Flatbed Hauler Specs for 'Flexibility'

Dan Roney, president of Trucking Services Inc., Dearborn, Mich., feels that equipment versatility allows his fleet to accommodate a wider variety of heavy-hauling tasks

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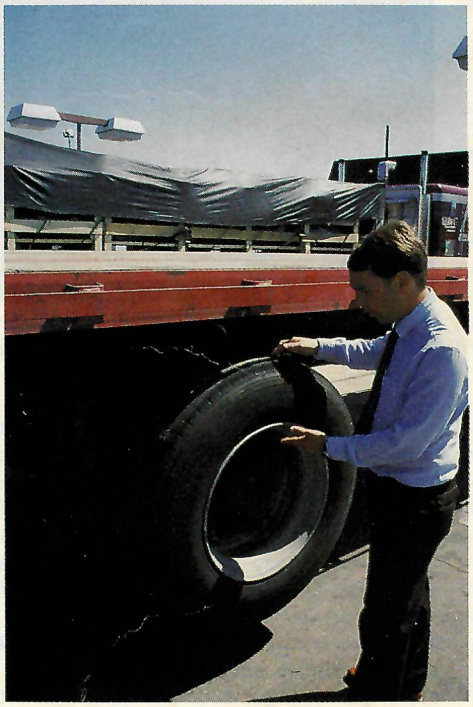
Ever since deregulation became a serious force in trucking, fleet managers have argued—and taken positions on—the question of owned equipment and company drivers versus hiring independent contractors.

Not that those managers had nothing to argue about before dereg. There was always that never-ending debate over the wisdom of spec'ing equipment for the job at hand versus spec'ing for what the fleet might be doing tomorrow, next month, or next year.

Rarely, in either argument, is the decision simple. And, answers arrived at are subject to change.

Some fleets contend that part of the answer—or answers—is "flexibility," running equipment that is suited to more than one job. An almost-perfect example of what that means in the small-fleet arena can be found in the history of Trucking Services Inc., a Dearborn, Mich.-based common carrier that uses both company drivers and owner-operators, and which serves a broad range of customers. This trucking company makes equipment flexibility its byword.

Basically a flatbed operation, with 20 of its own power units and 20 owner-operators, Trucking Services traces its origins back to the 1950s (see sidebar). Today, it mainly hauls construction materials—"everything that goes into constructing a building"—but it also does railroad drayage, moves oversized loads, and pulls standard van trailers. And it does so successfully for a variety of shippers—manufacturers, wholesalers, and retailers—with no single customer accounting for more than 15% of its business.



Trucking Services' Dan Roney inspects flatbed lift-axle assembly in raised position.

Most of the credit for the fleet's success can be traced to its emphasis on flexibility in personnel practices, and equipment spec'ing. And the key factor in equipment is president Dan Roney's skill in both spec'ing new tractor components, and obtaining used power units and trailers that can take on many varied roles in his business.

Currently, Trucking Services runs three types of flatbeds: standard tandem-axle units for 80,000-lb.-GCW assignments, tri-axles with 9-ft. spreads, and long multi-axle doubles trailers that can carry loads up to 135,000-lb. GCW.

Roney's approach to spec'ing equipment for his fleet sounds simple: He picks power units and trailers that can provide him with the best all-round heavy-hauling performance. "We even check with our competitors to learn about their experiences with individual truck components," he says. "For instance, they all told us that air suspensions are the way to go.

"Looking back, air suspensions certainly were a correct choice in our new and used equipment. Driver comments and our maintenance records verify that they ride better and cost less to maintain."

When shopping for used equipment, Roney is concerned with utility as well as flexibility. He especially seeks power units that have just come off lease

and, preferably, have undergone recent major-component overhauls. He says he road tests them and reviews service records before buying.

However, when he spec'ed seven new Peterbilt 362Fs, he kept flexibility uppermost in mind. Foreseeing the possibility that his fleet might one day be pulling more van trailers than flatbeds, he made certain that he could easily outfit the new tractors with certain aerodynamic add-ons, such as cab fairings and air deflectors, to improve their overall fuel efficiency when pulling van trailers.

