

Program results provide significant benefits in transportation improvement.

At the conclusion of our work, we provide both oral and written reports describing findings and recommended improvements. Potential cost reduction opportunities are identified and future benefits estimated. Our reports contain sufficient detail that action plans can be easily implemented by the company, with or without our assistance.

The results of this effort provide management with a "report card" on the status of transportation operations and a prioritized sequence of improvement actions.

REM Associates Qualifications:

REM Associates provides consulting services designed to assist a wide range of consumer and industrial companies where improved distribution, transportation, and administrative operations will significantly reduce costs, increase profits, and improve service to customers.

We have effectively served many clients in this specific area over a long period of time. Through this experience, we have become familiar with current trends and practices and know what to look for as well as how to look.

REM Associates is a network of highly experienced consulting personnel. These senior management people provide tailored resources to meet the specific needs of each company within a fee structure that is substantially lower than the larger management consulting firms.

*Improved transportation can provide the margin of success for business management of the '90s.*

*Our Consulting Services Include...*

*TRANSPORTATION ENGINEERING*

*TRANSPORTATION EVALUATION*

*PRIVATE FLEET ANALYSIS*

*METHODS IMPROVEMENTS*

*RATE NEGOTIATIONS*

*COST EVALUATIONS*

*SHOULD COST STUDIES*

*TRANSPORTATION STRATEGIC PLANNING*

*For...*

*DISTRIBUTION OPERATIONS*

*TRANSPORTATION SERVICES*

*FLEET OPERATIONS*

*INFORMATION SYSTEMS*

*ORGANIZATION AND STAFFING*

# *Transportation Productivity*

## **A KEY TO MANAGEMENT SUCCESS**



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*Have you evaluated the productivity and level of effectiveness of your business transportation resources?*

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Business executives are often caught in a web of having to respond to daily issues of operating problems, sales and marketing promotions, and customer service matters, resulting in "brush-fire management." Although you have heard this before, it might be the appropriate time to review the transportation functions of your business in terms of their overall costs, performance, and effectiveness within logistics operations.

*Do they respond to the present and future needs of the business?*

*Do they help carry out the primary objectives of the business?*

*Do they provide the most cost and service effective operations?*

In addition, transportation management focus needs to consider:

- *Changing transportation requirements*
- *Efficiency of transportation operations*
- *Effectiveness of transportation resources*
- *Shipping methods and load planning*
- *Market and geographic demand changes*
- *Effectiveness of rate negotiations*
- *External regulations and controls*

Today's management needs to examine the productivity of transportation resources in support of the business. As price increases become more difficult and in many cases yield to actual reductions, non-controllable cost increases place more pressure on profits. As competition intensifies, management is turning to transportation operations as an avenue to reduce costs, improve service, and increase profits.

If you have not addressed these issues recently, it may be the right time to do so.

*Clearly defined goals and objectives should*

*form the framework for cost reduction and transportation operations improvement.*

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### ***COST REDUCTION AND TRANSPORTATION IMPROVEMENT PROGRAM***

Our program is designed to assist management in the identification and implementation of cost reduction opportunities in the transportation functions of the business. It examines material inbound, load planning and utilization, and finished products transportation to customers and can be effectively applied to companies that produce as well as move products to the market place. It is designed for continued internal monitoring and/or external assistance.

It considers certain key factors that play a role in influencing changes in business operations. Typically these include:

- *Volume increases based on forecasted sales*
- *Labor rate increases*
- *Labor and skills availability*
- *Transportation rate increases*
- *Information systems and accessibility*
- *Operating reports and controls*

#### ***PROGRAM OBJECTIVES:***

Primary Objective - reduce transportation costs and improve productivity associated with the transportation of product throughout the business.

#### Secondary Objective:

- Reduce transportation costs
- Improve performance of transportation functions, tasks, and activities
- Improve management controls
- Improve service to customers.

*An organized approach to transportation improvement is essential to guarantee accomplishment and results.*

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#### ***PROGRAM METHODOLOGY:***

Our approach to this type of program begins with a detailed examination of all transportation activities. This is accomplished through a thorough review of procedures and policies and observation of all methods. Activities are observed and data analyzed using proven methods and techniques and computer analysis where required.

This evaluation will answer questions such as:

- Can the transportation of material and product be improved?
- Are present methods best suited to accomplish distribution and transportation requirements?
- Can selected changes produce improved results in terms of reduced transportation requirements and/or lower costs?
- What specific rate negotiations can be effectively conducted in order to reduce costs and improve timing and service?
- What shipment and lane costs are realistic for specific product movements?
- What monitoring and control devices need

*Our analysis will identify specific areas of activity that have the potential for being performed more efficiently and will result in significant savings to the company. Specific recommendations will be documented and savings estimated.*

to be implemented to assist management?