CASE STUDY

bluegrace

Manual Process Removal & Freight Cost Reduction

A leading Midwest hardware supplier eliminated manual shipment booking, expanded to a multi-carrier network, and reduced freight spend by 13%, saving $260,000 annually through BlueGrace's TMS integration.

Industry: **Hardware / Building Products**

$260K Annual freight savings	**13%** Reduction in freight spend	**100%** Shipment booking automated	**0** New personnel required

Introduction

A large big box hardware supplier based in the Midwest had a logistics operation that was quietly draining resources. Locked into a single national carrier, the company had no protection against General Rate Increases, no freight bill auditing, and no way to verify that invoiced amounts matched quoted amounts. Meanwhile, the customer service team was spending the majority of its day manually booking shipments instead of serving customers.

As shipment volumes grew, the strain became impossible to ignore. The supplier recognized it needed more than a carrier swap. It needed a full operational overhaul: automation, multi-carrier flexibility, cost visibility, and a partner with the infrastructure to manage all of it. BlueGrace delivered the complete solution.

Client Profile

Industry
Hardware / Building Products

Services
TMS Integration / Managed Transportation

Region
Midwest, United States

Key challenges
Single carrier dependency, manual booking, no freight auditing, zero shipment visibility

Background

The supplier’s logistics problems were interconnected and compounding. At the center of everything was a single-carrier model that gave the business no leverage and no fallback. When that carrier raised rates, the supplier had no choice but to absorb the cost. When the carrier experienced service issues, there was no backup provider to route freight around the disruption.

Manual processes amplified every inefficiency. Booking a shipment required a customer service agent to do it by hand, one at a time. Tracking a shipment required that same agent to have the carrier tracking number on hand and navigate directly to the carrier’s website. There was no internal visibility into shipment status, no proactive communication workflow, and no centralized document system. When a claim needed to be filed, there was no process to handle it.

The accounting team was operating in the dark. Without a freight bill auditing system, invoiced amounts could not be verified against quoted amounts. There was also no mechanism to allocate freight costs by customer or by state, making accurate cost reporting impossible and meaningful analysis unavailable.

The supplier’s logistics team was extremely busy, but not productively busy. Time was consumed by manual tasks that added no value and prevented the team from focusing on work that actually moved the business forward. Through a structured discovery process, BlueGrace mapped every pain point and designed a solution to eliminate them.

The Solution

Methodology

BlueGrace implemented a comprehensive, two-pillar solution that addressed both the process inefficiencies and the carrier strategy limitations simultaneously. The approach was designed to eliminate manual work, build in redundancy, and create the visibility infrastructure the business needed to grow.

01

ERP Integration & Process Automation

- BlueShip TMS fully integrated with the supplier's in-house ERP, eliminating manual shipment booking entirely.
- Automated carrier selection chose the best-value provider per lane, with rule-based exceptions for big-box retailer shipments requiring specific carriers.
- All freight modes consolidated onto a single invoice, simplifying accounting and reducing reconciliation time.
- BlueGrace became a paperless data warehouse for all shipment documents, enabling proof of delivery retrieval from a single source.

02

Carrier Network & Cost Visibility

- Replaced the single-carrier model with a competitive multi-carrier network, eliminating GRI vulnerability and providing backup coverage.
- BlueGrace maintained ongoing carrier rate negotiations, protecting the supplier from unexpected increases and improving lane-level pricing.
- Carrier scorecards provided measurable, real-time performance data to manage carriers by KPI and resolve allocation discrepancies.
- Inbound freight visibility was established for the first time, enabling accurate cost allocation by customer and state.

BlueGrace eliminated manual booking, auditing burdens, and single-carrier dependency for this hardware supplier, delivering 13% in freight cost savings worth $260,000 annually, without adding a single new employee.

Results

With BlueGrace fully operational, the supplier's logistics team was freed from execution tasks and redirected toward higher-value work. The results were measurable across cost, efficiency, and scalability.

13% Freight Cost Reduction

Carrier network optimization, GRI mitigation, and ongoing rate negotiations delivered a 13% reduction in total annual freight spend, translating directly to bottom-line savings without service trade-offs.

$260,000 in Annual Savings

The freight cost reduction added up to $260,000 per year in hard savings, capital that could be reinvested in growth rather than absorbed by logistics overhead.

Fully Automated Shipping Execution

Manual shipment booking was eliminated entirely. BlueShip automated carrier selection, tendering, tracking, and claims handling, freeing the customer service team to focus on customer relationships instead of logistics tasks.

Scalable Growth Without Headcount

The supplier managed significantly higher shipment volumes, freight auditing, and a multi-carrier network without adding a single new employee. BlueGrace's platform provided the scalable infrastructure that internal hiring could not have matched.

Results Summary

$260K Annual freight cost savings delivered	**13%** Reduction in total annual freight spend
100% Shipment booking automated via BlueShip TMS	**0** New personnel required to handle increased volume

Conclusion

This hardware supplier's engagement with BlueGrace is a clear example of what happens when a company replaces activity-based logistics with outcome-based logistics. The supplier's team had been extremely busy before BlueGrace, spending hours each day on manual booking, tracking, and reconciliation tasks that generated no value. After the engagement, the same team was free to focus on work that actually moved the business forward.

The financial results were significant: 13% off total freight spend and $260,000 in annual savings. But the operational transformation ran deeper. The shift from a single-carrier model to a managed, multi-carrier network gave the supplier pricing leverage, backup coverage, and carrier accountability it had never had before. Carrier scorecards, rate negotiations, and ongoing performance management converted logistics from a cost center into a managed function with measurable KPIs.

The ERP integration eliminated the manual booking process entirely, not just streamlined it. BlueShip's automated carrier selection, exception rules for big-box retailer lanes, consolidated invoicing, and centralized document management turned a fragmented workflow into a single, unified system. The supplier could now pull proof of delivery from one place, verify invoices automatically, and track every shipment in real time.

Most importantly, all of this happened without adding headcount. BlueGrace provided the scalable logistics infrastructure that allowed the supplier to absorb growing volumes, expand its carrier relationships, and improve its cost visibility, all within its existing team. The lesson is straightforward: the right logistics partner does not just reduce costs. It removes the operational drag that prevents a company from scaling efficiently.

ABOUT BLUEGRACE

BlueGrace Logistics is one of the nation's largest Managed Logistics providers, delivering customizable transportation management solutions that help shippers control freight spend through advanced technology and a broad network of trusted carriers. With offices strategically located in major transportation hubs across the U.S. and Mexico, including national headquarters in Tampa, BlueGrace serves over 10,000 customers annually through its proprietary technology platform, BlueShip, that has connectivity with more than 250,000 carrier suppliers. BlueGrace is part of the technology portfolio of Warburg Pincus, a leading global private equity firm.

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