

PORT-TO-DOOR SOLUTION SAVES MANUFACTURER MILLIONS

BACKGROUND: MOTORCYCLE MANUFACTURER NEEDS A STRONG STATESIDE SUPPLY CHAIN SOLUTION

To send a small package from one side of town to the other is a fairly simple process. Sending motorcycles halfway across the world while keeping them in pristine condition is a completely different challenge. With its previous carrier, Europe's leading motorcycle manufacturer was struggling to maintain its products' condition once they arrived in the U.S. and were en route to various dealers. All the while, a drawn-out delivery timeline was hurting its cash flow.

The company decided it needed a new carrier solution that could take point and lead the company to a better bottom line, and it was important that the carrier had broad experience in a variety of transportation-related services such as van truckload, port services, warehousing, intermodal and supply chain management. Like its products, the manufacturer sought out a carrier with power and performance, ultimately selecting Schneider to strengthen its supply chain.

SITUATION: PORT-TO-DOOR SERVICE STUMBLES WITH INEFFICIENCIES AND POOR COMMUNICATION

The manufacturer needed its product moved across the globe but faced multiple issues once the product hit the U.S. port and was on its way to dealers, such as damaged product, lack of inventory and inadequate insight into sales. The company was left searching for a carrier with expertise in supply chain logistics.

With its less-than-truckload (LTL) transportation execution, the previous carrier subjected the products to weathering and damage from poor packaging, lengthy and inefficient hauls, and too many transfer points where the product could be mishandled. Better equipment, service, drivers and routes were a must for the motorcycle manufacturer because it was simply too costly to retrieve damaged, unsellable product from its dealers.



Another factor challenging the company's efficiency was seasonality. In June and December, the manufacturer more than triples its volume of manufactured products, so it needed to work closely with a customer service team to optimize inventory, orders and sales forecasts. It was vital to find a carrier with enough warehouse space near the port to accommodate the increased demand for product.

SOLUTION: MANUFACTURER RECEIVES CUSTOMIZED SOLUTION, TRUSTED NETWORK AND EXPERIENCED PROFESSIONALS

In a matter of weeks, Schneider operationalized a new transportation solution for the motorcycle manufacturer that felt refreshingly easy and seamless.

For the global transport of the manufacturer's product, Schneider designed a network to ensure proper handling, so products would arrive in their original condition. The specialized solution was supported with a professionally trained warehouse team that knew the value of the product, how to prevent product damage and how to maximize warehouse space. The gained efficiencies of a larger warehouse and experienced staff enabled enough inventory to be ready for the seasonality of motorcycle demand. When seasonal volume levels tripled, Schneider utilized its network of professional drivers, vast warehouse space and port proximity to meet the increased truckload demand.



Schneider's location to the port, and control over its warehouses, decreased delays in drayage. Additionally, experienced warehouse associates documented product as it moved from containers into the warehouse, providing the manufacturer greater visibility of its stock. The greater visibility meant more accurate sales reports and proper projections for manufacturing needs. To keep the products in showroom-ready condition, Schneider decreased the number of transfer points from port to door by pooling products at the warehouse before using its distinguished Intermodal network to deliver the products from one side of the country to the other.

Communication was vital to meeting sales goals, so Schneider established regular meetings with the operations and sales teams to ensure all parties remained up-to-date on the latest inventory, sales and forecasts. Schneider's advanced tracking and reporting technology made it easy for accurate reports to be provided on a consistent basis.



Schneider's breadth of experience in safely handling manufactured products, advanced technology for accurate reporting, and skilled associates and drivers came together to build a strong relationship of trust with the manufacturer and help get their business back on track.

RESULTS: OPTIMIZED SERVICES INCREASE SALES AND CUT COSTS AND CLAIMS

Since the start of the relationship, the motorcycle manufacturer has come to rely on Schneider's expertise to service its sales goals. Key results include:

- \$3.6 million in overall savings
- 65% ROI
- 99.85% claims-free delivery

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CLAIMS-FREE DELIVERY

The motorcycle manufacturer continues to experience growth with a year-over-year increase in volume of 5 - 6 percent. With more efficient systems in place, Schneider not only exceeds in delivering the manufacturer's products in flawless condition – it enhances the daily operations of the business once the products hit the U.S. Schneider's ability to customize a solution, utilize advanced technology, and provide proactive and consistent communication has solidified the relationship with the manufacturer. The company knows that no matter how large or quickly it grows, it can count on Schneider's commitment to excellence and its broad portfolio of services to handle whatever challenge they send its way.