



Systematic Solutions

## **JFW Trucking Discovered \$113K Profit Through Reporting and Data Science**



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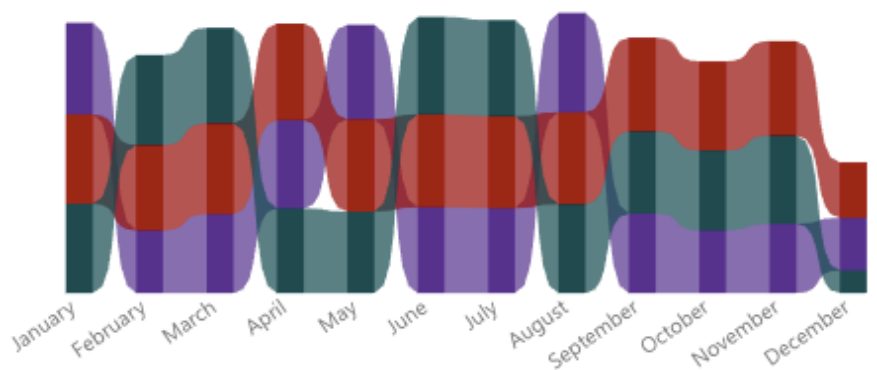
# WHAT SYSTEMATIC SOLUTIONS DOES

## WHO IS JFW TRUCKING

Founded in 1935, JFW Trucking has been servicing the Colorado area's hauling needs for over 80 years. They've got 95 employees and over 60 trucks moving 187 thousand tons each month and supplement their fleet with subcontractors to further extend their delivery force. They've helped build golf courses, Denver International Airport, and Coors Field. This business is multi-generational and the commitment to providing value to customers has passed down along with ownership.

MAKE ● MACK ● PETERBILT ● VOLVO

Finding useful datapoints was the first step



## THE CHALLENGE

In February 2019, JFW spotted a gap in company reporting: the unit costs were not clearly understood. "We haven't been able to get an exact cost per mile or hour in years of trying...we need to figure out how to keep more of the money that we earn." These gaps didn't stop the company from taking and delivering on orders but did make it much harder to price correctly and to understand exactly how the company was performing. The accountant felt they were not as profitable as they could be and trusted Systematic Solutions to clarify the current state and provide insight on the path forward.

