

Continental Helps Fleet Customers Minimize Costs in Challenging Times

- **LODC approach takes a comprehensive look at operating costs**
- **Digital solutions, retreading and other advisory services are pooled together to generate clear added value for the customer**
- **Continental embraces a formula of long-lasting partnerships, transparency and sustainability**

Hanover, Germany, November 22, 2022. A gloomy economic outlook, high fuel and AdBlue prices, disrupted supply chains and driver shortages mean that many transport and logistics companies are currently faced with huge economic challenges. In these times of crisis, Continental is offering its partners an innovative concept for bringing down fleet operating costs and keeping them low. The tire manufacturer's recipe for cost efficiency is known as LODC, standing for Lowest Overall Driving Costs. It consists of a comprehensive consultancy approach that helps fleet customers minimize their tire-related operational costs. "At first glance, tires would only seem to make up around five percent of a truck's total operating costs," explains Ralf Benack, who is responsible for fleet solutions for the EMEA region at Continental. However, tires also have a significant impact on fuel, maintenance and repair costs, which account for over 27 percent of total costs. "This makes them a key cost lever, meaning LODC is a genuine success factor for fleet customers in tough times," remarks Benack.

Costs for commercial vehicle fleets in the spotlight

The vast majority of companies in the transport and logistics industry might consider 'tough times' to be something of an understatement. The Federal Association of Road Haulage, Logistics and Disposal (BGL) representing over 7,000 German firms referred to a "cost explosion" in its latest economic analysis. 92 percent of the 237 companies polled in a representative survey stated that their overall costs rose faster in the second quarter of 2022 than at any other time in the past 14 years. The October market update for Europe from Danish logistics giant Maersk also underlined the fact that the global economic situation and fragile supply chains were having a knock-on effect on road haulage, a sector it described as "already stretched" as a result of spiraling fuel prices and driver shortages.

Continental's in-house expert highlights yet another challenge facing the industry – the European carbon tax on fossil fuels. “Various European and national regulations will force fleet operators to invest heavily in zero-emission vehicles if they wish to avoid toll charges and restrictions or benefit from incentives,” Benack points out, saying this means many companies are going to experience high cost pressures for the foreseeable future.

LODC approach offers added value for the customer

With the LODC approach, the tire experts at Continental are seeking to work closely together with customers in order to minimize their costs – and that applies to fleets of any size and via a broad spectrum of individual solutions. “The basic premise is that our after-sales advice will provide fleet operators with clear added value, so they will want to work with us again in future,” says Benack. Optimum tire selection and data-driven servicing management resulting in tire checks at exactly the right time are just two of the aspects that generate added value. A 24/7 breakdown service and optimization of the customer's ordering, administrative and invoicing processes are further key elements.

Economy, environmental protection and safety in perfect harmony

The overall concept is collaborative in nature, meaning it is based on mutual trust and transparency. For instance, the fleet customer provides telemetry data, which Continental uses to derive proposals for cutting costs before rigorously implementing the measures together with the customer. “Rather than simply calculating the potential savings, we team up with our network of service partners to harness this potential and obtain concrete results,” continues fleet expert Benack. To fully capitalize on the available potential, a sound LifeCycle solution is needed complete with casing management and a high level of tire usage transparency based on digital solutions. Benack sums up the concept by saying: “We are the experts when it comes to tires, tire servicing, digitalization, data analysis and process mapping. So we are now using LODC to create a harmony of economy, environmental protection and safety.”

Retreaded tires: cutting costs and driving sustainability

Maximizing uptime is one way of boosting economy, environmental protection and safety. Intelligent digital solutions and smart sensor technology both inside and on the tires allow maintenance to be carried out at the right time and ensure the tires are always inflated to the correct pressure. This has the effect of extending tire life, reducing downtime and lowering fuel consumption. Retreaded tires using casings that have been specially designed for retreading are another cornerstone of the LODC concept. “They are completely safe and very durable, despite being far cheaper than new tires,” explains Ralf Benack. “The solutions we offer – i.e. hot-retreaded ContiRe or cold-retreaded ContiTread tires – enable fleets to reduce their tire costs by up to 40 percent.” He also flags up their plus points with regard to sustainability: “When retreading a tire, we are able to reuse around 70 percent of the original tire, saving raw materials, water and energy.”

Every fleet can optimize its operating costs and processes with the help of fleet management solutions from Continental. Further information can be found [here](#):

Topic links:  **Video**  **Photos**

Continental develops pioneering technologies and services for sustainable and connected mobility of people and their goods. Founded in 1871, the technology company offers safe, efficient, intelligent and affordable solutions for vehicles, machines, traffic and transportation. In 2021, Continental generated sales of €33.8 billion and currently employs over 190,000 people in 58 countries and markets. On October 8, 2021, the company celebrated its 150th anniversary.

The **Tires group sector** has 24 production and development locations worldwide. Continental is one of the leading tire manufacturers with more than 57,000 employees and posted sales of €11.8 billion in 2021 in this group sector. Continental ranks among the technology leaders in tire production and offers a broad product range for passenger cars, commercial and special-purpose vehicles as well as two-wheelers. Through continuous investment in research and development, Continental makes a major contribution to safe, cost-effective and ecologically efficient mobility. The portfolio of the Tires sector includes services for the tire trade and fleet applications, as well as digital management systems for tires.

Press contact

Annette Rojas
Media Relations Manager
Public Relations & Internal Communication
Replacement Tires EMEA

Continental Reifen Deutschland GmbH

Phone: +49 511 938 2598
Cell: +49 160 9083 7745
Email: annette.rojas@conti.de

Press portal:	www.continental-press.com
Media center:	www.continental.com/media-center
Further related links:	www.continental-tires.com/transport/media-services/newsroom
	www.continental-tires.com
	www.continental-truck-tires.com
	www.continental-reifen.de/autoreifen/stories/podcast

Pictures/captions



Continental_PP_Fleet-Solutions_ContiHybrid-GEN5

Continental is launching its LODC concept for fleet customers in parallel with the new generation of tires. Generation 5 starts with the Conti Hybrid HS5 for the steering axle and the Conti Hybrid HD5 for the drive axle.



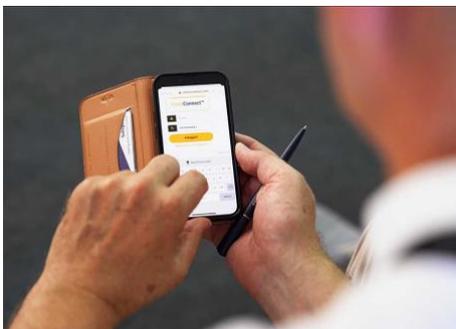
Continental_PP_Fleet-Solutions_Ralf-Benack

Ralf Benack is responsible for fleet solutions for the EMEA region at Continental.



Ralf Benack explains the added value of the LODC concept for fleet customers.

Continental_PP_Fleet-Solutions_LODC



The ContiConnect tire management solution provides real-time usage and status data on a fleet's tires.

Continental_PP_Fleet-Solutions_Conti-Connect



Starting with the tire, Continental's LODC concept takes a holistic look at a fleet's operating costs.

Continental_PP_Fleet-Solutions_Tire-Check