

# OPTIMIZING TRANSPORTATION MANAGEMENT



# Logistics Cost Management Solutions



Source Consulting is a privately owned supply chain consultancy and solution provider offering cost reduction services and technology within the transportation and logistics industry. Since 2004, Source Consulting has been helping companies with high shipping volumes to reduce transportation costs, streamline the logistics process and improve supply chain efficiencies. Our team of highly experienced former carrier employees and innovative technologies deliver maximum small parcel and freight cost savings for clients all over the country.



**#1 AUDIT**  
& TECHNOLOGY  
SOLUTION PROVIDER

**TOP 20**  
LOGISTICS &  
TRANSPORTATION

**HUNDREDS**  
OF SATISFIED CLIENTS

**\$MILLIONS**  
IN SHIPPING COST SAVINGS

## SOURCE CONSULTING CORE SOLUTIONS



### Parcel & Freight Audit

- Comprehensive Multi-Point Audit
- Maximum Cost Recovery & Cost Reduction
- State-of-the-Art Transportation Reporting
- Intelligent GL Coding
- Carrier Process & Pay Services
- Guaranteed Audit Results



### Carrier Negotiation

- Expertise of Former Carrier Employees
- Innovative Analytic Technology
- Targeted Cost Saving Objectives
- Proven Negotiation Strategy
- Quantifiable Results
- Monitor Contract Compliance



### Freight Management

- Logistics Expert Consulting
- Proven Negotiation Skills & Strategies
- Best-in-Class Freight Rates
- Swift Execution & Implementation
- Routing Guide Optimization
- Freight Brokerage Services & Support



### Shipping Insurance

- No Minimums
- 50-92% Savings Off Carrier Rates
- Majority of Items Covered
- Simple Paperless Claims Process
- True All Risk Insurance
- Complete Online Reporting



### Shipping Software

- Multi-Mode, Multi-Carrier Rate Shopping
- Integrated Parcel & Freight Solution
- Rules-based Carrier Selection
- ERP & WMS Integration Solutions
- Sophisticated Reporting
- On-Demand Deployment



