



CASE STUDY

The Field Services Advantage - Collaborating with Trading Partners to Reduce Network Accessorial Costs

Challenge

Armada identified significant accessorial charges at a supplier to a high-growth, quick service Restaurant Company. The detention at origin charges for this one supplier location accounted for over 30% of this accessorial category across the Restaurant Company's network. Historically, the supplier had been unwilling to modify internal processes for any individual client so the charges remained in the network. Armada's Field Services team engaged the network stakeholders to determine the root cause and facilitate a solution.



Solution

Armada's Field Services team engages with system stakeholders to facilitate Operational Harmony throughout a client's network. Building a relationship with the supplier was the first step for Field Services – with both the facility decision makers and the corporate representatives. Through monthly conference calls to discuss the metrics and opportunities, the supplier built trust in Armada. Combining fact-based metrics and observations of loading activities, the team determined that the large shipment volume (70+ per week) was impacting the efficiency of the supplier's dock operations. With each load being live loaded once the carrier arrived, any delay compounded itself with subsequent shipments.

Armada suggested the use of drop trailers to limit the congestion during normal operating hours. The drop trailers would allow the supplier flexibility to load the orders at their convenience, particularly during slow periods. A practice not previously considered by the supplier facility. Due to high detention costs, this supplier recognized the need to consider alternatives. Field Services helped to educate the supplier facility on the benefits of a drop trailer program and facilitate the change management. Lanes with the most efficiency opportunity were tackled first. With the initial success on those lanes, more lanes were subsequently added to this program.

Results

As a result of the new drop trailer program, detention charges were reduced by more than half over a 12-month period and the facility also saw an improved on-time pickup by 4% for this Restaurant Company.

The supplier facility recognized the improvement and appreciated the effort of Armada's Field Services team. Using fact-based change and a holistic view of the supply chain, Armada was able to collaboratively engage network stakeholders in the change management process. This facilitated alignment of common goals and behaviors to reduce network costs, increase service levels and bring Operational Harmony to these lanes of supply for the Restaurant Company and the supplier.

About Armada

Armada creates innovative, fully integrated supply chain solutions that deliver competitive advantages and improve business performance for our clients.

Armada Solutions

Supply Chain Planning
Supply Chain Technology
Warehouse Solutions
Transportation Solutions
Global Logistics

We believe that there's a better way to manage our clients' supply chains. A better way rooted in simplicity, transparency and extraordinary service to our clients.

We are changing the way supply chains are managed — now and for the future — through innovation and collaboration with our clients.

We provide logistic solutions that create smaller, smarter, and more agile supply chains that adjust to our clients' evolving marketplace demands.

Armada

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