



CLIENT PACKAGING SUCCESS

Keeping the Lights On

Electrical Component Manufacturer Consolidates Corrugated Suppliers to Gain Double-Digit Savings

The Challenge

This large manufacturer of products used by utility companies for building transmission and distribution lines and substations faced many obstacles to reducing its corrugated packaging costs. The company had grown by acquiring numerous smaller facilities, each with deep, long-term relationships with existing suppliers. Further, local staff at each facility focused on tactical buying with limited visibility to other locations in their network or the market at large.



Adding layers of complexity, the company's packaging had very unique specifications, requiring heavy weight cartons to handle typically heavy product loads, and all of the facilities had limited space to store carton inventories. The company turned to the packaging experts at Transportation Insight to develop and deliver a game-changing solution.

The Strategy

The Transportation Insight packaging solutions team visited each of the client's facilities to gain a better understanding of packaging needs and individual service levels. While at the facilities, the team opened lines of communication with local packaging buyers to determine potential areas of improvement.

Knowing the client's needs, we worked within our extensive packaging supplier base to validate vendors that could best meet the client's needs, issuing a detailed RFP to 9 of those suppliers that included the necessary warehousing support for all locations.

The Results

Transportation Insight's strategy of leveraging the buying power of the organization with a single source resulted in a 13% savings across all facilities, a total spend in excess of \$2 million. Our team worked with the client to implement a Value Improvement Process to optimize its packaging and further reduce costs. Use of a single source also resulted in improved contract compliance and easier supplier management for the client. Going forward, at the client's request, the Transportation Insight packaging experts will review all new product pricing to ensure the company is receiving market-competitive rates.

Value Summary Results

13% annual cost savings across a \$2 million spend

Transportation Insight is an objective, independent, third-party packaging solutions provider with decades of packaging experience. Nationally recognized for excellence, we combine our buying power with best-in-class packaging supplies to enable companies to save up to 25% on packaging costs.

Corrugated Products

- Stock boxes
- Custom printed boxes
- Special die cuts
- Multiwall & honeycomb
- Point of purchase displays
- Pallets

Packaging Films

- Stretch film
- Shrink film
- Poly sheeting
- Poly tubing
- Pallet covers
- Polyester film

Protective Products

- Cushioning bags
- Bubble wrap
- Foam rolls
- Single face corrugated
- Loose fill
- Cornerboards

Bags

- Poly bags
- Shrink bags
- Printed & Specialty

Miscellaneous Packaging

- Shipping labels
- Tape
- Strapping
- Paper tubes
- Paperboard boxes
- Kraft paper
- Nonwovens

Food Packaging

Design Services and Equipment

Transportation Insight's packaging division and group purchasing organization provides cost reduction through superior sourcing, innovation and best-in-class supplier partners. Our low-risk, high-value approach to driving ongoing savings and solutions in the complex world of packaging complements our philosophy of integrated supply chain management.