

## Case Study

# Forensic Benchmarking of International Freight

→ FCL - Full Container Loads

→ LCL - Loose Container Loads

→ Air Freight



We saved \$911k / 15% with the same supplier

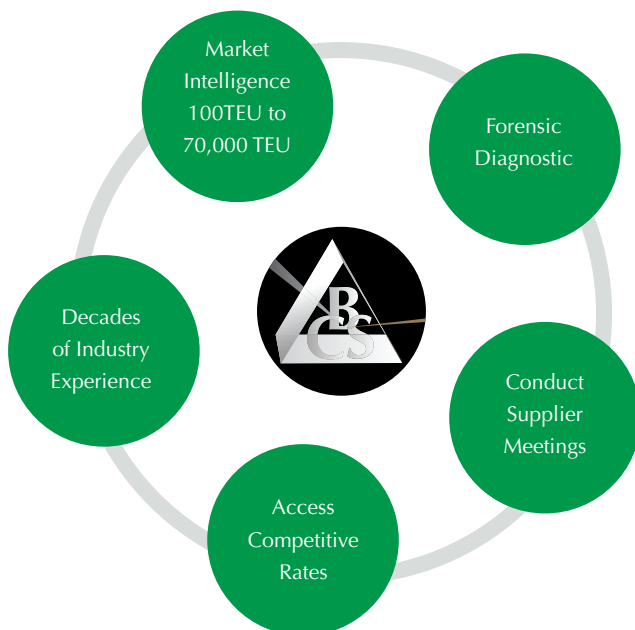
## The Challenge

Australian/New Zealand retailer turning over \$500m annually.

- Tender process already completed.
- The best tender would increase International freight by over **\$800,000** to **\$6,137,515 p/a**.
- With wafer thin retail margins the business could not absorb these additional costs.
- Benchmark was engaged to analyse this tender and challenge the increase in freight costs.

## The Ultimate Goal

- With shipping rates on the rise, the business needed to pass on increased international freight charges.
- The business wanted to preserve profit margin by refusing to accept increased logistics costs. This was imperative in the challenging retail environment.



## The Business Payoff

The lowest price tender response increased annual ocean freight to \$6.1M. After Benchmark applied Forensic Benchmarking and negotiations the final contracted freight spend was \$5.2m

**\$911k saving p/a or \$364 per TEU over the life of the agreement**

As the incumbent supplier met our forensic benchmarks and required service levels there was no requirement to change out the current supplier.

**No supply chain interruption**

As we are regularly in the market for 100 TEU to 70,000 TEU, we know market drivers, conditions and opportunities that delivers our clients the advantage to obtaining the lowest ocean freight rates without service compromise.

**Our competitive advantage**

# Freight Forwarding/International Freight Forensic Benchmarking

With over 30 years experience we have access to market intelligence and insights into freight rate movements and opportunities not readily available to the public.

## What we do?

We profile businesses just like yours in the area of international freight covering all:

- ✓ FCL – Full Container loads
- ✓ LCL – Loose Container Loads
- ✓ Air Freight

## How we do it?

We apply our **DRIA®** model

### 1. DIAGNOSE

We look at your business top to toe.

### 2. RECOMMEND

We recommend business ready solutions.

### 3. IMPLEMENT

We work with your people and suppliers to turn the recommendations into practical results.

### 4. AUDIT

We provide scheduled health checks to ensure solutions are sustainable.

## Why are we different?

- We have a competitive advantage because we are in the market buying 100 TEU to 70,000 TEU.
- Our forensic analysts are qualified customs brokers and freight forwarders
- Decades of experience managing freight forwarding businesses and major retail supply chains
- We are regularly exposed to market intelligence not available to the public

## What can we do for you?

We will conduct a high level desktop audit at no cost and provide you with a high level savings opportunity.

## What we need?

### Request for information

- Please send 2 months invoices or more if your ports are scattered over a wider range
- Copy of contract, terms
- Any specific intelligence, experience such as:
  - We only bring 20ft container because of weight restrictions
  - Containers are never full due to weight restrictions
  - Peak periods of shipments
  - Shipping Incoterms

### FREE SUPPLIER AUDIT

Are your suppliers really best of breed? Call 1300 160 329