

# OVERHAULING THE SUPPLY CHAIN FROM PORT TO STORE

## BACKGROUND: FRAGMENTED TRANSPORTATION IS A BARRIER TO BETTER BUSINESS

A leading provider of holiday food gifts, popcorn tins and ready-to-eat snacks was using four different transportation providers to conduct its business and ensure that product was on shelves. This fragmented approach resulted in excessive damage claims, missed delivery windows and a lack of capacity during peak periods.

With a small, operationally focused staff, the shipper realized it needed transportation industry expertise and a carrier who could flex capacity during the busiest time of the year to support its volume. The shipper reached out to Schneider because of its reputation for great service and streamlined solutions.

## SITUATION: ADDRESSING SUPPLY CHAIN SHORTCOMINGS

The shipper imports its popcorn tins from China, which arrive at the Port of Los Angeles in Southern California. The tins then travel via intermodal to Chicago, at which point they're filled with popcorn at factories in either Illinois or Indiana. Once filled, the tins are shipped to various retailers' distribution centers, with a big box retailer as one of its primary customers. Most of the tins are imported from June to August to prepare for the holiday promotion period, which runs from September through December.

When Schneider first met with the shipper, it learned that the shipper was using a non-asset-based third-party provider that performed live pickups and deliveries. Drivers would consistently arrive late, which meant the loading crews were sitting around without work, amounting to excessive overtime and an underutilized dock crew. It also meant higher labor costs and extended shipping hours, all of which decreased efficiency and negatively impacted the bottom line.

Additionally, Schneider learned that the shipper had accrued over \$30,000 in claims from the retailer the previous year for tins that arrived damaged. The shipper couldn't pinpoint where in the supply chain the damage happened because there weren't any quality control measures in place to verify the integrity of the tins before they reached the retailer.



**\$30,000**  
IN CLAIMS FROM  
INEFFICIENT  
SUPPLY CHAIN

As Schneider began working on the shipper's business, it uncovered several opportunities for improvement. An end-to-end solution was proposed that would ensure consistent quality and provide seamless transitions between each step of the supply chain.

## SOLUTION: IMPLEMENTING START-TO-FINISH SERVICES

To prepare for the busiest time of year, the shipper and Schneider conducted a kickoff call. During this call, key dates and promotions were discussed, and goals for the year were established.

Schneider drayed the ocean containers to a nearby transloading facility once they arrived at the Port of Los Angeles. But before Schneider moved the first load of prepared tins, it sent a load engineer to assess the shipper's current load pattern.

The engineer recognized a way to improve the transit process, and designed a load pattern that included the use of air bags to reduce shifting in transit and mitigate damage to the tins. This quality check was inserted into the supply chain to minimize claims and improve efficiency.



LOAD ENGINEER EXPERTISE =  
**MULTIMODAL  
SOLUTION**

As the containers were transloaded into intermodal containers, the cargo was assessed for damage before being shipped to Chicago. After the tins arrived in Chicago, they were sent to area facilities to be filled. Once complete, the tins were packed for shipping to their final destinations via van truckload.

As a preferred vendor for the big box retailer, Schneider was allowed to drop and hook its trailers instead of waiting for live unloads. All of the shipper's deliveries were set up as drops, which eliminated service penalties, allowed for greater flexibility and improved the shipper's bottom line.



Schneider also established a pool of containers, returning boxes each day to ensure a fresh stock of empties, which resulted in more consistent daily shipping patterns and a more efficient dock crew.

The new process Schneider designed gave the shipper complete visibility of its freight – from port to store shelf – for the very first time.

## RESULTS: IMPROVING THE BUSINESS WITH THE RIGHT TRANSPORTATION PROVIDER

The shipper needed a streamlined, all-encompassing solution, and it got just that with Schneider. Because Schneider is able to offer robust industry knowledge and oversight into the supply chain, the shipper regained the opportunity to focus on its core business. Since working with Schneider and implementing a start-to-finish solution, the shipper has:

- ↑ **Increased** service levels
- ↑ **Increased** its bottom line
- ↑ **Benefited** from complete freight visibility
- ↓ **Mitigated** damage claims

With a total solution, the shipper got a simplified, seamless approach. Schneider demonstrated its value by providing the expertise and guidance the shipper wanted – and delivering impactful results. When it came to streamlining its supply chain and improving its business, Schneider gave the holiday food gifts retailer the ultimate gift.