He claims that spec'ing in this manner pays off in added utility. One example is the intermodal drayage service he has just begun in Detroit, in which he claims to be getting 6.2 mpg from those Petes when pulling Roadrailers. The same tractors, he adds, are getting 5.5 mpg hauling oversized loads and 4.7 mpg pulling 135,000-lb.-GCW Michigan doubles.

Roney spec'ed the Petes with Fuller RTO 14613 overdrive transmissions because the gearbox has both the torque capacity to handle 400-hp. engines and a "creeper" gear to help a driver get a 135,000-lb.-GCW unit out of a difficult construction site. "We also spec'ed a heavier-than-usual 15½-in. clutch, even though a 14-in. one would probably have done the job," he says.

At times, however, Roney's concept of flexibility in spec'ing new equipment to stand up to the rigors of heavy-hauling requires further explanation. For instance, he believes that many fleets opt for engines under 300 hp. because they can't control drivers any other way. Roney takes an opposite approach: He deliberately specs 400-hp. engines because he needs the reserve power.

Also, says Roney: "An inexperienced driver will not automatically get good fuel economy with a lower-horsepower engine because he tends to work the engine too hard." Nor does he believe that good drivers will always get the expected fuel-economy results with smaller engines. "Our records indicate that 400-hp. engines are less stresssed and give longer life with better fuel economy, provided the drivers are trained to use that extra power judiciously."

Trucking Services is trying to ensure its drivers will use the power sparingly with a fuel-saving incentive plan. "We're paying bonuses to the drivers," Roney says. He notes that in one case a driver has already boosted his average from 4.2 to 5.5 mpg.

According to Roney, tires are a major expense on his fleet's multi-axled rigs. "Spread-axle flatbeds are very tough on tires. The axle that slides will scuff tires, but oddly it's not always the same axle. One factor that determines tire scuffing is loading."

Right now, Roney is talking to manufacturers and, hopefully, he'll get an answer on how he can get better tire wear on spread-axle trailers.

Bringing maintenance inside

Keeping a varied group of shippers happy means the fleet has to render reliable service with conscientious drivers (both company and independent), and reliable equipment.

While Roney currently depends on outside shops to service his rigs, he says that Trucking Services is ready to establish an in-house maintenance operation within the next six months.

The company had rationalized its outside-maintenance policy on the basis of its relatively late-model equipment, but Roney knows that as his equipment ages, maintenance expenses will go up, as the operation expands and more used equipment is added.

With outside shops now billing at more than $30 per hour for labor and charging big markups on replacement parts, Roney figures he is spending $150,000 to $160,000 annually for maintenance. He believes he can save enough money just on parts and labor to justify doing his own preventive-maintenance work.

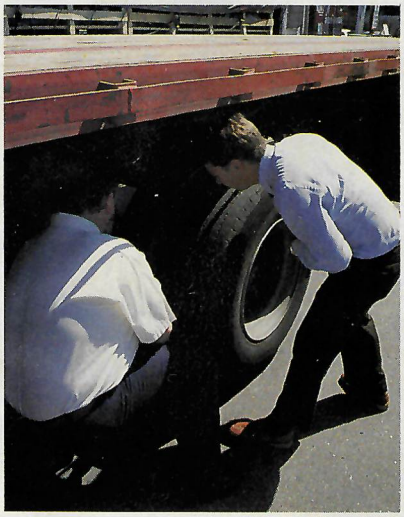
While Trucking Services' benefits from Michigan's big payload factors, it does pay a big tire-wear penalty. Roney is looking for a way to reduce tread scuffing.

Roney's proposed shop will concentrate on PM and light repairs, and will do no heavy engine maintenance or overhauls. "Cummins of Michigan (Detroit) has done an excellent job for us on the heavy stuff, so why should we get into something where we don't have the expertise?" Roney asks.

