-board computers

• Selecting the right company as well as the right product fit

• Financing options and negotiation tips
What are the ‘Must Have’ Features of an ELD?

Many small fleets are looking for a solution that provides electronic logs that will meet the requirement for the upcoming ELD mandate compliance paired with simple GPS tracking. But once you move past the basics you’ll want - and expect - more from your ELD. For example, does your potential ELD vendor have a solution to minimize out-of-route miles, prevent excessive idling, simplify IFTA reporting, or provide truck-specific navigation? When fuel prices spike back up, how will it help you optimize fuel efficiency? It’s important to select a platform that fits both your immediate and long term needs.

In addition to compliance features, below we have a compiled a list of three “must have” features to look for as you start planning your purchase.

The Top Three Features for Maximizing Fleet Profitability:

1. Reduce Wasted Miles with In-Cab Navigation

With the average long haul truck traveling 100,000 miles each year, there are a number of opportunities for a truck to travel outside a planned route. Truck-specific navigation systems help plan routes that avoid one-way streets, low bridges, and unnecessary turns and traffic. They can also help find approved fueling locations. This saves your drivers valuable time and fuel, and prevents unnecessary wear and tear on your truck.

With many trucks getting an average of 5 MPG, the cost savings from reducing out-of-route miles can be staggering.

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\begin{align*}
100,000 \text{ MILES PER YEAR} & \times 5\% \text{ OUT OF ROUTE MILES} = 5,000 \text{ EXTRA MILES PER YEAR} \\
5,000 \text{ OUT OF ROUTE MILES} & \div 5 \text{ MILES PER GALLON} = 1,000 \text{ GALLONS} \\
1,000 \text{ GALLONS} & \times 3\text{.00 PER GALLON} = 3,000 \text{ SPENT ON OUT OF ROUTE MILES EACH YEAR PER TRUCK}
\end{align*}
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2. Optimize Fuel Consumption with Performance Monitoring

The most efficient truck drivers can get approximately 30% better MPG than your least efficient drivers. With simple driver scorecards, fleets can not only identify the best drivers and build a plan to retain them, but also transform below average drivers into top performers. This can have a significant impact to the bottom line.

Ask yourself some questions:

- How much time do drivers spend idling?
- How much time is spent driving over 60 MPH?
- What would a 10% increase in fuel economy mean to your business?

Did You Know?

Fuel economy decreases by .5 MPG for every 5 MPH a truck drives over 55MPH!

Idling consumes almost a gallon of diesel fuel per hour and constitutes nearly 8% of all fuel use!

Source:

www.omnitracs.com
Eliminate Headaches and Reduce Audit Exposure with Automated IFTA Reporting

The International Fuel Tax Agreement (IFTA) is a significant administrative burden for everyone involved. This costs drivers and fleet managers time and is a notable source of dissatisfaction. By implementing an automated fuel tax reporting solution, organizations can save a significant amount of administrative overhead costs.

Another added benefit of an Automated IFTA Reporting solution is minimizing risk of audit potentially saving thousands in fines and penalties. Many providers offer jurisdictional mileage reporting capabilities that provide trip reports used to simplify IFTA reporting, but others do go a step further. For example, the Omnitracs XRS Solution’s Automated Fuel Tax Reporting application takes all the data points and consolidates it into one IFTA-ready report. The XRS solution offers the industry’s only true “Print, Sign, and Send” IFTA reporting.

When selecting an IFTA solution for your fleet, here are some criteria to consider:

- Automatic collection of state line crossings
- Importing of fuel purchase receipts
- Reconciliation of fuel usage with miles driven
- Population of state forms, allowing for forms users to “Print, Sign, and Send” tax filings

Did You Know?

Each IFTA jurisdiction is required to audit 3% of its IFTA accounts per year. Having a 3% chance of being audited may not seem concerning, but since not all IFTA audits are determined randomly, there is a much higher chance of being audited if you are utilizing a manual record keeping system to ensure compliance as you are more prone to human error.

For more information on the Omnitracs Automated Fuel Tax Reporting application, please visit www.omnitracs.com/products/ifta-reporting

Does the ELD Integrate with my Current and Future Systems?

Whether yours is a large established fleet or a small fleet planning to grow, it is vital that your ELD provider can properly integrate with current and future software providers. Building out these integrations can be expensive and time consuming for telematics providers, resulting in only a handful of providers investing the time and capital to develop a wide array of integrations.

- Before speaking with a sales rep, take inventory of the software currently utilized by the team and what’s being solutions for the industry. This includes: Transportation Management Systems (TMS) for Hours Of Service status, driver communication, and automated vehicle locations.
- Routing systems for planning within HOS constraints, driver work-flow, and planned versus actual reporting.
- Third party safety systems vendors for details on lane departures or collision avoidance alerts.
- 3PL providers for load visibility.

If the potential ELD provider does not integrate with a current or planned system, it should be stricken from your short list.
What is the ELD Mandate?

In 2012, the United States Congress enacted the “Moving Ahead for Progress in the 21st Century” bill, more commonly referred to as MAP-21. That bill, which also outlined the criteria for highway funding, included a provision requiring the FMCSA to develop a rule mandating the use of electronic logging devices (ELDs). The ELD Mandate is the culmination of that provision.

In its simplest form, an electronic logging device — or ELD — is used to electronically record a driver’s Record of Duty Status (RODS), which replaces the paper logbook some drivers currently use to record their compliance with Hours of Service (HOS) requirements.

