



CASE STUDY:

# DRIVING CLIENT SAVINGS BY CURBING FREIGHT LOSS

Improving  
customer delivery  
and increasing  
customer satisfaction  
with innovative  
logistic strategies.

## COMPANY BACKGROUND

A Fortune 500 company that manufactures and distributes through 72 production facilities in 19 countries worldwide and produced over 60 million units in 2009.

## BUSINESS PROBLEM

This client was sustaining significant freight losses on sales to major US distributors in excess of 10,000 defects per million opportunities (DPMO). When the client attempted to collect from its carrier, the carrier subsequently blamed losses on the warehouse. The warehouse then blamed losses on the loader.



## WAREHOUSE SERVICES INC'S CHALLENGE

- Develop an automated scanning system to provide real-time product identification and traceability from warehouse through customer delivery.
- Validate the materials handled at each step in the process to ensure quality delivery.
- Train and support dedicated personnel to reduce inventory variation.

## COMPELLING RESULTS / RETURN ON INVESTMENT

- ✓ Warehouse Services Inc. implemented validation of product shipment.
- ✓ Warehouse Services Inc. reduced freight/product losses to less than 50 DPMO.
- ✓ The client produced more efficient and reliable customer delivery.
- ✓ The client gained higher customer satisfaction.
- ✓ The client's margins increased as a result of the reduction in freight loss.

The solution  
was implemented  
throughout the  
network as a best  
practice.