



E-BOOK

**PIECING TOGETHER THE
E-COMMERCE SUPPLY CHAIN**

AVERITT

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THE CHANGING NATURE OF THE RETAIL INDUSTRY AS E-COMMERCE CONTINUES TO EXPAND

Over the past decade, industries of all shapes and sizes have experienced their fair share of struggles and uncertainty. However, we need look no further than the empty shops on Main Street to recognize that the challenges faced by the retail industry are still ongoing.

Financial services company Credit Suisse estimates that more than 8,600 traditional brick-and-mortar retailers will close in 2017, which is more than a 400% increase from the 2,056 that closed in 2016. While this can be viewed as another sign of a weakened global economy, the industry as a whole is not disappearing, but is in fact experiencing a metamorphosis.

The proliferation of e-commerce startups and the ascent of Amazon and other large online marketplaces into the stratosphere lend credence to the notion that we may be experiencing an entrepreneurial renaissance. With all the disruption the internet has brought to the brick-and-mortar retail industry, it has also opened the doors of opportunity for e-commerce and shows no signs of slowing down. Research by eMarketer, for example, suggests global e-commerce will continue to experience double-digit growth through 2020, when total sales will exceed \$4 trillion (or 14.6% of total retail spending).

Succeeding in today's highly competitive e-commerce market, however, requires more than just offering the perfect product. Customer demands have changed drastically as a result of the ability of large online marketplaces, such as Amazon, to offer quick delivery services. Indeed, the delivery process has now become a major part of the overall customer experience with e-commerce. In addition to ensuring a quick purchase-to-delivery process, businesses also have to find ways to minimize their overall costs to effectively compete in what is quickly becoming a saturated industry.

While many entrepreneurs are savvy at marketing and building an online presence, the transportation and logistics behind an e-commerce company are generally unfamiliar territory for most. From dealing with customs brokers and overseas suppliers to stocking and running a warehouse, there can be numerous touch points to a company's supply chain.



E-commerce sales will exceed \$4 trillion by 2020

Source: eMarketer

Because no two businesses are exactly the same, their supply chains are also unique. Additionally, there are different types of e-commerce strategies with varying customer bases and goals, including:

MARKETPLACE VENDOR

One of the most common e-commerce strategies involves selling products through an online marketplace, such as Amazon or Alibaba. These vendors may store their inventory at the marketplace's distribution center, where order fulfillment is handled, or they may handle the shipping themselves as orders are placed.

DIRECT-TO-CUSTOMER

Perhaps the more classic sense of e-commerce, these businesses sell directly through their own website or may also sell through a marketplace. In contrast to using a marketplace to handle inventory and delivery, these businesses are generally responsible for handling their order fulfillment on their own or via a third party.

BUSINESS-TO-BUSINESS

One of the fastest-growing e-commerce segments is business-to-business (B2B). Today, business owners are finding that they can get the same customer experience with purchasing products for their office or facility that they have with ordering items that are delivered to their homes. These types of e-commerce businesses sell through marketplaces, their own site or a blend of both.

OMNI-CHANNEL

Many brick-and-mortar businesses, both chains and independents, are embracing the internet to sell goods in addition to their physical location. This strategy often involves utilizing store inventory to fulfill online orders.

While these are simplified descriptions of just a few of the various e-commerce strategies that businesses are using, each often shares many similar supply chain touch points from origin to final destination.



THE IMPORTANCE OF YOUR SUPPLY CHAIN STRATEGY

The approach that you take to designing and executing your supply chain strategy is vital in today's competitive market. The individual touch points of your supply chain equate to individual costs that add to your overhead.

Finding ways to maximize efficiency and streamline the various processes can help you reduce your costs of getting goods to the market. By that same measure, keeping your supply chain costs in check will help you keep your customer pricing competitive.

CONSIDERATIONS TO KEEP IN MIND

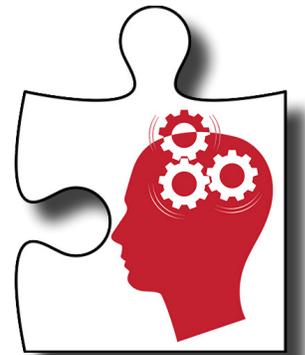
As you read through the following sections, take note of which touch points discussed are part of your supply chain. Visualize and even map out your current process by connecting the points from origin all the way to your final customer or distribution center.

