

Family-owned Food Manufacturer

Transportation transformed.

When evolving customer demand forced a national leader in fresh deli products to rethink its transportation strategy, West Monroe Partners helped it establish state-of-the-art processes and technology.

The Challenge

Reducing transportation cost while maintaining excellent service

The client has grown from a “mom ‘n pop” operation into a national brand. At the same time, its grocery customers—facing changing consumer preferences—increasingly demand fresher, shorter-shelf-life products and more frequent deliveries. This strained the company’s supply chain and transportation functions.

The client asked West Monroe Partners to conduct a transportation assessment and identify the changes necessary to sustain growth and respond efficiently to evolving demand. Any improvements in transportation strategy and execution would need to meet several key criteria, in particular:

- ◆ Maintaining or improving customer service and experience
- ◆ Reducing risk in the supply chain
- ◆ Lowering overall transportation cost
- ◆ Increasing capacity for growth

Additionally, the client wanted to increase visibility across its supply chain, improve data validity, and strengthen relationships among participants in the supply chain.

THE BOTTOM LINE

REDUCTIONS

◆ **\$3 MILLION**

IN TRANSPORTATION SPEND

◆ **20%**

REDUCED RELIANCE ON FREIGHT BROKERS

◆ **RELIANCE**

ON SPOT MARKET

BENEFITS

- ◆ GREATER FREIGHT CAPACITY
- ◆ MORE FAVORABLE FREIGHT PRICES
- ◆ INCREASED RESPONSIVENESS TO EVOLVING FOOD INDUSTRY TRENDS

The client is a family-owned company that specializes in delivering fresh-food to supermarkets nationwide.

The Solution

Enhanced transportation strategy, processes, and technology

West Monroe assembled a team with an uncommon blend of expertise in supply chain management, process optimization, technology, and change management. The team assessed each facet of the company's supply chain and transportation strategy, processes, people, and technology to identify opportunities for improvement.

As it is for many organizations, managing change was the largest roadblock to transforming the transportation department. Accordingly, West Monroe developed a plan that established a solid foundation for future operations before accelerating changes. This involved two phases of work:

1 Control and improve: West Monroe worked with executives and the transportation department to establish a strategy that encouraged strong relationships with asset-based carriers, normalized rates against industry benchmarks, and reduced the overall size of the carrier portfolio in order to improve capacity, service, and pricing. This effort also established new processes and clearly defined roles and responsibilities. In addition, West Monroe helped the client identify meaningful key performance indicators and measure them using Tableau dashboards. The transportation department uses these tools to drive discussion during weekly meetings.

2 Optimize: As the activities above began to generate savings, the client was able to begin investing in modern technology to support its transportation function. West Monroe helped the company select and then implement MercuryGate transportation management software (TMS) with state-of-the-art capabilities for optimizing order consolidation and routing, supporting a dynamic order environment, and tracking and tracing multi-leg shipments.

The Impact

*Greater visibility, agility, and manageability—
at a lower cost*

The client decreased the size of its carrier portfolio by 20 percent, reduced its reliance on freight brokers, improved line-haul rates through better carrier selection and management, and increased freight capacity. These changes enabled the company to reduce transportation spend by more than 10 percent—or \$3 million—during the first year of implementation, while maintaining its top-tier customer experience.

The new processes and technology have also improved visibility of transportation and supply chain operations—which in turn has enhanced agility and communication among supply chain partners. Today, the client is well equipped to deliver on the expectations of an evolving grocery market.

