

FLEXIBILITY AND EFFICIENCY DRIVE SAVINGS

New specialty chassis save money in the long haul



OVERVIEW: WHAT WE ACCOMPLISHED

CUT REPAIR COSTS

As an HTA member, TGS has exclusive access to our new chassis instead of older pool chassis. This has significantly cut TGS' maintenance and repair costs, which have decreased 25% for tires alone.

SPED UP TRANSACTION TIME

TGS dispatchers source their Milestone-leased chassis through ChassisFinder, instead of having to sort through chassis stacks at the terminals. This has sped up transaction time by 30-45 minutes.

SAVED MONEY

Our new chassis reduce lost driving time from fewer breakdowns as well as speed up transactions. This has saved TGS \$250,000 annually from not paying its drivers for waiting instead of driving.

▶ THE BACKSTORY

T.G.S. Transportation, Inc. (TGS) is a California company that offers international drayage services. Since its inception in 1985, TGS has maintained an unwavering commitment to delivering its customers' products on-time in the safest manner possible every day. TGS distinguishes itself in a highly competitive market by delivering on this commitment every time.

▶ THE CHALLENGE

TGS serves the Oakland and Los Angeles/Long Beach ports, and initially utilized only the ports' pool chassis, which are older with outdated features like 2-piece, 5-spoke wheels and bias ply retread tires. This led to increased maintenance and repair costs, reliability problems and safety concerns. "We spent upwards of \$50,000 a year maintaining and repairing the tires alone on the port pool chassis," according to TGS Executive Vice President Peter Schneider. "We could not recoup this cost and the associated costs from paying idled drivers and delaying deliveries to customers."

Relying exclusively on the ports' chassis pools also required the drivers to search the pools for a chassis that fit their needs. This added as much as 45 minutes to every transaction, which cost TGS money to pay company drivers who were not on the road.

This inefficiency also created delays that risked TGS' reputation of on-time delivery, a differentiator from its competitors. Sub-haul drivers used by TGS also lost money from sitting idle instead of driving deliveries.

Another downside of using the ports' chassis pools was their lack of flexibility. For its international drayage business, TGS requires specialty chassis that can haul both 20- and 40-foot containers with a cargo weight of up to 47,000 pounds. However, the ports' chassis pools had limited specialty chassis that could accommodate multiple container types in one chassis. This resulted in the company dispatching multiple trucks for the same load, creating additional inefficiencies and costs.

▶ THE SOLUTION

TGS is a member of the Harbor Trucking Association (HTA), an advocate for creating equipment standards in the intermodal industry.

HTA partnered with Milestone in 2016 to provide its members exclusive access to a diversified fleet of 2016 or newer chassis.

These feature the most modern specifications including radial tires, hub-piloted disc wheels, anti-lock braking systems, LED lighting, automatic tire inflation and upgraded suspensions, wheel ends, and landing gear.

"With our experience and growth, we knew committing to new chassis would address the older chassis issues

that have hampered productivity and efficiency in the industry,” according to Doug Hoehn, Milestone EVP of Chassis & Containers. With access to these new chassis as an HTA member, TGS has significantly reduced the \$50,000 tire maintenance and repair costs it experienced with the older chassis.

“Despite doubling our number of drivers and trucks over the past two to three years, our tire maintenance costs have actually decreased by 25 percent,” notes Schneider.

As an HTA member, TGS’ dispatchers can book chassis online 24/7 at www.chassisfinder.com rather than picking through the ports’ chassis pools. Milestone’s new chassis fleet also includes lighter specialty chassis that are invaluable to TGS business. “The 20’/40’ combos can handle our heavy agriculture loads with ease, allowing us more flexibility and efficiency in our operations as each no longer have to switch between a 20’ and 40’ chassis for each load,” explains Schneider.

This exclusive access to Milestone’s new specialty chassis speeds up transaction times for drivers so they spend more time on the road – ensuring on-time deliveries for their customers while saving TGS money.

By reducing time waiting for or switching out chassis for 25 TGS drivers by at least one hour on a single daily chassis pickup, Schneider estimates TGS saves at least \$250,000 annually. This also enables the nearly 90 sub-haul drivers TGS uses to spend more time on the road earning money, which keeps them happy to work for TGS.

In addition to the financial and operational benefits of the modern Milestone chassis, there is another benefit that cannot be measured in dollars – pride!

“Having pride in your work is extremely valuable to a truck driver. Driving with a new chassis says that your company is investing in their future, company driver or subhauler,” explains Schneider. “It rides nice on the road and, it looks nice too!”

WHY CHOOSE MILESTONE?

**NEWEST
U.S. CHASSIS FLEET**

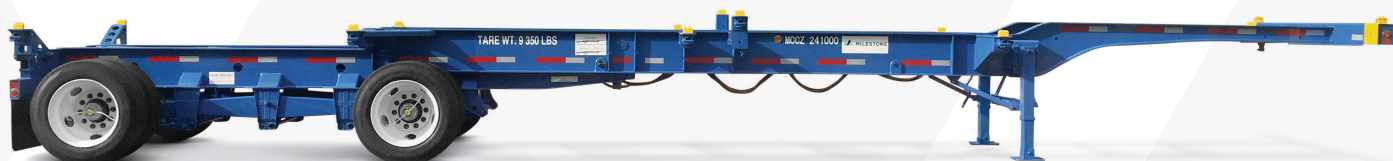
**SHORT- & LONG-TERM
LEASING OPTIONS**

**34 LOCATIONS
NATIONWIDE**

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DAILY RENTALS**

**RESERVE CHASSIS 24/7
VIA CHASSISFINDER**

**DEDICATED
CUSTOMER SERVICE TEAM**



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