Whether you're a seasoned e-commerce player or in the planning stages of getting your operation off the ground, you will discover that there are opportunities to streamline or cut costs of your supply chain strategy through unique transportation solutions, including rail service.

The location of your warehouse or distribution center will also play heavily into your ability to service your customers. If, for example, you are supplying a marketplace distribution or fulfillment center, but you are located in a different region, you could potentially save transportation costs by having your goods stored nearby.

Additionally, you may find that you can minimize the various hands that touch your freight throughout your supply chain. In many cases, companies use different service providers for each touch point. This often leads to challenges in communication and increases the risk of encountering damages to your products. Streamlining your supply chain can increase your bottom line and make your business more competitive.

With these key considerations in mind, let's take a deep dive into the various touch points of the e-commerce supply chain.



“Streamlining your supply chain can increase your bottom line and make your business more competitive.”

PRODUCT ORIGIN: WHERE IT ALL BEGINS

Every new business starts with a vision – an idea to bring great products to consumers. But the first question that comes to mind after that vision is: *Where will I make this product?*

Many e-commerce operations are able to produce or source their products domestically. This can be beneficial to some companies because they are able to cut out various international supply chain touch points. However, the economics associated with domestic production compared with outsourcing abroad prevents many others from being competitive online.

COMMUNICATING WITH AN OVERSEAS SUPPLIER

Establishing a relationship with an overseas manufacturer or supplier is often the first step to getting your supply chain up and running. Regular communication, however, is a necessary part of operating a supply chain that has international touch points. Unfortunately, language barriers can often lead to disruptions and unexpected hurdles that can threaten the movement of your supply chain.

In order to ensure that purchase orders (PO) and operations move smoothly, many businesses utilize the services of a go-between that can monitor inventory levels and relay PO requests as necessary.

Maintaining a good relationship with your overseas supplier is vital to ensure that your inventory stays replenished as needed. Due to the transit times associated with overseas transportation (up to 90 days in some instances), POs need to be issued well in advance to account for the time it takes to create the products, book container space on a ship, and consolidate the cargo for transportation to the seaport in the origin country.

OVERSEAS CARGO CONSOLIDATION

Products imported from overseas are generally shipped overwater as a *full-container-load* (FCL) or *less-than-container-load* (LCL). Businesses that move large amounts of inventory may have the need for an entire ocean container. Otherwise, most companies will want to save on their ocean transportation costs by consolidating their cargo with other importers.



Overseas cargo consolidation is generally managed by a consolidator in the origin country or a service provider that works closely with the customer's manufacturer.

CUSTOMS CLEARANCE

The process of importing or exporting cargo from one country to another also involves navigating each country's customs procedures. The purpose of the customs clearance process is to ensure that businesses pay the appropriate amount of dues associated with their products to the countries of origin and destination, and that products and packaging entering the destination country meet the minimum standards designated by the government.

While there are many internationally recognized customs procedures and legal filings that are used by most countries, some nations also have unique requirements that can affect the process of importing or exporting. Failure to meet the needs of each country involved in your supply chain can lead to holdups, cargo confiscation and fines – all of which can eat into your profitability and erode your bottom line.

For those reasons, it's always a best practice to use a licensed customs broker that has a proven track record. Customs brokers will handle the legal paperwork and necessary filings that are needed to move your cargo without issue across the sea or border.



3 BEST PRACTICES TO AVOID CARGO CUSTOMS CLEARANCE DISASTERS



Click on the image or visit AverittExpress.com/Customs-Tips

OVER THE OCEAN AND ACROSS THE BORDER

Once your foreign suppliers have prepared your products for delivery, the method of transportation used will likely depend on the location of the origin country and the urgency of the shipment.

Many e-commerce companies import from various nations in Asia where manufacturing costs are relatively low. A container ship is the primary mode of transportation from an overseas country. These vessels carry large numbers of cargo containers that are measured in 20-foot equivalent units (TEU). A TEU is the measurement of a standard cargo container. These ships carry both FCL- and LCL-packed containers.



