

Load Space Optimization Increases Efficiency: How One Company Reduced Empty Space



Inefficiency can take many forms, and in almost all cases will cost a business money. In the shipping industry one of the biggest sources of inefficiency is poorly loaded cargo.

See how PTV Group helped one company eliminate this cost center with load space optimization.

BACKGROUND

A company in the auto industry was sending out multiple deliveries per day often to the same locations, with trucks that were sometimes below 50% of their cargo capacity.

This was how the company had always operated because they felt that it would make items easier to unload due to having a variety of container sizes. But a new Operations Manager recognized the problems associated with inefficient cargo loading. He was able to convince upper management that less than truckload (LTL) shipments were costing the company money and was given the green light to address it.

He brought in PTV Group to assess their operation and found that the cost of operating each vehicle of their 20-truck fleet was \$500 per day, meanwhile the average cargo load was only 58% of capacity. This meant that their cargo loading inefficiency was costing an average of \$84,000 per month.

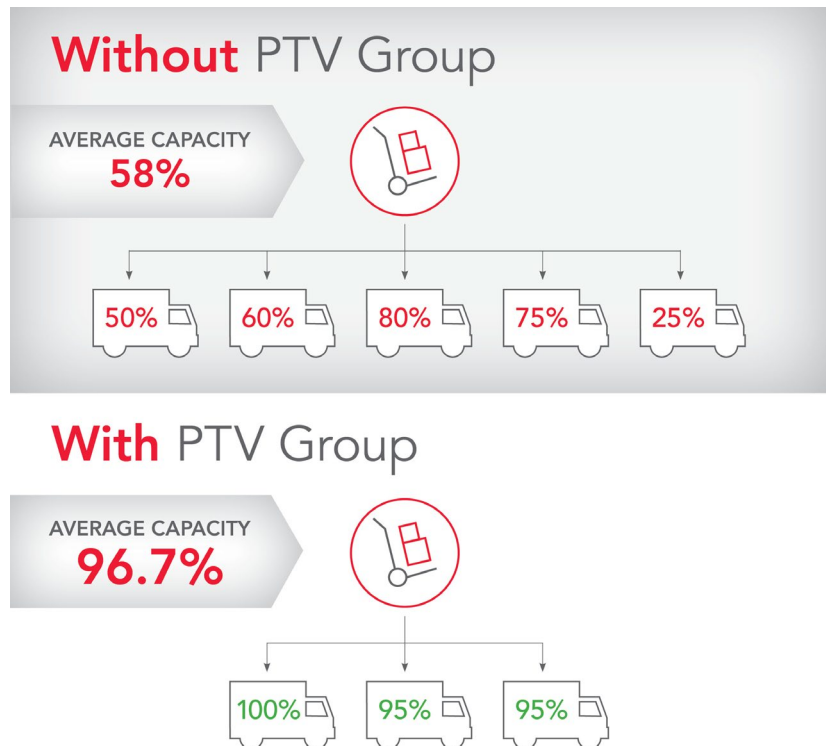
THE SOLUTION

PTV Group's Load Space Optimization, which minimizes free space and prepares the loading sequence. It accounts for cargo size and allows for the load to be visualized in 3D. By combining these features users are informed as to how to load cargo and in what order. Taking it a step further, PTV Group's Load Space Optimization even considers the loading space layout and restrictions, such as fragile items.

THE RESULTS

After implementing PTV Group's Load Space Optimization, the company saw outstanding results. By receiving optimized plans for loading cargo, they were able to consolidate loads and fill the trucks more rapidly.

The numbers, however, were staggering. They were able to increase their average load capacity to 96.7%. Furthermore, they were able to reduce the number of trucks on the road from 20 to 12. The combination of greater load space usage and the reduction in fleet size improved their bottom line by over \$174,000 per month.



The graphic above represents how they were able to consolidate cargo and reduce the number of trucks needed.

Additionally, PTV Group was able to provide territory planning and route optimization in order to ensure that their entire delivery operation was running efficiently.