

Case Study

B-SERIES EXCAVATORS = BIG FUEL SAVINGS\$

Editor's note: Due to the sensitive nature of the information contained in this article, the names of the contractors and dealers will remain confidential. All facts and figures included have been provided by and confirmed by actual Volvo B-Series excavator customers and dealer representatives.

Asheville, N.C. – It's no secret that contractors search far and wide for the best prices in order to bid their jobs at the lowest possible price.

It's also no secret that when one contractor discovers a significant cost savings, it usually is kept hidden away from others.

In short, competitive advantage is everything.

This is the story of three East Coast contractors – one in the Southeast, one in the Ohio River Valley and one in the Northeast – that have gained an advantage simply by working Volvo excavators.

The secret? A reduction in overall fuel consumption that averages more than 20 percent.

"We dropped nine Hitachi's and brought in nine Volvo B-Series excavators to replace them," said the fleet manager in the Southeast. "I'd say that was a pretty solid decision."

Why? The average consumption of fuel within the contractor's growing fleet of 20-plus Volvo B-Series units is about 6.75 gallons per hour. This is more than 2 gallons per hour better than similar Hitachi machines they replaced.

Burning less fuel is impressive on its own, but when dollar figures are applied, the savings are really impressive.

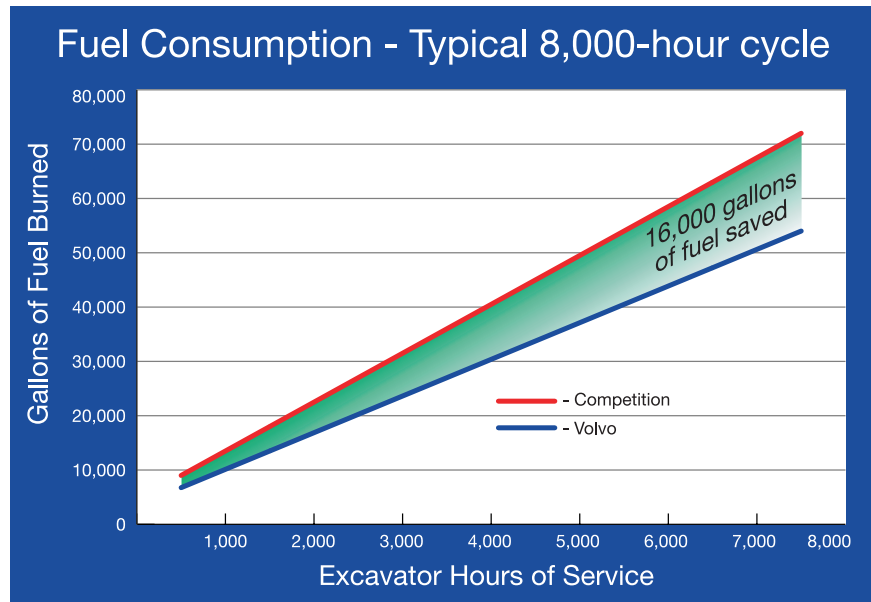


Chart based on average consumption of 6.75 gallons per hour for Volvo B-Series excavator and 9 gallons for hour for competitive machine

"This is real money we're talking about," he said.

Projected out over a four-year, 8,000-hour machine life cycle, this single contractor would burn on average about 16,000 fewer gallons per unit. At that rate, a fleet of 20 Volvos would consume 320,000 fewer gallons and save the contractor more than a half-million dollars over a 4-year period.

The answer to the fuel economy of the B-Series is Volvo's powerful and efficient diesel engines, which have been designed specifically for B-Series excavators. With direct injection and a charged air cooler, the new Volvo engine is built to respond to the unique demands of

excavation. Designed to produce the highest rated torque at the lowest RPM in its class, the Volvo engine is precisely matched to the hydraulic system components for more power and control.

This unique Volvo design also maximizes performance levels, provides high fuel efficiencies and fully complies with EPA Tier 2 and EU Step 2 emission standards.

Volvo's Advanced Mode Control System also ensures that maximum hydraulic horsepower is delivered while maintaining the lowest RPM.

"If I had to break down the key benefits of our machines, at the top would be the low fuel

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“THIS IS REAL MONEY WE’RE TALKING ABOUT”

consumption and high productivity of our machines,” said Tim Frank, Volvo Excavators Vice President. “Volvo engines are known to be among the most fuel efficient engines on the market, and that’s no exception with the engines in our excavators.

“But the real beauty of these low-emission engines is that they can deliver high torque at very low RPMs.”

Frank said that the fuel efficiency of the Volvo B-Series is a result of engines being perfectly matched to the excavator’s hydraulics.

“These Volvo engines are manufactured custom for the hydraulics on our machines,” he said. “You take a Volvo engine, specifically matched to our hydraulic system – and add an Advanced Mode Control System – and what do you get? You get really fast cycle times, with low fuel consumption, and with less long-term wear on that machine. And that’s a great mix.”

The Ohio River Valley utility contractor purchased its first Volvo excavator – a Volvo EC360B – in December 2003. Until then, this contractor had been a Cat customer almost exclusively.

Based on the results of its independent fuel consumption study, which revealed the Volvo unit using about half the fuel of its similarly sized Cat 330C, that allegiance to Cat might be waning.

“It appears that with our next purchase we’ll definitely be looking to Volvo over Cat because of the

Fuel Costs Compared – Ohio River Valley Contractor			
Fuel Cost ...	Volvo EC360B	Cat 330C	VOLVO SAVINGS
Per hour	\$11.70	\$20.70	\$9 / hour
Per 8 hours	\$93.60	\$165.60	\$72 / day
Per 40 hours	\$468.00	\$828.00	\$360 / week
Per month	\$1,872.00	\$3,312.00	\$1,440 / mo.
Per 8,000 hrs	\$93,600.00	\$165,600.00	\$72,000

Chart based on a fuel price of \$1.80 per gallon and average fuel consumption of 6.5 gallons/hour for Volvo and 11.5 gallons/hour for Cat

fuel savings,” a spokesman said.

This utility contractor reports that the 36-ton EC360B has been using between 50 to 55 gallons of fuel per day, compared to between the 90 to 95 gallons used by the Cat 330C.

Using those averages – which break down to 6.5 and 11.5 gallons per hour respectively for Volvo and Cat – this single EC360B would provide savings of about \$72,000 over an 8,000-hour cycle.

“We compared the production of the two units, too, and there is no appreciable difference between the Volvo and the Cat,” he said.

“That’s what’s most amazing,” he added. “We don’t have to trade performance to get the fuel savings with the Volvo EC360B.”

In the Northeast, a contractor running a Volvo EC460B and EC290B offers a similar story.

The dealer salesman who services this Volvo customer said the contractor ran the EC460B against a comparable Deere unit in demo

and was impressed by both the Volvo’s power and its fuel efficiency.

“In fact, the fuel service was upset because he refueled all the units on the jobsite everyday and the Volvo only every-other-day,” the salesman said.

A principal with the Northeast utility contractor said that the firm also runs a Volvo EC290B, which like the EC460B, has turned in incredible numbers with regard to fuel efficiency.

“I’d say we use on average about 20 gallons less (of fuel) per day with the Volvo,” he said.

“Assume we save \$25 a day on fuel,” he said. “Add it up: \$25 a day becomes \$125 a week, which in turn is \$600 a month. That’s cash that goes directly to the machine payments. I’d say it’s important.”

Said Tim Frank, “These numbers are real and the fuel savings are substantial. I challenge you to check it out for yourself, and I’m confident you’ll be as amazed and pleased as these customers are.”