

FLEETPRO[®] INSIDER News



Winter/Spring 2013

A quarterly publication to educate and update fleet professionals

Vehicle Component Maintenance Keeps Your Vehicles Running

Fleetpro has provided preventive maintenance and inspection services to vehicle and equipment fleets for more than 30 years. Did you know that in addition to inspections and lube/oil/filter services that Fleetpro also provides preventive maintenance for mechanical components, like transmissions, differentials, and hydraulic systems?

One of the major advantages of the Fleetpro system is that just as we track when your vehicle is due for service based on hour or miles, we also track when components are due for service.



The differential is the last stop for power before spinning the wheels on a vehicle. It has three main jobs: to aim engine power at the wheels, to act as the final gear reduction in the vehicle, and to transmit power to the wheels while allowing them to rotate at different speeds.

Overextended differential fluid service intervals can lead to gear oil breakdown, cause poor differential performance and noise, and allow excessive wear and corrosion of gears.



January 2013

January 1, New Year's Day
January 21, Martin Luther King, Jr. Day

February 2013

February 2, Groundhog Day
February 14, Valentine's Day
February 18, President's Day

March 2013

March 10, Daylight Savings Time
March 17, St. Patrick's Day
March 20, First Day of Spring

TRANSMISSION MAINTENANCE MYTHS

MYTH #1

All transmission fluids are essentially the same and are interchangeable. In reality, most original equipment manufacturers specify a particular type of transmission fluid for each line of vehicle. Failure to use the correct transmission fluid could lead to issues including transmission failure.

MYTH #2

A transmission drain and fill can fix a transmission problem. If the transmission already has a component that's failing, a drain and fill won't help. It is a common revenue-generating upsell by some repair facilities.

MYTH #3

Draining and filling a transmission that has not had regular servicing will damage the transmission. This one was true years ago with older vehicles because the detergent in the new fluid would wash the sludge-like buildup of old fluid throughout the transmission. With newer ATFs, sludge buildup isn't as much of a problem.



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Fleetpro Welcomes Our Newest Customers!



Charlestown Retirement Community



Offering senior apartments with custom interior design, activities and amenities including restaurants, cafes, sports and social clubs, as well as on-site medical services, Charlestown is a leader among Baltimore-area retirement communities.

B & P Environmental

B & P Environmental has serviced the Mid Atlantic Region, maintaining all aspects of the fresh and waste water industry, from residential septic needs to major municipal lines, since 1985.



Fleetpro Certification & Training Program

Below are the Fleetpro employees who have successfully completed components in our training program within the last 90 days. Congratulations!

Cleveland Mabry	CVSA, FHWA 396
Bryan Terry	CVSA
Slavko Lojanica	COMAR BUS
Jorge Quijano	COMAR BUS
Michelle Tobias	FHWA 396
Zein Hamad	COMAR BUS, CVSA
Donnie Hamilton	CVSA, COMAR
Roland Manolo	CVSA, FHWA 396, Appendix G
John Curtis	FWHA 396, Appendix G
Tekola Gedlegiorgis	COMAR, CVSA
Albert Johnson	Appendix G, FHWA 396
Carlos Ugaz	CVSA
Augusto Castillo	FWHA 396, Appendix G, CVSA
Ernest Ngonga	COMAR BUS, CVSA
Elamin Mohamed	FHWA 396, Appendix G
Mailin Diaz	COMAR BUS
Marquette Coleman	CVSA, FHWA 396
Kevin Lindsey	FHWA 396, Appendix G
Mostafa Starli	CVSA, FHWA 396
Marc Bowlby	FHWA 396, COMAR BUS
John McGuigan	FHWA 393
Jonathan Epps	FHWA 393
John Spears	FHWA 393
Jotodrick Williams	FHWA 393

"You Gotta Have Friends!"

Fleetpro has joined the social media revolution! Friend us on Facebook to get regular posts about our business, customers, as well as interesting articles and useful information about the fleet industry. You can also connect with Fleetpro by following us on LinkedIn.

LinkedIn



Visit our website www.fleetpro.com for links to our social media pages.

Fleetpro Team Birthdays

JANUARY

Roland Ford	January 10
Warren Hebron	January 15
Domingo Tolentino	January 15
Slavko Lojanica	January 22

FEBRUARY

Tom Farcosky	February 7
Chantell Briggs	February 19
Bill Hyde	February 20
Christina Pollikof	February 28

MARCH

Zeinelabidin Hamed	March 6
John McGuigan	March 8
KJ Reynolds	March 8
Carlos Ugaz	March 15
Michael Allen	March 20
TK Kilchenstein	March 30



Is Your Business Ready for Tax Season?

