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## eShipping picks up speed during logistic market's slowdown

by David Twiddy, Reporter

Parkville company **eShipping LLC** saw revenue surge and its work force double last year.

CEO <u>Chad Earwood</u>, who brought the third-party logistics provider with him from Iowa in 2004, said eShipping laid the groundwork for that growth by helping struggling shippers save money and streamline their freight business amid the economic slowdown. When the recession began loosening its hold last year, those customers stuck with the company as their shipments increased.

Earwood declined to disclose revenue but said that the company's sales increased 77 percent last year and that growth has continued so far this year.

"It exceeded our targeted goals, but we knew we were growing, and we knew we had the people on the bus and the services that could allow us to grow to the next level," he said. "So last year, it became about execution."

EShipping has about 65 employees, up from 32 a year ago. Most are in the Kansas City area, with others working from offices in Dallas, Denver, St. Louis, Tulsa and Fort Worth, Texas.

The expanded head count is requiring an upgrade in office space. The company, which has 6,000 square feet, is taking over an additional 3,000 square feet in its office building across from English Landing Park.

EShipping provides supply-chain consulting; helps identify potential transportation and freight payment outsourcing partners; and sells and installs transportation management system software, mostly for small and midsize companies. Long focused on parcel and less-than-truckload services, eShipping has expanded in recent years to offer truckload, freight forwarding and international expertise.

"If you look over the last four or five years, we've had a pretty big evolution," CFO John Ratigan said.

The company, partly driven by the recession, also developed new tools to retain customers by constantly quantifying the savings they receive from eShipping's services.

"Sometimes it's a simple technology solution, and other times it's a combined technology-and-labor solution," COO <u>Matt Weiss</u> said. "Most companies who are in growth mode never focus on this area, so we try to find those companies and try to help them better their programs."

Earwood said that expanding provided new career opportunities for employees — and a few headaches.

"You have a bunch of new people coming in. How do you embed them in your culture and onboard them quickly and not lose track of that?" he said. "So we've had some growing pains there, but we've come back around and solidified that piece."

The company's abilities have attracted the attention of KC Smartport, which promotes transportation and logistics in the region, and the **Mid-America Regional Council**. The organizations jointly awarded eShipping a \$750,000 contract in the fall to help design transportation management software for small and midsize regional shippers.

The product is based on an online transportation management system set up by Trade Data Exchange Inc., a quasi-public body affiliated with KC Smartport.

KC Smartport President <u>Chris Gutierrez</u> said the 18-month project will culminate in a product that can be sold nationally and internationally through Trade Data Exchange and eShipping.

"We wanted a vendor who could focus on the commercial market when we did it," Gutierrez said. "(eShipping is) very successful at what they're doing with their own domestic (system), and Chad and his team had a commitment to really take their software in-house and develop it themselves and expand it and tweak it based on the market."

Earwood said the product ultimately will give shippers involved in the exchange greater ability to direct and track their freight along their supply chain.

"I think it'll help attract companies to Kansas City and make the product more viable in the marketplace," he said.

## **ESHIPPING LLC**

**Description:** Provides transportation and logistics technology services for shippers and supply-chain companies.

**Founded: 2004** 

**Top executive:** CEO Chad Earwood

**Employees:** 65

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