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F.T. Silfies Nazareth, Pa.

Created new driver recruiting and retention programs centered on home time and company pride.



As president and chief executive officer of F.T. Silfies, Randy Sheeler has the 60-year-old company on track to meeting the lofty goals set by its owners, investment firm Quantum Equity Partners.

In June 2005, Quantum Equity Partners (QEP) concluded its national search for a trucking executive. The McLean, Va.-based investment firm recently had purchased F.T. Silfies, a family-owned, dry bulk cement carrier. QEP believed it had found the right person to achieve its plan to grow the small trucking company into a major mid-Atlantic competitor.

In 1999, Randy Sheeler had played an instrumental role in the merger of Montgomery Tank Lines and Chemical Leaman Corp. to create Quality Distribution Inc., the largest bulk carrier in the nation. As senior vice president of Quality Distribution, Sheeler also helped the company go public in 2003; in 2005, the company had revenues of about \$700 million.

Today, as president and chief executive officer of F.T. Silfies, Sheeler has the 60-year-old company on track to meeting QEP's goals. In about 18 months, the Nazareth, Pa.-based company already has more than doubled its revenues.

When Sheeler began at F.T. Silfies, one of his first items of business was changing the former family-owned company into a corporation. The second-generation family of Forrest T. Silfies, who founded the business in 1946, left the company after the acquisition. Many of the third generation had positions in the company that were not well defined. After evaluating each employee, Sheeler placed them in positions that were the best fit for the new company.

Having the right technology was another critical task in laying a foundation for growth. Sheeler implemented a new enterprise fleet management system and onboard computing and mobile communications throughout the company's trucks.

"Every system here was an antiquated system," Sheeler says. "We automated every single function. From a technol-

ogy standpoint, what used to take eight hours now takes one hour."

After making the necessary changes in staffing and technology, Sheeler next focused his efforts on growing F.T. Silfies both organically and through acquisitions. The first acquisition, in March 2006, was Gensimore Trucking, based in Pleasant Gap, Pa.

The acquisition enabled F.T. Silfies to expand its services to include lime, pebble lime, glass stone and flyash on high cube trailers, as well as hazardous waste throughout central Pennsylvania.

The second acquisition was of Price Trucking in Aberdeen, Md., in August 2006. "Mr. Price asked us to buy the company based on what he saw Silfies doing since the new owners were in place," Sheeler says. "It was a smooth transaction."

Driving growth

While acquisitions have played a significant role in the company's growth to date, F.T. Silfies also has grown organically through new driver recruiting and retention

strategies that Sheeler initiated. These programs have led to an increase in company drivers by more than 130 percent and a decrease in turnover from 48 to 32 percent since 2005. In addition, the average age of drivers has decreased by 11 years, demonstrating the company's success with tapping into a younger driver pool.

Changing the fleet's equipment, for example, had an immediate impact on recruiting, retention and fleet maintenance costs. When Sheeler began in June 2005, many of F.T. Silfies' trucks were 1999 models. Today, most of the trucks are 2006 and 2007 models. The first round of 2006 tractors went to the most senior drivers and then to the company's largest terminal in Nazareth; this freed up 2002 and 2003 models for use by other terminals. New vehicles then went to drivers at any terminal with more than nine months employ-

Drive for stability Silfies sets its goals high, starting with building its core of drivers.

By Aaron Huff

innovators

ment. The company also had spec'd lighter tractors and trailers to increase payloads, which translated into more earnings for drivers, since they are paid on a percentage of revenue.

Meanwhile, after conducting a market study of drivers in its regions of operation, Sheeler decided to spend additional money advertising for younger drivers with families.

"Most people associate truck driving with being gone all the time," says Sheeler, who focused F.T. Silfies' recruiting message on home time. The company's average length of haul is 180 miles; drivers work long hours, but they are home nights and weekends and can earn \$50,000 to \$65,000 a year.

As another recruiting and retention tool, Sheeler created theme trucks. Currently, the fleet has 10 such trucks;

Driver turnover dropped by a third in about one year, and average driver age decreased by 11 years.

one has a mural of an American flag on the hood, while another has a mural of a World War II battle with fighter airplanes. "We did it to attract attention and to put a little pride back in the driver's hands," Sheeler says. The company has created a contest with a \$500 reward for drivers' children to design its next theme truck.

With new equipment and theme trucks, Sheeler says drivers have more pride in their rigs and are taking much better care of them than in the past. The company is even saving money in wash costs, for example, because some drivers ask to take their vehicles home and wash them at their own expense. And maintenance costs have gone down significantly since drivers are taking extra precautions to avoid damage while at construction sites.

One of the most significant

recruitment and retention programs, Sheeler says, was creating a President's Road Team. A select group of 10 drivers belong to this team, and benefits include having a special uniform. Four of the drivers drive theme trucks; the others have new vehicles with "President's Road Team" painted on the hood and with different dominant colors, such as red, to stand out from the fleet's standard blue trucks.

In addition to having the best trucks in the fleet, team members earn about \$5,000 extra each year for training new drivers. All new hires have to spend one week with a road team member for hands-on training, regardless of their past experience.

"The first time a driver feels the surge of liquid or dry commodities

push the tractor, it's often a wake-up call and a time of tense wheel gripping," Sheeler says. "We want to make sure our new hires know exactly what they're in for, and who better to train them than an experienced driver who does it every day for a living."

During a driver's first 60 days with the company, a road team member is on call to answer any question the driver has about pay, home time, equipment, etc.

"We'd rather have a driver talk to a driver and let them handle an issue rather than have the driver have to learn how to maneuver around in the system," Sheeler says. "It has done wonders for retention."

Some drivers may have a question or concern they do not want to take to a road team member, so Sheeler created a driver hotline where drivers can call



Some drivers who belong to F.T. Silfies' President's Road Team get new trucks with "President's Road Team" painted on the hood and with different dominant colors, such as red, to stand out from the fleet's standard blue trucks.

anonymously, at any time day or night, and speak to a live person. The company provides the caller a timeline for when it will respond to the concern or complaint, and gets back in touch with the driver. To date, most of the feedback has been constructive, Sheeler says — for example, when drivers point out conflicts in safety at a particular construction site.

"We're going back to customers and saying 'we will not deliver there unless you make it safe,'" he says.

Opening the channels of communication with drivers — through in-cab technology, the President's Road Team and venues such as the driver hotline — probably has made an impact on how quickly drivers are spreading the good news about F.T. Silfies. Between 35 and 40 percent of new hires come from driver referrals, Sheeler says. ■

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