



3PL Creates Its Own LTL Bid Success Using Best Practices Tool

How logistics service provider and SMC³ business partner Unyson Logistics built a thriving LTL bid practice, one SMC³ BidSense[®] bid at a time

Challenge: Conforming to LTL Purchasing Best Practices for Best Business Outcomes

When procurement and logistics personnel at Unyson Logistics, a division of the \$1.7 billion transportation service provider Hub Group, sought an LTL bid solution to support their business efficiency, profitability and growth objectives, they got exactly what they wanted, and more. Their success was achieved by employing best practices concepts, which spawned a win-win-win collaboration scenario with customers and carriers.

For a busy 3PL like Unyson, access to actionable LTL carrier data was mission-critical—not just for implementing and leveraging best-practices LTL bids on their clients' behalf, but also for ensuring their own business success. That's why Unyson experts chose SMC³ BidSense, the only strategic LTL bid tool that applies a best-practices approach and sophisticated analysis capabilities to leverage their unique expertise. "BidSense was designed specifically for LTL bidding," said Art Nourot, senior director, business development and

continued next page

At-A-Glance

SMC³ business partner Unyson Logistics relies on SMC³ BidSense[®] as the foundation of its LTL bidding strategic solution. In conducting dozens of BidSense bids, the 3PL has secured between a 10- and 15-percent bid savings for each of its clients, simultaneously developing strong alliances with a wide range of carriers nationwide and gaining high-profile 3PL success.



Industry publication Logistics Management gave Unyson Logistics top scores in its 2008 Quest for Quality Awards program. Among the criteria for 3PLs, Unyson ranked number one in Carrier Selection/Negotiation as well as Logistics Information Systems. Also in 2008, Inbound Logistics magazine designated the company as a Top 100 3PL Provider.



Art Nourot, Senior Director, Business Development and Procurement, Unyson Logistics

Solution: Moving from “Blind” to Customized Bidding and an Optimal Carrier Network

In conducting dozens of BidSense bids, Unyson has made full use of the product’s analytical power, flexibility, distribution and volume-leveraging capabilities. The 3PL works on behalf of both small and large clients to constantly adapt and adjust for changing price and volume needs, as well as lane and location specifics, providing a tailored bid strategy for each customer or customer group.

include carriers not traditionally considered ‘LTL,’” Nourot explained. “Customers who have a huge network may have, for internal ease of management, focused on a very small group of national carriers, partly because it’s difficult to administer to a larger group and it’s difficult to get a bid out. One of the great things about BidSense is the ability to send the information out to a multitude of carriers simultaneously.

carrier procurement at Unyson. “Other tools didn’t offer the standardized templates for entering shipment data, or have sound methodologies for analyzing and optimizing carrier selection. And we had already used SMC³ CzarLite® successfully,” he added.

Unyson, an early adopter of the BidSense solution, has used the tool numerous times over the last several years, building what is now a thriving LTL bid practice. In fact, Nourot’s team has become BidSense subject matter experts, providing ongoing product input and working on many client projects hand-in-hand with SMC³.

“We use BidSense to manage the entire bid process—from benchmarking to bid analysis, implementation and carrier management,” noted Mick Noce, Unyson’s vice president, engineered solutions. “While assessing the bid opportunity and creating the RFP, BidSense captures lane-level detail, automatically summarizes historical freight bills and saves us time by standardizing the information each carrier receives about the shipper and their requirements.”

The ability to work with a wide range of carriers has also proved invaluable to the Unyson bid team, as they use BidSense to distribute a bid to carriers who can provide the best solution for their clients’ transportation needs. “This can