2013 marks the 100th anniversary of the IRS. Chances are, you won't celebrate this occasion with cake and a gift, but it is a good idea to devote some time and effort to your relationship with the IRS. To keep your business running smoothly, it is critical to prepare for tax season.

Keep Accurate Records

Whether you plan to file taxes yourself, or if you have a professional tax accountant, the most important first step you can take is to organize yourself. Know what you need to keep and what you can throw away. It is vital to maintain the right records, including receipts, bank statements, and invoices.



Track Payments to Subcontractors

If you have paid a subcontractor in 2012, you must keep track of those payments. If you have paid a subcontractor more than \$600 over the course of the tax year, they are

required to complete a W-9 form and return it to you.



Take Advantage of Tax Deductions

A tax deduction is an expense, something that you paid for during the year to run your business. This expense gets subtracted from your taxable income. There are countless tax deductions that small business owners can take advantage of.

Your tax professional should be able to find all available items to deduct and keep more money in your bank account.

Know Your Dates

Corporate tax returns are due by March 15, 2013, but can be extended until September 15, 2013.



Visit: www.truckinginfo.com/news for more information.

Advances in Advertising Technology are a Major Road Risk

We have all seen billboards on the side of a highway. Many of us have seen newer digital billboards. These advertising platforms not only flash from one ad to the next, but ads showing on them include motion and video, not just a static image. Obviously, it is the goal of billboards to attract the attention of would-be consumers, but in the digital age, are these newer billboards becoming too much of a driving distraction?



Advertising companies and the electronic billboard advocates say that the e-billboards are no different fundamentally from a vinyl-clad billboard, except that the messages change. In July 2012, a study emerged from Sweden, "Effects of Electronic Billboards on Driver Distraction," published in the *Journal Traffic Injury Prevention*.

The way that the researchers describe it, several processes are going on in drivers' minds as they travel along a road. They scan the environments for inconsistencies in normal traffic patterns. They will watch for signs displaying relevant information to their trip, like an exit number or a speed limit sign. While scanning for irregularities, drivers tend to notice things that they are interested in, or that succeed in getting their attention. Things that are over and above the usual visual clutter, like the e-billboards that shine brighter than most other things around them and have movement.

The Swedish research team says that responses can be reflexive, habitual, or controlled. A reflexive response is involuntary - something that grabs the driver's attention. An habitual response has the driver look because it's something out of the ordinary. A controlled response has the driver looking because he or she is interested and wants to look.

If electronic billboards absorb the drivers' attention for longer than intended, drivers may become distracted, an unfortunate consequence of the advertisers' ultimate goal to have their message remembered. To do that, these flashy billboards must exert more influence over the drivers' attention than anything else on the visual horizon.

To read more, including the original Swedish research study, visit: www.truckinginfo.com/news


Alternative Fuels


Though most industry experts believe that conventional diesel fuel will remain the dominant fuel for commercial vehicles for decades to come, there is a growing interest in alternative fuels.





Although new technology has made it possible to get to previously untapped oil reserves, it's also harder to get to that oil. That, along with growing global demand, means oil will continue to be expensive. There is still concern about U.S. dependency on foreign oil. Alternative fuels can make sense for some trucking operations and for some shippers as a way to address concerns about price volatility, the environment and a "green" image.

NATURAL GAS


 **What is it?** Natural gas is a mixture of gases formed from the fossilized remains of ancient plants and animals buried deep in the earth. The main ingredient is methane. Natural gas is stored and handled as compressed gas (CNG), where it can be used for local and regional operations. Natural gas can also be cryogenically liquefied (LNG), which makes it better suited for long-haul operations.


 **Pros:** The US has vast natural gas resources. Current fuel prices are low. Even without government incentives, many fleets still find solid ROI in using natural gas.


 **Cons:** Natural gas is produced through a controversial process called "fracking." Range is an issue, but fueling infrastructure is growing. Vehicles using natural gas have bulky, heavy onboard tanks. There are stiff up-front costs for vehicle equipment and fueling stations. As demand climbs and drillers cut back on production, gas prices could rise.


