

Case Study: Textile Distributor

Broussard Logistics developed a program that increased transportation and accounting related efficiencies while also reducing costs.

Overview

Background	Engagement	Results	Savings
<p>A Textile Distributor was experiencing growth organically and through acquisition. Purchasing and Operations were utilizing four 3PLS (resellers) and multiple carrier platforms for shipping needs across 18 locations.</p> <p>Leadership sought to centralize business processes and leverage collective spend.</p> <p>The NMFC for textiles was transitioning to a density-based freight class thereby increasing costs.</p> <p>Lacked benchmarks for pricing negotiations with LTL Carriers.</p> <p>Accounting dept. was burdened with carrier invoices & lack of LTL pricing knowledge.</p>	<p>Assessment of current LTL carriers (pricing & transit), distribution characteristics & freight classifications.</p> <p>Constructed and executed a formal LTL RFP with Carrier Group</p> <p>Optimized Carrier rates & transit times through multiple RFP bid rounds.</p> <p>The client selected the carrier group that would service their location needs.</p> <p>Centralized accounting processes and audit & payment services with consolidated invoicing & customized weekly reporting.</p> <p>TMS launched for shipment execution.</p>	<p><u>Expense Reduction / Avoidance</u></p> <p><i>Annual LTL Spend – \$2.4M</i></p> <p><i>Actualized Carrier Savings - 18%</i></p> <p>Accounting</p> <ul style="list-style-type: none"> • Consolidated Billing/Payments – All Modes • Automated GL-Coding • Freight Invoice Pre-audit <p><i>Standardized logistics, purchasing and accounting processes</i></p> <p><i>2 Employees Re-allocated</i></p> <p><i>FTL E-RFQ- reduction in spot market costs</i></p>	<div style="border: 2px dashed red; padding: 5px; margin-bottom: 5px;"> <p style="text-align: center;">\$432,000</p> <p style="text-align: center;">Annual Carrier Savings</p> </div> <div style="border: 2px dashed red; padding: 5px; margin-bottom: 5px;"> <p style="text-align: center;">\$115,000</p> <p style="text-align: center;">Annual Reduction in Logistics Payroll</p> </div> <div style="border: 2px dashed red; padding: 5px; margin-bottom: 5px;"> <p style="text-align: center;">\$78,000</p> <p style="text-align: center;">Annual Freight Bill Pre-Audit Savings</p> </div> <div style="border: 2px dashed red; padding: 5px;"> <p style="text-align: center;">\$625,000.00 Total Expense Reduction/Avoidance</p> </div>

Engagement Process