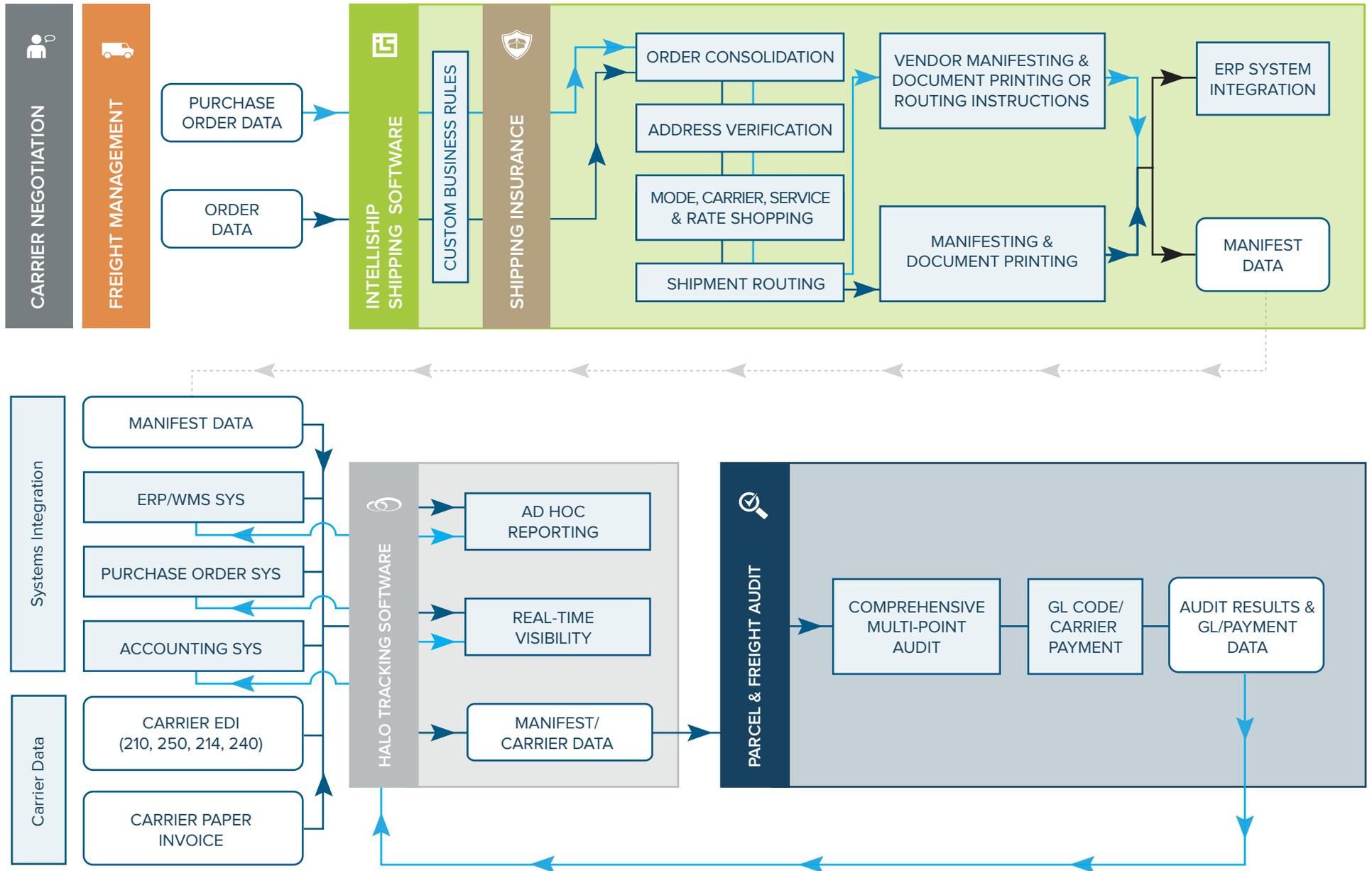
### Tracking Software

- Multi-Mode, Multi-Carrier Shipment Tracking
- Total In-Transit Visibility & Alerts
- Exception Management Visibility & Alerts
- User Based Visibility
- EDI Automation
- Real-Time Business Intelligence

# Logistics Cost Management Solutions



#1 AUDIT & TECHNOLOGY SOLUTION PROVIDER



# PARCEL & FREIGHT AUDIT OVERVIEW



#1 AUDIT & TECHNOLOGY SOLUTION PROVIDER

## WHY SHOULD YOU AUDIT ALL CARRIER CHARGES?

Virtually every carrier shipping invoice contains errors. These may include: accessorial charges, rate inaccuracies, duplicate charges, and/or charges for shipments delivered outside the carrier's service guarantee(s). Carrier errors are challenging to identify and entail a labor intensive recovery process. Consequently, most shippers unknowingly overpay their carrier with each payment sent.

## THE SOLUTION

Source Consulting will review all carrier charges to ensure invoice accuracy. Using proprietary software and a team of experienced auditors, we will conduct a thorough audit of every charge on each invoice in order to recover refunds for late shipments and carrier billing errors.



## THE STEPS TO SUBSTANTIAL SAVINGS



\*Signed Two Page Audit Agreement; Forward and/or Provide Access to Your Electronic Carrier Invoice(s).

## BENEFITS OF SOURCE CONSULTING'S AUDIT SOLUTIONS

### Audit Savings

Source Consulting's comprehensive multi-point audit process will consistently recover 2-6% of all charges appearing on your carrier invoice.

### Reduced Administrative Expenses

Our services will eliminate administrative hours associated with your company's in-house auditing efforts and produce much greater cost saving results.

### Data Management / Reporting

Our online reporting tools allow customers to extract detailed shipping information on-demand, enabling your company to better analyze, manage and reduce shipping costs.

### Customized Solutions

Source Consulting has the ability to create customer specific solutions, including preparation of complex General Ledger (GL) coding.

**No Set-Up Costs • No Operational Changes • No Long-Term Contract • Guaranteed Savings**

## #1 Carrier Complaint ACCESSORIAL CHARGES

### WHAT ARE ACCESSORIAL CHARGES?

Carrier surcharges and accessorial fees are supplemental to transportation charges and are assessed based upon numerous potential pick-up, transit and delivery criteria. Collectively, these fees can exceed 20% of the total shipping cost and are strategically designed to maximize carrier profits. With over 100 distinct fees that can be levied for any one package, it can be challenging to manage and validate these charges.



#### DO YOU KNOW

all of the potential accessorial charges that your carrier can assess?



#### DO YOU MONITOR

the accessorial charges that your carrier is currently charging you?



#### DO YOU HAVE

a process in place to validate each and every accessorial charge?

