



## Case Study

### CHALLENGE

As much as you think you have good pricing and your 3rd party is looking after your interest, inevitably, that attention drops over time and your rates go up.

### SOLUTION

- ⇒ Tender comprehensive RFPs
- ⇒ Look for other ways to drive down costs
- ⇒ Ensure automation is appropriate and executable

### RESULTS

- ⇒ Millions in savings
- ⇒ Better alignment of carriers
- ⇒ Technology enhancement
- ⇒ Auditing of freight bills
- ⇒ Greater visibility of freight

For more  
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## Multi-Mode Sourcing Solution

**Truckload rate improvement and mode optimization generated 9.2% in annual savings.**

### The Client

This multi-billion dollar distributor of food products needed to reduce its cost to transport its goods and secure dependable carriers with experience in the temperature controlled, food distribution business.

### The Challenge

Not all transportation companies are the same, nor do all perform equally in all lanes and geographies.

This seller of food products outsourced its transportation execution to a third-party. One would think this MTS provider would be continually looking to keep costs under control and find savings for its client with optimal carriers. However, as is often the case with third-party relationships, they got complacent and took the easier road to maintain current relationships over pushing for new, improved providers.

This was obvious after our initial assessment identified over \$23,000,000 in potential savings, through rate negotiations and service and mode optimizations.

### The Solution

Our extensive benchmarking process identified a combination of high rates, over reliance on brokers, and little ingenuity in utilizing different methods to bring value and savings to this transportation network.

We found by utilizing regional smaller asset based carriers for short haul runs and aligning lanes to larger national carriers provided complementary freight which yielded lower pricing.

A combination of backhaul matching, dedicated fleet optimization, continuous move alignment and increasing volume to some incumbent carriers resulted in additional savings beyond sourcing lower rates.

Auditing of freight bills was occasional and usually on very large claims. Introducing a multi-modal freight bill auditing and payment firm to the company, streamlined this process, capture critical data, tracked KPIs, and provided better visibility of the freight.

Deliveries to food sellers like Costco, Wal-Mart and grocers is very tight. Because of this condition, knowing exactly where the freight is assists with making appointment or adjustments to appointments so deliveries could be made. By requiring carriers to provide "breadcrumb" tracking, it was easy to communicate with the driver and adjust schedules to accommodate reality.