CHALLENGES WITH SHIPPING LINES AND CARGO RATES

Over the past decade, the shipping container industry has faced many challenges related to overcapacity and unpredictable rates. In anticipation of global trade growth, many shipping lines have invested in the development of large vessels that are referred to as *megaships*. However, trade growth in many ways failed to meet the expectations of analysts as a result of the sudden economic downturn around 2008 that sent shock waves throughout the world. As a result, the shipping industry has struggled to fill ships to capacity, which has led to historically low rates.

While low rates have been great for importers and exporters, issues have also arisen. In 2016, South Korea's largest vessel operator, Hanjin Shipping Lines, suddenly collapsed. This event left scores of containers throughout the world in limbo as ports refused to allow Hanjin's ships to dock and unload and creditors began seizing loaded containers.



“In the ocean carriers’ quest to maintain or gain market share, they allowed the rate levels to slide below their variable operating costs,” said Averitt’s vice president of international solutions, Charlie McGee. “The result was the creation of an environment that led to Hanjin’s demise.”

The Hanjin fiasco was a wake-up call for many international shippers. Hanjin had failed in part as a result of offering extremely low rates that prevented it from being able to make its own payments. As a

result, many retailers, unable to retrieve their products, were forced to cancel orders, communicate about delays or order replacement products from their overseas manufacturer. During the crisis, approximately \$14 billion in cargo was stranded at sea.

While many businesses that were shipping with Hanjin encountered months-long delays in receiving their cargo, many logistics service providers had become aware of the possibility that the company could fail. Averitt, for example, had already stopped booking with Hanjin and encouraged shippers to turn to other shipping lines for service.

One of the keys to avoiding potential threats to a supply chain is remaining aware of industry news and partnering with service providers that are looking at the long-term picture rather than today's best deal.

CROSS-BORDER SHIPPING WITH MEXICO AND CANADA

Mexico and Canada, to a lesser extent, have become increasingly popular production sources for the retail and e-commerce industry. Importing from either of these countries will require the assistance of a customs broker to clear products for cross-border delivery.

The primary modes of freight transportation throughout North America are road and rail. Utilizing both modes together is called intermodal transportation. As we will discuss in the next section, intermodal transportation can be a very cost-effective solution for long-distance moves, including across the borders with Mexico and Canada.

The Hanjin fiasco left \$14 billion in cargo stranded at sea

Source: The Wall Street Journal

NEARSHORING TO MEXICO: CHANGING THE SUPPLY CHAIN ROAD MAP



Click on the image or visit [AverittExpress.com/Mexico-Nearshoring](https://www.AverittExpress.com/Mexico-Nearshoring)

ON THE MAINLAND: PORT AND INLAND LOGISTICS

After your freight has arrived at a port or at a facility along the border, the next step is to get it to your warehouse or distribution center. This section of the supply chain is crucial to understand because the costs associated with long transits between the shipper and its product's port of entry can eat away at a company's overhead when left unchecked.

MOVING YOUR CARGO FROM THE PORT

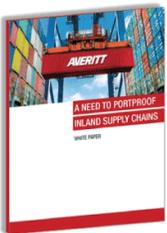
When a container has been cleared by customs, it can then be picked up by a carrier for delivery. The process of moving an ocean container on the road is called *drayage*. The use of a shipping line's container costs money for the amount of time it is away from the port. As a result, drayage is generally performed within a certain radius from coastal or inland ports, usually within 250-400 miles.

For companies that are based in the interior states of the U.S., draying a container the entire distance can be extremely costly. This is where the process of transloading comes in. When a truck picks up a container that is bound for an interior state or elsewhere, it will deliver it to a facility where the freight can be unloaded and transferred to a traditional truck trailer.

Depending on the amount of freight, the products will be shipped via truckload (filling an entire trailer) or less-than-truckload (in a trailer with other shippers' freight). In the event that your freight is headed to multiple destinations, you'll want to work closely with your transportation partner to devise an optimal plan to ensure that your costs are kept to a minimum.



FREE WHITE PAPER: A NEED TO PORTPROOF INLAND SUPPLY CHAINS



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POTENTIAL PORT-RELATED DISRUPTIONS TO BE AWARE OF

There are challenges that can potentially arise when your imported or exported goods move through a seaport, both abroad and stateside.

