

Solutions Workshop – Transportation

Host: Batory Foods
Date: February 22, 2018
Speakers: Vito Parise | Group Director Transportation | Batory Foods
Mike Locquercio | Director of Supply Chain & Logistics | D&W Fine Pack®

A big thanks to SVCC Member Batory Foods for hosting the Solutions Workshop on February 22. Over 30 supply chain professionals heard an update on the industry and then exchanged ideas on several topics; highlights of the comments follow.

- **In a market with more loads than trucks, how do you ensure capacity to meet customer service levels?**
 - Dedicated Fleets: on the surface, cost may appear higher than non-dedicated but must factor in the total cost to the organization for things like downtime, lost sales, customer fines caused by transportation service failures.
 - Must educate all levels of management on the true costs of transportation and how each person impacts the cost
 - Remove waste from the system: clogged docks that slow shipping and receiving, change shipping / packaging configurations to improve cube utilization
 - Be a preferred shipper – fast load / unload, flexible hours, 2-way scorecards, network bidding practices and fair payment terms are just a few elements
 - Look at internal policies that may be increasing transportation costs: goals on inventory turns drive smaller, more frequent shipments
 - Incentives: using the “carrot” vs the “stick”
 - Change modes: convert truckload to intermodal
 - Implement flexible delivery schedules where possible
- **Final Mile Delivery – Better Practices?**
 - Utilize centralized, multi-shipper facilities to cross-dock trailers to smaller vehicles, combining goods from multiple shippers to a common destination
 - Explore partnerships
 - Kohls handling returns for Amazon
 - Uber Eats model
- **What are the next generation freight solutions to increase capacity and how can we accelerate implementation?**
 - Autonomous vehicles: closer than you think – particularly in controlled environments (trailer spotting)
 - “Platooning” trucks saving fuel and utilizing roadway space better.
 - Electric vehicles
 - Forward deploying inventory closer to the market; have customers pull from there

- Move manufacturing closer to the market
- **Shipper to Shipper Collaboration? Who can execute?**
 - Shippers, receivers, and carriers must work together to find efficiencies - carriers have the visibility, tools and relationships to drive results
 - Co-shipping
 - Mixing one company's "bricks" with another companies "feathers" to improve cube utilization.
 - Significant challenges with regard to shipping, receiving, accounting to overcome. Utilizing a share ship point helps.

Thank you to all those who attended – we hope you found it worthwhile. Our next event for the Supply and Value Chain Center Network is April 10, 2018 on Blockchain. For more information click [here](#). For the Chicagoland Food and Beverage Network it is Tuesday, February 27 on Company Culture. For more information click [here](#). For more information on either the Chicagoland Food & Beverage Network or the Supply and Value Chain Center, please contact us.

Regards

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