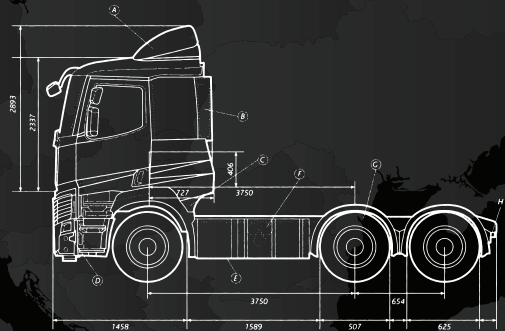
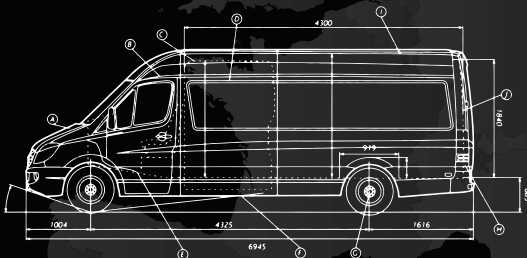


FREIGHT UTOPIA

40 STRATEGIES TO CUT COSTS AND
GET BETTER VALUE FOR MONEY

THE MUST HAVE GUIDE FOR LOGISTICS
AND SUPPLY CHAIN MANAGERS



THE BASICS

By following the strategies in this book, you have an opportunity to save £100,000s on your annual freight spend.

WHAT IS FREIGHT UTOPIA?

A highly desirable future state in which shipper and carrier work collaboratively to **improve performance, build trust, minimise costs and maximise value.**

WHY DO I NEED IT?

If you are a Logistics Manager, every time something goes wrong in the supply chain it takes time and money to rectify.

Creating an environment that minimises costs, maximises value and reduces intervention will make work less stressful and more fulfilling.

Why wouldn't you want to do that?

WHO DO I GET IT FROM?

You will need a forward-thinking logistics company that is willing to invest time and resources to build a mutually beneficial relationship based on trust.

WHEN DO I KNOW I HAVE IT?

You won't be firefighting as much, if at all.

You will have visibility of the extra value your carrier is providing you with, your costs will be reducing and you will be spending more time on improving your supply chain efficiencies.

WHERE DO I START?

You already have with this book.

Read it, apply the strategies, make sure you have the right carrier(s) and systems in place and you'll be experiencing Freight Utopia sooner than you think.

WHY I WROTE FREIGHT UTOPIA

I decided to write this book during the COVID-19 pandemic in 2020.

With time on my hands, I started to think how I could be of value to all our current customers and prospects at that time of national crisis.

I had been running my freight forwarding business for 20 years at that point.

“

Moving freight by road, sea or air is not a science. It can be very unpredictable at times.

I think Murphy's law was written for our industry. If something can go wrong, it will.

It's how you react to these challenges that define you as a business.

”

One thing that is very predictable in freight is the utopian “more for less” principle.

Many freight professionals want a Rolls Royce service for a Ford Fiesta price. They are under pressure to deliver reductions in their annual freight budgets but cannot afford for the level of service to be compromised.

Over the years we have worked with dozens of Logistics and Procurement Managers to solve this dilemma. We developed a winning formula to help companies reduce their freight costs and get a better service.

Sharing knowledge

I also want this book to be the second part of a legacy which I will leave behind when I retire from the freight industry.

The first part was the gifting of my company to my staff in September 2017. Espace is now the only employee owned freight and logistics company in the UK.

My staff have made the business what it is today; a well-respected, innovative and forward-thinking freight company true to its values. The move to Employee Ownership just seemed the right thing to do at that time and it's a decision that I have never regretted.



Tony Shally
Managing Director
Espace Europe

So maybe now it's time you re-evaluated the way you move your freight?

Could you get a better service for less money?

Hopefully the forty strategies in this book will help you to get a little bit nearer to your Freight Utopia.

**ENOUGH
TALK
LET'S
BEGIN**

**40 STRATEGIES
TO CUT COSTS
AND GET BETTER
VALUE FOR MONEY**

SECTION 1

SAVE MONEY

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1

THE 2% NO BRAINER

With cost top of mind, many manufacturers routinely seek three quotes for every shipment, a time-consuming process and automatically go with the cheapest.

But is cheapest best?

Being known as a company who only buys on price isn't going to engender much loyalty when you need it. In our opinion, if you have reasonable freight volumes, there may be a better way.

Why not think about appointing a preferred carrier and introduce a 2% rebate scheme?

do it

Introduce a Preferred Carrier Scheme

Create a freight tender asking for rates, transit times and departure days. Send it out to a select number of reliable carriers. Also ask for their value proposition - what else can they offer you that would make your life easier?

How it works

If, for example, the extra value that a more expensive carrier offers easily outweighs a 5 or 10% difference in price compared to the cheapest carriers, it would be unwise to exclude them outright on price. You will need to commit to a minimum annual spend with your preferred carrier. This can however be set quite low.

The saving

Send a quarterly update to the carrier summarising your spend and the accrued 2% rebate. Ask for the rebate to be sent by way of a credit note or wait until 12 months has elapsed and claim an annual rebate.

POSSIBLE SAVING 2%



DOUBLE THE ORDER, HALF THE FREQUENCY

We all know customer is king and you might not want to upset yours by asking them to take larger orders less frequently.

Save over a third

Did you know, by doubling the order and halving the number of deliveries you can typically make savings of at least 35% on freight costs.

You can save even more on long-distance deliveries.

do it

Double up

Send one full load a month as opposed to two 6 metre part loads twice a month?

Or send 2 pallets a fortnight instead of 1 per week.

Pass on the value

Think about offering your customers a small discount to encourage them to take larger orders.

Ensure that the discount is less than the saving on the transport to give you both a financial gain and improve your customer relationship.

POSSIBLE SAVING 35%



£

£

£

INSURE YOUR GOODS CORRECTLY

Being underinsured, in the event of lost or damaged freight, could cost hundreds, maybe thousands of pounds each year and is best avoided.

The hidden risks of limited liability

Indemnity levels for lost or damaged UK or European freight shipments are limited under RHA and CMR conditions respectively.

Understanding SDRs

The level of indemnity is directly related to the gross weight of the damaged or lost goods.

For UK freight it is £1.30 a kilo and 8.33 SDRs (Standard Drawing Rights) for European freight.

An SDR is a currency unit and therefore fluctuates. 8.33 SDRs equate to approximately £9.00.

Is 8.33 SDRs per kilo a bad deal?

No. 8.33 SDRs / £9 per kilo is normally enough to cover the loss or damage of a shipment of standard goods.

If your shipment has a per kilo value greater than the above stated liability limits you will be underinsured in the event of loss or damage.

do it

Fully covered is money saved

Insure your shipment to its full value on an ad hoc basis with your carrier or take out your own annual Goods in Transit insurance policy to ensure you are fully covered.



USE AN RDC

Domestic and European Regional Distribution Centres are effective if you deliver a small number of pallets regularly to several customers.

More local deliveries

It is more cost effective to send your goods in bulk to a Regional Distribution Centre and then pay smaller amounts for local deliveries than dispatching all orders from your site.

do it

Who is it for?

This works very well for UK exporters with a high concentration of customers in one particular European country.

For example, you have four shipments of two pallets each to four customers in Germany. Sending eight pallets to a German RDC and asking them to make the four local deliveries will be approximately 20-30% cheaper than sending four shipments from the UK to the four German companies.

Ship more, save more

Depending on the volumes involved, you might be able to secure some free or reduced-price storage too.

