

February 2014

# *Simon National Carriers*

*Road safety a key part of the successful Simon business model*

**Fleet Size:**  
200 powered units

**Vehicle Type:**  
Prime movers, body trucks, trailers, rail containers and forklifts

CASE STUDY

**NRSP**  
NATIONAL ROAD SAFETY

**PARTNERSHIP**  
PROGRAM

## PARTNERSHIP PROGRAM

**Organisation:** Simon National Carriers

**Fleet Size:** 200 powered units, including prime movers, body trucks and utes, plus trailers, rail containers, forklifts

**Distance Travelled:** 20 million kilometres a year

**SIMON**  
National Carriers

### *Case Study:*

## *Safety, compliance drives business growth for Simon National Carriers*

### *Key Outcomes:*

- A safety culture can grow organically within an organisation, it doesn't necessarily need a 'trigger'
- Business investment in compliance and safety can create growth and long term partnerships with 'Blue Chip' customers
- Safety initiatives translate into cost savings, such as reduced insurance premiums
- Investment in strong compliance and safety values pays back as an effective business and marketing tool
- Being safe also drives productivity and environmental benefits, via fuel savings
- Speed limiting trucks to 90kmh creates tangible safety and bottom line savings with minimal impact on journey times

### *Synopsis:*

Safety at Simon National Carriers is more than a culture, it's a business model. The national operator has deliberately worked with companies that share its attitude towards road safety and compliance, resulting in long-term partnerships – and bottom line benefits – that have underpinned Simon's continued growth.

## PARTNERSHIP PROGRAM



### **Company Overview**

Simon National Carriers (SNC) provides transport, warehousing and distribution services throughout Australia. Its fleet of interstate linehaul prime movers is complemented by a network covering all capital cities, as well as Toowoomba and Townsville in Queensland. SNC depot operations are based in purpose-built transport terminals, with a total of 130,000m<sup>2</sup> under roof and about half that as hardstand. These facilities offer a range of warehouse operations, assembly, and metropolitan and regional distribution options.

The company handles 22,000 consignments and 30,000 tonnes a month nationally, and its fleet, which includes 100 prime movers, 250 trailers and 60 local rigid tray trucks, travels 20 million kilometres a year.

### **Major Lessons**

Simon National Carriers (SNC) has based its business model on working with customers who share a strong focus on road safety and compliance. This approach demonstrates that investing in compliance and safety can lead to growth and long term partnerships with 'Blue Chip' customers who share similar values and ethics. Other key outcomes from SNC's approach include:

- Despite working in a niche sector of the transport industry, SNC's combined package of safety initiatives has reduced the company's annual insurance costs and resulted in premiums that are among the lowest in the industry.
- Being safe can increase productivity and result in being 'green' through fuel savings.
- Speed limiting trucks to 90kmh provides tangible bottom line savings without noticeably increasing journey times compared to travelling at 100kmh.
- Safety cultures can grow organically; they reflect attitudes and don't necessarily derive from a 'trigger' event.

## PARTNERSHIP PROGRAM

### **Safety a Central Value**

Safety is part of the DNA of Simon National Carriers. The company's core values revolve around a strong safety culture across its operations:

- To become Australia's leading privately-owned transport and 3PL provider by 2017 by safely delivering a premium solution to clients with complex needs; and by continuing to develop and support both industry leading systems and, most importantly, our people:
- Complex needs – We target customers with requirements that include difficult and hard-to-handle products, delicate and poorly-packaged freight, and non-standard warehousing activities.
- Industry leading systems – Our processes, policies and procedures, and IT systems are continuously enhanced to ensure we remain the benchmark for our customers and our competitors to aspire to in safety outcomes, communication, consistency of service levels, and demonstrable compliance with all road transport legislation.
- Developing our people – We hire staff who have similar aspirations to ours, and we supervise and train to enable them to safely meet our customers' demanding requirements. Where possible, we fill vacancies with internal candidates.

### **Safety Culture**

Simon targets products and services at businesses that emphasise best practice safety and environmental outcomes and share Simon's desire to operate in a way that ensures compliance.

Since the inception of its transport division, the family business has always made safety a priority. Safety initiatives have been a top-down approach and are strongly supported by management. The National Compliance and Safety Manager and National Training Manager are trained investigators and also champion safety.

SNC believes in rigid compliance and strong systems are in place to ensure compliance, which is achieved through a combination of procedures, training, policies, monitoring, technology and equipment. The company has not had a rollover for several years and most accidents are minor and tend to be within the yards and at low speeds.

SNC takes a Safe Systems approach to safety, implementing an integrated safety package across the company where each element works to maximise the safety of its people and all road users.

No single component is a solution for ensuring compliance but rather it's a combination of measures.



## PARTNERSHIP PROGRAM

### Safe Speeds

All SNC linehaul trucks are speed limited to 90kmh. Speed is a leading factor in road trauma so reducing the speed of company trucks by 10kmh gives drivers more time to react to or avoid a potential incident. It also reduces the severity of injury and the likelihood of the incident being fatal, both for the truck driver and other road users. The initiative has also reduced fuel consumption while adding only minutes in trip time on the Townsville-Mackay route and nothing measurable on the Dubbo-Adelaide route.

