

# Logistics Procurement

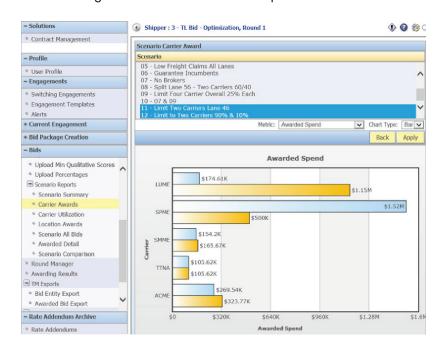
Rapid time-to-value by collaborating globally with carriers to reduce transportation costs

#### **Business context**

Every organization transporting goods needs to reduce costs while balancing service levels. Freight bidding drives costs down and service levels up. But freight bidding is time intensive and resolving carrier bid problems is frustrating. Awarding can give you headaches when trying to seek the optimal balance of cost vs service. And if an organization is not using a bid solution, then merging and managing bid sheets is a nightmare and error prone.

#### The Blue Yonder Solution

With Logistics Procurement, shippers can collaborate globally with carriers to reduce transport costs. The SaaS-based platform can leverage the power of Microsoft Azure, and it provides one unified system to manage bid engagements. Carriers can login to upload their own bids. Bid validations can be configured to minimize carrier bid problems.





## Real results

 Reduce truckload cost up to 12%

 Reduce LTL cost up to 5%

 Reduce ocean cost up to 2%

 Weeks that value can be attained in 12

### Key capabilities

- Bid optimization engine
   Maximize savings within the constraints that are configured.
- TMS integration
   Easy integration of carrier rates and carrier capacity to the Blue Yonder TMS. Exports of rates and capacity for other usages.
- Mass data uploads
   For shippers to upload bid data and carriers to upload bids. Excel based data.
- Automated activity
   To keep the bid rolling, configure automatic email notifications, and bid closures.
- Carrier questionnaire
   For the system to gather more nuanced details, along with flexible scope documents.

# Capability offerings

# Single unified system

Logistics procurement provides one unified system to manage bidding engagements, receive carrier bids, optimize carrier bids, facilitate carrier awarding, and optionally manage contracts. Both single and multiple rounds of bidding are supported.

#### Lane owners & incumbents

Lane owners can control a portion of the lanes in the engagement network. They can designate renewals for incumbent carriers as well as make adjustments to the final bid awards and assign backup carriers.

## Flexibility

Users can configure Truckload, IM, LTL, Ocean, or Air modes of transport. Also, single lane bids, combinatorial (packaged) bids, and conditional discounts can be performed. One, two, or three plus rounds of bidding is supported.

# Awarding control

Award based on a percentage of volume or numbers of loads for each lane to one or more carriers. Adjust awards and over-ride awards as needed. Communicate the awards through the Logistics Procurement system or communicate the awards outside of the system.

## Clean start and end

All data needed for a bid can be uploaded. Upload templates are provided to speed up the data gathering. All data for the results can be downloaded when done with the bid.



## **Key Benefits**

- Find the maximum cost savings in minutes with the bid optimization engine.
- Run what-if analysis in minutes with optimization scenarios.
- Save time by enabling carriers to upload bids themselves, along with configuring bid validation for carrier correction of outliers.
- Encourage competition by controlling what data is visible to carriers. For example: showing 1st, 2nd, 3rd place on lanes.
- Find the right balance of cost vs service by factoring in carrier performance constraints.

SaaS only		Prescriptive	12 weeks
Bid Configuration	$\rightarrow$	Bid Execution →	Bid Analysis and Award
1 of TL, LTL, IM, Ocean, or Air ~1,500 lanes ~100 carriers		2 rounds of bidding Analysis after each round	Industry best-practices for optimization and awarding
Start: bid data from shipper			End: award recommendations
Managed by a transportation procurement professional. Backed by BY expertise for many customers			

