

CASE STUDY //

TRANSPORTATION MANAGEMENT FOR A HEALTH & WELLNESS MANUFACTURER

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CASE STUDY // HEALTH & WELLNESS INDUSTRY
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CASE STUDY

Health & Wellness Manufacturer // Rapid Growth Transportation Management



SUMMARY //

A company that specializes in healthy, protein rich treats, was growing at a rapid speed which lead to a long list of transportation issues that needed to be alleviated and managed more efficiently.

SCENARIO //

This company had problems ranging from, costly carrier invoices and freight re-classing to no carrier management and lack of warehouse space to hold orders. We saw several opportunities to cut their costs and improve their bottom line. Our first order of business was to break down their issues into sections and tackle them one at a time.

CARRIER & WAREHOUSING ISSUES //

By researching their distributor's Preferred Carrier programs, we were able to slim the carrier list as well as reduce costs of appointments and sort and segment. Most large distributors will negotiate these accessorials anyway since the specific carriers have drop trailers and load freight according to the specific vendor's standards. Among their pickup issues with certain carriers, we were able to find a specific contact at each individual terminal to send a daily pallet count to every morning. We created a report in TMS to pull by carrier, destination and pallet count. This was key in having carriers arrive prior to their close time.

Warehouse space was a growing issue as well due to the amount of partial and full truckloads they were shipping in a day. We found several consolidators who could pick up multiple shipments and warehouse them until a delivery appointment could be made. We were then able to clear up warehouse space for the company to build the orders and stage them for pick up.

Another issue we found was the warehouse manager having to work overtime every day. He would have to ensure the orders went out, the next batch of quotes were submitted and confirm the BOL's were created. By consolidating the booking process, we were able to shrink the carrier stable and reduce time spent on shipping. This reduced the warehouse overhead that was spent on overtime and give the warehouse manager more time to check orders for accuracy.

CONTINUED //

Four months into our relationship the current warehouse manager, works a nine hour day and gets to pick his son up from school, which we are very proud of.

CUSTOMER ENGINEERING //

This company needed to ship refrigerated LTL while utilizing our premier shipping technology, BlueShip. We were able to load their Reefer carriers into BlueShip and consolidate all of their booking processes. By consolidating the booking process, we were also able to consolidate the billing process. They utilized an outdated method that took too much time and man power to audit, review, collect and pay each invoice. By consolidating to one weekly invoice, pre-auditing the shipments for them and sending a customized invoice, we have drastically reduced their time spent on Freight Invoicing.

**14% reduction
in transportation costs
a \$225K annual savings**

When it came to Business Intelligence, this company really gave no thought as to how Freight could be a valuable insight to their business. During our first Quarterly Review we started looking at reports and analytics that could assist with forecasting. By using our analytics, we can start assisting in the ordering process from the

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Health & Fitness Manufacturer // Rapid Growth Transportation Management



bakeries. By utilizing an upgraded ordering system and using our consolidation analytics we can not only reduce the amount of missed MABD's but eliminate the need for multiple shipments per PO. Currently, this company ships what they can to slowly fill the PO's. Sometimes they will have 2-4 LTL shipments just to fill one order with multiple flavors. Our tools will assist in eliminating this within 6 months.

Lastly, let's take a look how we were able to reduce their transportation costs. We went through the RFP process with only carriers who were Preferred Carriers for their vendors. Since March 2016, carriers started reclassing their product from Class 60 Protein to Density based Baked Goods. We included an FAK in our bid plans to also eliminate reclasses the customer was receiving.

Our incredible pricing team put together the bid and we were extremely successful. We were able to secure a 14% savings for our client which estimates to about \$225,000 in transportation savings. This doesn't include all of the soft cost savings we described above.

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CONTINUED GROWTH //

We have built not only a great relationship with this company but a true partnership. We look forward to working with them and continuing to assist in their rapid growth in the health & wellness community.

ABOUT BLUEGRACE //

Founded in 2009, BlueGrace Logistics is one of the largest third-party logistics (3PL) providers in the United States. With over 500 employees and working with over 10,000 customers to provide successful shipping solutions, the company has achieved explosive growth in its nearly 10-year operating history. Backed by a \$255 million investment by private equity firm Warburg Pincus, the company operates 11 locations nationwide, and its headquarters are in the sunny Tampa Bay area of Florida.

For more information, visit www.mybluegrace.com



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