

Maximizing Your Freight Partnership After the RFP

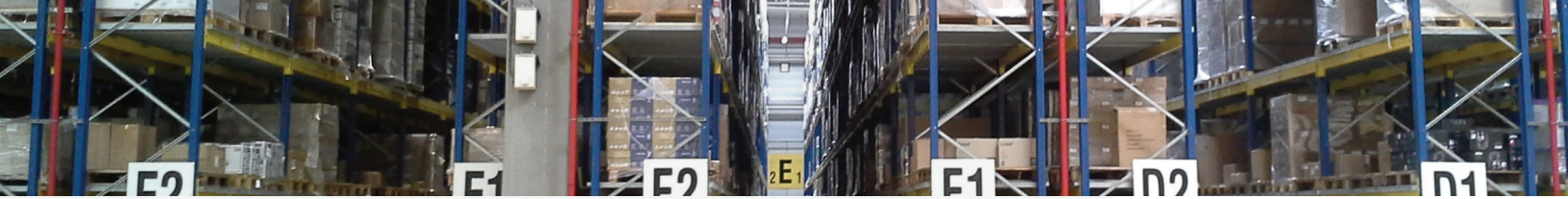
The responses are in. Your organization has completed the tedious request for proposal (RFP) and received the candidate responses. You've carefully reviewed the vendors' submittals and chosen your freight cost management partner. After that long process, how do you know that you selected the right vendor? More importantly, is your potential freight cost management partner the lowest cost vendor or a true advocate for your business? The following are a few points that could help your company answer that question.



Pro-active and Ongoing Due Diligence of Your Data to Identify Opportunities

First, does your vendor simply review your data and report it back to you? A true advocate should pro-actively recommend ways to improve your cost savings. For example, businesses can use tax professionals to simply file their tax returns. In contrast, your organization may partner with a certified public accountant (CPA), who advises throughout the year on the changes in the tax laws and things to handle differently the following year. There are clear differences between these relationships, expectations and benefits reaped.

Partnering with the right freight cost management partner is similar. Ideally, you rely on this freight expert to interpret your freight data, pinpoint opportunities and suggest next steps. For instance, this advisor may see that one of your locations spends 10 percent more on freight than your other 18 locations. By further reviewing your data, the freight cost management partner can recommend packaging changes at the one location to drive shipping costs back in line with your other sites.



Quarterly Reviews for More Cost Savings

Does your freight partner sit back on the sidelines once you've signed the contract? Or does your freight cost management partner conduct quarterly reviews with recommended next steps? Regular reviews help you tackle challenges in a timely fashion. Waiting until the year-end puts off cost savings.

"Some of the recommendations may not even be specific to pricing. They could be tied to packaging, combining shipments or a preferred carrier in a specific, high traffic lane," Keith Buford of Broussard Logistics said. "Your freight cost management partner should be looking for ways to not only save you money, but also improve your process on a regular basis, and not just as the contract renewal time approaches."



While shippers often focus on price, Buford encourages quarterly reviews to consider other valuable possibilities.

→ **What about:**

- ① **Overall price changes in the market?**
- ② **Options to help you defer costs through better process management?**
- ③ **Offering solutions where you are charged based on the amount of money that you're able to save? Some solutions are based on a cost-saving share model. No savings, no cost to you.**
- ④ **Discussing a phased-in approach at implementation? In some cases, that allows the client to break up the overall logistics management initiative into smaller, more manageable steps, so that long-term you have a full-blown logistics solution. This presents a more manageable effort versus an expensive, enterprise-wide endeavor that often requires more resources than initially planned.**

Take a Broader, Strategic Look

A logistics cost management partner should take a holistic look at your challenges and needs. With that comprehensive view should come creative solutions to not only make recommendations, but also to reinvest the savings to fund improvements in other areas of your business. Imagine saving money through one phase that funds the next. Yes, the result is savings, but also a partnership that helps pay for itself. That's a win-win relationship that positively impacts your financials and continuously improves upon your RFP process.

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About Broussard Logistics

Broussard Logistics is the leader in the logistics management industry. The organization has revolutionized its services into a proactive outsourcing tool with sophisticated technology instruments to continue its original mission: Assist companies manage, control and lower freight cost by improving their supply chain. Learn how Broussard Logistics' knowledge and buying leverage can help move your business forward. Visit us at BroussardLogistics.com.

Contact Broussard Logistics at 713-921-2480 and our experts can help.