POSSIBLE SAVING 20-30%



BUILD IN FLEXIBILITY ON COLLECTIONS

By offering more flexibility to carriers, you will make your loads more attractive than other company's and more desirable to the carriers to win on price.

Be less demanding

In return for discounts you can offer carriers more flexibility by offering the following.

- 24/7 loading or at least 8am-5pm
- No specific loading times
- 72 hours or more notice
- A window of 2-3 days to collect in
- The possibility to load rigid-sided box trailers

Reach out

Carriers have tight schedules and many demanding customers. Become one of the good ones and they can make it worth your while.

do it

Allowing flexibility often allows the carrier to minimise their empty running costs. Why not ask for 2% discount for each of the 5 points?

POSSIBLE SAVING 10%



BACK LOADS

If you have dedicated freight deliveries to different areas of the UK or Europe, backloading hauliers or courier companies from that area could save you a third on your transport costs.

What is back loading?

Generally for UK freight, if you use a local transport company they will charge you their full charge per mile to make a delivery for you and offer their discounted charge per mile (their backload rate) to someone else offering them a load back to their base.

Cheaper on the way back

A full load from Birmingham to Newcastle Upon Tyne could cost £675 with a Midlands based transport company but only £450 if you back load a haulier based in Tyne and Wear.

do it

Find the back loaders

List on a spreadsheet all your regular domestic delivery locations and research hauliers in each area to see if they deliver regularly to your area.

Ask all your new and existing hauliers to provide prices for each of your delivery points. For each delivery point, rank them from cheapest to most expensive. This way you can easily see the difference in price for those offering back load rates to a specific delivery point.

If you don't want to do the research, just use a specialist UK back load agency.

POSSIBLE SAVING 30-35%



THE FREIGHT AUDIT

You don't know what you don't know - Socrates

Where would you even start?

It's impossible to know things that you have no knowledge about. This is the case for many companies.

They don't keep a record of their dispatch data and those that do, many never analyse it to identify risk, cost and time savings.

Continuing to use the same distribution channels just because it is easy does not make it right.

You already have the data

A detailed analysis of your UK and European shipping data will give you the knowledge on which to make informed decisions.

do it

Find it and use it

It's a good idea for both you and your carrier to analyse the data.

Ask your carrier to create a report highlighting improvements and cost savings.

Substantial, wide ranging benefits

There are many savings and service improvements to be gained from a freight audit.

Greater flexibility, faster deliveries, reduced cost, less damage and more control are all possible outcomes from a successful freight audit.

POSSIBLE SAVING 10-20%



LET THE TRAIN TAKE THE STRAIN

If you ship full loads in the UK or to and from Europe, intermodal transport might be worth considering. The cost savings that can be derived from using a combined truck & rail transport solution will depend on four factors.

1 The location of the delivery or collection point

Intermodal transport will generally be a cheaper option than driver-accompanied transport the longer the distance to be covered. It's therefore a viable option for deliveries to and from most countries in Eastern European, Iberia, Italy and Turkey.

3 The weight of the shipment

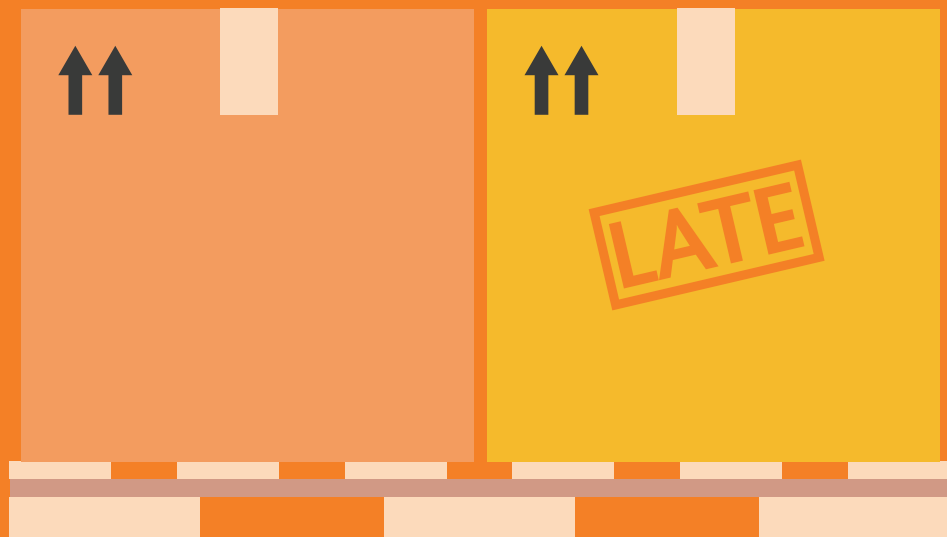
Intermodal trailers to some countries can take up to 27 tonnes of freight compared to 24-25 tonnes on most road freight vehicles. So, if you can load 27 tonnes on an intermodal trailer, there is a good chance that your transport cost per tonne will be lower.

2 The time sensitivity of the load

Intermodal transport can take a day or two longer to get a full load delivered compared to a driver-accompanied trailer. Bear this in mind if your delivery is time sensitive.

4 The type of vehicle that can be used

If your goods can be loaded into a rigid-sided 13.6m trailer there could be some considerable cost savings. Certain EU countries have a need for box trailers for their export freight. Discounting for box trailers to these countries is common.



UNDERSTAND CONSEQUENTIAL LOSS

Under RHA conditions for UK and CMR for European freight, a carrier is not liable for any additional charges incurred as a result of late delivery.

Late delivery penalties NOT as standard

Did you realise any claim for consequential loss for a late delivery is limited to the value of the freight invoice?

Shippers can potentially be burdened with thousands of pounds worth of penalties for downtime and no recourse to their carrier.

Strengthen your case before it's too late

If the worst happens and you need to make a claim, **it will have more chance of success if the extent of the potential consequential loss is communicated to the carrier prior to the shipment's collection.**

do it

All about communication

On the driver's CMR or dispatch note make a note of the financial consequences of late delivery of that shipment.

Carrying out this advice on these two documents will greatly improve your chances to recover these costs and the case for claiming full consequential loss will be a lot stronger.



DOUBLE DECKERS

If your pallets are not stackable and less than 1.8m high, have you considered double-deck trailers?

Little known fact

You can load approximately 60% more non-stackable pallets on a double-deck trailer than on a standard single deck one.

do it

Double decker, half the price

Double deckers are more expensive than single deckers but the extra charge is outweighed by the extra freight you can load.

They are available for both UK and European deliveries. Ask your carrier for details.

POSSIBLE SAVING 20-30%



KNOW DEPARTURE AND ARRIVAL DAYS

By booking a collection request 48 hours prior to the export trailers departure, your carrier will be able to factor in the cheapest collection charge.

Leaving it till the last minute

Same day collection is understandably more expensive. If you notify your carrier of a collection request on the trailer departure day, it will cost you more than it should.

What about Friday? That's extra too

Invariably freight that needs to be collected on a Friday will incur a same day collection charge to make sure it arrives back to the depot before the export trailer departs.

