

SCHNEIDER SAVES TANK MANUFACTURER TIME AND MONEY BY STREAMLINING LTL SHIPPING

BACKGROUND: MANUFACTURER LOOKS TO LOWER SHIPPING COSTS

A manufacturer of liquid and gas tanks that ships its products to customers throughout the country using multiple LTL carriers began experiencing significant rate increases. The company needed to find a new shipping solution that would save costs.

SITUATION: WITH LITTLE VISIBILITY INTO LTL SHIPPING PATTERNS, MANUFACTURER LACKS CLEAR LINE OF SIGHT INTO IMPROVEMENT

The manufacturer needed guidance on how to save money on shipping and transportation. While it had data on its shipments, the metrics weren't in a format that could be easily analyzed. As a result, the manufacturer had poor visibility into its supply chain and a difficult time identifying opportunities for change. Plus, the manufacturer was using so many carriers, it was difficult to track shipments. Additionally, the manufacturer didn't have the time to follow up on its claims and was not receiving payment for those it filed.

The manufacturer looked to Schneider to enhance efficiency and reduce cost.

SOLUTION: SCHNEIDER PROVIDES VISIBILITY INTO PROCESS, PROVIDES ADVICE TO LOWER LTL SHIPPING COSTS

Schneider first brought in the right carriers for the manufacturer's freight flows. Because of the relationship Schneider has with carriers, a single rate for all the carriers was easily negotiated, making the manufacturer's payment process more fluid. Schneider created a key performance indicators (KPI) report that would help identify opportunities for improvement and provide the manufacturer insight into its shipping performance. Schneider provided training on how to interpret the KPI report to help the manufacturer understand how the numbers affected its business. Additionally, Schneider connected the manufacturer to the OrangeHub powered by Schneider. This online tool helps Schneider's customers quote, book and track LTL shipments.



KPI REPORT TRAINING

Schneider analyzed the way the manufacturer was packaging and loading its products to determine if there were opportunities for improvement. It found that the manufacturer was overhanging products on pallets and wasn't properly packaging the products for shipment. Schneider recommended adding a simple wood frame to the pallets to prevent the product from being scratched or dented and reduce the number of claims.



Schneider also took over the claims management process, ensuring the manufacturer received payment on its claims.

Schneider discovered that the manufacturer was sending multiple LTL shipments to the same customers or regions in the same day. Schneider recommended the manufacturer pool shipments going to the same regions into fewer full truckload shipments, making the process less costly and more streamlined. Because the manufacturer's shipping manager relied on memory (versus records) to track order progress, it was a challenge to optimize shipments. To remedy this, Schneider created an open order report to help track order progress in a way that made the information visible to the entire shipping team. They, in turn, could leverage the information to plan more cost-effective shipments.

RESULTS: SCHNEIDER CREATES A SHIPPING SOLUTION THAT IS LESS COSTLY AND MORE EFFICIENT

By bringing in the right carriers, engineering the manufacturer's supply chain and handling claims follow-up, Schneider improved the manufacturer's shipping processes. In just three months, Schneider delivered great results:

- 8% cost savings
- An estimated \$250,000 annualized savings in shipping costs
- Decreased transit time on optimized freight by one day
- Maintained the manufacturer's 97% on-time-delivery rate during transition

By working with the experts at Schneider, not only did this tank manufacturer deliver its products to customers faster and more efficiently than ever before, but it also began saving tankloads of time and money.

**ESTIMATED
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ANNUALIZED SAVINGS
IN SHIPPING COSTS**

