

## Marrying a commodity with technology

By Justin Carrelta, online news editor

Nov 27, 2007 12:00 PM



There can be more to fueling vehicles onsite than just the fuel. That's the contention of 4Refuel, a fuel management company based in Langley, BC, now expanding into the United States, launching its first franchise in Seattle on August 1st. The company hopes to have 50 to 75 tanker trucks operating in the U.S. by the end of 2010.

According to 4Refuel, its fuel management system helps reduce costs and increase productivity by tracking fuel burned and by providing 24/7 onsite diesel refueling. Clients are provided information such as when fuel is delivered, what trucks it is delivered to and total fuel usage. This information is accessible online at any time.

Onsite delivery will save time and money for fleets, the company said. "It may take 20 minutes to get off the road.... you have to spend money to pick up fuel," Jack Lee, 4Refuel president & CEO, told *Fleet Owner*. "You could easily burn half a gallon or a gallon refueling." He added that using such a system could reduce overtime and increase productivity by maintaining a fuel schedule.

According to Lee, although fuel is the second-highest expense for fleets after labor, very few effectively manage their consumption. Fleets usually do not take labor, insurance, theft, loss of productivity, and inefficiency into account when computing their "true cost" of fuel," he explained.

"Fuel has always been seen as a commodity," said Norm Bogner, 4Refuel's vp of international development. "We are not selling fuel. We are selling service and business intelligence so companies can better manage their business. We're merging the delivery of a commodity with technology."

The technology includes 4Refuel's Fuel Management Online (FMO) system, which provides account information and tracks consumption with the aim of eliminating wasted fuel. "Every delivery, by location, time of day, is stamped electronically," said Lee.

A leader in Canada, serving companies such as FedEx, Coca-Cola, and Tim Horton's, 4Refuel's first franchise in Seattle (approximately a 2-hour drive from its Langley headquarters) is the first step of its expansion. The company intends to initially concentrate on expansion throughout the Western U.S., granting franchisees exclusive territories in which they would have to operate at least 10 tanker trucks within four years.

"There is going to be more competition in the United States, but who are we competing with?" said Lee. "We do onsite refueling but when we add our technology and fuel management principles, we differentiate ourselves from our competition. We are supplying the tools to help minimize the fuel our clients burn and maximize the productivity they get from their engines."