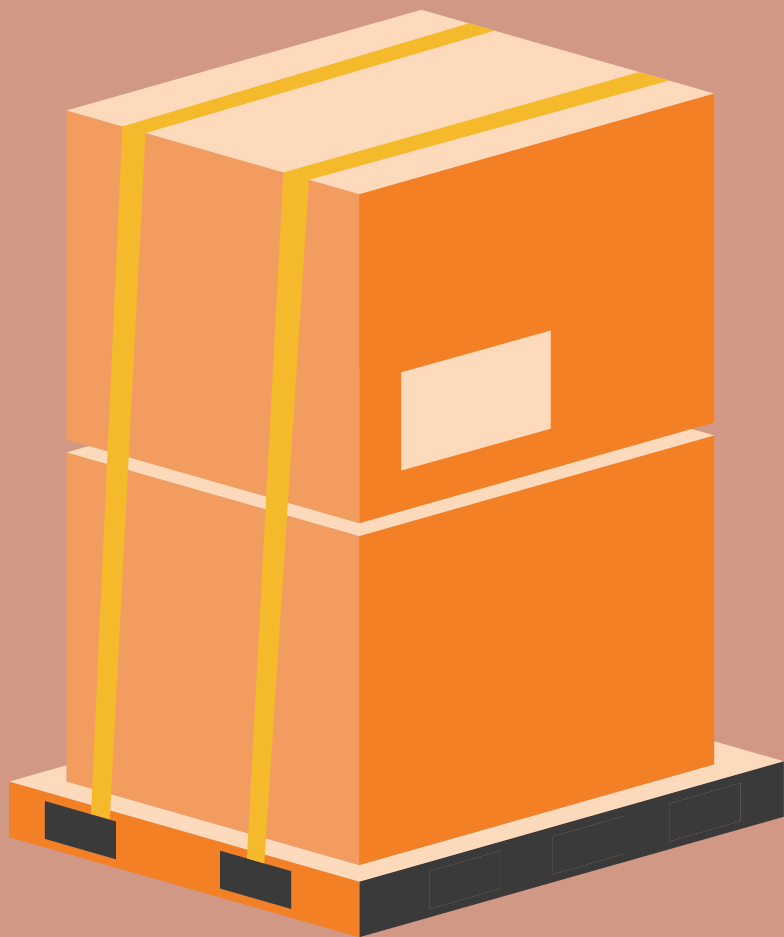
do it

Fit in with the carrier schedule

By giving the carrier plenty of notice by requesting collection in advance you can expect to receive preferential rates on your shipment.

Give at least 48 hours notice for collection to allow the carrier to better schedule your collection and provide you with a discount.

POSSIBLE SAVING 2-5%



DOUBLE THE SIZE OF NON-STACKABLE PALLETS

If you classify your pallets as being non-stackable due to the nature of the goods, why not simply double the size of the pallet?

You've been shipping air

Think about it. For non-stackable pallets you are paying for the air space above the top of your pallet. That's some expensive air.

Can't stack? Then go up

Most trailers can easily accommodate 2.4m high pallets. Doubling the height from 1.2m to 2.4m won't cost you any more money to ship so make use of that space.

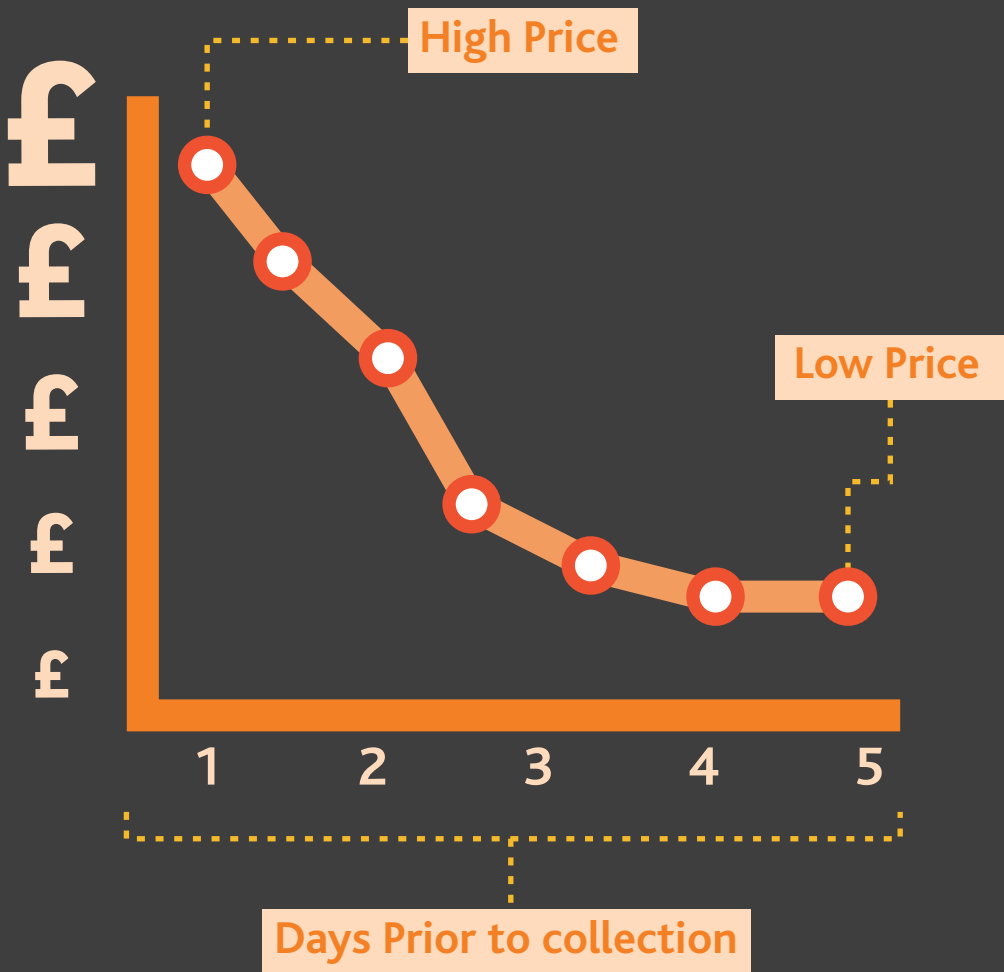
do it

Research packaging

While not suitable for everything, stronger packaging can be used to protect otherwise delicate products.

Heavy duty cardboard boxes will often support their own weight and with careful wrapping be supported well enough to stack.

POSSIBLE SAVING 50%



BOOK EARLY TO AVOID DISAPPOINTMENT

It's always advisable to book early to avoid disappointment for most larger road freight shipments.

More lead time gives greater flexibility

Giving a carrier as much time as possible before collection allows them opportunities to maximise the capacity of their vehicles. This results in cost saving opportunities.

With scarcity comes cost

Conversely, booking the day before the required collection day may mean a sharp increase in the price of the load due to availability issues.

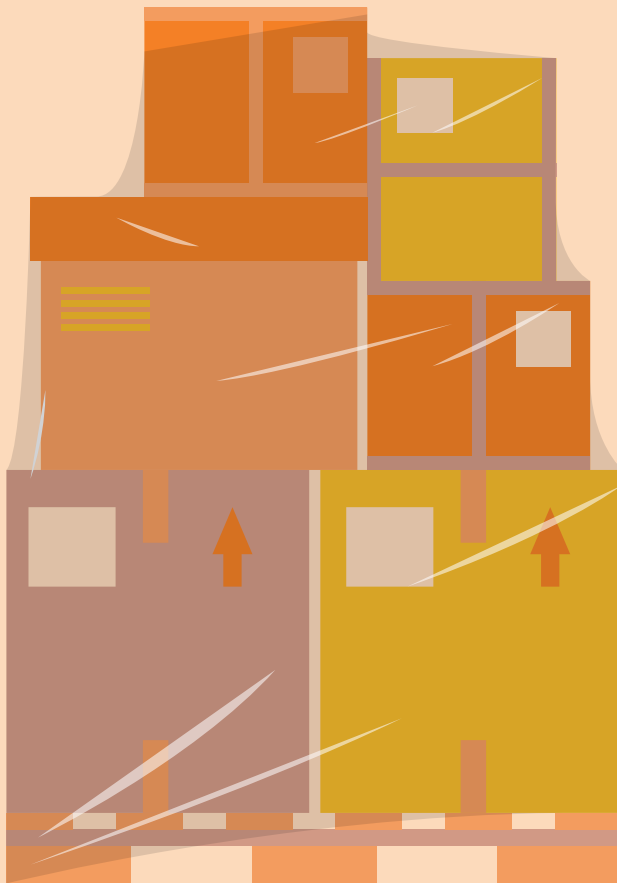
do it

Plan ahead

Always try to give at least 3 days notice of collection.

