

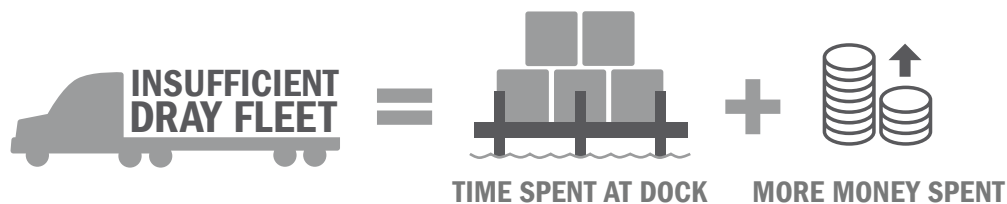
OMNICHANNEL RETAILER OVERHAULS LONG-HAUL DRAY FOR A MORE EFFICIENT SOLUTION

BACKGROUND: RETAILER EXPERIENCES UNRELIABLE PRODUCT DELIVERY

An omnichannel retailer required product onsite three days before being sold during live television programming. Unfortunately, the retailer was experiencing unreliable container deliveries, which not only failed to meet their three-day requirement but also negatively impacted both consumer fill rates and the retailer's brand reputation. The retailer needed a solution that ensured product was on time and in stock.

SITUATION: INTACT DRAYS ARE COSTLY AND CAUSE FREIGHT DELAYS

The retailer realized that its existing supply chain process was in need of an overhaul because it was routinely accruing incremental and accessorial costs when processing its ocean containers. Specifically, when product arrived at the port, the ocean containers were drayed intact from the port to the retailer's main distribution center. Each round-trip move was more than 750 miles. Moving intact ocean containers more than 250 miles one way is costly and inefficient because most dray fleets are not set up to run those types of distances efficiently. Inconsistent access to trailers at the port often resulted in product sitting at the dock and incurring incremental processing costs. Additionally, frequent chassis and bobtail rentals in order to move the containers inland further escalated the retailer's costs.



Schneider learned of the retailer's challenges and began uncovering the benefits and overall value of converting intact drays to a complete dray and transloading solution. With transloading, the incoming ocean containers are moved from the port to a warehouse, where they're taken out of the container and loaded onto a trailer that will move the product inland to the distribution center. This allows the ocean container to be released back to the shipping line in a timely manner to eliminate container charges. It also provides the retailer more control of where and when the product should be delivered.

The retailer saw the opportunity to improve cost and service levels, which would also significantly reduce late deliveries and lost profits. Because this was a new approach for the retailer, it wanted to segment the solution and decided that Schneider would dray and transload the product, and another carrier would move it to the distribution center.

SCHNEIDER'S SOLUTION: A ONE-STOP, FULL-SERVICE APPROACH

Schneider's Sole Source and Promotion team rolled out a project plan that detailed a complete solution. At the beginning of the project, Schneider only drayed and transloaded the freight. During that time, the retailer was ending the relationship with its prior carrier. Once that was finalized, Schneider shined as it used its expertise to execute the complete, streamlined solution.

The retailer worked exclusively with Schneider's Sole Source and Promotion team once the full solution was implemented, providing weekly updates on the products leaving the origination point. Schneider used that volume forecast and timeline to expertly determine how many trailers would be needed for transloading and delivery.

RESULTS: CONSISTENT AND RELIABLE BUSINESS

Since beginning work with Schneider, the retailer has saved the incremental and accessorial costs that occurred from needing to process extra ocean containers without having available trailers to load. Additionally, loads no longer sit for multiple days at the port prior to being moved.

Additional results include:

20%
IMPROVED
ON-TIME DELIVERY

- Twenty percent improved on-time delivery to distribution centers

9%
REDUCTION
IN COSTS

- Nine percent reduction in operational costs

Schneider's streamlined solution provided the retailer with the efficiency and reliability it required. The corresponding realization of enhanced reliability and service levels has opened the door to future collaborations, an exciting prospect for both companies.