

TAKE OWNERSHIP OF YOUR FREIGHT

In today's competitive business landscape, managing your freight is vital for achieving cost savings, ensuring reliability, enhancing supply chain visibility, mitigating risks, and promoting sustainability. By implementing effective freight management strategies, you can optimize your transportation processes, improve customer satisfaction, and drive your business toward greater efficiency and profitability.

This document will outline a step-by-step roadmap to assist you in successfully managing your freight. It will also empower you to act and evaluate your freight terms. By following this roadmap, you will gain valuable insights and actionable steps to navigate the complexities of freight management. Let's dive into each stage of the roadmap to understand how to optimize your freight operations and take charge of your supply chain.

AS A MANUFACTURER, MANAGING YOUR FREIGHT IS ESSENTIAL FOR SEVERAL REASONS:



COST SAVINGS

Freight costs can be a significant expense for all businesses. Effective freight management can help you reduce transportation costs and increase profitability. By optimizing your freight routes and modes, you can lower your transportation expenses, which can have a positive impact on your bottom line.



RELIABILITY

Managing your freight can help ensure that your products are picked up, delivered on time, and in good condition. This can improve customer satisfaction and help you maintain positive customer and supplier relationships.



SUPPLY CHAIN VISIBILITY

Proper freight management also provides visibility into your supply chain. This allows you to track your shipments, monitor inventory levels, and identify potential delays or bottlenecks in your supply chain. With this information, you can make informed decisions about production planning, inventory management, and order fulfillment.



RISK MANAGEMENT

Freight management can help you mitigate risks associated with transportation, such as delays, damage, or loss of goods. By working with reliable partners and implementing proper tracking and monitoring, you can reduce the likelihood of disruptions to your supply chain.



SUSTAINABILITY

Effective freight management can also help reduce your environmental footprint. By optimizing your transportation routes and modes, you can reduce emissions and minimize your impact on the environment.



DOCK CONTROL

Dock congestion is a leading challenge for many shippers with customer-routed freight. The control is out of your hands and in the hands of a customer thinking about their needs. You lose the ability to strategically leverage your carrier pool, clear up space, and drive down costs through economies of scale.

Managing your freight as a manufacturer can help you control costs, improve delivery times, gain supply chain visibility, and reduce risk. This can help you run a more efficient and profitable business.

HOW DO I GET IT DONE?

PO CONVERSION ROADMAP

1

EVALUATE CURRENT FREIGHT TERMS

Review your existing freight terms and contracts. A good starting point would be areas where you need more control. Understand the terms and conditions, including freight transportation's responsibilities, costs, and liabilities. One of the most straightforward exercises here is understanding your laden cost vs. the cost of the widget. Negotiate the widget costs first. Partners like Evans will help you obtain the best freight costs.

2

DEFINE YOUR OBJECTIVES

Clearly define objectives for managing your freight. Determine and prioritize what you aim to achieve, such as reducing costs, improving delivery times, enhancing visibility, or increasing sustainability. This will help guide your decision-making process.

3

GATHER AND LEVERAGE DATA

Collect data on your shipping volumes, historical performance, and other relevant metrics supporting your negotiation position. Use this information to demonstrate your value as a customer and negotiate more favorable terms.

4

RESEARCH AND IDENTIFY

Research different carriers and transportation options to find ones that align with your objectives. Consider factors such as pricing, service levels, coverage areas, reliability, and experience in your industry. Request quotes and compare offerings to select carriers that best meet your requirements. Look for opportunities for consolidation, multi-stop, or other modal solutions to improve efficiency and reduce costs. Understand the prevailing market rates, industry practices, and standard terms and conditions in the freight industry. This knowledge will give you a better understanding of what is negotiable and reasonable.

5

NEGOTIATE

Engage in negotiations with your customers and suppliers. Discuss your objectives, explain your desired changes, and explore opportunities for better terms. Negotiate pricing, service levels, delivery schedules, and other relevant factors to secure favorable freight terms.

6

REVIEW AND REVISE CONTRACTS

Once you have reached agreements with your suppliers/customers, review your existing contracts and revise them accordingly. Include the newly negotiated terms and conditions, ensuring clarity and mutual understanding. Seek legal advice if necessary to ensure compliance and protect your interests.

7

COMMUNICATE CHANGES

Inform your internal teams about the new freight terms and provide them with any necessary instructions or guidelines. Communicate the changes to your suppliers, customers, and other relevant stakeholders. Ensure everyone knows the updated freight terms and the implications for their roles and responsibilities.

8

MEASURE AND MONITOR PERFORMANCE

Continuously monitor and measure the performance of your freight management. Track key metrics such as costs, delivery times, service levels, and customer satisfaction. Regularly assess your carriers' performance against the agreed-upon terms and promptly address any issues or concerns.

9

CONTINUOUS IMPROVEMENT

Seek opportunities for constant improvement in your freight management. Regularly reassess your objectives, gather feedback from stakeholders, and explore innovative solutions or technologies that can further enhance your freight management processes.

Remember that changing your freight terms and effectively managing your freight is an iterative process. It requires ongoing evaluation, adaptation, and collaboration with your carriers and stakeholders to ensure optimal results. If you are stuck at any point along this roadmap, do not hesitate to reach out to the [Evans Client Solutions Team](#) for further clarity. Evans is here to support you and ready to give you the #EX.