For example, if you book a long-distance full load delivery to Europe at the last minute, it could easily cost you £200-£300 more

POSSIBLE SAVING 10%



PACKAGE GOODS CORRECTLY

It's important to package your goods correctly for the distance that they will travel.

Don't leave it to chance

A few extra pounds spent on shrink-wrapping and banding your goods to a pallet could pay dividends in the long run. Products can tumble from a pallet or get knocked in a warehouse.

Reasonable doubt

Carriers can often refute damage claims by stating that the packaging was insufficient. They may even be right so why court reasonable doubt.

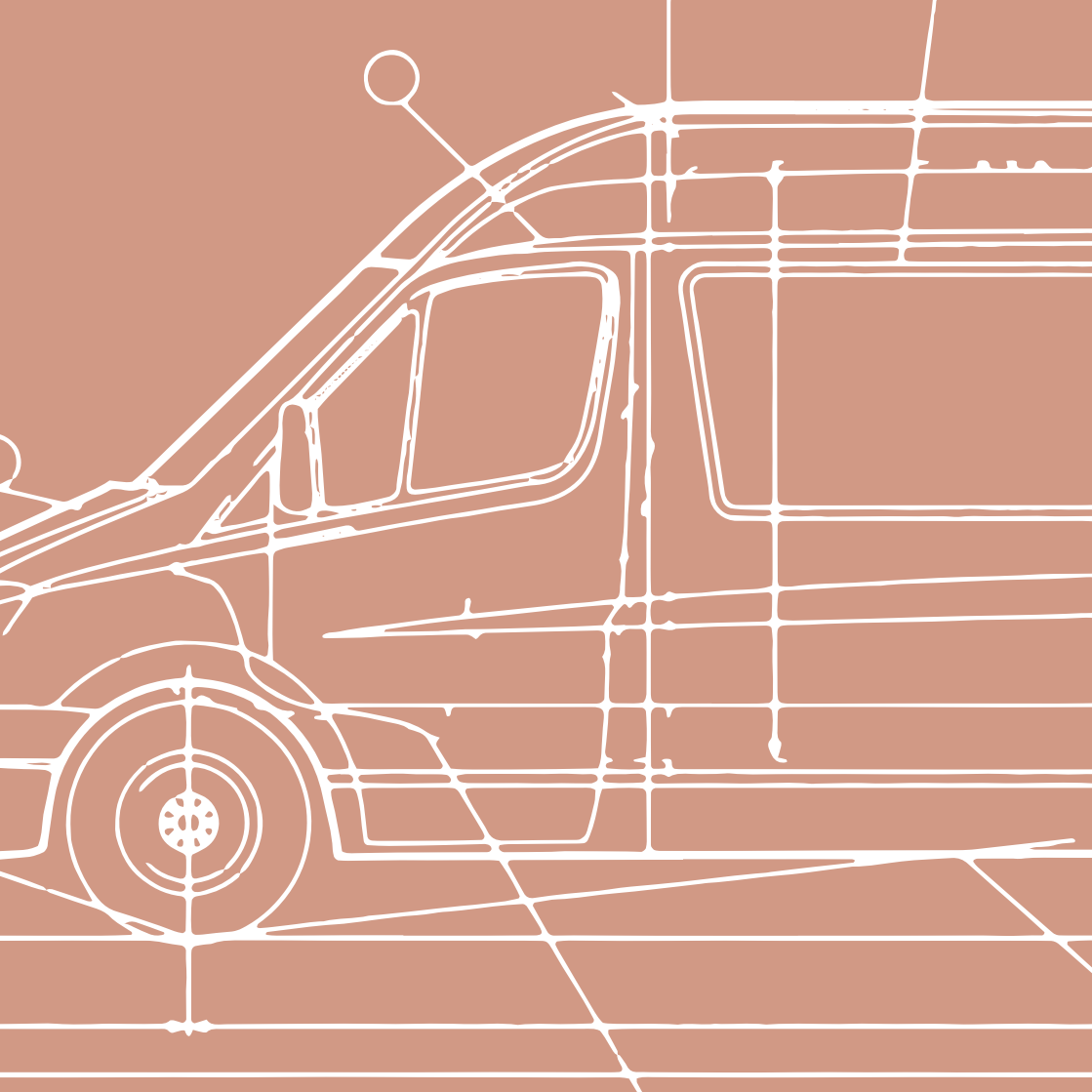
do it

If a carrier is successful in refuting liability you potentially are left with the loss of revenue from the damaged goods.

Proper packaging

Invest and train in adequate packaging techniques. The consequences can be very costly as whole pallets can be rendered useless.

POSSIBLE SAVING 100%



CONTROL YOUR EXPRESS COSTS

You can avoid expensive express transport by simply building in sufficient lead time into your deliveries. There are a number of ways to reduce the need to use express services.

Get back in control

If you are behind with the production of an order why not send a smaller quantity first?

Often the emergency requirement is only a fraction of your regular shipment.

do it

Just send what's needed

Arrange for a low cost parcel network to send a smaller amount of goods. This will keep your customer's production going until the remainder of the goods can be delivered by standard transport.

Does it have to be next-day?

Some carriers now offer semi-express solutions at a fraction of the price of their dedicated ones.

This extends the delivery by one day by co-loading but is offset by a heavily-reduced rate.

Where do I look?

Savings will differ so look around and compare carriers. We offer our PLUS service, 40% cheaper than our dedicated express service.

POSSIBLE SAVING 40%

Collection



MO TU WE TH FR SA SU

Delivery Window

BUILD IN FLEXIBILITY ON DELIVERY DATES

Ask your customer if they can be flexible with the delivery date of the goods they requested. The more specific a delivery date and time, the more expensive the transport cost could be.

More flexible than you think

Often customers specify a delivery date and time without understanding how this affects prices.

Delivery windows

Having an open window for delivery will be of particular interest to full load hauliers as they can plan their reloads around a delivery date of their choice.

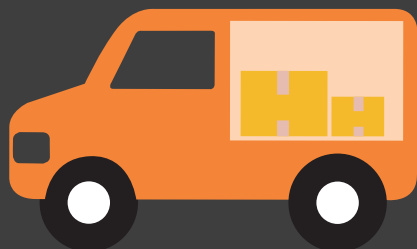
do it

Carriers like choice

Have a conversation with your customers about flexible delivery dates illustrating the cumulative savings you can both make.

Once you have agreed this flexibility it will make your loads more attractive to carriers and will encourage them to quote cheaper prices to win your business.

POSSIBLE SAVING 10%



VEHICLE SELECTION

One size definitely does not fit all when it comes to shipping freight by road so take some time to assess which vehicle best suits your needs.

Round peg, square hole

There are a wide range of non-standard vehicles available to send your goods on for both UK and European deliveries and all have their pros and cons.

