

A close-up photograph of an electric vehicle (EV) charging station. A white charging cable is plugged into a charging port labeled 'EV'. The background is blurred, showing other vehicles and lights.

Results+

Phasing Out ICE Vehicles Brings TOC Gains

A Boston-based pharmaceutical company, dedicated to improving the lives of those with serious medical conditions, set a goal at the beginning of 2022 to phase out standard internal combustion engine (ICE) vehicles from their fleet. The company aimed to reduce the environmental impact of its sales fleet and prioritize integrating hybrid vehicles. However, they faced challenges as their fleet predominantly consisted of Ford and Subaru vehicles, and Ford's hybrid offerings were not readily available, disrupting the company's transition plans.

Strategy: Total Cost of Ownership (TCO) Analysis for Alternative Vehicle Selection

To overcome this obstacle, guided by Wheels, the company formed a new partnership with Volvo. Despite concerns about higher costs associated with the premium nature of Volvo, a comprehensive Total Cost of Ownership (TCO) analysis was conducted in collaboration with Wheels. This analysis highlighted the long-term financial benefits of transitioning to Volvo, demonstrating that any initial increased expen-

diture would be balanced by savings in various areas, aligning with the company's sustainability objectives.

Results: Significant Reduction in ICE Vehicles and Cost Savings

This strategic shift, in partnership with Wheels, led to remarkable outcomes. The percentage of ICE vehicles in the fleet dropped dramatically from 87% in 2021 to just 25% in 2022. This transition achieved a 46% reduction in per-vehicle monthly expenditure. Although part of this reduction was due to a decrease in fleet size, at least 15% was directly attributed to lowered fuel costs. During the transition, the company also noted a significant environmental impact, with an 18-ton reduction in CO2 emissions. Additionally, the fleet's average miles per gallon (MPG) improved, increasing by 1.9 MPG. The story of this pharmaceutical company serves as a compelling example of how smaller fleets can attain substantial sustainability and financial achievements without extreme measures.

PROJECT SERVICES: Electric Vehicles, Vehicle Acquisition

FLEET SIZE: 123

VEHICLE TYPE: SUVs

INDUSTRY: Pharmaceutical

Savings/Improvements:

46%

reduction in per-vehicle monthly expenditure

1.9 MPG

increase for fleet