The Asset Economy Has Changed. Your Revenue Controls Haven't.

The CFO's guide to protecting margin as assets become mobile, shared and multi-party.

PREPARED FOR

Chief Financial Officers and senior finance leadership

To help finance leaders recognize that a **new class of revenue-generating asset** — mobile, shared and multi-party — has outgrown the revenue controls built for the generation before it.

SECTIONS

THE CORE RISK

The new asset earns continuously, moves constantly, and increasingly **generates revenue for parties that do not own it** — while the systems that bill for it still assume it holds still and belongs to one.

For most of industrial history, a revenue-generating asset had three stable properties. All three are now optional.

It stayed where you put it. It belonged to one party. It did one job. Depreciation schedules, lease accounting, rate cards and billing systems were all built on those assumptions holding.

None of them holds for a drone delivery hub, an autonomous vehicle, a deployed compute rack, or a machine sold as a service. These assets relocate to follow demand. They carry someone else's brand. They are simultaneously the product being sold, the mechanism that delivers it, and a unit of capacity rentable to a third party — **sometimes all three in the same week.**

The financial consequence is not a compliance problem. It is that revenue has quietly become a function of what each individual unit did, while the systems that calculate revenue still reason about contracts and customers.

The gap between those two is closed today by reconciliation — a recurring exercise to make the physical truth and the financial truth agree. That works at pilot scale. It does not survive the growth curves these businesses are now committing to publicly.

This brief sets out what changed, why conventional controls do not contain it, and what leaders should require of their revenue architecture before the fleet makes the gap structural.

HOW THE GAP PRESENTS — FOUR ESCALATING SIGNALS

SIGNAL 01 · ABSORBED	Utilization data and billing data disagree, and someone adjusts one to match the other.
SIGNAL 02 · ROUTINE	Moves, swaps, upgrades and downtime are handled as billing exceptions after the period has closed.
SIGNAL 03 · DISTORTING	Revenue per asset can be reported. Margin per asset cannot be defended.
SIGNAL 04 · STRUCTURAL	The business cannot price a new deployment model without an engineering project to support it.

What actually changed about the asset

Not its cost, and not its accounting treatment. Its behaviour — in three specific ways that each break a different assumption inside the revenue stack.

SHIFT 01

WAS

The asset stayed where you put it

Location was set at deployment and changed rarely enough to handle by amendment.

→

NOW

Capacity moves to demand, continuously

Fleets are rebalanced between sites and regions as a routine operating decision — which silently changes the governing contract, the applicable rate and the taxing jurisdiction.

SHIFT 02

WAS

The asset belonged to one party

One owner, one customer, one revenue relationship, one invoice.

→

NOW

The asset is shared, borrowed and white-labelled

Fleets carry a partner's brand, absorb a partner's overflow, and earn on behalf of parties who never appear on the asset register — turning a single contract into a multi-party settlement.

SHIFT 03

WAS

The asset did one job

A unit was either sold, leased, or used internally to produce something else.

→

NOW

The asset is the product, the channel and the capacity

The same unit is the service being sold, the mechanism that delivers it, and an inventory of capacity resellable to someone else — each with a different rate, a different counterparty and a different recognition treatment.

WHY IT MATTERS NOW

These are not forecasts. Drone delivery networks, autonomous fleets and equipment-as-a-service businesses are **committing publicly to growth curves that assume all three** — and pricing those commitments today.

Four ways the new asset earns — and only one of them is billing as usual

Read a modern fleet agreement and the revenue is no longer attached to a customer. It is attached to a unit, a location, a movement, or a favour done for a competitor.

EARNING EVENT 01

Capacity attached to a unit

A recurring fee tied to a specific site or asset rather than to a customer account — often tiered by the unit's capability class, and going effective the day that particular unit first does work.

EARNING EVENT 02

Work the asset performs

Per-transaction, per-mile or per-cycle fees metered from operational events. Familiar as usage billing — but now the meter belongs to a physical unit whose availability varies.

EARNING EVENT 03

The asset under another brand

White-label service fees where the fleet carries a partner's identity. The economics are the operator's; the customer relationship is not. Rate structures differ per partner, per distance band, per volume tier.