Between 2014 and 2015, for example, a months-long labor dispute at 29 West Coast ports created a massive backlog of cargo that disrupted the flow of freight across the entire country. The congestion forced container ships to anchor at bay for weeks at a time before being unloaded and also caused critical slowdowns in intermodal and truck transportation services. Delivery times moved from an average of 20 to 30 days to as much as 90 days. This event forced thousands of shippers to reroute freight to ports outside the West Coast and to expedite cargo via air.

The annual observance of the Chinese New Year (CNY) is another supply chain disrupter that shippers need to be familiar with. Each year, manufacturing and freight movement in and out of several countries in Asia come to a standstill as workers travel long distances to mark the occasion with family and loved ones. While the observance of CNY lasts just one week, the impact on international supply chains can linger for a month or longer.

The No. 1 key to overcoming international supply chain challenges, including CNY and potential labor issues, is to plan ahead and work closely with your service providers. Identify state-side logistics and supply chain service providers that will be proactive with you. Your partnerships should help you to focus on growing your business rather than chasing after it.

USING INTERMODAL TRANSPORTATION TO CUT COSTS AND TIME

Many importers ship through the West Coast because the ocean transit times from Asia would be less than moving freight through the Panama Canal to ports on the East Coast. However, a majority of the U.S. population is based on the East Coast, which is also where most of the major e-commerce marketplace fulfillment centers are located.

The cost of using a truck to transport freight from coast to coast can be high. For that reason, many shippers choose to move their freight

Video: Averitt PortSide® Solutions



AverittExpress.com/PortSide

by train across the country and then have a truck handle the shorter hauling distance from a nearby rail hub.

When comparing rail and road transportation, you'll need to weigh the benefits and downsides of each mode. Let's face it: in our "immediate need" world, most of your shipments are bound by tight deadlines and delivery windows, and rail transportation hasn't been known for its speed.

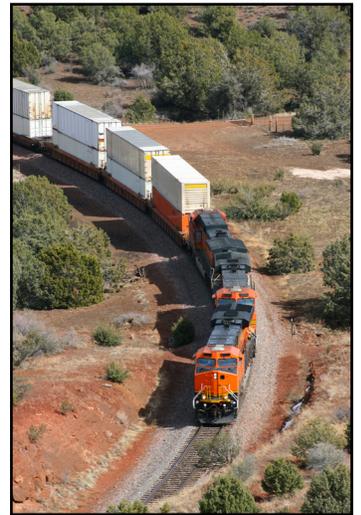
For that reason, using rail transportation is generally an afterthought for many businesses, as shippers often believe they need to sacrifice speed-to-destination in order to utilize rail transportation.

However, improved efficiency, planning and technology have actually made rail service transit times comparable to road transportation on average. Additionally, strategic planning on the shipper's part increases the ability to offset potential transit delays when moving freight by rail.

Probably the biggest deterrent to shippers that may consider using the rails is the lack of infrastructure that supports many outlying areas.

Though numerous rail hubs are located near metropolitan areas, much of the U.S. and North America rail system lacks the footprint that standard less-than-truckload and truckload carriers can provide through the highway system.

However, location won't dictate whether a business can find benefit from the use of rail service within its supply chain. In fact, most businesses that ship in volume, regardless of location, can incorporate a smart supply chain strategy that involves rail.



Rail transportation accounts for approximately 40 % of all US freight movement

Source: U.S. Dept. of Transportation

SEE THE DIFFERENCE IN TRANSIT AND PRICE BETWEEN ROAD AND RAIL



Download a Free Rail and Road Transit/Price Comparison Chart:

DOWNLOAD NOW



Click on the image or visit AverittExpress.com/Road-Vs-Rail

INVENTORY WAREHOUSING AND STORAGE

After your products have been produced and transported, you'll need to consider where you will store your inventory during the final stages of the e-commerce supply chain while it waits to be purchased by consumers. There are many factors you will have to consider as you begin making decisions in this instrumental supply chain touch point.

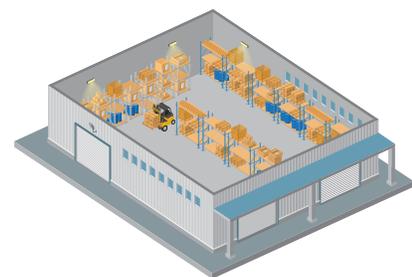
LOCATION, LOCATION, LOCATION...

