



Transservice and Logistics' Optimization

Transservice has served its clients for over 45 years. In order to maintain current customers and attract new clients, we need to strive for demonstrable improvements to their operations. Our clients represent a diverse mix of industries, including newspaper, grocery, retail, industrial gas, utilities and foodservice, to name a few. While these clients do not share a common marketplace or distribution model, one item they all have in common is their desire to improve their supply chain optimization.

Transservice continually assists its existing and prospective clients by providing logistics design for operations optimization. What exactly does this mean?

As our clients or prospects' businesses change, we need to step back and take a closer look at how those changes affect the way they distribute their product. This means that we first look to reduce cost through better utilization of labor and equipment, and then look for opportunities to provide a greater value for the money that is being spent on distribution. Then our client or prospect can utilize their supply chain as a competitive advantage against others in their industry.

Let's take a look at each opportunity:

1. In order to improve utilization of labor and equipment, we must first understand the current distribution operation and model by utilizing routing and scheduling software and then, ultimately, a utilization software. We start by gathering data that includes customer delivery addresses, volumes and delivery windows. We then input this information into the program and recreate the current operation while determining the miles, hours, drivers and equipment that were used. Our program then lets us optimize or give us the best solution. This means the most effective route, sequence of deliveries, an option to deliver the most product and/or utilizing the least amount of miles and hours while maintaining the customer delivery time constraints intact.

The resultant routes allow us to determine if the customer has an attractive economic solution. Typically we come up with less. It also helps us to determine if the right type of equipment is in place i.e., tractor-trailers vs. straight trucks.

An example would be a prospect who is currently delivering to 100 customers daily on ten straight trucks. We suggested that they upgrade the straight trucks to trailers as the drivers still had available hours and the customers were still open for delivery. This allowed us to put more deliveries on each trailer and reduce the need for two drivers. It also reduced the miles driven. Multiply this result by 5 days and 52 weeks per year, and the final savings could be quite substantial, as shown below:

Variable:	Current:	Optimized:	Savings:
Deliveries	100	100	0
Drivers	10	8	2
Straight Trucks	10	4	6
Tractor Trailers	0	4	-4
Miles	1,000	900	100
Hours	90.0	80.0	10.0

2. Next is creating more value for the client. Here, providing innovative ideas is key. Let us figure that a customer is beginning to grow in a geography that is too distant from his distribution center to deliver effectively. Utilizing our technology to optimize, dispatch and monitor the results, **Transervice** can establish a remote location to which product is shuttled nightly by single or team drivers. Daytime drivers will then take those same vehicles and distribute the product for early next day deliveries. This provides our client with a distinct advantage as they do not have to build a distribution center with inventory in the marketplace they want to serve. This way, they can test the market remotely to see if it provides an opportunity for growth without having to invest in real estate and inventory.

Not only does this help in developing new customers, it also helps nurturing the relationships we already have. If we can assist our current customers by reducing their cost and/or improving service, they will continue to depend on us, and we will truly become their partner now and in the future.

Transervice has the expertise to create value for our clients and prospects, and demonstrate that we are a true partner for the long haul. **Transervice** operates and manages numerous locations providing maintenance, leasing and logistics services. We utilize a combination of technology, expertise and performance management to properly align our clients' unique requirements with the services we provide. We have been in business for over 45 years and are well-known for our many long-term Fortune 500 and 1000 client relationships.

Utilize a **Free Consultative Analysis** from **Transervice** by contacting us on 888-858-7570.



contact us: www.transervice.com
888.858-7570