

THE MISSING INGREDIENT IN THE FOOD PROCESSING INDUSTRY

Nearly all Food Processing Manufacturers face similar logistical challenges:

- Many manage multiple locations
- Locations try to keep up with the constant flow of inbound raw materials and outbound finished product
- Nearly all have the need for multiple modes of shipping (each managed by different departments)
- They partner with only one or two carrier options which limits their ability to negotiate the lowest freight costs
- Most don't have advanced technological support providing real-time shipment data and ongoing business intelligence
- Many utilize difficult manual methods for calculating shipping costs, surrendering potential margin

These challenges combine to make it difficult for manufacturers to efficiently compete in the logistics marketplace to maximize their cost savings and enhance financial performance in the area of their P&L.

1 Strengthening the P&L

The job of optimizing cost controls is never done. To effectively strengthen your P&L, you must continually seek opportunities for improvement. To start, have your logistics team review line item costs across LTL, FTL, expedited, international, parcel and all other modes to transform these often overlooked line items into a manageable bucket for cost savings.

2 Technology-Empowered Procurement

Ongoing carrier evaluation and cost negotiations are made possible with advanced technological tools. Food Processing Manufacturers rely heavily on their logistics team's ability to evaluate carriers, negotiate rates, and develop relationships with their providers in order to make informed business decisions when it comes to logistics. Those logistics pricing team members collect and analyze all compiled data points, with the help of their advanced tools, in order to make the most informed decisions and use information as leverage in their negotiations. The ultimate goal for this team is to provide their freight decision makers with a strategic carrier network that allows for multiple bids simultaneously to procure the preferred rates on a case-by-case basis across multiple locations.

C-levels and Supply Chain Executives increasingly ask, **"How do we transform these often overlooked line items into one manageable bucket for cost savings?"**

The simple answer is:

By using a complete transportation management solution that offers full visibility and optimization across all modes.

3 Complete Visibility

In addition to providing freight decision makers a strategic approach to booking shipments, a complete transportation management solution must provide visibility to the following:

- Visibility of outbound, inbound, and drop-ship freight at all times
- Advanced shipping notice to customer
- Accurate shipping and handling cost estimates
- Historical data, trends, and Business Intelligence

4 Business Intelligence for All Modes, Continuous Improvement

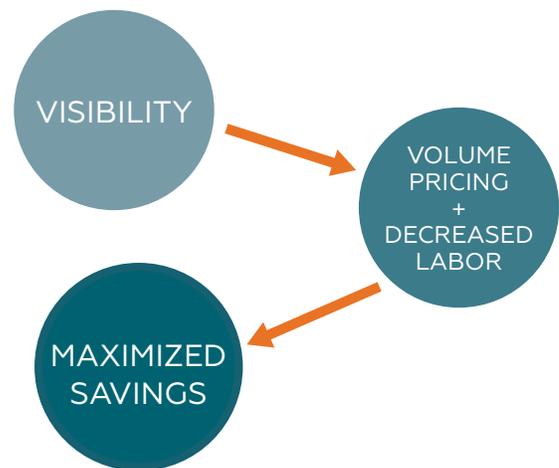
The true measure of your Business Intelligence is not just the story behind the numbers, but the amount of actionable analytics you have that can positively impact your business decisions and profitability. This comes from ongoing reviews of historical data across all modes with the purpose of identifying trends and opportunities. A complete transportation management solution must be managed with a mindset of continuous improvement which includes a strategic plan for growth. Continuous improvement strategies work to identify areas of improvement throughout your entire supply chain including; cost/lb analysis, shipment consolidation opportunities, order replenishment, optimal sourcing and fulfillment location, etc.

An effective continuous improvement cycle includes four key stages:



5 Maximize Cost Savings

When it comes to implementing actionable intelligence, who wouldn't want take steps to maximize their costs savings? Visibility through technology-empowered procurement and actionable business intelligence allows you to take a step back and evaluate your line-item logistics costs holistically in one large bucket. Cost saving measures are then multiplied when you implement them throughout the system. Not only are you able to find significant rate savings by improving your negotiating position with carriers due to volume pricing, you don't need nearly as many labor hours dedicated to redundant processes. Since the goal is to maximize your savings, the transportation management solution itself should come at no additional cost.



6 Closing on the overall value of a Complete Solution

Developing a complete transportation management solution across all modes customized to your business needs takes a tremendous effort even when those people are very best at what they do. However, when the partner is providing it at no cost there is zero risk, the only barrier is your willingness to implement the solution. In order to remain competitive and outmaneuver your competition, you must find ways to continually optimize your strategies towards effective cost savings.

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