EARNING EVENT 04 · THE NEW ONE

Someone else's demand on your asset

A fee paid when one operator's unit serves another party's order. The asset earns for a party that does not own it, and the two settle between themselves. This has no equivalent in traditional asset billing — and it is the fastest-growing line in modern fleet agreements.

THE STRUCTURAL CONSEQUENCE

Three of these four earning events depend on facts the billing system does not hold: which unit, in what condition, at which site, doing work for whom. The fourth requires all of it at once, for two counterparties, in the same period.

$21.2B

in OEM equipment-as-a-service adoption by end of 2023, growing at an 11% CAGR through 2028.

Source: IoT Analytics.

~25%

aftermarket service margin versus roughly 10% on new product sales — yet only about 4% of manufacturers have reached full servitization.

Source: McKinsey.

An asset that earns revenue for a party that does not own it is no longer an edge case. It is the business model.

Shared capacity is how these networks reach density without every operator building everything. It is also the single hardest thing to settle by hand.

Every physical event is a financial event

An asset's life is usually drawn as an operational timeline. Read as a financial one, each stage carries a question that has to be answerable on demand — and almost none of them originate in the billing system.

LIFECYCLE EVENT	FINANCIAL CONSEQUENCE	THE QUESTION THAT MUST BE ANSWERABLE
Deployment Unit enters service	Establishes the billing start date and the first proration.	Does the revenue clock start at installation, at acceptance, or at first revenue-generating use — and is that consistent across every site?
Upgrade Capability class changes	Moves the unit to a different rate tier mid-period.	When a unit is upgraded mid-month, does the schedule re-rate and prorate automatically, or does someone calculate it?
Relocation Unit moves	Changes the governing contract, the applicable rate and the taxing jurisdiction.	When a unit moves between sites, regions or legal entities, what re-rates automatically and what waits for someone to notice?
Reassignment Capacity lent or borrowed	Creates a multi-party settlement where there was a single contract.	When a unit serves another party's demand, who earns the revenue, who bears the cost, and how do the two settle without a manual calculation?
Downtime Maintenance or repair	Determines whether revenue accrues and whether a credit is owed.	Does the meter stop when the asset does — and is the credit derived from the service record or negotiated after the dispute?
Substitution Unit replaced mid-term	Threatens continuity of billing and recognition history.	When one physical unit replaces another mid-contract, does the billing history follow the contract or the serial number?

THE STRUCTURAL POINT

Every one of these six events changes what should be billed. **None of them originates in the billing system.** They originate in the field, and reach finance as data to be reconciled rather than as instructions to be executed.

Why traditional financial controls break down in asset models

Most finance control frameworks assume three conditions that stop holding once the fleet is large enough to matter.

ASSUMPTION 01 — NO LONGER HOLDS

The two records can be reconciled periodically

ASSUMPTION

The asset system and the revenue system are each authoritative in their domain, and a scheduled reconciliation keeps them aligned.

REALITY

Asset events are continuous; reconciliation is periodic. Every close begins with a gap that has already been open for a month, and the correction lands after the decisions it should have informed.

ASSUMPTION 02 — NO LONGER HOLDS

Asset changes are exceptions

ASSUMPTION

Moves, swaps, upgrades and downtime are edge cases, handled by an exception process sized for occasional use.

REALITY

At fleet scale, change is the steady state. A twenty-thousand-unit fleet with a five percent monthly rate of movement and substitution generates a thousand billing-relevant events every month. That is not an exception queue. That is the workload.

ASSUMPTION 03 — NO LONGER HOLDS

The contract describes the asset

ASSUMPTION

The commercial terms on file are a faithful description of what is deployed and how it earns.

REALITY

Contracts describe classes, tiers and capacity. Revenue is earned by individual units with serial numbers, locations and service histories. Someone closes the gap between the class and the unit — usually a person, usually in a spreadsheet, usually without an audit trail.

TAKEAWAY

Finance ends up reconciling the fleet instead of governing how the fleet earns.

How exposure compounds as the fleet grows

Asset revenue risk does not grow with unit count. Each new dimension multiplies against the others.

