



LOGISTICS

CASE · FINDING THE WASTE, FIXING IT

PMG HOLDINGS · IN-HOUSE DELIVERY FLEET (17 TRUCKS) · OPERATING-PARTNER LENS

We found ~\$129K of hidden cost in a 17-truck fleet — and fixed it for \$34K

THE SITUATION

PMG’s industrial business ran its own **17-truck delivery fleet** — ~70 deliveries a day (two high-volume drivers doing ten between them, fifteen more at four apiece). On paper it worked. In practice, **one or two loads missed every single day**, so a backup driver sat permanently on call. The drivers were long-tenured — like family — and every miss came with a familiar excuse. We went in the way an operating partner does: **not to hear the story, but to measure it** — GPS, daily logs, a stopwatch on the dock.

THE TRUCK-DAY — ONE 8-HOUR DAY EACH

Start of shift → end of shift



2-3 trucks a day sit 2+ hours.

The dock, not the driver.

The waste isn’t spread across seventeen drivers. It’s a few trucks standing still — the cause is upstream of the cab.

On the road 2+ hours waiting at the dock — a quarter of the working day, gone

WHAT THE NUMBERS SHOWED

The waste hid inside “labour” and “we need a spare driver.” At a loaded driver cost of **\$37.80/hr**, two costs stood out and added up to a six-figure annual leak:



Plus ~\$144K/yr of billable capacity — ~1,400 driver-hours the fleet could have sold at \$140/hr but spent waiting.

WHY IT WAS HAPPENING — THREE CAUSES

The dock, not the driver. Two to three trucks a day sat 2+ hours because the forklift and dock crews weren't staging loads ahead — and often there weren't enough trailers on site to pre-load one.

The clock. GPS and daily logs showed a handful of drivers taking longer routes and pulling off — because they were paid by the hour and knew a full day was a full day, loaded or not.

No accountability. With no data, tenure won every argument — the same excuses had run for years because nobody could prove otherwise.

THE INTERVENTION — \$34K OF CAPITAL, NOT A REORG

Rented four trailers (~\$34K/yr) so a loaded trailer is always staged and ready. Against ~\$129K of annual waste, it was the easiest capital decision in the building.

Re-sequenced the dock to stage loads before the driver arrives, and put every route and hour on **GPS with findings written into formal performance reviews** — behaviour on the record, and a clear read on who to keep heading into slow season.

A textbook case for automation. GPS, staged-load scheduling and performance dashboards now do this monitoring continuously — the system we install across the freight platform.

OPERATOR'S NOTE • THE ART OF EXECUTION

The real danger here isn't the analysis — it's what the analysis can break. These drivers and owners had trusted each other for decades, and those bonds don't rebuild on a spreadsheet. Hold people accountable carelessly and you win the argument but lose the culture. The craft is getting done what the business needs while keeping the relationships intact — pressure and trust at the same time. Most people treat this as a numbers problem. It isn't. That balance is the art of execution — and it's where value creation lives or dies.

THE VALUE CAPTURED

\$129K FOUND

\$34K FIX



Hidden cost found / yr

Cost to fix it — trailers

\$34K deployed against \$129K of waste — the fix is roughly a quarter of the leak.

3.8×

cost removed per \$1 • ~\$95K net / yr

ON-TIME DELIVERIES

90% → 97%

The operating-partner playbook in one move: measure the waste the owner can't see, **deploy small capital against it**, and turn the on-time rate into margin. It's exactly what we do on every book we buy in the freight platform.