 **Current Usage and Technology:** Natural gas infrastructure is expanding. Freightliner Trucks and Westport Innovations ran cross-country trips in CNG-powered trucks in June 2012 to prove the availability of the fuel on the road. Cummins currently builds an 8.3-liter spark-ignited engines, which some truck manufacturers offer with CNG equipment, and is working on a 15-liter that can run CNG or LNG. Some truck makers also offer Westport's dual-fuel (gas & diesel) engine with LNG equipment. Volvo and Mack will have a dual-fuel LNG 13-liter engine in 2014. Ford, General Motors and Ram will offer bi-fuel setups, where CNG and gasoline are burned separately, in certain pickup trucks by Fall 2012.

BIOMETHANE


 **What is it?** Biomethane is chemically identical to conventional natural gas, but is produced locally from organic waste such as animal manure or sewage.


 **Pros:** Biomethane produces low greenhouse gas emissions. It is a renewable resource that makes use of what otherwise would be waste.


 **Cons:** High capital costs for facilities to refine biogas to the quality needed to run in engines. There are also potential water pollution concerns.


 **Current Usage and Technology:** Waste Management runs a number of trucks on liquefied biomethane from decomposing waste at landfills. Dairies are turning cow manure into biomethane to run their trucks.

PROPANE


 **What is it?** Tri-carbon alkane that's a gas at atmospheric pressure, but liquefies under low pressure. Propane is produced from natural gas processing and crude oil refining. It is nontoxic, colorless, and virtually odorless.


 **Pros:** Currently inexpensive like natural gas but contains more energy. Filling facilities are less expensive. Produces fewer emissions than gasoline. Suitable for lighter-duty vehicles. Popular as a vehicle fuel overseas, where it is called "autogas."


 **Cons:** High up-front cost for conversion. Better-known in the U.S. for barbecues and rural heating than for vehicle power.


 **Current Usage and Technology:** Several companies offer propane conversion packages for Ford, GM and Ram trucks and some buses.

BIODIESEL

 **What is it?** This fuel source is made from plant or animal fats such as soy, canola, even used fryer oil. Usually blended 5% or 20% with conventional diesel.

 **Pros:** Renewable fuel, domestically available.

 **Cons:** Prices are slightly higher, with lower fuel mileage than diesel. There are also quality concerns; Biodiesel may not be reliable as a fuel source in extremely cold weather.

 **Current Usage and Technology:** The next generation of biofuels may be made from algae.

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DIESEL-ELECTRIC HYBRID



What is it? An electric motor provides additional power to launch the vehicle and improves fuel economy in stop-and-go operations.



Pros: Hybrids don't require separate fueling infrastructure, and have greatly improved fuel mileage. Optional electronic PTO can mean even more savings for high-idling applications such as utility fleets.



Cons: Use currently is largely limited to operations with a lot of stop-and-go operations, such as refuse trucks or package delivery. There are higher up-front costs than traditional diesel.



Current Usage and Technology: Most medium-duty truck manufacturers offer Eaton's hybrid system, and BAE Systems now has one for heavy-duty and medium-duty trucks.

HYDRAULIC HYBRID



What is it? Uses pressurized fluid, instead of electric power, as an additional or alternative power source along with an engine. Recovers the vehicle's kinetic energy during braking and decelerating.



Pros: Better fuel economy, decreased brake wear.



Cons: Only makes sense for stop-and-go operations such as refuse trucks and city buses.



Current Usage and Technology: Available as retrofit or as a factory option for some OEs using Eaton or Parker Hannifin systems.

ALL ELECTRIC



What is it? Runs on batteries charged by plugging in to the electrical grid.



Pros: Lower cost per mile, less maintenance, quiet ride, produces few emissions (some emissions are produced from electric generation).



Cons: Higher up front costs, range anxiety, infrastructure/power grid concerns, battery costs.



Current Usage and Technology: Companies running battery-electric delivery trucks include Frito-Lay and FedEx.

More People Catching the Bus

A recent news story from Charlotte 14 News looked at bus travel in the Charlotte metro area. The bus industry is changing: many transit services are beginning to offer luxury seating, WiFi, panoramic windows, and more. A recent study released at the American Bus Association convention in Charlotte, North Carolina says intercity bus service grew 7.5% between 2011 and 2012, making it the fastest growing form of travel in the United States.



As the industry grows, however, the need for enhanced safety requirements is growing as well. The federal government has started to crack down on unsafe bus operations, shutting dozens down across the country in the last few years. Last year, Congress passed a transportation bill calling for bus safety improvements. The legislation sets deadlines to establish regulations within the next two to five years. These new regulations would require buses to have seat belts, stronger roofs and anti-ejection glazing on windows.

