

AGE/CON: Repair or Replace Decisions for Fleets

Purpose of Software:

- To predict the optimum time at which **vehicles** should be replaced
- To balance the decreasing cost of ownership with the increasing operations and maintenance cost
- To find the lowest point on the total cost of ownership curve
- Decision support tool for Repair or Replace
- Applies statistical analysis to mobile equipment for the purposes of optimizing maintenance and replacement costs – trucks, buses, cars, fork lifts etc

Benefits:

- Improved decision making, reduced cost
- Shows the Equivalent Annual Cost (EAC) curve (based on purchase price, operations and maintenance costs)
- Prompts the replacement decision at the lowest EAC
- Determines the right Repair or Replace decision
- Monitors individual vehicles to identify the optimum replacement or disposal time
- Predicts the cost curve based on past data (where historic data exists)
- Tracks the cost curve based on current data (where no historic data exists)
- Easy to use data entry screens requires little training
- Easy to read graphical output shows results at a glance
- Simple graph export routine to show results in PowerPoint, Excel etc
- Shows the cost impact of varying average distance travelled per vehicle
- Provides "what if" model for variances in taxes, inflation and discount rate

PRODUCT PROFILE

For more information, please contact our partner:

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Basic Input Data:

- Acquisition and replacement cost
- Utilization profile (steady number of miles/year, kms/year, variable, intermittent)
- Inflation rate for the period
- Discount rate for the present value of future cash flows
- Tax rates
- Operations and maintenance costs
- Major repair costs
- Resale value

Outputs:

- Equivalent annual cost (predicted annual cost of owning and operating the vehicle)
- Best year for replacement
- Graphs of the cost curve
- Exportable graphs of the cost curve
- "What if" analyses based on changes in assumptions
- Decision on repair or replace based on EAC

Target Industries:

- Any industry where a vehicle fleet is a significant part of their operations
- Bus fleets, trucking companies, car rentals, leasing companies
- Delivery and courier companies, mail delivery
- Any heavy industry such as mines, steel, metals processing, chemicals, oil and gas, petrochemical, pulp and paper
- Municipal, state and federal departments, military, customs, airports, sea ports
- Telecom, gas, electrical, water distribution companies
- Companies doing office and home visits, health care, maintenance
- Success stories in ports, metals processors, trucking and logistics, municipalities etc