

SMC<sup>3</sup> Case Study

# BatchMark<sup>®</sup> XL

## Driving Efficiency in LTL Bids and Analytics

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## The Situation: A need for data to make better, more efficient decisions

Both Newell Brands and J.B. Hunt needed ways to expedite less-than-truckload (LTL) analysis of rates and bids. They needed access to valuable information including transit times, rates, cost of non-compliance, as well as the ability to compare and model thousands of freight bills simultaneously.

Newell Brands analyzes between 150,000 and 200,000 shipments per year across seven business units and dozens of brands. During their annual bid process, they use demand modeling software to build out scenarios and award lanes to carriers based on different criteria such as incumbency. But this process alone doesn't allow them to evaluate different scenarios from a total cost perspective – which is critical for finding opportunities to retain their best carriers, award new carriers where appropriate and reduce cost.

Additionally, Newell Brands needed a way to track any noncompliance with routing guides published by its retailer partners.



“One of our goals is to make sure we are giving carriers the freight we told them they were awarded.”

– Hayley Drosky, Associate Manager at Newell Brands

“We do know that we're always going to have some degree of noncompliance when we're using a carrier that's not our primary carrier for specific lanes,” she added. “It's very important to us to be a good partner and make sure we're as compliant with our routing guide as possible.” But without visibility into their noncompliance, they couldn't measure its impact or reduce it.



“A lot of what we do in our group is data analysis. Looking at customer data and trying to understand, how can we make this better? How can we make this more efficient? Or as needs change, looking at new solutions and new opportunities.”

– Carson Leavitt, LTL Pricing Manager at J.B. Hunt

Similarly, J.B. Hunt was looking for way to become more efficient while comparing rates, evaluating different scenarios and the flexibility to create customized options to enable greater insights to make more informed decisions.

## The Solution: Insights and visibility to make better decisions

**Newell Brands** pulls 12 months of shipment data into SMC<sup>3</sup> BatchMark<sup>®</sup> XL and rerates all of those shipments based on the different scenarios they built. They're essentially running two 'extreme case' scenarios for comparison: A baseline scenario in which they keep all incumbent carriers, and one in which they choose the low cost bid offer every time, regardless of incumbency.

In comparing scenarios, Drosky can "see what opportunities we have to make small changes and make some small shifts to see some cost avoidance or potentially savings wins."

Newell Brands also uses BatchMark XL for its noncompliance tracking. "We might have two primary carriers on a lane," Drosky said. "We want to know; did we use the most cost-efficient primary carrier?" BatchMark XL allows her team to determine the most efficient carrier choice in that situation and whether or not the shipment was compliant with its routing guide.



**J.B. Hunt** was faced with a series of customer rollouts over several hundred locations with quick turnaround times. BatchMark XL helped quickly build out scenarios to determine the best carriers, transit data and timelines to ensure they were leveraging the most effective carriers in order to meet their customer's timelines. "We're going to go in the direction the data goes," said Leavitt, and looking at the data on a customer-by-customer basis.

Working with "everything from large, multimillion-dollar managed logistics solutions" down to "really specific projects" with smaller shippers, J.B. Hunt looks at different data points in each engagement. "That's where the flexibility of BatchMark XL, and having that data directly, really fits well into our process," said Leavitt.

## The Result: Knowledge and confidence to maintain efficiency

Using SMC<sup>3</sup> BatchMark XL, Newell Brands gets better visibility into their bid process – and that visibility translates directly to value. Output from BatchMark XL helps them bid smarter, project costs further, shift lanes between incumbent carriers, bring on new carriers, realize efficiencies, make better decisions and maintain their company focus.

It also helps them track the cost of noncompliance with routing guides: “BatchMark XL output lets you know if that shipment hit the minimum charge or if it hit the discount, which we then pull into reporting,” Drosky said. “It lets us know how much additional expense we’re incurring because we’re not compliant with our routing guide” and drive down costs associated with noncompliance.



“Our number one focus and goal of the bids is service. Making sure we have sufficient capacity at each of our facilities and making sure we’re partnering with carriers that align with our customer service goals.”

— Hayley Drosky, Associate Manager at Newell Brands



“It’s a fun time to be in this world, playing with data and playing with solutions,” said Leavitt, adding that “flexibility and customization are important to us. BatchMark XL provides us with these key features to optimize our efficiency and LTL projects.”

— Carson Leavitt, LTL Pricing Manager at J.B. Hunt