



Fast Growing CPG Company Finds “Pop” with **SCALABILITY, COST SAVINGS & IMPROVED SERVICE**

BETTER ON-TIME DELIVERY:

98.5% (INCREASED TO 98.5%)

CO-PACKING COST SAVINGS:

50% (\$50,000 IN 6 MONTHS)

SHIPPING COST SAVINGS:

40% (\$315,000 IN 6 MONTHS)



In early 2014, one of the largest producers of non GMO and gluten free snacks was experiencing explosive growth. The company’s footprint has grown with major retailers fueled by an investment from a private equity company. With this accelerated expansion, it was clear the priority needed to focus on improving efficiency throughout the company’s distribution network.

By 2015, this growing consumer packaged goods (CPG) company identified three specific supply chain goals to provide stability and a platform for continued growth –

1. Controlling transportation spend
2. Improving speed to market
3. Add flexibility to packaging operations

Recognizing the growth hurdles that lay ahead, the company opened a bid to the market looking to partner with a 3PL with the experience and resources to scale with their aggressive growth trajectory.

The decision to select ODW Logistics as their 3PL partner was quickly rewarded with an immediate and measurable improvement towards each of their three goals.

LOWER TRANSPORTATION SPEND

THE CHALLENGE: Without having best-in-class TMS optimization, realizing the full potential of transportation efficiency was a challenge.

THE SOLUTION: CONSOLIDATION

ODW Logistics built a process and provided the customer with visibility to every order through its proprietary Freightlink portal. Orders are managed to maximize consolidation opportunities

and offer cost optimized routing while ensuring on-time delivery. Today, instead of one-off orders shipping separately as expensive LTL shipments, most are seamlessly combined to build full truck load shipments at a much lower per unit shipping cost. ODW manages this entire process.

THE RESULT: 40% reduction in transportation costs in the first 6 months equating to \$315,000 in savings

FASTER SPEED TO MARKET

THE CHALLENGE: The existing single point of distribution and carrier network did not align with the customer's manufacturing footprint and drove higher shipping costs and slower transit times.

THE SOLUTION: OPTIMIZATION

ODW set up a distribution network that ensures all customer orders are shipped from the most efficient location, which includes multiple warehouses around the US. To provide a fully optimized solution,

ODW leverages 3 key points:

1. Technology - Freight Optimizer: 3G TMS provides tuned algorithms specific to the customer needs - enabling multi-stop delivery load building, pool distribution, and sophisticated supply chain networks.
2. Carrier Partnerships: ODW has over 5,000 truckload and 100 LTL carrier contracts for optimal routing.
3. People: The process and technology operates effectively with the right dedicated team to manage and provide continuous improvement efficiencies.

THE RESULT: Increased on-time delivery in first 6 months to 98.5%

DELIVER VALUE ADDED SERVICES IN KEY MARKETS

THE CHALLENGE: A primary offering from the customer called 'multi-packs' is a high value/high growth product for retail stores. Constructing these kits was an expensive and highly labor intensive process prone to errors.

THE SOLUTION: ENGINEERING

The ODW Solutions Team reviewed the

current co-packing process to pin point inefficiencies in the operations. To address the problem areas identified, ODW implemented an automated multi-pack build process. The redesigned kitting sequence reduced labor by the equivalent of 4 FTEs.

THE RESULT: 50% reduction of cost per case of \$.42 to \$.21, totaling \$50,000 in just 6 months