Will the ELD Mandate Apply to Me?

Before selecting an ELD provider, one of the most crucial steps is to identify whether or not the upcoming ELD Mandate applies to you. To find out if the mandate applies to you, ask yourself the following questions:

- Are you currently required to maintain RODS?
- Are you currently using an AOBRD?
- Do you NOT qualify for exemptions like short-haul?

In general, if you can answer “yes” to all of the questions above, you will need to plan to be in compliance with the law.

How Does the ELD Mandate Affect my Selection Process?

Your ELD vendor should know the regulation backward and forward after the final rule is published. This means your provider must have a seat at the table for determining what’s in the rule. Ask your provider about its involvement in the Motor Carrier Safety Advisory Committee, how it helps association technology work groups, and its overall involvement in the rule making process. You should feel comfortable that your vendor meets the following criteria:

- Technical staff that understand the regulation specifics
- Familiarity with ELD regularity process
- Participation in the FMCSA comment period
- A seat on the Motor Carrier Safety Advisory Committee
- Financial resources able to quickly accommodate new surprise regulatory changes

For more information on the ELD Mandate, please refer to www.eldfacts.com
Did You Know?

Here’s a tip about mobile on-board computers: It’s critical that these solutions connect to a truck’s engine — that’s a requirement for being a certified ELD.

A smartphone alone is not enough!
Select the Right Company, as well as the Right Product Fit.

The key to making smart purchases is and always will be to undergo the necessary due diligence. This may be a no-brainer when comparing products and pricing, but do not forget to also assess the company you are working with.

Ask yourself:

Is this potential vendor stable?

Will it be around in the future?

Does it have a reputation for reliability?

Will it continue to provide positive service after the sale?

Put your mind at ease by doing some basic research with this simple checklist:

- **PRODUCT OPTIONS:**
  - ELD – meets certifications
  - Has HOS hour sets and exceptions for the business
  - Has performance reporting, alerts, and dashboards
  - Includes robust mapping
  - Includes driver communication
  - Integrates with your back office system

- **VENDOR CONSIDERATIONS:**
  - Proven vendor with over 100,000 active subscriptions
  - Testimonials from top customers
  - History of success
  - Financial support and stability
  - Part of the regulatory process
  - Is a major component of their overall business
  - Has expertise in North American markets

- **ELD MANDATE COMPLIANCE:**
  - Scalable infrastructure to ensure system uptime
  - Will be able to prove certification requirements
  - Has documentation including cab-cards and manuals
  - Includes driver and manager help file
  - Has worked with the CVSA on training enforcement officials

- **PROVEN CUSTOMER SERVICE:**
  - Support hours that meet your hours of business
  - Tiered support that can provide resolutions on issues quickly
What Costs to Expect:

Nearly all ELD solutions involve both initial and ongoing costs. First is the cost to get started. This generally includes hardware, installation, and implementation costs. Depending on the provider the hardware cost can range from $199 up to as high as $2,200. The cost of installation and implementation may vary, so be sure to ask about the complexity of the installation and who will be performing the installation.

The second cost is usually a monthly cost that is used to pay for the service plan. Service plans can range from $19.99 a month up to as high as $60 per month, and typically vary by the provider and the feature set.

Benefits of Financing:

There are many significant benefits to financing an ELD hardware purchase, versus an outright buy-out.

These include:
- Ability to afford the technology you really need, not just what fits your current budget.
- Offset costs with monthly cuts to operational costs made possible by the product.
- Ability to manage cash flow and preserve capital and bank lines.
- Flexible Options – 90 Day Deferral available.

Differences in Financing Options Among Vendors

Every vendor has access to the same banks and companies to offer financing. Although the rates should all be comparable, there are several distinct differences you should note. These include a minimum threshold for the amount to be financed, as well as different requirements for personal guarantees. We recommend working closely with your sales person to work out the financing program that is right for you. You should feel 100% comfortable with moving forward.
**About Omnitracs, LLC**

Omnitracs, LLC is a global pioneer of fleet management, routing and predictive analytics solutions for private and for-hire fleets. Omnitracs’ nearly 1,000 employees deliver software-as-a-service-based solutions to help more than 50,000 private and for-hire fleet customers manage nearly 1,500,000 mobile assets in more than 70 countries. The company pioneered the use of commercial vehicle telematics over 25 years ago and serves today as a powerhouse of innovative, intuitive technologies. Omnitracs transforms the transportation industry through technology and insight, featuring best-in-class solutions for compliance, safety and security, productivity, telematics and tracking, transportation management (TMS), planning and delivery, data and analytics, and professional services.

**Why choose Omnitracs?**

- **Award-winning, 24/7/365 support teams** that understand your business.
- **ELD Mandate thought leadership** — we’ve helped shape the legislation and we share important resources at www.eldfacts.com
- **Proven solutions for every stage of your growth** — fleets of all sizes, including eight of the ten largest for-hire fleets and the five largest private fleets in North America use Omnitracs.
- **Robust integrations** — and the technical expertise to maximize your tech stack.
- **Intuitive solutions and a focus on the end-user experience** — making drivers’ lives easier, building a positive image for your company, and retaining your workforce.

Learn how you can use our applications, platforms, and services to reduce costs, increase profitability, and stay competitive. Visit www.omnitracs.com and let us show you how you can save time and money.

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