



BestTransport Solution Case Study

Solution: Committed Load Execution Optimization (CLEO)

Business Issue Addressed: Guaranteeing truck capacity and cost savings

In 2008, our client, a multi-national \$30 Billion manufacturer and distributor, wanted to elevate their load tendering process to a more sophisticated level than simply offering tenders through their pre-determined routing guide. While that strategy was certainly working well for them, they wanted to be able to create a “batch” of certain tendered loads for a given time period before releasing them to the routing guide tendering logic. The reason for this was simple – they wanted to lock in truck capacity but ensure loads were tendered in a way to guarantee cost savings. They wanted the flexibility to set a time window so that all potential orders within that window were considered in the guarantee process. By providing them with this batching capability, our client now ensures that they have the capacity to move their orders with no increase in costs.

Solution: BestTransport’s CLEO Algorithm

By working side by side with our client (who has been using BestTransport’s on-demand TMS since 2001), BestTransport developed the ability to optimize our client’s load plan to take into account guaranteed truck capacity. This batch tendering logic is centered around the Committed Load Execution Optimization (CLEO) Algorithm, which now gives all our shippers the ability to set a time window to batch together a set of loads before releasing them to the tender process as defined by their routing guide.

After the logistics group negotiates capacity guarantees from a number of carriers, the shipping group defines one or more tendering windows. At the end of each tendering window CLEO’s advanced savings algorithms determines how the loads should be offered to ensure the lowest overall costs for the shipper. Since each carrier offers their capacity to any point where they have a rate, the correct load allocation requires the CLEO algorithm.

Results:

- Guaranteed truck capacity
- Big \$\$ savings
- Fewer load exceptions

About BestTransport.com, Inc. BestTransport is a leading provider of online transportation management systems (TMS), an on-demand service that enables shippers and carriers to efficiently plan, execute and settle inbound and outbound freight activities using best practices. The company’s TMS offering enhances freight visibility, delivers metrics to benchmark progress, reduces transportation costs and facilitates collaboration. BestTransport connects its shippers to a network of over 4,000 carriers, processes thousands of shipments daily, and continues to grow every year due to the power of its network. BestTransport has leading shippers using both flatbed and van equipment on its network, including Alcoa, Gerdau Ameristeel, Solo Cup, JLG, Wastequip, PlyGem, and Allegheny Technologies. For more information, visit www.BestTransport.com or contact Bill D’Amico at 614.888.2378 Ext. 201.