

CASE STUDY



Inbound Optimization: National Sports Retailer

A leading national sports retailer transformed its inbound logistics, consolidated 1,014 shipments, and saved an average of \$412,000 per year by partnering with BlueGrace for custom load optimization.

Industry: **Sports Retail**

\$412K

Average saved per year

1,014

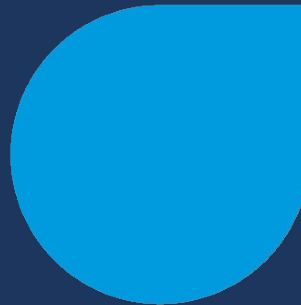
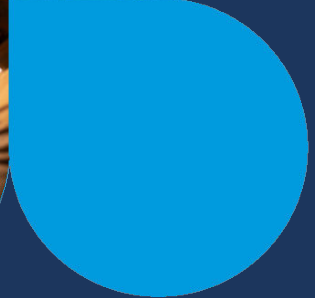
Shipments consolidated

24%

Reduction in carbon emissions

2x

Larger ship date windows



Introduction

A leading national sports retailer had the right idea but the wrong execution. An optimization software was already in place, but no one inside the organization knew how to use it. The system had been configured by an outside consultant who subsequently departed, leaving the team to rely on its default “auto-pilot” mode. Adjustments and improvements had to be made manually, a slow and error-prone process that prevented the company from realizing any meaningful efficiency gains.

The retailer operated a complex, multi-mode logistics model spanning Small Parcel, LTL, Single Stop TL, Multi-Stop TL, and Pool Points. What it needed was not just access to software, but a partner with the expertise to configure that complexity intelligently, adapt it continuously, and deliver measurable results from day one. BlueGrace delivered exactly that.

Client Profile

Industry

Sports Retail

Services

Inbound Load Optimization / 3PL

Logistics modes

Small Parcel, LTL, Single Stop TL, Multi-Stop TL, Pool Points

Key challenge

Underutilized optimization system, manual adjustments, complex multi-mode logistics

Background

The core problem was not a lack of technology. It was a lack of operational ownership over that technology. When the consultant who had configured the retailer's optimization software left the organization, the institutional knowledge left with him. The team had no way to modify routing parameters, adjust consolidation windows, or respond to performance data. The system ran on autopilot, and autopilot was producing suboptimal results.

Inbound logistics for a national retailer operating at this scale involves layered complexity. Shipments arrived from dozens of vendors using different freight modes, different pallet configurations, and different carrier relationships. Without the ability to tune the system to account for these variables, the retailer was leaving consolidation opportunities on the table, overloading trucks, and absorbing inefficiencies that accumulated into material annual costs.

BlueGrace conducted a full diagnostic of the existing setup and designed a custom optimization program built around the specific requirements of this retailer's logistics model. The goal was not to replace what was in place, but to unlock the value it had never been able to deliver.

The Solution

Methodology

BlueGrace provided a comprehensive solution built around the unique operational requirements of the business. Rather than imposing a one-size-fits-all approach, the team first replicated the retailer's existing setup to establish a stable baseline, then introduced targeted improvements in a controlled and measurable way.

01

Baseline Matching & Live Testing

BlueGrace replicated the retailer's existing optimization configuration to establish a working baseline. This allowed the business to validate outputs against familiar results before any changes were introduced, creating confidence in the process and a clear benchmark for measuring improvement.

02

Parameter Optimization

- Opening larger ship date windows for better consolidation opportunities across vendors.
- Changing max stop counts and routing parameters by carrier rather than enforcing global rules.
- Adjusting order size limits from one pool point to another based on actual capacity data.
- Mixing floor-loaded and palletized freight with palletized freight always picked up first to protect cargo.
- Accounting for multiple pallet types across shippers to prevent overloading and ensure accurate capacity planning.

