



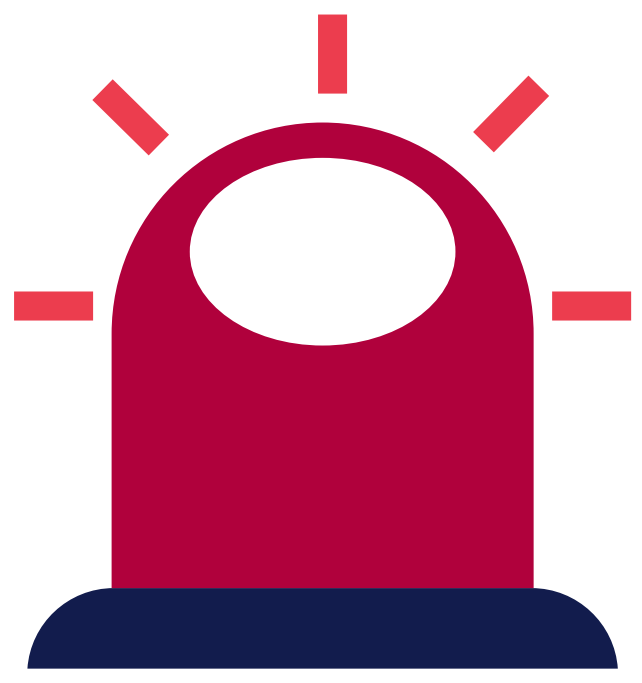
4 Proven Ways to Reduce Transportation Cost



Transportation is by far the largest Component of Total Logistics Cost



Logistics costs are the summation of all expenditures undertaken to make available a good or a service to the market, mainly the end consumer. In today's market **Transportation Costs** remain the dominant consideration as they account for about **half of the logistic costs**. Inventory carrying costs are also significant with a share of about one-fifth of total costs.



WARNING.!

Don't fall into the trap

When companies benchmark their productivity, they tend to focus only on the manufacturing processes, not the full supply chain. As a result, they overlook inefficient on other sides of their business including transportation and distribution networks. Those costs often go unnoticed and constitute an incredible opportunity to improve your profitability and make your business truly lucrative...!



Are you driving your business
blind into the darkness?

Shocking reports reveals one of
the principal reasons why small
and medium shippers fall into the
darkness and get out of business,
it's due to their inefficiency to plan
and control transportation
expenses

Lowering Transportation Costs has become one of the most important sources for a company to raise profits and maintain competitiveness in the global market. The general principles shown on this document proposes four stages that integrate the most important schemes to reduces the total transportation costs.

4 PROVEN WAYS YOU MUST KNOW TO REDUCE TRANSPORTATION COST



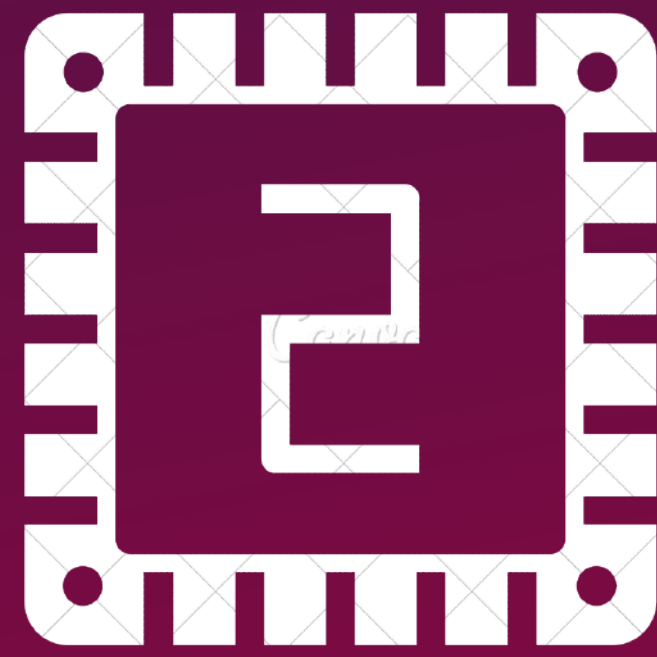
- PRICE NEGOTIATION
- STREAMLINE OPERATIONS
- IMPROVE COMMUNICATION
- OPTIMIZE YOUR ROUTES

SECRET # 1

PRICE NEGOTIATION

Avoid overspending money negotiating rates only when the service is required. Shippers that negotiate future transport requirements can get discounted or lowest tariffs base on volume and long term horizon contracts

SECRET #



STREAMLINE OPERATIONS

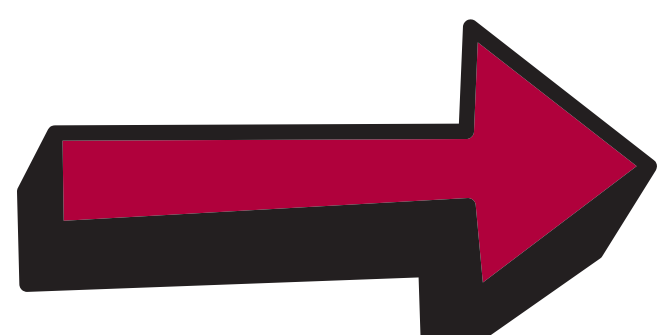
Many companies do not have a corporate strategy that leads them to increase their level of transportation effectiveness. One of the main reasons for overspending in transportation is due to capacity underutilization. Companies that are implementing efficiency programs such as Total Quality Management or Lean programs are being able to reduce significantly their transportation cost