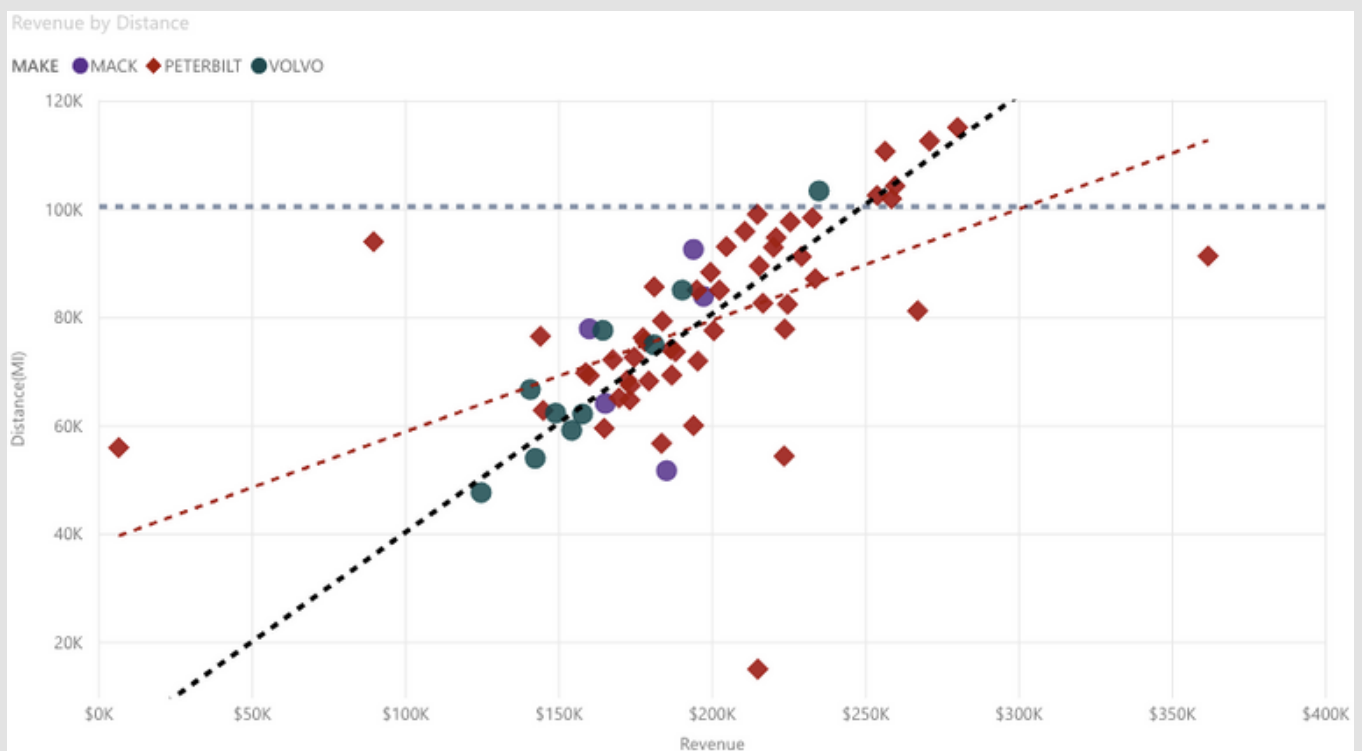


"We haven't been able to get an exact cost per mile or hour in years of trying...we need to figure out how to keep more of the money that we earn."

Jim - JFW Co-Owner

## UNIT VALUE AND IMPROVED PRICING

When Systematic Solutions' business intelligence analyst first sat down with the JFW team, there was some uncertainty over what was possible. JFW wanted unit costs and increased profit but were not sure how to achieve either goal. After intensive data gathering (from order tracking systems, accounting systems, and JFW personnel), a PowerBI dashboard was provided. The report was web-accessible and provided different viewpoints to paint a full picture of JFW's overall business. Revenue was broken out by driver, mile, day, accounting category, customer, and delivery location. Expenses were displayed by mile, day, and accounting category. Load and truck performance views were added as well. The sudden influx was overwhelming and Systematic Solutions provided report training to help the JFW team understand these new ways of analyzing their business. Through these sessions different areas for exploration emerged.



*“Systematic Solutions was able to both increase our gross income and reduce our expenses.”*

# SUBHAULER CONVERSION SIMULATION

Some of JFW's orders are assigned to subcontracted drivers. The payment scheme for these orders is very different from those fulfilled in-house with a much larger percent of order revenue going to the subcontractor than to JFW. Systematic Solutions designed a simulation to see the potential gains possible if JFW were to hire a subcontractor as an in-house driver instead. The analysis identified six routes that, if taken in-house by hiring 1 subcontractor, would increase profit by \$76,500. If a second driver was hired and dedicated to the same routes, the total profit increase would increase from \$76,500 to \$113,000. While interesting, this raised a new question: what were JFW's most valuable routes?

## ROUTE VALUE ANALYSIS

Working closely with JFW, Systematic Solutions arrived at a definition for route value that took delivery time, order revenue, driver pay, fuel costs, and fixed expenses into account. The final product was a list of routes ranked by their profit per hour. Several interesting points immediately became apparent. First, several routes were losing the company money once fixed costs were factored in; these routes would require a price increase to make them worth JFW's time. Second, the routes with the most profit were not the routes with the best profit per hour; the ranked list could be used to prioritize routes with greater profit per hour for additional gain here.

## THE OUTCOME

JFW not only received unit costs but was also armed with knowledge on how to optimize their fleet. The next steps will require hard work (implementing operational changes always does), but they now have a clear path forward. Systematic Solutions is now continually validating the processes and controls necessary for profit generating changes by providing monthly reports that detail the overall picture in real time.

