

Superior Lubricants Saves Thousands, Helps it Follow NY EPA Requirements



Applications: Lubricant Tank Monitoring Market: Lubricant Distribution

For more than 38 years, Superior Lubricants has been a leading distributor of lubricants and greases for automotive, industrial and governmental entities. Superior Lubricants has fueled its growth by blending an industry-leading product line with superior service and distribution innovations. In addition to designing and implementing inventory solutions, Superior Lubricants offers an extensive product line in key categories, including lubricants, chemicals, filters, parts and supplies.

Challenge

Superior's Total Fluid Management program ensures that its clients receive every drop of product they are paying for, in the right place, at the right time. However, managing the volume of the tanks and planning just-in-time deliveries proved challenging. Each week Superior employees would go to each of the 240 tanks and read a gauge on the side, manually write the measurement on paper and fax it to management.

"It was a nightmare," said Matt Gudorf, president and chief managing officer at Superior Lubricants. "The process was labor intensive, so we only did it once a week. We also often had to pay overtime because it was so time consuming. Since a lot of tanks are really tall, employees also had a hard time accurately reading each gauge. We had to make our purchasing decisions weekly based on limited information."

Solution

Prior to using TankScan, Superior Lubricants tried using a tank monitoring solution that failed almost immediately, according to Gudorf. Superior tested the TankScan TSM8000 monitor to see how it compared.

"We immediately saw why we needed TankScan," said Gudorf. "Now, we always have an accurate reading of our inventory levels. TankScan helps us understand our daily and monthly usage so we can purchase just enough to ensure just-in-time deliveries."

The TankScan TSM8000 allows organizations to accurately monitor fluid levels in multiple tanks, across multiple sites, from the convenience of any computer. Superior started using two TankScan monitors and has since installed about 240 monitors on all its bulk tanks and has about 800 in the field with its customers.

The TankScan TSM8000 collects data about the fluid level in Superior's tanks at its four plants and automatically sends it to Superior's inventory reporting system. Every morning, Superior's purchasing, operation and transportation leaders all receive an inventory report by product code, tank and level. These individuals also receive automatic e-mail or text message alert if a product falls below a previously-set minimum.

Additionally, in January 2017, Superior started using the information it receives from the TankScan monitor to manage its multi-million dollar inventory. In addition to monitoring the tanks in its plants, Superior uses TankScan monitors to monitor the product it transports on large tank trailers between New York and Ontario. Superior has also turned the TankScan notifications over to its vendors to schedule deliveries based on inventory levels for some of its key products level.

"The real impact was when we were able to see the inventory levels every single day," said Gudorf. "TankScan has brought our entire supply chain together."



Results

Since implementing the TankScan solution, Superior Lubricants has realized significant labor savings. TankScan eliminates the need to pay 90 minutes of overtime for each employee, which saves Superior approximately \$72 per week at each facility. By eliminating overtime at its three facilities, Superior Lubricants saves about \$10,368 annually.

Additionally, TankScan has given Superior Lubricants leverage with its vendors. "We're able to negotiate with vendors when ordering inventory because we know what we need and when we need it saving us about 5% of the purchase price of commodity products," said Gudorf.

The New York federal Energy Policy Act of 2005 states that a liquid level gauge or high-level alarm must be installed on bulk storage tanks. Without TankScan, Superior Lubricants would have had to spend about \$1,200 on each tank, plus installation for the high-level alarms. Having TankScan installed on 240 tanks saved Superior Lubricants nearly \$300,000, since TankScan provides the level measurement.

"TankScan eliminated a lot of inventory management steps and simplified what once was a complicated process," added Gudorf.

