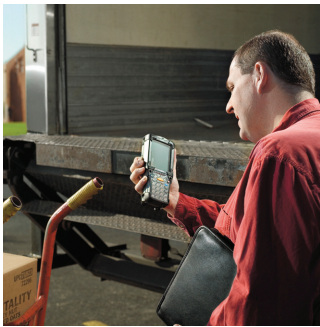




Old Dominion Fine-Tunes its Pricing Model, Increases Driver Productivity, and Enhances its Competitive Position with the Help of Motorola Mobile Computers



“By helping us capture real-time information for our pricing models and offer track-and-trace capabilities, Motorola is helping Old Dominion keep marketshare and enhance profitability.”

— Barry Craver, Director of Freight Processing Applications, Old Dominion

Company overview: Old Dominion Freight Line

Founded in 1934, Old Dominion Freight Line is a less-than-truckload (LTL) multi-regional motor carrier with a national reputation. The growing company has more than 12,000 full time employees and offers an array of innovative products and services. Technology is key to the company’s success, according to Barry Craver, Director of Freight Processing Applications at Old Dominion. “Old Dominion believes in technology, and uses it to continually improve operations and benefit customers,” said Craver.

The challenge: Real-time data capture

In the past, Old Dominion drivers used paper manifests and most of the company’s pricing decisions were based on averages. “We decided to create a system to capture real-time information about each freight pick up and delivery. The goal was to feed data into our pricing model for greater accuracy and to provide the track-and-trace functionality that customers were coming to expect from a leading carrier like ours,” said Craver.

“Drivers are paid by the hour. So, if a delivery or pickup takes an hour versus 20 minutes, that’s a significant cost factor that can impact profitability,” Craver noted.

From the start of the project in 2000, Old Dominion planned to write the needed software application in-house. In choosing hardware, Old Dominion senior management was focused on a finding a completely integrated hand-held solution, according to Craver.

“We planned to automate the process with devices carried by our drivers. But we wanted to avoid truck-mounts and bulky units, and we wanted something proven. We chose Motorola because they were able to deliver exactly what we wanted: a rugged hand-held device with a radio that could communicate over the wireless data network,” said Craver.

Customer profile



Company

Old Dominion Freight Line, Inc.

Location

Thomasville, North Carolina

Industry

- National less-than-truckload (LTL) freight carrier

Motorola Products

- Motorola MC9060 rugged mobile computers
- Motorola Mobility Services Platform (MSP)

Application

- Real-time, automated delivery and route information for drivers, plus real-time voice and data communication between freight drivers and dispatchers. Motorola’s MSP supports remote management of the mobility infrastructure for rapid deployment and upgrade of mobile computers.

Benefits

- Profitability is enhanced by fine-tuning pricing models
- Improving driver efficiency and productivity while the real-time track-and-trace capabilities for customers enhance the company’s competitive edge. Additionally, many of the MC9060 capabilities are providing a foundation for future process optimization.



Motorola MC9060
Rugged Mobile Computer



Motorola MSP
Mobility Services Platform

The solution: Motorola rugged mobile computers and Mobility Services Platform

A few years after the system was implemented, Old Dominion upgraded from the original Motorola hardware to the MC9060 series of rugged mobile computers. Lisa Boles, Director of Computer Networking at Old Dominion, noted the advantages of this model. "The MC9060 has a large, bright, full-color screen which the drivers can see and use easily. It also has 802.11, so we were able to eliminate the manual process of configuring each unit in a PC cradle," said Boles.

Today, nearly 3,500 Motorola MC9060 mobile computers are used every day by Old Dominion drivers. For easy, remote management of this growing "fleet" of mobile computers, Old Dominion implemented the Motorola Mobility Services Platform (MSP).

"With MSP, we're saving time and costs with faster rollouts, and our drivers are more productive, because we can keep the mobile computers out in the field even for upgrades," said Boles.

Craver noted additional ways that driver productivity and efficiency have been impacted by the system. "The improved communications have reduced the time that our drivers need to wait for instructions. The driver's route is downloaded onto his mobile computer by the dispatcher—it's all done over our wireless LAN via 802.11 in our service center. So the driver's 'to-do list' for the day is all ready for him in the MC9060."

Typically, Old Dominion averages about 25 drivers per dispatcher, and in the past, this could mean delays. "If two drivers were trying to reach a dispatcher at the same time, one of them was waiting, and that reduced productivity. Now, no one waits, because directions from the dispatchers go through wirelessly," said Craver.

An unexpected benefit of the system was a reduction in miles between stops, according to Craver. "We hadn't planned this, but our miles between stops and stops per hour all improved when the system was implemented. It could be that drivers are more conscientious because the system can track them, and another factor could be the

direct, immediate communications between drivers and dispatchers. In any case, it's good because it adds up to savings in fuel costs and fuel tax dollars," noted Craver.

The benefits: Enhanced productivity, profitability, and competitive advantage

Old Dominion and its customers benefit in many ways from the detailed, real-time information provided by the system. "Track-and-trace is a mainstay of our business, so it's an important competitive advantage to offer it," said Craver. "Beyond that, the system gives us data that helps us communicate better with customers and do some problem solving," he added.

As an example, Craver described a pricing coordinator analyzing the profitability of a specific customer. "He can support his analysis with specific data on how long deliveries take at a particular facility. If breaking down pallets is slowing the process, for instance, he can recommend ways the customer may be able to reduce cost and avoid the possible need for a rate increase by doing it themselves."

With the help of Motorola mobile computers and MSP, Old Dominion is:

- Fine-tuning its pricing models to provide an improved tool for pricing coordinators
- Providing real-time track-and-trace capabilities
- Improving driver efficiency and productivity
- Enhancing company profitability and competitive advantage

Craver emphasized that the many capabilities of the MC9060 provide a foundation for future process optimization. "We're evaluating the use of the MC9060 to photograph freight when a problem is identified at delivery. This could help claims investigators and speed the process if an inspector is not needed on site. We're also testing data exchange from one driver's MC9060 to another using Bluetooth. We'll keep looking at ways that Motorola can help us be more efficient and productive," said Craver.



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CASE STUDY: OLD DOMINION FREIGHT LINE