The geographical location(s) where you store your inventory can greatly impact your delivery transit times to customers and fulfillment centers.

While many online marketplaces have numerous fulfillment and distribution centers spread out across the nation, they generally require their suppliers to send goods to a specific facility. This can cause frustrations for shippers that are located near a fulfillment center but are required to ship to a facility in a different state or region. When it comes to the costs of moving goods by truck, longer transits will result in higher transportation costs.

For that reason, it can be beneficial to store your inventory in a facility that is in close proximity to your marketplace's fulfillment center. Some online marketplaces actually offer warehousing services at their facilities. The cost-effectiveness of utilizing your marketplace vendor's warehousing solutions will vary depending on the types and quantities of inventory that you are selling. In many cases, storing products at the fulfillment center will reduce the touch points of your supply chain, but the costs associated may actually outweigh your overall profitability.

If you are selling your products independently or using a marketplace in addition to your own fulfillment system, you may want to consider having your inventory warehoused near an urban center that is in the heart of the national highway and interstate system. Having products readily available for shipping within a major transportation hub will effectively reduce your transit times and help you avoid having to spend extra money on expedited services.



IN-HOUSE VERSUS OUTSOURCED WAREHOUSING

Depending on the amount of inventory you are handling and your location, you may find that it makes more economical sense to outsource your warehousing and distribution needs to a third party. There are several reasons why outsourcing warehousing works for the e-commerce supply chain model.



Foremost, managing and staffing a warehouse can be very costly. Hiring, training and providing benefits to employees to operate a warehouse and coordinate shipping can be very tedious and time-consuming. Additionally, you will need to account for the costs of the warehouse space itself.

While having your inventory under your own oversight will give you more control, it can also serve as a distraction from being able to market and grow your business. Using a third party can enable you to reduce the day-to-day tasks associated with operating an e-commerce business. At the same time, companies that specialize in warehousing and distribution can bring experience and service to the table that you didn't have before. In the end, the economics of outsourcing the warehousing portion of your business may help you offset costs associated with managing and maintaining a facility.

USING YOUR LTL CARRIER FOR WAREHOUSING

One innovative just-in-time inventory supply chain practice that is gaining attention from retailers is the use of warehousing space at a transportation provider's truck terminal or service center. This unique approach to warehousing inventory is carried out in two primary ways:

- **Dock Space Storage:** Some carriers can provide available dock space to store inventory. This allows the dockworkers to quickly load shipments and send them on their way to a final destination.
- **Trailer Storage:** Trailers can be utilized as a mobile storage unit, which is kept on the carrier's property. With the freight already loaded, this method allows the carrier to quickly make an inventory replenishment delivery.

DC Velocity: Carrier Warehousing, Anyone?



Learn how one e-commerce business uses carrier warehousing to cut costs.

One of the key benefits of using a carrier for warehousing is that it can streamline a company's supply chain strategy. Rather than having to call in a carrier to an off-site warehouse, which results in additional mileage fees, the carrier becomes the delivery origin.

While using a carrier for storage can help streamline and cut costs to a just-in-time inventory strategy, there are several questions that should be considered.

- **Inventory Visibility:** Like any off-site product storage or distribution operation, inventory visibility is crucial to maintaining a top-performing retail supply chain. You'll find that most traditional carriers lack the technology to provide inventory visibility. However, some service providers, such as Averitt, offer inventory and warehouse management system (WMS) solutions and can even integrate with a company's preferred system. WMS solutions can allow you to see your inventory, place orders and monitor shipments from your desktop or mobile device.
- **Protection:** Many truck terminals are not enclosed, which can lead to potential damages from weather. Nonetheless, some docks are walled off for the very purpose of providing a safe and secure storage area for freight. It's also important to learn about the security standards that a carrier has in place. For example, ask your carrier if it has security cameras or after-hours security personnel.
- **Location:** As is recommended with any off-site storage operation, use carriers that have facilities that are in close proximity to your distribution center. Depending on your delivery point, turnarounds on inventory replenishment orders from a carrier-aided warehouse could take only a few hours.



