Case Study: How to Develop a Global Fleet Program from the Ground Up

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Managing Director
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Paul Hollick
The Miles Consultancy (TMC)

Next Generation of Fuel Management
Elevate your Fleet Data reporting & analysis
Road Risk Compliance Solutions
Case Study: How to Develop a Global Fleet Program from the Ground Up

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Case Study: How to Develop a Global Fleet Program from the Ground Up

John Dmochowsky
Senior Global Fleet Manager
Mondelēz International
THE WHEEL OF GOOD FORTUNE

- Have a Good Understanding of the Local Market Conditions
- Utilize a Global Reporting Tool That Identifies Fleet Trends
- Strategic Fleet Management Company Partner
- Strategic OEM Partner
- Mondelēz Internal Stakeholders
- Committed To Your Global KPI's
- Continue Improvement Mindset
- Governance Team

*GlobalFleet Conference*
A Global Fleet Initiative will help deliver the right relationship for Mondelez; delivering TCO savings and growth for our preferred partner(s).

Strategic Partnerships
- Strategic partnerships with selected supplier(s) who can help us achieve our strategy:
  - Top tier margins
  - Innovation
  - Best in class Continuous Improvement processes & tools

Supplier Consolidation
- Supplier consolidation to simplify operations globally
- Create Global partnerships with selected provider(s)

Create Value for both
- Strategic Partner Wins
- Mondelēz Wins

Mondelēz International Confidential
LatAm

Mexico Focus

Diego Ferto
Sales Distribution Manager
Moving from Vans to Subcompact

Previously
Total Fleet with vans

Local Requirements
(Urban territories)
- Smaller Car
- Parking Issues
- Road Restrictions
- Used Loading capacity
- Pollution Contingency

Global Strategy reference
"Moving to smaller Cars"

Results
SubCompact Car
Upfitted with OEM collaboration
Savings:
- Leasing
- Maintenance
- Insurance
- Fuel economy

Previously Local Requirements (Urban territories)
Working with Global Strategy

- Success
  - rebates
  - Better prices
  - Savings
  - Process Simplification

- Global Strategy

- Challenges
  - Limited OEM Models for local Market
  - Regionalization
  - How Leasing companies work per country
  - Country / Local Restrictions

Diego Ferto

Mondelēz International
SNACKING MADE RIGHT

GLOBALFLEET CONFERENCE

BROUGHT TO YOU BY
automotiveFLEET
WORKTRUCK
FLEETEUROPE
GLOBALFLEET

MONDOLEZ INTERNATIONAL

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GLOBALFLEET
LatAm

Procurement Focus

Karolina Carneiro
Sourcing Manager
Corporate & Professional Services LA
MDLZ LATAM – ONE TEAM FOR ONE DREAM

- Challenge in mobility fleet - Move car fleet management from a “spend” to a “drive of innovation” in order to deliver value to the business;

Global KPIs:
- Consumption drivers
- № of vehicles in global contract
- Safety training
- Policy Compliance
- CO2
- Fuel cards adoption
- Continuous improvement

Mobility trends:
- Digital Revolution
- Sharing vehicles
- Electric vehicles (EV)
- Green technology

Local reality:
- High costs
- Safety issues
- Logistics gaps
- Local car suppliers
- Regulatory issues
- Local culture

...its request new business models and new business relationships!!!
...an holistic approach:

From: “Efficiency” Challenge (savings & risks mitigation)

...To: “Disruption” challenge (source of value)

“Innovation Drive”

“Long term Approach”

“Short term Approach”

Disruptive Environment in Mobility
Europe

David Weeks
Regional Fleet Manager
Europe
Global Policy Highlights → European Implementation

34 countries
~4500 vehicles

Benchmarked Lease Rate & Compact Vehicles

Early Termination & New Lease Companies
4000 new vehicles delivered

Preferred Manufacturers
2 Volume 1(+2) Premium

Driver Safety

CO2 Emission Cap
(108g/km actual; NEDC)

Result:

- **98% Vehicles** from preferred OEMs
  - 90% vehicles in compact segment

- **100% vehicles** sourced from preferred FMCs (where present in country)

- Full visibility and **consistent fleet policies** across Europe;
  - Clear definition between Perk and Company Vehicles
  - Policies are adapted where necessary for market needs but aligned to global principles

- Significantly **reduced cost** base

34 countries
~4500 vehicles
Governance: Key to Success in Europe

Internal Organisation
• Creation of Region Fleet Manager role in 2016
• Country Fleet responsibility moved from HR to Sales
• Partnership between HR, Fleet, Sales, Procurement, Finance
• RACI for exception process

Financials
• Annual budget set for each country by RFM
• YTD actuals tracked monthly
• Variances drilled down monthly

Supplier Partners
• Global FMC and OEM relationship critical to deliver results
• Data!
North America

Vin Ricciardi
Sr. Fleet Manager North America / US Sales Operations Business Lead
Global Partnerships: Key to Success in North America

- Achieve Cost/TCO Optimization
- Accelerated Replacements
- Tools to impact Driver Behavior
- Policy Harmonization & Compliance
- Forefront of Safety Technology
- Continuous Improvement Initiatives, Drive out Complexities
- Deliver Financial Commitments through Full Visibility and ongoing dialog

Enablers

SAFETY
ONE ROAD TO BE THE BEST!
Mondelez and ‘Supplier Relationship Management (SRM) Made Right’ can Unlock Winning Potential

SRM **CANNOT** be measured only in terms of cost savings
SRM **CAN** be measured by incremental competitive advantage

Need to define what Competitive advantage will mean to the two companies:

Joint investment on Innovation
Shaping the future together

Higher Profit Margin
- Right first time
- Continuous Improvement

Sustainable Service Quality
Better and easier service and happier customers

Less Effort Requirement
Standard and transparent processes