

Weathering the storm

by Jeff Moore, managing director, Lakeside Logistics

Navigating the current economic storm is no easy challenge. In many cases you are charting new territory, exploring new solutions while refining existing processes. Flexibility, agility and sound planning are essential to success. Here are three strategies that deliver efficiencies to your supply chain while flowing value to your bottom line.

Outsourcing

Companies are more likely to look at outsourced opportunities when credit and capital expense budgets are tight. This tightening restricts spending money on people and technology, two primary drivers of an efficient supply chain that logistics companies offer.

The right technology portfolio can provide robust tools for managing the supply chain. In fact, technology, particularly proprietary technology, plus the company's agility with technology are important components to assess when selecting transportation management partners.

Combining technology with their focus, experience and processes, external resources deliver cost savings. Load optimization, for example, generates immediate cost savings. Benchmarking techniques – taking your current transportation rates, fuel surcharges, accessorials, etc. and comparing them to current market rates and their buying power – enable outsourced partners to develop lower cost metrics, fuel surcharge programs and consistent pricing. This provides clarity and scalability.

Outsourcing provides a single point of contact for transportation management while taking time and cost out of your system and contributing efficiencies and expertise.

Data access

Dashboards are common tools in the executive suite. Now dashboards can

provide advanced visibility functions to support supply chain decision making. The complex infrastructure of this tool provides easy access to virtually any metric of your supply chain. When it is web based you have 24/7 data access for tracking your transportation performance in real time.

With customizable features you can select the metrics you want to measure – Johnson & Johnson Inc. and Oakrun Farm Bakery, for example, added a carbon footprint measurement to transit times, lead times, delivery times and total delivered cost by case. Your supply chain management metrics can be limitless when you have a provider that understands metrics and has the technology to deliver.

This data streaming to your computer screen facilitates immediate decision making in production, distribution, customer service and even finance. You can identify issues such as on time performance and costs immediately.

Greening the supply chain

Supply chains are evolving rapidly to accommodate new sustainability imperatives. Reputation and regulations are pushing companies to green, more energy efficient supply chains while juggling new cost constraints. It's one thing to clean up your transportation, but you still must have trucks rolling across the continent to move your raw materials and product. Collaboration with your transportation management partner is essential to success.

By setting the policies and goals, you provide the leadership. Then you can task your supplier to make it happen. Here are some key points to consider in the process:

- Optimize loads.
- Measure and track your carbon footprint.
- Route optimization.
- Define your yard as an idle-free zone.



- Use SmartWay certified carriers. They are committed to saving fuel, money and the environment by reducing fuel usage through equipment upgrades, low-rolling resistance tires and elimination of extended idle periods.
- SmartWay partnerships are not limited to carriers. In fact, any company involved in freight transport can become a SmartWay Transport Partner. www.epa.gov/smartway
- Access FleetSmart resources. For example, their free driver training results in reduced fuel usage and costs. www.fleetSMART.nrcan.gc.ca
- Watch for emerging technologies.

Chart your course through this economic downturn prudently and access outside resources to strengthen your company's ability to manage and improve your supply chain and transportation management.

Lakeside Logistics.

Lakeside Logistics is a non-asset, supply chain and transportation management company, planning and implementing customized solutions for major shippers across North America. Our collaborative culture dovetails with customer organizations to create a platform for efficient work processes and the development of innovative logistics concepts. Development of proprietary, customized web-based technology takes paper and time out of each customer's process. Lakeside, a carbon neutral company, achieved this status through an initial 50 per cent reduction in carbon emissions combined with carbon offsetting for items not yet eliminated.

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