Retail customers' Amazon-bound products warehoused at an Averitt distribution center.

As retailers and other shippers look to maximize their supply chain efficiency while minimizing lead times, a premier carrier can help you fill in parts of the puzzle that you might not have considered before.

INVENTORY TECHNOLOGY AND PROCESSING

With any e-commerce business, technology is the key to establishing a clear picture of your inventory and supply chain. As is the case with your company's transportation and logistics needs, there are several different pieces of the technology puzzle that you will need to put together in order to operate and ship efficiently.



When your inventory arrives to your facility or warehouse, you will want your products entered into your point-of-sale (POS) system, such as Shopify. This can be accomplished by assigning codes (i.e., barcodes) to each stock-keeping unit (SKU) or product. Unless your products are preassigned barcodes at the manufacturing source, that process will need to be handled at the warehouse or distribution facility where your goods are delivered to.

INVENTORY VISIBILITY WITH A WMS

At the warehouse level, an associate will typically use a handheld scanner to record each item into a warehouse management system (WMS). Among many other things, a WMS provides real-time visibility and reporting of your inventory. These systems can integrate and communicate back and forth with your other platforms, such as a POS, to inform employees when an order has been placed online or to notify your online customers that an item is out of stock.



A well-rounded WMS will feature in-depth reporting that will help you make better purchasing decisions in the future. Additionally, it can be set up to inform you when it is time to make a purchase order to replenish stock. The great thing about a WMS is that modern platforms are cloud-based, which allows you to view your inventory and collect reports no matter where you are.

The beauty of a WMS system is that it can reduce the amount of work involved in planning and executing the logistics of shipping and receiving.

For example, one e-commerce business that uses Averitt's in-house WMS and warehousing service rarely even handles its products.

When inventory reaches a certain point, the system instantly notifies both the customer and the shipper that it is time to schedule an import shipment that originates in China. The system is set up to ensure that the cargo will arrive to the distribution center at the most optimal time so that inventory levels are never too high or too low (which all factors into the cost of warehousing and meeting customer demand).

POTENTIAL CHALLENGES FOR TECHNOLOGY AND VISIBILITY

One of the roadblocks to connecting technology platforms together lies in the fact that there are often several different service providers involved in the supply chain process. This can become even more complex when dealing with overseas suppliers that are separated by language and time barriers.

To help overcome such barriers, ensure that your service partners make communication a No. 1 priority. They have to understand that you cannot succeed when they fail to work closely with you and each other.

PROCESSING INVENTORY AND SHIPMENT PREP

When your products arrive to your facility or warehouse, they will most likely not be ready to ship direct to a customer. The rigors of transit across oceans and great distances can also lead to potential damages. For those reasons, your products will need to undergo a quality check with a human eye and also be prepared for final delivery.



When bulk retail goods are imported, they are often consolidated, meaning that multiple SKUs will be in the same box. A warehouse worker will need to sort the items and scan them into the WMS. Additionally, if the products do not arrive with a barcode or scannable code, you may need to print barcode stickers that can be placed on the products.

As orders come in through your POS, warehouse and distribution workers can pick and pack individual orders or group shipments that are headed to an online marketplace.

As orders are processed and packed for delivery, workers can use a WMS or POS platform to send tracking information to the customer or receiver.

THE DELIVERY PROCESS

Once your inventory has been received and processed, your supply chain is getting closer to the end of the road. With all of your technology platforms and service partners communicating with each other, the next step is to wait for an order to be initiated. Depending on the type of e-commerce business model you have, the remaining steps of your supply chain and the final delivery will vary.



MARKETPLACE FULFILLMENT

If your products are sold through an online marketplace, such as Amazon, you will most likely need to use a less-than-truckload (LTL) carrier to transport your goods to the distribution or fulfillment center.

Similar to an LCL shipment, LTL freight does not take up the entire space of a truck's trailer. Shipping LTL means that your freight will be mixed with other shippers' goods. Due to the various types of freight that can reside in a trailer, it's important to properly package and palletize a shipment. Sturdy crating and packaging will help ensure that your freight does not become damaged during transit. Your carrier will also work diligently to make sure that your freight is packaged at industry standards and stacked accordingly with regard to weight and size.

