Outdoor Sports Company Leverages EVOS Smarttools for Load Optimization

Introduction

A leading name in the outdoor sports equipment, has been optimizing their logistics operations with EVOS Smarttools since October 2020. This case study explores how the integration of the EVOS optimization process has significantly reduced freight costs, improved data integrity, and enhanced warehouse efficiency for the business.

Background

The company initially had a straightforward yet inefficient logistics process. Their system operated as follows:

- **An order is generated by sales.**
- **The order creates a pick ticket.**
- **The warehouse sees the ticket, pulls the inventory, and then ships it.**

While this process was functional, it lacked optimization and resulted in higher operational costs and inefficiencies. EVOS identified a potential savings of approximately $20,000 per month by introducing a delay in processing picks and running them through their optimization process.

The Solution

The proposed solution involved a significant change in the order processing workflow:

- **EVOS receives all orders nightly from the company via secure FTP.**
- **Orders run through the EVOS optimizer to determine the most optimal mode and combinations.**
- **Optimized orders are then shipped via Small Parcel, LTL (Less-Than-Truckload), and Single-Stop TL (Truckload).**

Implementation and Results

Month One: Surprising Results

In the first month of implementation, the optimization process appeared to be performing exceptionally well. The company was on track to reduce their freight spend by $40,000, double the initially anticipated savings. This significant reduction was not a fluke, as subsequent months confirmed the **consistent performance of the optimization process**.

Annual Savings

The business has been saving an average of **$412,000 per year**, translating to approximately **$35,000 to $40,000 per month**. These savings have had a profound impact on the company's bottom line, allowing them to allocate resources more effectively and invest in other areas of the business.

Additional Benefits

Beyond the substantial cost savings, the implementation of the optimization process brought about several positive side effects:

Improved Data Integrity

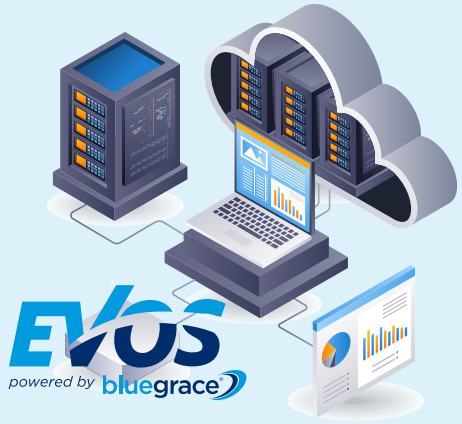
To effectively launch and sustain the optimization process, the company had to enhance the data integrity within their system. This included accurate information regarding product SKUs, weight, class, pallet dimensions, and overall dimensions. **Improved data accuracy** has streamlined various aspects of their logistics operations.

Enhanced Warehouse Efficiency

The optimization process has **transformed the workflow within the warehouse**. Previously, the warehouse team had to react to orders as they came in throughout the day, leading to a constant state of flux and inefficiency. Now, with a more organized and predictable shift planning system, **the warehouse operates smoothly, with reduced stress and improved productivity**.

Conclusion

The partnership between this outdoor sports equipment manufacturer and EVOS Smarttools, has proven to be highly successful. By embracing a more strategic approach to order processing and logistics optimization, the business has achieved substantial cost savings, improved data management, and enhanced overall efficiency. This case study underscores the value of leveraging advanced logistics load optimization solutions to drive significant business improvements.



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