Look past the standard

Don't make the assumption that anything out of the ordinary will be expensive.

As carriers look to maximise the capacity of all their vehicles, negotiation on prices can be available.

What options are there?

While not exhaustive, the list includes; high volume trailers up to 120 m³, flatbed trailers and walking floor trailers.

do it

Match load to vehicle

Research with your freight partner the best options based on your load type and journey requirements.

Make sure you choose the right vehicle to optimise your freight delivery.

POSSIBLE SAVING 10-20%



USE PARCEL CARRIERS

When you have lightweight shipments, for example up to 30 kilos, it may be more economical to use a parcel carrier rather than your usual freight carrier.

Send it with the rest

We all do it. It's easier to put it on a pallet and send it with the others with the normal carrier. But actually if it is well packaged it could be sent with a parcel carrier for half the price.

Standard Parcel vs Standard Pallet

A lot will depend on the nature of the goods being sent. More fragile goods will benefit from the added protection a pallet can give.

Example

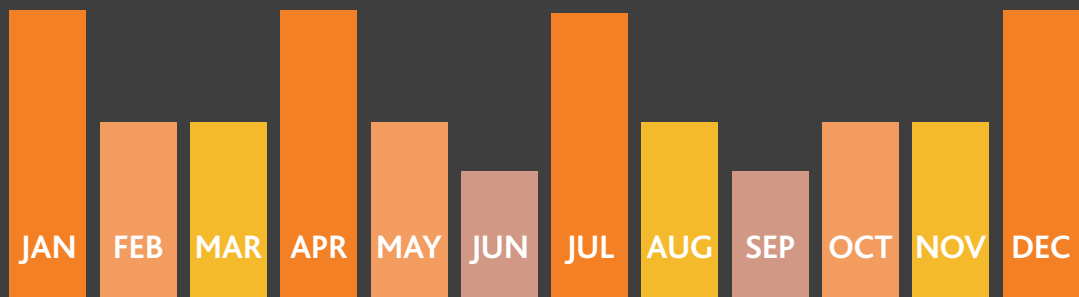
A standard carton weighing 30 kilos will cost 50-60% more if put on a pallet.

do it

Make the comparison

Check out the parcel carrier's rates for UK and European distribution and make sure you select the right supplier according to the shipment size.

POSSIBLE SAVING 30-40%



AVOID PEAK TIMES

It always costs more to ship goods during peak times as demand for trailers will be greater than their supply.

Peak equals expensive

To avoid peak time shipping, build in sufficient lead times into your deliveries with your customers and make sure your carrier is keeping you informed of when peak times will occur.

Get educated

If you are unaware when the peak shipping times are, you might continue to ask for these more expensive deliveries.

Example

Groupage or part load deliveries to the south of France on a Monday will cost a lot more than deliveries on a Tuesday or Wednesday.

do it

Speak to your carrier and ask them for the season and weekly peak times for the regions you ship to.

POSSIBLE SAVING 10-20%



CHANGE THE DELIVERY OR COLLECTION TERMS

It might transpire that your supplier or customer can source transport movements cheaper than you can.

It's us or them

It's your responsibility to get your products to the customer on time, safely and at the best rate possible.

It's no mean feat, achieving all of this. Why would you be reading a 96-page book on ways to reduce cost and increase value for money if it was simple?

Do the best by your customer or supplier

If you ask the question, it might transpire that your customer or supplier may be able to source the delivery of the shipment cheaper than you can. If this is the case, is it not the best service you can provide to allow them to handle the transport?

Benefits for all

If their charge to you is less than the charge you would have incurred, let them organise the shipment and give them a small discount. You will have both a net saving in money and time.

do it

Speak to your customer's or supplier's logistics department about their options.

**GOT
THAT?
CARRY
ON!**

**40 STRATEGIES
TO CUT COSTS
AND GET BETTER
VALUE FOR MONEY**

SECTION 2

VALUE

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- 39 BOOKING IN SYSTEM
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HAVE AN SLA

Having a Service Level Agreement is one of the most important things to do to get more value from your carrier relationships.

Mutual understanding

What an SLA does above anything else is make it crystal clear to both parties what is expected of them.

It might take a few hours to discuss and get a final agreement but it will be time well spent to get the necessary clarity needed.

It should give you, as the client, complete peace of mind that your requirements are clearly understood.

What should be included?

It needs to be comprehensive. Make sure you list all your specific transport requirements:

- Agreed prices
- Payment terms
- Dispute resolution
- PODs
- Performance measures
- Review meetings

and any other relevant information in this document.

do it

Arrange a meeting to discuss an SLA with your preferred carriers.



CREATE A STANDARD OPERATING PROCEDURE

Whereas an SLA is more of an overview of your requirements, an SOP is a detailed document highlighting how your business must be handled.

Customer Journey

Get your carrier to map your customer journey with them for a regular shipment. Map out each touch point and what you want to happen as they are reached.

Make sure each touch point action appears in your SOP.

Keep it up to date

If non-conformances occur, make sure the SOP is updated with the corrective action suggested by your carrier.

do it

Think about all the issues you have had with different carriers and how these could have been avoided if a bulletproof SOP had been in place.

KPI REPORT



Seven horizontal black bars representing a checklist or progress indicator.



KPI REPORTS

Key Performance Indicator reports provide important information about the carrier's regular performance.

Measure, measure, measure

If you never measure your carrier's performance, you cannot know if it is improving or declining.

Agree the KPIs with them and minimum accepted performance levels.

These could be based on:

- Punctual collections
- On-time delivery
- Damages
- Losses
- General non-conformances

Spell out the repercussions

If performance drops below the agreed KPI more than the stated number of times in a month or 3 month period, there has to be a repercussion for the carrier. This could be a financial penalty or a cessation of their services for an agreed time period.

do it

Take 5 minutes to think about what KPIs are important to you, how they could be measured and reported back to you.



REGULAR MEETINGS

It is important for carriers and their customers to meet at frequent intervals.

Get to know each other

The purpose of these meetings is to improve mutual understanding, build trust, discuss performance and for each party to map out their future plans.

Seeing into the future

If each party's future plans are going in a different direction then it's better to know sooner than later.

How often?

We suggest monthly in the early stages of a contract. Then the meetings could be scheduled on a 3 or 6 month basis.

With a good agenda they will be vital to building a better relationship with your carrier.

do it

Think about possible agenda items and agree a date with your carrier.



INSIST ON A KEY ACCOUNT MANAGER

The appointment of a Key Account Manager (KAM) by your carrier to your account is an important first step in the building of a mutually beneficial relationship.

Insist on 1-2-1

A KAM's understanding of your account will be far superior than if it is handled by multiple people.

Make sure you meet up with them within a few weeks. If you don't get on with them, ask for a replacement.

Ongoing improvements

With a KAM you are likely to benefit from better communication, more efficient processes, fewer mistakes and an extra mile attitude.

As they'll get to know your account very well, they should be able to make suggestions where costs can be reduced.

do it

Get your carrier to appoint a KAM and schedule a meeting with them.



ESCALATION PROCEDURE

In logistics, as you know, anything can happen. There are many factors that might affect the timely delivery of your freight.

Don't panic

When a serious issue occurs make sure that you have an agreed escalation procedure. This should form part of your SLA and SOP.

Having agreed guidelines for escalation will ensure that everything is done to mitigate any serious issues that may occur with your shipments.