Transportation Charge	25.18
Grace Discount	-0.76
Performance Pricing	-7.99
Residential	1.84
Fuel Surcharge	1.59
NDOC P/U- Auto Comm	3.00
DAS Extended Resi	3.00
<b>Total Charge USD</b>	<b>\$25.86</b>

The numbers magnified above relate to a single shipment. Your weekly carrier invoice contains thousands of similar charges, fees and discounts that need to be validated.

### SOURCE CONSULTING'S COMPREHENSIVE MULTI-POINT AUDIT

Our comprehensive audit will review and validate every transportation and accessorial charge that appears on your carrier invoice(s). Source Consulting's technology and experienced auditors produce best in class results by recovering all service failures, misapplied charges, duplicate charges, and rate inaccuracies. Let us help you control transportation costs and streamline shipping efficiencies.

#### TOP AUDIT POINTS

- Late Delivery
- Residential Delivery Charges
- Lost Packages
- Manifested not Shipped
- No Proof of Delivery
- Address Correction Charges
- Fuel Surcharge
- Ground Residential Differential
- Dimensional Weight Accuracy
- Delivery Area Surcharge (Commercial)
- Delivery Area Surcharge (Residential)
- Duplicate Airbill
- Duplicate Invoice

#### ADDITIONAL AUDIT POINTS

14. FAK Rating
15. Lift Gate Fees
16. Air Chargeable vs Actual Weight
17. Additional Handling Fees
18. Air Residential Delivery
19. COD's
20. Damaged Shipments
21. Declared Value Charge
22. Delivery Confirmation Response
23. Delivery Confirmation - Signature Required
24. Early AM Out of Territory
25. Early AM Premium
26. Hazardous Materials Surcharge Air
27. Hazardous Materials - Ground
28. Holiday Exceptions
29. Inaccessible Dangerous Goods
30. Incorrect Incentives (Discounts)
31. Incorrect Published Rates
32. Incorrectly Billed Collect Shipments
33. Incorrectly Billed 3rd Party Shipments
34. Large Package Surcharges
35. Late Payment Fees
36. Minimum Charges
37. Pickup Charges
38. Saturday Delivery Charges
39. Saturday Pickup Charges
40. UPS Returns Plus: 1 Pickup Attempt
41. UPS Returns Plus: Call Tag
42. UPS Returns: P & M Return Label
43. Verbal Confirmation of Delivery
44. Weekly Service Charges
45. Commodity Rate

# CARRIER RATE ANALYSIS & NEGOTIATION



#1 AUDIT  
& TECHNOLOGY  
SOLUTION PROVIDER

## WHY ARE YOUR SHIPPING COSTS INCREASING?

Carriers like UPS and FedEx are very strategic in their process of justifying price with the derived value of their services. Intricate pricing agreements and oligopolistic negotiation power often benefit the carrier by way of high margin agreements with their customers. Even the savviest shippers can buy into higher than market shipping rates as a result of not having known market leading price benchmarks to aim for.

## THE SOLUTION

Source Consulting will perform an analysis of your current shipping characteristics and rates in order to identify cost saving opportunities. We will develop a customized strategy to help improve your incentives, accessorial fees, and contract structure. The team at Source will guide the negotiation process in order to achieve pre-determined cost saving objectives. Source Consulting's analytics, industry expertise and unique approach to carrier negotiations have resulted in clients achieving a 7%-38% reduction in shipping costs.



## THE ANALYSIS & NEGOTIATION PROCESS



### Industry Knowledge/Experience

Source Consulting employs highly experienced former carrier employees, who have spent many years building, selling and negotiating carrier agreements. Intimate knowledge of the industry's complex pricing environment enables us to procure maximum savings for your business.



### Benchmarking

Source Consulting has a high level visibility of carrier pricing available in the marketplace. With this insight we are able to benchmark your current shipping rates against the pricing we would expect for your business.



### Technology & Analytics

Source Consulting has developed complex pricing models and carrier comparison methodology, which allows us to accurately analyze and compare multiple agreements side-by-side while factoring in all variables.



### Negotiation Skills & Strategy

The carrier negotiation process is a complicated endeavor with numerous variables. Our process has a proven track record that has produced significant savings every time.

## EFFICIENT & COST EFFECTIVE SHIPMENT EXECUTION

Internet-native, true SaaS shipping software providing enterprise-wide multi-carrier shipping and manifesting capabilities. With centralized administrative functions, you gain control of all shipping activity across your entire enterprise. Intelliship utilizes a powerful rule-based decision matrix to ensure routing-guide compliance. Every shipment is routed to the most cost effective service mode and carrier. For pre-assigned lanes, Intelliship assures compliance with carrier agreements by choosing the right carrier for each move based on your customized business rules and routing guide.



