

# eShipping Case Study

Focus // HOT SHOT FREIGHT

A Major Oil & Gas OEM Transforms its Supply Chain to Electronically Manage Time Sensitive Freight Procurement and Delivery



## CLIENT

The major oil and gas OEM Client is a global manufacturer of products for oil and gas companies in upstream, production, transportation, refining, and related industries. Products include well service pressure pumps and flow control products; engineered, mechanical, and rotating equipment; and oil field and drilling equipment.

## CHALLENGE

Due to the high demand and critical nature of the oil and gas industry, freight procurement and delivery must occur quickly and on time. For the oil field industry in particular, freight is often oversized in length, weight, and gauge (pumps, rigs, drills, and other equipment). Therefore, much of the product cannot be loaded and unloaded with standard equipment at a dock, but rather by crane, hoists, or other specialized equipment. Historical analysis for the Client showed

that despite the availability of a number of quality transportation providers that could accept these specialized shipments, they were finding it difficult to procure available equipment at fair market value. The more critical the shipping need, the higher the price the Client was charged.

## SOLUTION

eShipping and the Client combined resources to implement the most efficient means to procure transportation for loads with special requirements. The eShipping Transportation Management System (TMS) was a natural fit, with an opportunity to customize to the Client's unique needs and match specific shipping lanes with equipment availability.

In addition to the implementation of the TMS, eShipping's experienced team evaluated each individual transportation provider for all 11 of the Client's Service

Centers. Carriers were surveyed for past performance record, safety compliance, proper insurance coverage, pricing, equipment availability, and transit time. Other factors such as current and past relationship to the Client, company mission, financial stability, and billing methods were also closely evaluated to ensure the right fit. Since no single transportation provider could guarantee proper equipment at any given time, multiple carriers were selected for the partnership.

## RESULTS

No less than three providers per location were agreed upon, and standard base rates were negotiated on the Client's behalf with each provider. The eShipping TMS streamlines freight procurement through its web-based portal and Contract Manager functionality. Overall, the Client has seen significant cost savings and a decrease in the amount of time to procure and schedule a specialized shipment.

 [www.eshipping.biz](http://www.eshipping.biz)