Dealing with owner-operators

Since owner-operators are so essential to the fleet's success, Roney works closely with them to make sure they are treated fairly and that their equipment is maintained to company standards. Interestingly, some of the owner-operator tractors were once listed on Trucking Services' equipment roster and were transferred to the owner-

Operators in Michigan are allowed to haul GCW's in excess of the federal 80,000-lb. limit. Trucking Services' 9-axle doubles rig grosses up to 135,000-lb. GCW.



Part of the answer to fleet's tire-wear problem may be more careful loading.

operators under terms of a special lease-purchase program.

"When an owner-operator's truck breaks down, his first thought is, 'How am I going to pay for this?' An owner operator in that predicament may waste two days' worth of productivity trying to figure out what to do next, while losing revenue, " says Roney.

His solution was to maintain special escrow accounts for his owner-operators. Trucking Services' owner-operators contribute to those accounts on a weekly basis. "It's like forced savings," he says. "But when cash is needed for repairs, it is available."

Also, Roney directs owner-operators needing mechanical help to two or three reputable shops that can remedy problems fast. He makes a point of telling his owner-operators to steer clear of facilities that offer low prices as come-ons. "Once those shops have torn a component apart, they try to charge extra for things that they 'didn't see' in the original estimate," he warns. "Before an owner-operator knows it, he will be spending more money than if he'd gone to a reputable shop in the first place."

Long-term relationships

By taking the trouble to develop business relationships with his owner-operators on the basis of fair compensation, repair escrow accounts and vehicle lease-purchase plans, Roney has found that the independents not only stay loyal but come to him for advice before buying their next truck.

"Quite often, we've seen owner-operators buy trucks without even thinking about whether they are properly suited for the job," Roney says. For example, he recalls one driver who got a "good deal" on a used truck with a 20,000-lb. front axle. "That unit was used for pulling Michigan trains. In 80,000-lb. operations, it rode terribly," says Roney. "Worse, nothing could be done about it, short of replacing the entire front suspension." Roney always advises owner-operators about to buy a used truck to consider the effect fuel economy can have on profits.

Roney has given a lot of thought to what constitutes fair compensation. He won't pay owner-operators on a mileage basis. "Instead, we pay on a percentage-of-haul, because of the variance in our load factors.

"When GCWs vary from 45,000 lb. to 135,000 lb., a carrier can't base compensation on a flat per-mile basis and make it equitable to all." Roney feels owner-operators must be specially compensated for heavier loads because of the extra care needed in securing and unsecuring such loads.

Rebirth of a flatbed fleet

As president of a trucking operation that traces it history to the 1950s and even further back, Dan Roney realizes that his attention to component spec'ing is the outgrowth of many years—his and his forebears'—of practical trucking experience.

"My grandfather started it," he says. And in the 1950s, Walter Roney, Dan's father, owned a major trucking business in Dearborn that ran 600 company-owned power units, had 1,000 trailers, and used 200 owner-operators.

Roney notes that even in those early days, when equipment and operating costs were much lower and rates were protected by ICC regulation, the mix of owned and owner-operator equipment always varied widely.

Initially, we relied wholly on owner-operators," explains Roney. "Then, we switched to company-owned trucks. Later, we went owner-operator for a couple of years and finally returned to company-owned trucks."

By the time Dan came into the picture 11 years ago, his father was ready to shift gears and concentrate on the development of a truckstop he owned on Van Born Road, a main artery in Dearborn Heights, not far from Trucking Services' headquarters.

Dan, however, was determined to stay with trucking and to remain as flexible as possible as he managed the business. "There were only a few units left at the time," he recalls. "and we had just a couple of accounts in the building-materials sector. As the fleet gradually landed new accounts, says Roney, "We made a lot of 50- to 100-mi. hauls, and sometimes 300-mi. hauls, to job sites."

"From that point, we gradually grew into a heavy-hauling niche," he explains. "Michigan's weight laws allow intrastate operators to gross much more than the federal 80,000-lb. maximum, provided the rigs have a sufficient number of axles.

"To get extra carrying capacity, we started running tri-axle flatbeds with 9-ft. spreads that can handle 100,000-lb. GCWs in some areas."