



Case Study

TRANSPORTATION MANAGEMENT

Adapting transportation solutions to seasonal weather creates significant savings

Exel Transportation





Challenge

- Maintaining product protection
- Multiple provider stops and starts
- Controlling expenses during cold weather
- Inconsistent transit times

Solution

- Single-source, mode-neutral transportation solution
- Customized transportation tailored to seasonal weather challenges
- More predictable transportation expenses
- Complete product protection and hazardous material compliance

Results

-  Reduced transportation expenses by 25 percent
-  Reduced mode transit variance by four days
-  Increased product protection at a lower cost
-  Improved accuracy of delivery time

Ensuring product quality throughout the supply chain is a critical measure of success. Transporting temperature-sensitive goods to multiple regions, each with greatly varying seasonal temperatures that can swing more than 80 degrees in a matter of weeks, requires a solution that can adapt quickly.

This was the challenge facing one of the world's largest decorative paint and performance coating manufacturers. The company asked Exel Transportation to review its existing transportation network and propose a new, more adaptable solution to meet customer demands and reduce transportation expenses. The company soon discovered that a leaner, more responsive multi-modal solution could safely transport its sensitive products — without incremental cost increases.

→ The Challenge

Paints and performance coatings are susceptible to low-temperature damage, and transporting them across the country proved to be an expensive and complex challenge, especially in the colder winter months. For several years, this manufacturer relied on a seasonal mix of modes and carriers, primarily using temperature-controlled truckload service during winter months and rail service in warmer seasons. The inconsistent transit results tested the patience of the company and its customers.

Stop-and-start logistics with multiple carriers also created incremental costs and strained the limited number of employees tasked with managing the semi-annual carrier transition. Transit times varied greatly, with average rail needing 12 days and truckload requiring four days. "The variance in delivery times between rail and seasonal truckload fell short of customer expectations," said Mike Fennell, a senior account executive with Exel Transportation. "And because these products are classified as hazardous materials, regulation and protection across different modes was an ongoing challenge, regardless of season."

→ The Solution

Exel Transportation developed a multi-mode solution that met all product and service needs, regardless of season. It centralized the management of carriers, thus eliminating the need for seasonal stop-and-start processes, established more predictable expenses and improved delivery time variances — while never sacrificing the required levels of product protection.

Here's how the plan works. Cold weather transits begin with temperature-controlled truckload carrier pick-ups at the manufacturer. Goods are transported to warmer weather locations where they are transloaded to 40-foot containers for the remaining transit.





Exel Transportation

Transportation Management

“The creative solutions and value Exel Transportation delivers are a direct result of our collaborative approach with customers. Our in-depth understanding of individual customer needs provides the foundation for developing optimal, tailored transportation solutions.”

-Jim Damman,
President Exel Transportation

The combined truckload and rail transportation solution increased product protection by limiting the distance product was transported on 53-foot trailers, and reduced total transportation costs by utilizing a single-source provider and multi-mode transit solution.

“Multi-modal solutions are a sophisticated way to handle products affected by seasonal and regional temperature challenges because they maximize the benefits of each mode,” said Todd Thompson, senior vice president and general manager of Exel Transportation. “We provide multi-modal transportation expertise to design strategic solutions like this quickly and effectively.”

→ The Results

Exel Transportation’s innovative, customized transportation management solutions met and exceeded this customer’s expectations. Exel reduced the customer’s annual transportation expenses by more than 25 percent. In addition, delivery time consistency and customer satisfaction increased by reducing transit variances in modes by four days. The strategic use of transportation modes also led to increased product protection, reducing product loss risks.



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Raising expectations.

An adaptable transportation solution that ensures both product quality and customer satisfaction is of critical importance to any manufacturer. The design and implementation is a challenge requiring the experience of a trusted partner.

Contact Exel Transportation today to learn how a single-source transportation provider with centralized carrier management can reduce delivery variance and improve service. Let us help you make your logistics more efficient.