Reinforcing the focus on Safe Speeds, the company's advanced use of GPS allows SNC to geo fence areas that have particular speed limits – such as project laydown sites, permit travel conditions and high risk roads – and provide live alerts to drivers to reinforce safe driving practices. Breaches are monitored and managed via the Simon Freight Management System, which generates various reports and alerts for its management team, including non-compliance. Alerts include over-speed, over-revving, harsh braking and over-idling.

***No single component is a solution for ensuring compliance but rather it's a combination of measures.***

### Safe Vehicles

SNC has had an In-Vehicle Monitoring System (IVMS) in its fleet for many years, and Simon's IT Personnel have recently redeveloped the system to incorporate in-vehicle data screens. The IVMS allows feedback of useful information to the driver, such as requirements for upcoming regulated breaks and location-specific speed limits, and for driver input of information, which has increased its functionality. The system feeds live data back to the Simon Freight Management System.

SNC also takes steps to ensure the vehicles its drivers operate are as safe as possible. For example, all vehicles include the latest safety specs available, such as adaptive speed control, automated gearboxes, lane change detection and blind spot radar, and EBS and ESP (Electronic Stability Program) technology have been fitted to trailers for several years.

To ensure vehicles include up-to-date safety features and operate as effectively as possible, several new vehicles are purchased each year and linehaul fleet vehicles are retired regularly – typically they are sold as over-spec for local freight movement.

Contractors represent about 40% of the interstate and longer journey intrastate linehaul fleet. Recent initiatives include also fitting contractors representing SNC on regular work with an IVMS, which also monitors speed.



## PARTNERSHIP PROGRAM

### **Safe Road Use, Safer Drivers**

Driver engagement has resulted in drivers becoming more interested in their performance – they are professional and want to be better. This engagement is achieved through two-way conversations with management based on monitoring, with non-compliance reports allowing management to work with drivers to create improvement.

New drivers undergo two weeks of training before starting, and ongoing mentoring and monitoring helps improve skills. New drivers are partnered with another driver or follow another company truck for their initial runs. Driver training is continuously updated to ensure relevant best practice driving skills are taught.

SNC also focuses on controlling the environment linehaul drivers operate in. There is a high percentage of 10-12 day cycles away from home and limited “change-over” operations back to home base. This ensures SNC knows when drivers are resting and eating properly as drivers sleep and eat on-site at provided depot facilities.

As part of Simon’s fatigue management, timing for drivers heading out is based on their eating habits to help combat fatigue and promote healthier eating. A meal is provided before journeys start so drivers are not stopping 1-2 hours into their journey to eat a main meal. This allows them to manage their fatigue breaks better, particularly later in the journey when they are more likely to feel tired, and also means drivers are moving about completing hook-ups and other pre-trip preparations after their meal, which promotes healthy digestion and alertness.

This approach also helps avoid discomfort and poor digestion caused by eating quickly ‘on the road’, which can create lethargy, or hungry drivers hurrying to get to their favourite meal place. Based on consultation with drivers rather than science, feedback suggests drivers value and support this practice.

Other measures focused on making drivers safer include:

- SNC focuses on reducing driver risk on outbound legs as evidence shows this is where most accidents occur. The company has minimal changeover linehaul movements, allowing drivers to regularly rest at depot facilities rather than at home where the distractions can interrupt efforts to sleep during the day.
- Drivers receive a detailed trip plan before departing a depot to reduce their thinking about how to comply, and main routes are outlined in manuals with instructions.
- Fatigue management programs are entrenched, with SNC operating under Advanced Fatigue Management. The company uses sleep specialists to test for sleep apnoea if management or the company doctor have concerns. SNC liaises with the driver and the sleep specialist to understand the driver’s condition and the required treatment, and assists in monitoring where possible to ensure drivers are complying with treatment programs and that they are effective.
- SNC has also participated in electronic work diary trials.



## PARTNERSHIP PROGRAM

### **Customer and Staff Retention**

Simon National Carriers' investment in strong compliance and safety values over the years is paying back as an effective business and marketing tool:

- SNC can demonstrate to potential customers its ability to handle more fragile products through intensive training of its staff, for example load restraint courses, combined with a strong track record.
- SNC can market itself as an employer of choice in helping ensure compliance and safe outcomes to potential drivers participating in a highly regulated industry. This also promotes retention of skilled staff.
- While SNC has an excellent customer retention record based on service levels, the company also attributes its growth as an industry leader to compliance and safety as customers are placing increasing emphasis on reviewing their potential exposures within the supply chain to areas such as Chain of Responsibility.

### **Environmental Spinoffs**

Many of Simon National Carriers' safety and compliance initiatives have positive flow-on benefits for the environment. The company takes all practical steps to minimise the amount of waste produced and its impact on the environment and community. Initiatives include:

- Speed limiting trucks to 90kmh reduces fuel consumption and greenhouse gases and other wastes by around 7% on certain routes and applications.
- Driver training is continuously updated to ensure driving skills are optimised.
- Bullbars are specified only for 'outback' routes to maximise fuel economy and where there is real risk from animal strikes. Bullbars are not used in urban areas.
- Continual upgrade of linehaul and local fleets with new vehicles operating to the latest mandated emissions regulations.

***Drivers are becoming more interested in their performance – they are professional and want to be better.***