



10 Ways

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ODW Logistics, Inc.

Integrated
Logistics
Solution
can
Save You
Money

Let's face it, today's economic climate still isn't great for businesses. Every dollar spent needs to be justified. If that dollar isn't invested well, it's bad for everyone. As companies make smarter spending decisions, many organizational functions are impacted; one of these areas is the supply chain.

The supply chain is an inevitable expense for any business that has to move a product to a final destination, whether it's to a customer or a retail outlet. Inefficient supply chains are costly regardless if they're operated internally or outsourced to a third party.

To bring consistency and efficiency to the supply chain, an integrated logistics solution – one that combines both warehousing and transportation services from one provider – can help businesses looking to reduce overall spending on their supply chain.

Here are 10 ways an integrated logistics solution can **save you money:**





1

Time

We all know the old saying, "time is money." And it's especially true when using an integrated logistics solution. It can save you time, which ultimately saves you money. By managing one provider instead of multiple providers, you establish one point of contact to serve as your intermediary and understand your entire supply chain. There's no need to waste time reaching different people; your designated contact manages everything for you. This reduces duplicative efforts and ensures one entity can locate your orders at any point in the supply chain. Additionally, when you use one provider, you reduce the total number of touches your orders make in transit, saving time and reducing overall transportation costs.

2

Multiple Service Discount

When you use more than one service with a single provider, you save money by getting a reduced discount across multiple services. Think of it this way: if you bought your cable from a cable provider and Internet service from a phone provider, you would get two monthly bills at a non-discounted rate. However, when the two services are bundled, more than likely, you'd get a discounted rate. In the case of third-party logistics, when you combine warehousing and transportation services with one provider, you get the best value for both.



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One System Implementation

Today's supply chain thrives on technology. When used correctly, it can drive maximum efficiencies into your supply chain. If you have multiple supply chain providers, you have to conduct more than one system integration. This means you devote more resources, infrastructure and subsequent technology investments each time. When you have a single provider, you only have to manage one integration. The added benefit of one implementation is the maintenance of a single connection that talks to both your WMS and TMS systems, reducing the need to spend additional dollars on more technology infrastructure and manpower to maintain more than one system.



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Data Analysis

With an experienced supply chain provider, you adopt that partner's industry knowledge and supply chain expertise. That wisdom can also save you money. Supply chain experts are trained to look for inefficiencies or gaps. There's an expertise that comes with using an experienced, integrated supply chain provider through planning and analysis. When third-party professionals manage your supply chain, they can recommended changes to save on costs. Through this data sharing, experts can better forecast data and help you predict your needs before you realize you have them.

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Shared Costs

When you share warehousing or transportation services with other companies, you also share expenses. And it costs a lot less than paying for your own warehouse or truck. Depending on your inventory or seasonal demands, you may need more or less space or trucks. The overhead associated with operating your own fleet or warehouse is greatly reduced when shared among multiple companies. You only pay for what you use. This increases flexibility and scalability for your operation.

6

Accountability

In an integrated logistics solution, accountability is key when establishing the building blocks of a relationship. When a company uses multiple service providers, the risk of finger pointing and fault finding increases to playground proportions. Your warehouse or transportation providers blame chargebacks, schedules and other issues on each other, without resolving issues. This will cost you more money. With one provider, one group is responsible for providing solutions; it becomes a team effort. You know at the end of the day you have one team working to resolve issues before they become costly.



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Visibility

A single, integrated logistics solution offers complete visibility of your supply chain, from the moment freight arrives or leaves a dock to the moment it arrives to the end customer or retail outlet. When a supply chain is transparent, you know all the details in real-time. Increased visibility gets you the information you need quickly and efficiently. You can see the time lapse for orders no matter where they are in the process, so you can get the answers you need when you need them.

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Access to Resources

Did you miss that industrial engineering class in college? No problem. Need value-added services? You've got them. Let the professionals make recommendations. Whether you're clueless about where to begin or have a working knowledge of logistics, an integrated supply chain solution can be the essential link to provide you with the resources you need without the overhead. When you partner with a single provider, you can take advantage of the resources to which a larger logistics operation has access. These are resources you may not be able to access otherwise.

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Security

While most people may think of security as an expense, it can actually save money in a supply chain. With an integrated logistics solution, freight is kept secure from the time it arrives to the dock and goes to stock or to an end customer. Safety features that an integrated logistics solution can provide include on-site campus security, controlled campus access, CCTV, security systems, employee screening measures, AIB certifications, quality programs and established SOPs for managing product security. These measures help reduce operating costs because shrink is contained and chargebacks are minimized.

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Multiple Market Access

An integrated logistics solution that operates in more than one market, such as on the east and west coast, can also save you money because it gives you two points of distribution. This gets your freight to your end user or retail outlet in a timely manner, which means faster and more efficient delivery. You ultimately save on shipping costs, reduce your overall transportation spend and move your inventory during peak seasonal demand.



For more information on how
Integrated Logistics Solutions can
save you money, please **contact us.**

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