See Why Proper Packaging And Crating Is Important To Your Business

**RIGORS^{OF}
FREIGHT
IN TRANSIT**



WATCH NOW!



Click on the image or visit AverittExpress.com/Freight-In-Transit

In addition to packaging your freight for transit and delivery to a fulfillment center or customer, marketplaces want to ensure that your freight is properly labeled with the correct barcodes and information so inventory can be quickly scanned into the consignee's system.

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RETAIL SUPPLY CHAIN SOLUTIONS

CASE STUDY: E-COMMERCE

CHALLENGE

Fishers Finery, a Connecticut-based e-tailer, sought to reduce costs and minimize the complexity of its import-based supply chain, which involves inventory processing and deliveries to an Amazon Fulfillment Center.

SOLUTION

Averitt proposed a complete origin-to-destination solution:

- ▶ LCL Cargo Consolidation at overseas origin
- ▶ US Customs Clearance via Averitt Customs Brokerage
- ▶ Direct nonstop and ocean service (Asia-Memphis Express) from China to Memphis TN with delivery to the Averitt service center in Cincinnati OH
- ▶ Air Freight services provided by Averitt for time-critical shipments from China to Averitt service center in Cincinnati
- ▶ Inventory Management facilitated at Averitt service center in Cincinnati
- ▶ Inventory Processing: Quality Assurance, Scanning, Pick and Pack, Labeling and Order Fulfillment for direct web-based sales
- ▶ LTL delivered to Amazon Fulfillment Centers

RESULTS

With less hands-on work necessary and the ability to see and manage inventory online, Fishers Finery has been able to redirect resources to other core business areas and has experienced double annual growth for two consecutive years.

Bonus: One Contact. One Invoice. Zero Worries.



Watch The Video!

Craig Barnell, general manager of Fishers Finery, discusses the benefits of partnering with Averitt. ▼



AverittExpress.com/FishersFinery

DIRECT-TO-CUSTOMER DELIVERY SOLUTIONS

If your business sells direct to customers (as opposed to fulfillment handled by a marketplace), the method of delivery will depend on a few different aspects, including size, weight and type of product.

Traditionally, e-commerce is associated with small- to medium-sized packages that are delivered via a parcel carrier, such as UPS or FedEx. Larger products, such as furniture and heavier items, will most likely require an LTL carrier or courier that has a trailer with a liftgate to safely unload the shipment to make the “last” or “final mile” delivery.

You may think that traditional LTL carriers would not be suitable for handling small package deliveries. However, many e-commerce businesses are discovering that they can streamline their supply chain by using a carrier’s facility to function as both a warehouse and distribution center for small package deliveries.

For example, Averitt can bring inventory direct to its facilities from manufacturers and overseas producers, perform quality checks, prepare and package goods for delivery, and act as the pickup point for parcel carriers. Incorporating this function into the supply chain helps reduce the amount of touch points and hands that touch a product during its origin-to-buyer journey.

Reducing the amount of touch points and locations that a product lands during the supply chain can help reduce overall transportation costs. Additionally, it can reduce overall transit times by keeping inventory directly within the transportation footprint.

When a customer wants to return an item or there is a product recall, retailers have to engage in reverse logistics. This process is essentially the supply chain in reverse. Many traditional carriers have shied away from this in the past, but more and more are beginning to embrace it as e-commerce continues to grow and become a new essential part of the economy.