Truck Number	Rev/Day	Rev/Month	Count of Date
1	\$866.85	\$18,709.56	259
2	\$820.58	\$18,326.33	268
3	\$854.91	\$16,243.30	228
4	\$765.20	\$16,706.89	262
5	\$734.88	\$15,310.03	250
6	\$913.44	\$15,528.45	204
7	\$809.38	\$18,615.69	276
8	\$788.23	\$16,618.61	253
9	\$739.45	\$14,542.45	236
10	\$754.82	\$15,285.10	243
11	\$956.50	\$21,361.76	268
12	\$1,003.36	\$23,328.14	279
14	\$943.99	\$21,633.21	275
15	\$946.74	\$21,538.44	273
16	\$838.47	\$17,887.46	256
17	\$784.84	\$16,154.66	247
18	\$953.81	\$21,142.68	266
19	\$782.86	\$14,939.53	229
20	\$802.84	\$16,859.61	252
21	\$1,002.95	\$22,566.41	270
24	\$849.02	\$19,386.01	274
25	\$971.51	\$18,782.56	232
26	\$973.20	\$7,461.23	92
27	\$640.86	\$534.05	10
28	\$942.97	\$15,087.52	192
29	\$695.35	\$11,994.78	207
30	\$778.16	\$15,563.28	240
31	\$736.87	\$13,325.13	217
32	\$967.68	\$17,902.16	222
33	\$844.82	\$14,784.38	210
34	\$743.76	\$13,759.47	222
35	\$853.41	\$16,428.18	231
36	\$857.63	\$16,152.11	226
37	\$776.13	\$13,323.50	206
<b>Total</b>	<b>\$39,826.77</b>	<b>\$1,065,365.98</b>	<b>321</b>

## MOVING FORWARD TOGETHER

JFW has contracted Systematic Solutions for a number of follow up projects. One of the most interesting was a simulation to determine the profitability of upgrading trucks. JFW has also contracted Systematic Solutions for month over month tracking to determine the efficacy of the business changes that they have made.

*"Systematic Solutions was able to take data from very different data sources and put it together into a meaningful picture of our business."*

## HERE TO HELP

Part of what makes Systematic Solutions unique is that we truly love what we do. We love helping people and we love solving data puzzles, so naturally Systematic Solutions was born. Give us a chance to prove we can help you and your data, too.

*"If you have data problems, I would highly recommend working with Systematic Solutions. They are worth every penny."*

# WHAT WILL YOUR DATA SAY?

# MEET OUR TEAM

## **SARAH M KALIN - DATA SCIENTIST**

### **EDUCATION**

BACHELOR'S DEGREE - COLLEGE OF WILLIAM & MARY  
MBA - UNIVERSITY OF COLORADO DENVER

I am an experienced data scientist with a passion for unlocking the potential of data and delivering actionable business insights. Over the past 8 years, I have created models to predict hiring needs and demand, streamlined workforce efficiency and utilization, identified the impact of geodemographic trends within customer bases, and designed contracts with solid performance metric requirements. Utilizing tools such as Tableau and Power BI, I deliver powerful and professional visualizations ready for presentation to all levels of the business.

I firmly believe data professionals need to work closely with their clients and incorporate the client's business knowledge for the best results to be realized. Nothing improves an analysis more than the native knowledge of those who are well-versed in their respective industry. Essentially, I help businesses put their data to work: whether that's identifying the customers most likely to churn, guiding an email campaign to the most receptive audience, or predicting inventory needs.

All businesses have questions - I am here to help answer them.

## **WILLIAM ANGER - BUSINESS INTELLIGENCE**

### **EDUCATION**

MS - OPERATIONS AND PROJECT MANAGEMENT  
MBA - FINANCE  
BS - INFORMATION SECURITY

I am a business intelligence specialist with 8 years' experience working in industries ranging from financial technology to logistics to government contracts. From my years as a program manager in cutting-edge technology, I know the importance of tracking processes, measuring inputs, and optimizing outputs. My dual master's degrees in quantitative analytics and business give me the unique ability to measure and quantify factors that would otherwise be considered qualitative.

I focus on exploring your business at the data level and quantifying everything possible. From there, I discover and highlight areas where you're losing money or could be making more. Through tools like Alteryx and Power BI, I create interactive graphs, charts, and insights which allow you to delve deeper into your data. My talent for visualization helps me convert hundreds of thousands of data points into easily-accessed and intuitive reports giving you the information needed to make strategic decisions.

My focus is making your business clear and concise so you know where you're at, where you're going, and how to get there. No business ever become profitable by accident, it takes intelligent hard work. I look forward to helping you with this process.



# TAKE ACTION

Ready to tap into the potential of your data? Contact us at the email below to schedule a free initial consultation. Bring your questions - we'll find the answers!

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