**Intelliship**

## INTELLISHIP FEATURE HIGHLIGHTS

Intelliship drives efficiencies in shipment execution by eliminating the need for different shipping systems for each mode or carrier. It is a true internet-native SaaS shipping solution that provides enterprise-wide multi-carrier shipping and manifesting capability to your dock. With its centralized administrative function, you gain a concentric view of all shipping activity across your entire enterprise.



### Freight Optimization:

Intelliship looks for the shipping mode, carrier and service level that will get your shipment to its destination on the required delivery date at the lowest cost. For example, if the time-in-transit for a Ground package is the same as a Next Day service, Intelliship will intuitively select the lesser-cost service.



### Order Consolidation:

Intelliship integrates with your ERP to receive order information and automatically consolidates orders for shipping. This fully configurable optimization technology allows you to establish rules for compliance with your fulfillment strategies while optimizing cost saving opportunities.



### Carrier Rate Shopping:

Intelliship will compare rates among all of your carriers and will select the most cost effective option according to the required delivery date.



### Accessorials Included:

The Intelliship rate shop functionality is based on Total charge, accounting for all known accessorials, including: residential surcharge, out of area, fuel surcharge, lift gate fees, etc. Carrier selection methodology ensures carriers are chosen based on landed cost.



### Shipment Routing:

Intelliship utilizes a powerful rule-based decision matrix to ensure routing-guide compliance. Every shipment is routed to the most cost effective mode, carrier, and service level. For pre-assigned lanes, Intelliship assures compliance with carrier agreements by choosing the right carrier for each move based on your customized business rules and routing guides.



### Shipment Manifesting & Document Printing:

Intelliship can produce all of the shipping documentation necessary for domestic shipments (BOLs, shipping labels, pallet tags) as well as commercial invoices for International shipments. Intelliship supports forms and carrier-compliant documentation such as Shipping labels, Manifest reports, DOCTags, Invoices, Commercial Invoices, Pallet Tags, and Hazmat documentation.

## EFFICIENT & COST EFFECTIVE SHIPMENT MANAGEMENT

HALO transforms transportation data into meaningful information so that a shipper and its customers can see all in motion shipments moving with all carriers via a single interface. HALO goes well beyond other tracking systems in that it actively manages the information received from carriers, systems, personnel and even the national weather service, identifying which shipments need immediate attention. HALO access is available wherever there is an Internet connection (SaaS), whether on your desktop, laptop, iPad, tablet, or Smartphone. The result: Comprehensive transportation intelligence in real-time for all shipments..



HALO

## HALO FEATURE HIGHLIGHTS

As a part of our holistic approach to ensuring near perfect information regarding your transportation supply chain, HALO goes well beyond other tracking systems in that it actively manages the information received from carriers, systems, personnel and even the national weather service, actively identifying which shipments need immediate attention.



### Total In-Transit Visibility:

The HALO dashboard offers a concentric view within a single interface of all shipments moving with all carriers. More than just Pickup and POD, HALO shows every scan and segment entry made by each carrier throughout the transit lifecycle of a shipment (origin to destination). When integrated, HALO can even provide the information related to the product inside each shipment.



### Exception Management:

Within HALO's centralized dashboard, on-screen alerts will appear for distressed shipments. Distressed shipments are prioritized on the dashboard regardless of carrier so you always know (in a quick, single view) which shipments require immediate attention.



### Business Intelligence:

HALO transforms transportation data into meaningful information so that transportation managers, customer service, and inventory control (and others) can see all shipments with all carriers in motion via a single interface. If you want to know how your carriers are performing at any particular point in time, just look at HALO! If everything is green, there are no issues. If not, you'll know exactly which shipment(s) are distressed.



### Real-Time Reporting:

Robust reporting allows you to view your transportation network as never before. Summary level dashlettes provide real-time management level visibility to all categories of moving freight. Among the many standard static reports, a few include: On-Time Delivery, Carrier Scorecard Summary, Carrier Metrics, Cost Analysis, and Late Delivery Reason reports. The report interface also allows you to create your own, custom reports to mine the vast amount of data aggregated by HALO. All reports can be automatically delivered to your email box in Excel format, or created and viewed on-demand.



### Pick-up Alerts:

Integrated with Intelliship (or other robust shipping systems), HALO knows to expect a pickup and will alert if the pickup did not occur when expected (HALO can send an email to alert someone as well).