More Units	More Unit Types	More Parties & Geographies	More Monetization Models
More lifecycle events per period	Different metering logic per type	Jurisdictional tax on movement	Fixed, usage, outcome and hybrid in parallel
More proration boundaries	Different service and SLA terms	Inter-entity transfer pricing	Ramped and tiered rate structures
More unit-level history to defend	Different depreciation and residual treatment	Multi-party settlement on shared capacity	Recognition treatment that varies by model

EXPOSURE DOES NOT ADD — IT MULTIPLIES

The reconciliation was never designed to reason across four dimensions of change at once, in the period in which they occur.

3–5%

of revenue lost to billing leakage in companies running fragmented order-to-cash stacks.

Source: Gartner Finance Transformation Survey 2024 · Deloitte CFO Signals Q3 2024 · RecVue platform benchmarks.

43%

of finance teams' time is spent gathering and reconciling data rather than making decisions.

Source: Gartner Finance Transformation Survey 2024 · Deloitte CFO Signals Q3 2024.

WHY NOW

The economics of asset-based revenue are already proven. The billing and recognition infrastructure required to run them at scale, for the most part, is not — which is why the margin advantage is available and the operating risk is real at the same time.

The most common failure modes in asset revenue

Across industries, the same four patterns appear repeatedly. None of them violates an accounting standard on its own.

FAILURE MODE 01

Revenue that starts before or after the asset does

Billing commences on contract date, delivery date or activation date depending on who set the record up. The same asset class earns differently across two sites for no commercial reason.

FAILURE MODE 02

The asset that moved but the contract did not

A unit is relocated in the field. The physical record updates. The rate, the entity and the tax treatment continue to reflect where it used to be.

FAILURE MODE 03

Shared capacity settled from memory

One operator's unit serves another's demand. The event is recorded operationally, but the settlement between the two parties is assembled at period end from reports rather than derived from the agreement.

FAILURE MODE 04

The substitution that broke the history

Replacing a unit mid-contract is handled by terminating one record and creating another. Continuity of billing and recognition history is lost at exactly the point an auditor will ask for it.

THE COMMON THREAD

Each of these is a rule written against a contract being applied to a unit whose circumstances have changed. **The calculation is correct. The input is stale.**

What this looks like when it actually happens

Failure modes rarely present as failures. They present as a rate card that no longer matches the map.

ILLUSTRATIVE COMPOSITE

An equipment operator running roughly **30,000 units** discovered, during diligence ahead of a transaction, that a class of units rebalanced between regional entities two years earlier had continued to bill against the origin region's rate card.

Every invoice was correct against the contract on file. The physical asset records were accurate and current. The two had simply never been required to agree.

No single monthly variance was large enough to trigger review. **Cumulative variance across eight quarters was material enough to surface in the acquirer's diligence findings** — and to require restating unit economics the seller had presented as fact.

Illustrative composite drawn from patterns observed across enterprise asset and fleet programs. Not a specific customer account.

WHAT MADE IT INVISIBLE

Every settlement passed inspection. The rate was applied consistently and calculated correctly. Sampling would have confirmed the arithmetic — because the arithmetic was right. Only the location was wrong, and location was not an input to the calculation.

WHAT WOULD HAVE CAUGHT IT

Rate derived from the unit's current record rather than from a contract snapshot taken at signature — so that relocating the unit re-rates the unit. This is the distinction Section 7 addresses.

IMPORTANT NOTE

This section describes operational risk patterns, not accounting or audit guidance. Revenue recognition and lease treatment should always be determined in consultation with your accounting advisors under the applicable standard (e.g. ASC 606, ASC 842, IFRS 15 / IFRS 16).

One record, not two: what control actually means in asset revenue

Two architectures. One makes the records agree after the fact. The other removes the possibility of disagreement.

THE INDUSTRY DEFAULT

Reconciliation Model

Two systems, joined periodically

- Asset system holds identity, location, condition, service history
- Revenue system holds contracts, rates, invoices, schedules
- A scheduled process makes the two agree
- Lifecycle events reach billing as data to interpret
- Shared-capacity settlement assembled from reports at period end

POSITION

After the period. Differences are discovered.