BlueGrace introduced a custom optimization program tailored to the specific needs of this sports retailer, addressing their complex logistics model which included Small Parcel, LTL, Single Stop TL, Multi-Stop TL, and Pool Points.

Implementation

Execution

Translating the optimization plan into sustained operational improvement required four interconnected efforts, each building on the last.

Handling Unexecuted Shipments

In 2023, 613 shipments built using 20,537 orders could not be executed. Most failures were traced to shipper-related issues, including orders not ready at pickup, incorrectly reported weights, and wrong pallet types or locations. Addressing these obstacles represented an estimated \$401,242.67 in additional annual savings. BlueGrace put accountability structures in place to systematically reduce this gap over time.

Custom Parameter Settings

The ability to customize parameters at the carrier and pool-point level, rather than applying blanket global rules, was one of the most significant unlocks of the engagement. The team refined ship date windows, stop counts, order size limits, and freight mixing rules based on real operational data, enabling more efficient consolidation and reducing damage in the LTL network.

Feedback Loop for Continuous Improvement

Because the retailer's freight is 100% inbound, shipper accountability was critical. BlueGrace established a structured feedback loop that categorized plan deviations as either valid or invalid. Valid exceptions triggered parameter adjustments to prevent recurrence. Invalid exceptions were taken up directly with the shipper.

Over time, this loop compressed the rate of unexecuted shipments and drove better plan adherence across the vendor base.

Measuring Performance

BlueGrace tracked performance across two dimensions: actual savings, which reflected true results based on executed shipments, and potential savings, which projected the value of the full load plan before any deviations. Comparing the two gave both teams a clear view of where performance was strong and where unexecuted shipments were costing real money. This dual-track measurement approach kept the optimization program aligned with business goals and gave the retailer the data it needed to drive accountability through its vendor network.

Results

The implementation of BlueGrace led to significant improvements across every dimension of the engagement. In 2023, the following results were achieved:

\$412,000 Average Annual Savings

Optimized load planning, increased consolidation, and precise parameter tuning delivered sustained freight cost reductions averaging \$412,000 per year.

1,014 Shipments Consolidated

Expanded ship date windows and intelligent carrier-level routing enabled 1,014 shipments to be consolidated, reducing total truck count and lowering per-unit freight cost.

24% Reduction in Carbon Emissions

Fewer trucks on the road meant a direct reduction in fuel consumption and emissions. Optimized load planning produced a 24% decrease in carbon output, supporting the retailer's sustainability commitments.

2x Larger Ship Date Windows

Doubling ship date windows gave the optimization engine more flexibility to consolidate orders across vendors, maximizing truck utilization and reducing the number of partial loads moving through the network.

Results Summary

\$412K

Average freight cost savings per year

1,014

Shipments successfully consolidated

24%

Reduction in carbon emissions from fewer trucks

2x

Larger ship date windows enabling greater consolidation

Conclusion

The partnership between this national sports retailer and BlueGrace demonstrates what becomes possible when a company stops running logistics on autopilot and starts running it with intent. The retailer already had an optimization system in place. What it lacked was the expertise to configure it intelligently, the operational structure to execute against it consistently, and the feedback mechanisms to improve it over time. BlueGrace provided all three.

The \$412,000 in average annual savings and 1,014 shipments consolidated are meaningful numbers. But the more durable achievement is the infrastructure now in place to keep improving. The custom parameter settings, the feedback loop, and the dual-track performance measurement framework create a continuous improvement engine that compounds in value over time.

The 24% reduction in carbon emissions is a reminder that operational efficiency and environmental responsibility are not in tension. Fewer trucks, fuller loads, and smarter routing produced real sustainability gains alongside real cost savings.

BlueGrace's approach of matching the existing setup first, earning trust through results, and then introducing iterative improvements is a model for how complex logistics transformations should be managed. The transition from an underutilized system to a customized, fully integrated optimization program positioned this retailer for sustained logistics excellence.

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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