Prevention is better than cure

Make sure your SOP is sufficient in detail to mitigate problems before they happen. If everyone in the chain knows what is expected of them, the likelihood of issues further down the line is greatly reduced. If circumstances out of anyone's control cause you an issue, make sure you update the SOP to stop a reoccurrence in the future.

do it

Ask your carrier to provide you with their escalation procedure and double check your SOP so that you have all bases covered.



EMBRACE TECHNOLOGY

If you have appointed a preferred carrier it is always a good idea to leverage technology to improve and make more efficient your communication and data exchange with them.

Data is king

Linking your ERP system to your carrier's freight system by EDI or API will allow both systems to exchange a multitude of documents and data, saving you time and money.

Why pay twice?

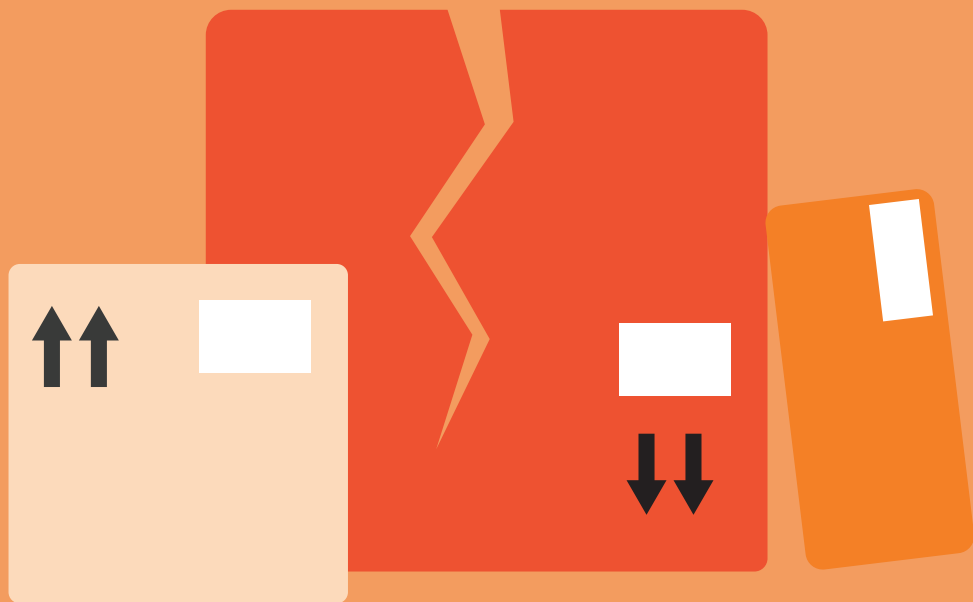
Re-inputting data that has been entered by someone else on their IT system is time-consuming and costs money.

Saving time, saving money

Tools are available at relatively low cost to link systems. Data can be pushed and pulled between the two potentially saving many hours of manual work.

do it

Speak to both your own and your carrier's IT managers to assess the capabilities of your systems to link with each other. Your carrier may also be happy to pay for the development work.



DOCUMENTED CLAIMS PROCEDURE

It is inevitable that if you ship a reasonable amount of freight with a carrier that at some point they will either lose or damage one of your shipments.

The devil is in the detail

Early in your relationship, if not right at the beginning, make sure that your carrier has made you fully aware of their claims procedure.

Before it's too late

As soon as a shipment is either lost or damaged it is important for you to know exactly what you need to do to lodge a claim and have it progressed quickly.

Know your liability limits

Get your carrier to clarify the different liability limits that exist for UK, European and global freight shipments by air and sea. The limits vary according to the mode of transport.

It's very easy to find yourself under insured for an air freight shipment which would have been fully insured had it been by road.

do it

Get the liability limits for the different modes of transport from your carrier and double check that your goods are fully insured for each mode.



PAY ON TIME

Carriers will prioritise the freight demands of customers that pay them on time.

Don't delay

If trailers are in short supply due to high demand, carriers are more likely to allocate an available trailer to a good payer than to a bad one. Constantly paying your freight invoices late can only have a negative effect on your relationship. Your carrier also needs to invoice you in a timely manner and provide PODs if required.

Cash flow problem?

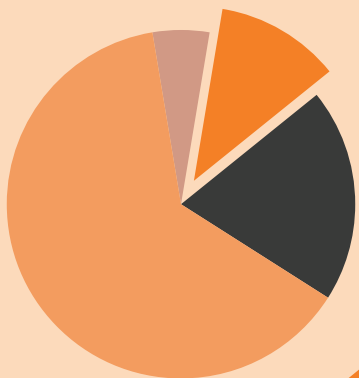
Paying any supplier late on a regular basis or providing false reasons for late payment will ruin any relationship you have with your suppliers. Invoice finance is not that expensive if used wisely.

Pay early for better terms

Having the ability to pay your suppliers on time will position you as a company that many carriers will want to work with. Some carriers offer early settlement discounts of 2-3% which you can easily afford to take up if you have the cash from the invoice financing.

do it

See which of your carriers offer an early settlement discount and ask your finance department to investigate invoice finance.



ANALYSE COST SAVING OPPORTUNITIES

It's really important that both you and your carrier analyse your shipment data to see where time and cost savings can be made.

Look after the pennies

Take time to think about each destination you ship to, how you do it and how much it costs you.

Could you shave off a few pounds here and there? Good carriers are always willing to look at rates if it means they have the freight secured from you for a longer time.

Data analysis

Your carriers should have your best interests at heart. They should analyse your shipment data on a regular basis and make suggestions as to where efficiencies could be made and costs reduced.

do it

Task your carrier to analyse your data and make suggestions of how you could reduce your freight spend by 10-20% with them.



AGREE COMMUNICATION

Poor communication is one of the most commonly quoted reasons why shippers feel undervalued.

It starts with a plan

You are in control here. Identify and agree with your carrier what information you want communicated including when and what channels are to be used. Such as:

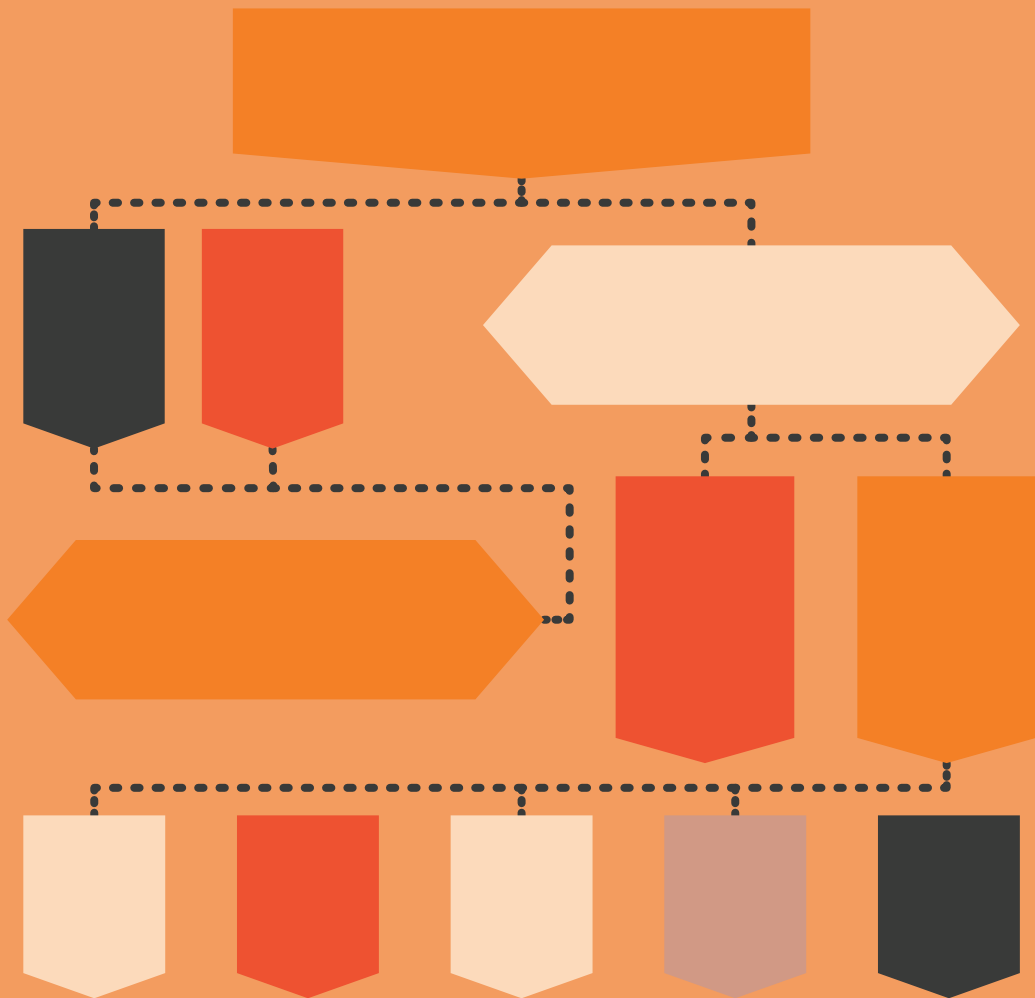
- Email
- Land line or Mobile
- WhatsApp or Text
- Push data via EDI / API