THE RECVUE APPROACH

Single Record Model

The asset record is the revenue record

+ Identity, specifications, location, contract, rate and recognition on one record
+ Lifecycle actions and billing actions execute against the same object
+ Relocation re-rates the unit because rate is derived, not stored separately
+ Substitution preserves billing and recognition history by design
+ Multi-party settlement derived from the agreement, before payment

POSITION

At the event. Differences do not occur.

NOT A THEORETICAL ARCHITECTURE

The Single Record Model is not a proposal. Two industries had to solve each half of this problem decades before drones existed, and both run at scale on it today — see overleaf.

Two halves of the same problem, both already running at scale

The thesis divides cleanly: a fleet that never sits still, and a fleet that earns across parties. Neither is speculative. Each has an industry that faced it first, at volumes the new asset economy has not yet reached.

PROOF AT SCALE

Containers solved continuous movement. Vehicle rental solved multi-party settlement on a moving fleet. **The new asset economy is the first to require both at once** — which is why the architecture matters more here than it did in either predecessor.

THE FLEET HALF — TEXTAINER

Assets that never sat still

Containers were the first asset class to face continuous movement, re-rating and substitution at global scale. When Textainer acquired Seaco, RecVue integrated **over 2.4 million TEUs**, UAT included, **in under three months** — reaching the largest container fleet in the world on a cost-equivalent-unit basis.

8.3M
CEUS UNDER MANAGEMENT

<3 mo
TO INTEGRATE 2.4M TEUS

THE MULTI-PARTY HALF — HERTZ

A moving fleet earning across a network

Vehicles move like containers, but settle like a partner ecosystem. RecVue automates settlement across **40,000+ partners and 12,000 commission programs**, handling **$5.3 billion per month** — with 95% fewer manual reviews and 83% less cross-team involvement.

$5.3B
SETTLED PER MONTH

95%
FEWER MANUAL REVIEWS

WHAT THIS MEANS

A drone hub, an autonomous vehicle or a deployed machine is not a harder problem than a container or a rental fleet. **It is both of them at the same time** — on a shorter clock, with more counterparties, and with the growth curve already announced.

THE TURNING POINT

Control does not come from reconciling the fleet more often. It comes from the asset and its revenue being the same record.

Reconciliation is a detective control. By the time it runs, the asset has already earned — or failed to earn — and the number it produces is a correction, not a decision.

The CFO outcome when the asset record is the revenue record

When asset lifecycle is treated as a first-class financial process rather than an operational input, four shifts occur.

1. **Revenue reflects the fleet**

   Reported revenue is derived from what each unit actually did, rather than asserted from contracts and reconciled to reality afterward.

2. **Margin becomes assessable per unit**

   Redeployment, retirement and pricing decisions carry a defensible number, so capacity moves to where it earns rather than to where it is merely needed.

3. **Shared capacity becomes a revenue line, not a liability**

   When settlement between operators is derived rather than reconstructed, lending capacity to a partner becomes a commercial decision instead of an accounting risk.

4. **Growth stops multiplying risk**

   Adding units, unit types, partners or geographies adds volume without adding a new reconciliation. Expansion becomes an operational decision, not a control question.

MOST IMPORTANTLY

Finance can price the next model before the business commits to it.

The strategic value of unit-level revenue truth is not a faster close. It is the ability to answer whether a new deployment model, a new partner arrangement or a new market will earn — before the fleet is committed to it, rather than two quarters after.

The risk is not that these fleets are complex. The risk is scaling one on revenue controls built for assets that stayed where you put them.

The businesses building these networks are not asking whether the asset economy is real. They are announcing delivery volumes, site counts and partner commitments years ahead, and pricing against them today.

What is rarely announced alongside those numbers is the financial architecture underneath them. Organizations that connect the asset record and the revenue record early protect their unit economics as the fleet compounds. Those that do not inherit a reconciliation that grows with it — and becomes visible when correction is most expensive.

RELATED READING

Shared-capacity and white-label models produce multi-party settlement — the same class of exposure examined in *"The Hidden Financial Risk in Partner Revenue Models,"* RecVue's CFO Risk POV on revenue share and partner settlements.

NEXT STEP

See how RecVue makes the asset record and the revenue record the same record.

recvue.com