SECRET #



IMPROVING COMMUNICATION WITH TRANSPORTATION PROVIDERS

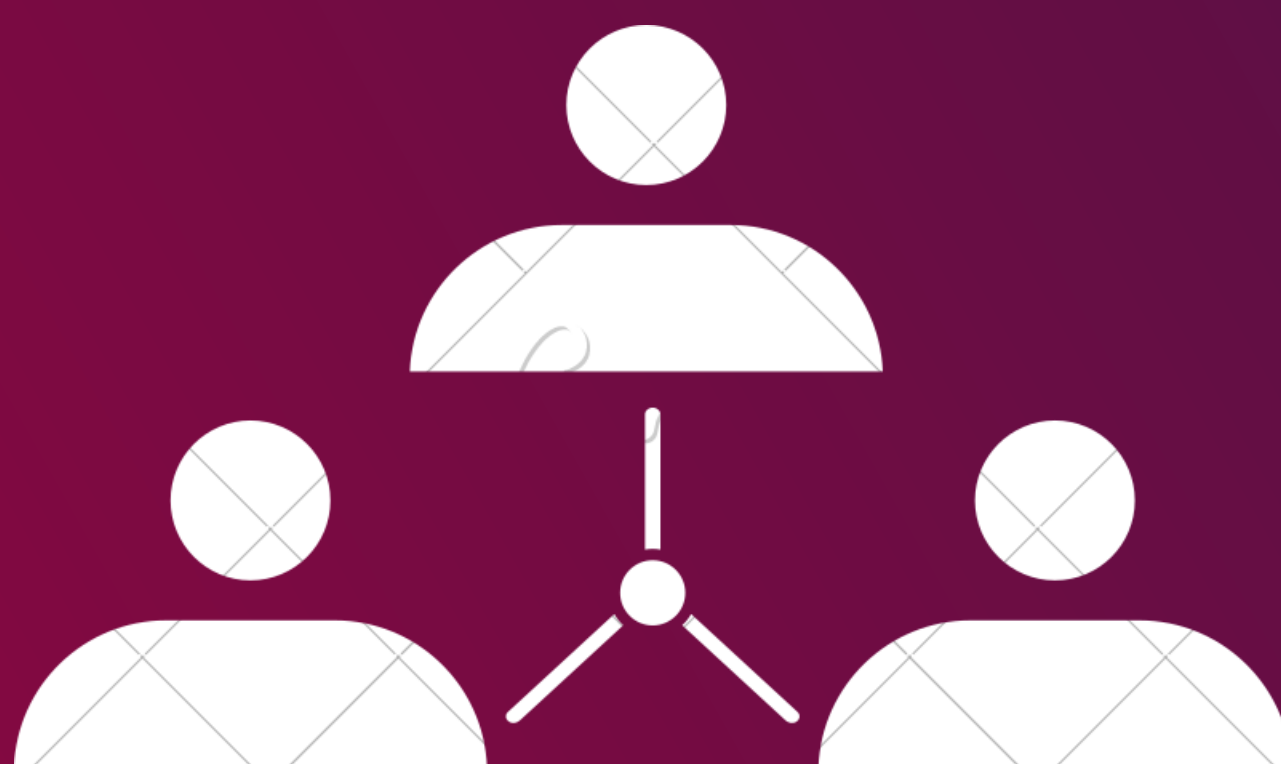
Several shippers have a very basic level of communication with their carriers and the rest of their supply chain. It is commonly seen that the act of communication only occurs to satisfy the transportation requirements as need it.



Communication is the Key



In order to have the most advanced level of communication, you should create a "Transportation Collaboration Program" where a more intense degree of information flow and interactions will allow your company to improve your entire operations, leading to significant cost reductions. The main purpose of this type of programs is to understand the transportation system as a whole, including its impact on the performance on the rest of the elements of the supply chain



SECRET #

4

OPTIMIZING YOUR ROUTES

One of the key element to cut cost in transportation, it is by properly creating a freight routing plan with aims to move commodities from their origins to the respective destinations through the transportation networks with minimal waste. Optimal routes could change when the organization experience fluctuation on their supply and demand and the ability to properly modify your transportation lanes will empower your company to significantly reduce your total transportation cost.

Top transportation managers always keep their minds open to find new opportunities to improve their overall transportation flow.

The key to being a world-class transportation manager is to consistently keep track and measure the efficiency of the entire transportation network in order to minimize your cost and increase your company profitability.



If you want to know more
secrets on how to dramatically
reduce your transportation
cost feel free to reach me
out..!

Francesco Campione

COO at GO TO TRUCKERS INC

Email: f.campione@gototruckers.com