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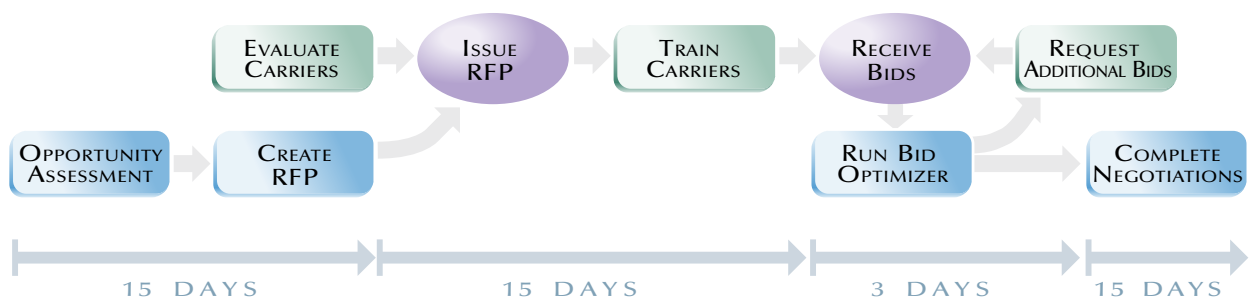
– Mick Noce, Vice President, Engineered Solutions, Unyson Logistics

“BidSense takes into account various regional providers, and overlaps long-haul and niche carriers, so we can see what the best value package is without arbitrarily excluding a carrier because their service area is small,” continued Nourot. “BidSense does that math and shows the value from a dollars and cents standpoint, from brand-name national, regional and local LTL common carriers to a collection of niche carriers that many of our customers have, since they provide a specific service or they may have a distribution ware-

Unyson’s Typical Project Approach and Timing

Unyson’s transportation procurement process is tailored to support each client’s unique transportation and customer service strategy.

Source: www.unysonlogistics.com



house component involved as well as transportation. From a bid standpoint, they need to at least be given a chance to participate.”

“For our part, quickly running what-if scenarios ensures our ability to realistically implement the bid,” Noce added. “We’ve run multiple smaller customers through a single bid, combining like-sized companies’ bids, consolidating data for a combined spend and then publishing it out as a single RFP with separate business requirements. BidSense allows us to add those detailed business requirements and separate it by customer. Carriers clearly see the requirements for each customer lane they are bidding on. And our customers immediately see the impact of potential bid results and can quantify differences and costs.”

Results: A Strategic, Open-Minded LTL Approach to Help Grow the Business

Nourot and Noce continue to find new ways to save time and improve their decisions with BidSense, leveraging its capabilities and enhancing its business value according to their changing needs. One of their time-saving techniques involves clarifying bid details up-front—rather than at the end of the bid process—and actively collecting service standards and commitments from carriers. This activity enables the Unyson bid team to establish detailed carrier service criteria as a standard requirement for analysis.



A Better Way to Successful Carrier Agreements



Unyson Logistics personnel run what-if scenarios through BidSense. (Pictured left to right: Adam Aguilar, Dana Burleigh, Mick Noce, Brian Alexander)

“I think we’ve taken advantage of more of BidSense’ functions and functionality and improved how we use it over the last several bids,” Nourot continued. “We use an LTL bid as a component and often a first step in an overall

“BidSense is a component of our management program. It gives us information on all the various carriers and shows our customers their best carrier network – something they never would have been able to do otherwise. That’s where we come in: helping them to manage that carrier network.”

– Art Nourot, Senior Director, Business Development and Carrier Procurement, Unyson Logistics

engagement. We select a carrier group and move on to providing our logistics management services from an operational level. So we are building a carrier network that can provide the service that we intend to execute at the lowest cost. Often our customers think they’re already getting pretty good service, so it’s really about lowering cost and retaining service.”

The Carrier Perspective

Melanie Early, a New England Motor Freight (NEMF) pricing supervisor, is a long-time user of CzarLite. Almost an entirely LTL shop, NEMF has responded to more than 24 BidSense bids, and its ease of use has made it one of Early’s top-ranking choices.



“I prefer BidSense to other online bid tools that shippers currently use,” Early explained. “NEMF favors lane-based pricing to general state-to-state pairings, allowing for pricing to be more precisely applied,” she added. “Most of the other products NEMF is required to utilize are not as easy to use, or the product requires NEMF to enter pricing in a format that is not necessarily how we would want our pricing presented—the other products are just less flexible.” BidSense also supports an important NEMF company goal: providing shippers or 3PLs with detail. “We prefer to give as much detail as possible,” Early concluded. ■



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