

OnTime Group delivers affordable and seamless solutions

Founded in 1983, OnTime has tailored high performance, cost effective delivery solutions for businesses throughout Australia. Logistics & Materials Handling Editor **Sam Murden** sat down with OnTime General Manager **Walter Scremin** to ask about their new delivery solutions which could be tailored to a business's needs and requirements.

SM: What can you tell me about OnTime's history within the Logistics sector?

WS: OnTime itself has been going since 1983. The business specialises in permanent contract hire of drivers and vehicles and we do a great variety of work across a range of industries, in particular the automotive industry in relation to delivering spare parts.

SM: What have you noticed occurring in the industry as of lately as you operate in a changing environment?

WS: I think part of what's occurring out there and you look at the business' major expenses, any business that's any size and has a need for distribution would include freight distribution as one of their major costs. There's always a focus on freight and it's easy to lose track of the process of saving money on the rates of transportation, whether it's a couple of cents per kilo or dollars an hour etc. What we find is that more often than not, people who are in charge of one of the major expenses in the business are not necessarily trained in logistics or transport, instead coming off the floor and been put in charge of the freight area due to internal promotion and trust. They just are not as well equipped to do that job as perhaps a logistical expert/manager might be.

SM: How does the disparity between skills and management affect the fleet and freight management industry that you operate in?

WS: People don't fully understand the impact

that their decisions make. The difference between getting a cheaper rate and a dearer rate, for example, can mean a delivery that was intended to be received every day now arrives every second day. If the skill set's not right, people inevitably continue to do things the way they've always been done. Because they may not be up to date with the latest technologies or methodologies, they don't know what they haven't been told.

The marketplace is so competitive that the rates really don't play a big part, there's not a lot of disparity between one carrier and another. Instead, it comes down to the processes and the systems and how much value these processes add towards a business' operations.

SM: So it's better to diversify the costs rather than put it all into one package?

WS: Absolutely! OnTime's strong belief is that you can't fix a problem until you know what it is. We try and streamline things and assist clients with recording, so it becomes much more apparent where the expenditure is going.

SM: How important is the flexibility of the business to the clients and customers that you serve?

WS: Flexibility in this day and age is critical, especially when discussing clients, expenditure and delivery services. The days are gone where consumers are willing to wait for a period of time for whoever they're buying it from says they are going to wait. If you look at the marketplace, the consumers are getting more and more power

and their expectation is forever increasing. As a company that has a distribution requirement, we need to make sure we can cater to our clients. You need to meet or exceed their expectations of service, be aware of what the competitors are doing out in the marketplace because we live in a world where we want everything today. If you don't have the flexibility to provide that service, then someone else will.

SM: How has OnTime attempted to address this challenge?

WS: What we do for businesses is actually create that point of flexibility. A business that is operating their own vehicles and their own drivers would have a static workforce and a static amount of vehicles to be able to do the distribution. The impact of having something that's so fixed is that if your volume is down and you only have four vehicles for four drivers, you're creating an inefficiency that's costing you money. If volumes are up but you have fewer drivers for the number of trucks then a business will be forced to either pay the higher costs or will be left unable to service the clients' needs. In essence, people who use OnTime have the flexibility to allow them to be catered for whatever their requirements may be.

SM: Finally, do you foresee any major changes in the way that OnTime operates its business especially considering the influence of technology?

WS: We are very proud to have had a long relationship with Burson, and we look forward to assisting their fleet management program in Brisbane. Sometimes there are benefits to using smaller companies over huge multinationals, including the ability to specialise in a certain area, to be more responsive, and to offer more personalised service. OnTime knows the automotive sector well. We understand the efficiency, service levels and technology required for success. Service is king in this industry and if you don't perform, clients simply use the opposition in what is a highly competitive market.