Many transportation industry experts say that bus transit will be the safest mode of transportation.

A Glance at New Vehicle Acquisition

According to NAFA's 2012 New Vehicle Acquisition Survey, the "Detroit Three" remain kings of the fleet industry, although Toyota continues to make a strong push. Corporate fleets remain more open to offering options for their drivers than public fleets. Public Fleets (consists of public service, law enforcement, utility, or university fleets) continue to purchase the majority of their fleet, while corporate fleets are far more likely to lease.

How do you acquire the majority of your fleet?

84.6% of Public Fleets purchase vehicles, while 58.9% of Corporate Fleets lease vehicles.

Do you have a program in place to measure the performance of your OEMs?

Public Fleets: 23% yes, 77% no

Corporate Fleets: 38.2% yes, 61.8% no

What are the Top 5 most important factors for purchasing?

Public Fleets responded

Corporate Fleets responded

1. Job suitability

1. Lifecycle cost

2. Serviceability

2. Job suitability

3. Initial cost

3. Safety record

4. Safety record

4. Fuel economy

5. Lifecycle cost

5. Initial cost

To read more about this survey, check out *FLEETSolutions* magazine, September/October 2012.

The Fleetpro System: Tracking Issues and Concerns

For more than 30 years, Fleetpro has used an industry-leading system for Preventive Maintenance and Inspections. Our system includes components to assist with scheduling services, identifying vehicles and engine/mechanical components due for service, exception reporting with a detailed degree of severity explanation, vehicle service history, invoicing, customer service, and more.

We provide quality service, and always aim to be the best that we can be for our customers. In the rare instance that we miss our mark, we have an internal system in place that we are immediately able to follow up with the issue. If a customer has a question or concern about a scheduled service, they can call or e-mail their account manager or one of our customer support staff. When that happens, an issue is created internally, describing exactly what the customer states took place. That issue is immediately forwarded to the appropriate person within our organization for immediate follow up.

To learn more about the Fleetpro system, you can visit our website, www.fleetpro.com.

Transportation Funding Issue Makes Top of List in Annapolis

Maryland's budget and budget concerns drive many, many issues in Annapolis. Among those, this year will be transportation funding.

Maryland is expected to run out of money after fiscal 2017 to maintain existing transit and highways, warned Warren Deschenaux, director of the legislature's Office of Policy Analysis in the Department of Legislative Services. "The condition of our transportation trust fund (TTF) is indeed quite dire," he said. Here are some other interesting facts about transportation funding into the future:



James E. Malone, Jr.
Delegate, District 12A
Baltimore & Howard counties

Last year, my survey respondents from District 12A overwhelmingly "strongly opposed" an increase in the gas tax as a way to fund roads and highways. This year appears to be going in much the same direction, although the survey does not close until January 30th.

This year as the issue returns, legislative leaders continue to search for ways to fund these transportation initiatives without heavy, if any, reliance on a gas tax.

Regionalizing Maryland's transportation system is one solution policy leaders on the budget committees are considering. Increasing the amount of money the state recovers from mass transit riders is another approach.

Bottom line is this: Legislative leaders realize the challenges imposed by our state transportation needs; I expect reforms will emerge to change/update funding for the transportation systems.

The Governor will reveal over the next couple weeks whether an increase in the gas tax or sales tax will be part of his initiative to replenish/raise transportation funds to meet these needs. Even if it is, the Governor's proposal still has to pass the House and Senate. Whether it will pass legislative muster, though, remains to be seen.

The information in this article is from the Malone Report.

Fiscal 2013 Projections

Total Revenue = \$3,766,000,000

Roughly 55% of the revenues are generated from the motoring public (gas tax, titling tax, registration fees, MVA fees, etc.).

24% of the TTF will be spent on Highway Spending in 2013, while 48% of the TTF will be spent on mass transit.

Recent forecasts predict an underfunding of the capital program by \$2 billion. MDOT would like to increase debt by \$1.9 billion to support the program.

By 2018, there will be no funding for highway capital funding even if the gas tax is doubled.

Fairbox recovery for the 3 mass transit systems in the state were reduced from 50% to 35% in 2008.

Highway User Revenues (HUR) have decreased from \$467 million in 2009 to \$163 million in 2013 - leaving our local communities struggling with maintaining the roads.