Embrace technology

Communication and getting information about your shipments status does not have to be a manual process. Carrier's portals can push shipment updates to your system as often as you want.

do it

If you prefer one type of communication over another, insist on it and make sure it happens.



NON-CONFORMANCE REPORT PROCEDURE

A well designed and managed NCR procedure will ensure that when errors occur, steps are taken to eradicate and mitigate similar errors in the future.

Mistakes are inevitable

Transport is not a science. So many factors can influence the safe and punctual arrival of your shipment to its destination. While not desirable, mistakes are an opportunity to refine the process together.

A learning curve

To err is human. Mistakes are acceptable as long as your carrier learns from them and puts preventative measures in place to mitigate them in the future.

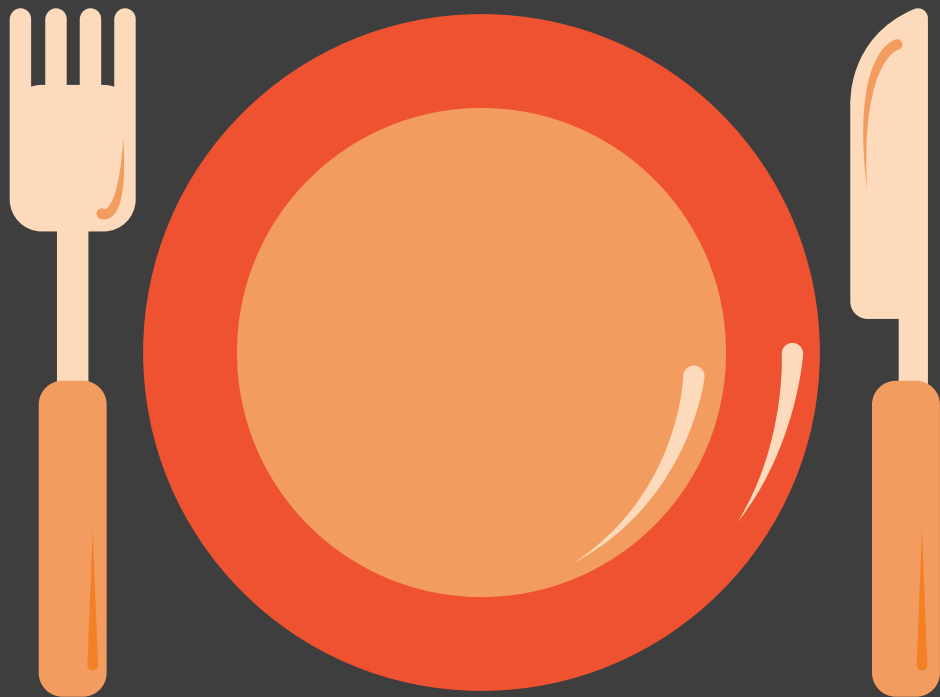
Review monthly

There is no point having an NCR procedure unless it is kept up to date and reviewed periodically.

Carriers need to be held accountable for recurring problems. Try to adopt with your carrier a more collaborative approach where both parties concentrate on prevention rather than cure.

do it

If you haven't got an NCR procedure think about implementing one.



MAKE IT PERSONAL

We are at work for 9 hours a day so we might as well try to enjoy it as much as possible.

Make time for the niceties

You'll get a lot more enjoyment from working with your Key Account Manager if you get to know them better.

If you only ever speak to them about your freight shipments, you might be disappointed the day you really need them to go the extra mile for you.

Invest in people

Just because it's a working relationship does not mean that you can't make it personal.

How to make it personal

Make time when you speak to each other to include some non-work chat. If you have arranged a meeting with them, suggest a bite to eat either before or after.

do it

A great way to improve a relationship and show appreciation is a simple thank-you email. Just look out for the next opportunity when your carrier has made the extra effort to fulfil your requirements.



EMBRACE WIN WIN

If someone is winning, then by default someone has to be losing.

Everyone's a winner

To nurture a strong relationship between you - the shipper and your carrier, you both must adopt a win-win approach. In the long run if it's not a win for both parties, one party will be unhappy.

Marathon not a sprint

Building a high degree of trust into the relationship will ensure that win-win has a chance of being a long-term strategy for mutual success.

How to adopt win win

In brief, be reasonable. Treat people as you would like to be treated. Don't constantly drive rates down to the point where your freight is of little interest to your carrier.

do it

Make sure you pay on time and that you don't cause unnecessary problems due to poor communication or recurring errors from your team.



360° FEEDBACK

This could be a controversial one as it's not very common for suppliers to give feedback on customers.

Positive criticism is a good thing

However, if you want to get the most value from your relationship with your carrier, you have to know your own areas for improvement.

Exchanging feedback on each other's performance can have a very positive effect on overall productivity and efficiency.

What topics to cover

- Issues that you cause each other
- Communication style
- Interpersonal skills
- Efficiency of working methods

do it

Arrange a meeting with your carrier and be truthful about how you can improve your relationship for your mutual benefit.



LET YOUR CARRIER LIAISE WITH THE DELIVERY OR COLLECTION POINT

A lot of time can be spent by shippers triangulating information between the carrier and their customer or supplier.

Delegate the workload

Let your carrier take some of your workload by asking them to book in collections or deliveries directly and keep you in copy.

do it

Have a think if you have some triangulation occurring with your carrier and customers or suppliers. If you have, what can you do to eliminate it?

Agree parameters

There are some things that you just don't need to know.

Review your communications and agree with your carrier what they need to be and make sure only important updates are sent to you.



PROVIDE CARRIERS WITH AS MUCH INFORMATION AS POSSIBLE

It's very frustrating for carriers to discover important information about shipments at the last minute.

Information is key

Poor and late information can cause havoc with a haulier's schedule. Many delivery points run strict booking-in systems with little allowance for amendments.

A lack of pertinent information could incur costs for your carriers which ultimately means extra cost for you too.

What information?

