



Chemical Industries Solution Provider
Saves Over \$800,000 in One Year with
CarData Vehicle Reimbursement Plan



USE CASE

Think the IRS mileage rate is fair? Maybe Not.

When you compare what an enterprise pays using the IRS “cents-per-mile” standard mileage rate versus a FAVR (Fixed and Variable Rate) vehicle reimbursement program – every mile counts. How much? It added up to over \$800,000 for one global chemical company. Their drivers logged a total of more than 6.7 million miles.

That was welcome news for the company’s Senior Finance Director. *“When the Great Recession hit, we began looking at every option for cutting costs,”* he noted. *“That’s what got us started with CarData. The advantages we found with them was one of the many things we did to manage our way through the crisis.”*



Vehicles Matched to Roles

Reducing costs by switching from the IRS standard rate to the FAVR program was just the start of long-term cost reductions. In this company, some sales representatives go to quarries and mining sites to visit customers. Others make traditional sales calls, meeting clients in office buildings in urban centers.





Under the FAVR plan, the company was able to define vehicle profiles aligned to specific sales activities. The standard Vehicle Profile for people in the company's Mining Division is a pick-up truck; the vehicle profile for "classic" sales representatives is a mid-sized sedan. Within the FAVR plan, each driver is given a **fixed amount** based on the vehicle profile; and payment for **variable costs** rounds

out the total reimbursement.

"My team carefully watches their job-related expenses," the Senior Finance Director says. *"By receiving an allowance relevant to their vehicle, plus reimbursement based on each month's mileage and adjusted for the price of gas in their territory, they are confident that they are getting treated fairly."*

"CarData provides a complete package, making our reimbursement program one less thing that we have to worry about managing."



Why CarData?

“In addition to the online mileage tracking and reporting, the fact that CarData’s services include things such as driver license and insurance verification has enabled us to significantly cut costs for our HR department,” says the Senior Finance Director. ***“CarData provides a complete package, making our reimbursement program one less thing that we have to worry about managing. And if there’s need to provide the IRS with a report, we have all the details and can easily meet that requirement.”***