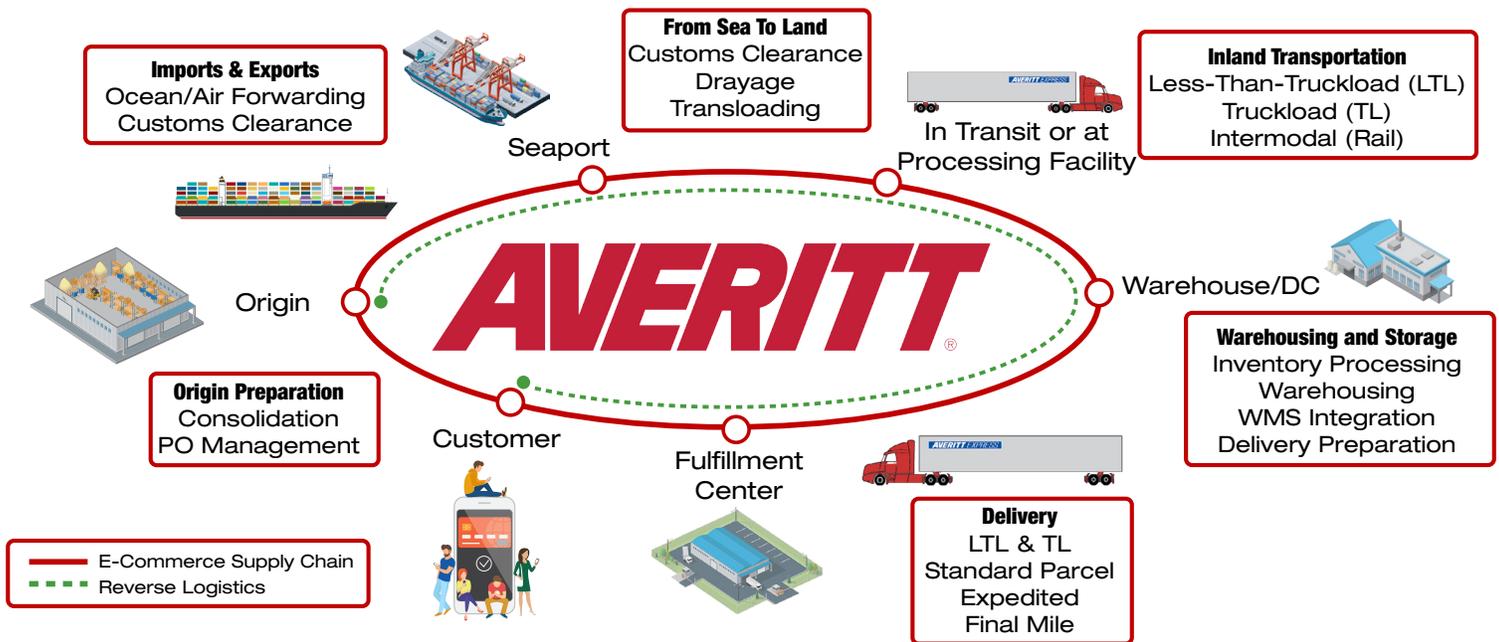
The same personnel used by a carrier to warehouse and quality check your products can also manage product returns and replacement. Check with your carrier to see if it can offer this valuable service.



PUTTING THE ENTIRE PUZZLE TOGETHER

With all of the different moving parts of your supply chain, putting it all together in the real world may sound challenging.

While each supply chain is unique, many commonalities can be found. Use the diagram below to map out the various touch points of your supply chain.



As you begin looking into service providers or investigate ways to improve your current supply chain processes, be open to developing partnerships. Remember, a true partner will measure its success by your success.

Communication will be one of the best tools at your disposal. So work closely with your logistics partners and keep the communication lines open both ways!

THE TOTAL E-COMMERCE SOLUTION



ONE CONTACT. ONE INVOICE. ZERO WORRIES.

THE POWER OF ONE

AVERITT

CUSTOMIZED SOLUTIONS

FOR YOUR BUSINESS

To succeed in today's highly competitive e-commerce market, your business has to be innovative while also meeting the growing demand for "right here, right now" delivery to your customers and distributors. Juggling all of the various moving parts of your supply chain can be very daunting.

That's where Averitt comes in. As the premier retail supply chain solutions provider, we've perfected the art of managing and streamlining the transportation and logistics needs of the e-commerce supply chain – *all the way from overseas origin right to your customer's doorstep.*

WE HANDLE THE LOGISTICS

SO YOU CAN GROW

Our all-in-one solutions are designed to your company's specifications and unique needs so that you can *worry less about logistics and focus more on growing your business!*

THE POWER

OF ONE

With decades of award-winning retail experience, we excel by partnering with shippers, both on Main Street and online, to achieve their transportation goals. No other service provider is as passionate and dedicated to providing customized service as our team.

To learn more about what we can do for your e-commerce business, contact us at **1-800-AVERITT** or **retail@averittexpress.com**.

REQUEST A PERSONALIZED SUPPLY CHAIN STRATEGY

Or visit AverittExpress.com/EcommerceStrategy

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