For ongoing shipments; collection and delivery addresses, size, weight & dimensions of pallets, stackable or not, when the goods are available, requirements for specific equipment e.g. driver PPE, site restrictions, opening and closing times.

For new contract work; all of these previous points plus estimated start & end date and target rates if you have them.

do it

Check that your order confirmations have all the necessary information.

| | LDM1 | LDM2 | LDM3 | LDM4 |
|------|------|------|------|------|
| DEL1 | £ | £ | £ | £ |
| DEL2 | £ | £ | £ | £ |
| DEL3 | £ | £ | £ | £ |
| DEL4 | £ | £ | £ | £ |
| DEL5 | £ | £ | £ | £ |



RATES SCHEDULES MAINTENANCE

Make sure that your carrier rate schedules are always up to date and make your carrier responsible for updating current schedules with new lane pricing.

Current rates

Make sure your current rate schedules have a validity date, include all your delivery & collection points and mechanisms to account for fuel and exchange rate fluctuations.

New rates

As soon as you have new delivery or collection points make sure your carrier is asked to provide a schedule of rates, agree them and have them add them to the schedule. Failure to do so could expose you to ad hoc pricing for this lane in the future.

do it

Dig out your rate agreements and make the necessary checks.



BOOKING IN SYSTEM

A simple booking in system can be beneficial for both carrier and customer.

Manage the peaks

It makes no sense for your goods in & dispatch department to be overworked one day and have little to do the next.

A booking in system will flatten out the peaks and spread the workload for your warehouse staff.

Benefits for all

Less congestion at your site, happier warehouse staff, no disgruntled drivers or demurrage charges.

Go digital

Could the booking in system be on-line? If so, there will be considerable time savings too.

do it

If you don't operate a booking in system, speak with your warehouse manager to assess its viability.



Thank
you

SAY THANKS

Saying thank-you is the simplest yet one of the most effective ways to enhance your carrier relationships.

Make it personal

It's a simple act but a thank-you card shows real thought, is always well received and placed on a desk becomes a long-term reminder of your partnership.

An email and a call are also quick ways to show your appreciation when your carrier has gone above and beyond the call of duty.

If they have got you out of a very serious situation consider sending a bunch of flowers or their favourite tipple by post.

Why?

It shows respect and helps to keep your relationship on a personal level.

When you need that big favour from your carrier, they are more likely to go the extra mile if they like you and know you'll be grateful.

do it

Go out and buy some thank-you cards. Having them to hand makes it easy to send one when appropriate.

THIS ISN'T THE END

These strategies have been developed over 20 years with our customers to help reduce their transport costs and improve our service offering to them.

There's no point getting to this page and putting this book straight in a drawer. Amongst our forty strategies, there will no doubt be a few that you can implement immediately.

Write down on the page opposite the eight quickest strategies to implement and start working on them straight away.

Then put an hour aside to see which of the other strategies could be introduced and set some deadlines for their implementation.

At the back of this book we have included some information about our services. We've helped many of our customers to reduce costs and get better value for money.

If you would like some help to implement these strategies please get in touch.

**ACTIONS SPEAK
LOUDER THAN
WORDS**

TO DO LIST

Now you've read all 40 strategies, write down your own personal action plan here

1 _____

2 _____

3 _____

4 _____

5 _____

6 _____

7 _____

8 _____

OUR 8 SERVICES



espace **EXPRESS**

Dedicated European Express Transport

Next Day Delivery with
a Money Back Guarantee



espace **PLUS**

Consolidated European Express Transport

Co-load, Semi-Express Service
Offering 48-72 Hour Delivery



espace **euROAD**

Standard European Road Freight

Economy Groupage Service
3-5 Days, Part & Full Loads



espace **ukROAD**

Standard & Express UK Road Freight

A UK Network of Specialist
Economy & Express Services



espace **SEA**

Sea Freight Services

LCL & FCL
Sea Freight Services



espace **AIR**

Air Freight Services

Consolidated, Charter
& Hand Carry Services



espace **COOL**

Temperature Controlled Freight Services

Groupage, Part & Full Load
Temperature Controlled Services



espace **OVERSIZE**

Abnormal Load Services

Flatbed, Semi &
Low-Loader Services

OUR CUSTOMERS

“ They're an integral part of our supply chain.

Arlington Automotive provide supply chain solutions to UK car manufacturers and Tier 1 suppliers. We appointed Espace in 2014 as our preferred logistics provider. They carry sea, air, UK and European road freight for us. They're an integral part of our supply chain. Their monitoring tools, service levels, reaction times and pricing are second to none. I look forward to extending our working relationship with them into the future.

”

Mark Taylor

Director
Arlington Automotive
Coventry



“ Their help and support has been invaluable to us.

Williams F1 demand very high standards from all its suppliers. Since 2014, Espace has maintained very high levels of service on our urgent UK and European deliveries. Geoff is available 24/7/365 and has provided us on many occasions with updates throughout the night on critical deliveries. Their help and support has been invaluable to us.

”

Mark Jones

Logistics Team Leader
Williams F1 Team
Wantage



“ I wouldn't hesitate to recommend them

We have been using Espace for our UK distribution since 2012. Our robotic equipment needs careful handling and dedicated vehicles.

We've never had any issues. Great service and really friendly staff. I would not hesitate to recommend them.

”

Tom Sullivan

Operations Manager
FANUC Robotics
Coventry



“ My freight is safe in their hands

I have been dealing with Espace now since 2003. They have carried full and part loads for me predominantly to France, Spain, Czech Republic and Italy. They monitor the collection and delivery of all my shipments no matter how small they are. They sort any problems really quickly and generally are a really nice company to deal with. I have used many hauliers / freight forwarders since 2003 and I would have to say that they are definitely my favourite freight company to deal with.

”

Keith Brindle

Export Manager
Pentre Reels
Leigh



OUR VALUES



Professionalism

Delivering an exceptional service
in a stress-free environment



Unity

Working together for the
benefit of all parties



Respect

Treating stakeholders and each other
as we would want to be treated



Enthusiasm

Passionate for both our own
& our clients' businesses

BY THE WAY, WE'RE UNIQUE



We offer a 100% Money Back Guarantee on all time-critical shipments

Contact us 24/7/365 with your time-critical freight shipments and if we're late, you won't pay the rate. Don't worry, we never let anybody down.



We are the only employee-owned freight business in the UK

Espace is owned by its 25 staff by way of an Employee Ownership Trust. We are 100% employee owned.



We offer a 30-day Money back Guarantee

If you're not satisfied with the way we've handled one of your shipments during our first 30 days of trading, we will give you your money back for that shipment.



TIME CRITICAL FREIGHT EXPERTS

PROVIDING SOLUTIONS TO SAFEGUARD
UK, EUROPEAN AND GLOBAL SUPPLY CHAINS



Are you 100% satisfied with your relationship with your freight carriers?

Are they... working with you to drive down costs and improve customer service?

Are you... constantly firefighting instead of making improvements to your supply chain?

Freight Utopia will give you 40 proven strategies to reduce transport costs and increase the value you get from your carriers.

do it

Implement just a few of the strategies and within days you could be saving £1000s on your freight costs and getting amazing value-added freight services.

“ Espace really know what they are talking about. They have helped us to implement many of the strategies in this book, saving us £100,000s and making our lives so much easier. ”

Mark Taylor, Director
Arlington Automotive



ABOUT THE AUTHOR

Tony Shally, a former language graduate, entered the world of freight in 1991. By 2020 he had gifted ownership of his £9 million freight business to his 25 staff. Now he shares the strategies that made that success.

www.espaceglobalfreight.com

UK £9.99

