



# Transportation Management Best Practices

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*New pressures are forcing manufacturers to change the way they do business with carriers.*

## EXECUTIVE SUMMARY

Transportation services cost companies more than 1 trillion dollars in 2004. Managing the transportation needs of your organization has never been more important. Due to shortage of drivers and carrier capacity, transportation carriers currently have the upper hand in dictating rates and availability. Therefore, to control costs and secure currently available capacity, it is imperative that manufacturers work to become more carrier friendly.

Increased fuel prices, higher customer demands, and new long haul regulations are just some of the challenges facing manufacturers. These issues are forcing manufacturers to streamline the way they organize their pick-up process. As the table below shows, there are many pressures on manufacturers' minds right now, both internal and external. These issues need to be addressed for manufacturers to remain competitive.

### WHO SHOULD READ THIS PAPER?

This paper highlights the growing importance of transportation management and discusses recent changes in the market and how these changes have affected manufacturers. The paper also provides a summary of best practices to address these challenges. This paper is useful for those who outsource all their transportation needs and for those who own their fleet.

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2	<b>Why is Transportation Management Important?</b> A brief explanation of Transportation Management.
3	<b>Why are the Tables Turning?</b> Discussion of some of the new pressures manufacturers are facing.
4	<b>Best Practices Summary</b> These practices have been grouped into the following categories: <ul style="list-style-type: none"> <li>• Streamlining Internal Functions</li> <li>• Improving Carrier Management</li> <li>• Implementing new Tracking Metrics</li> </ul>
5	<b>Next Steps</b> Quick tips to success
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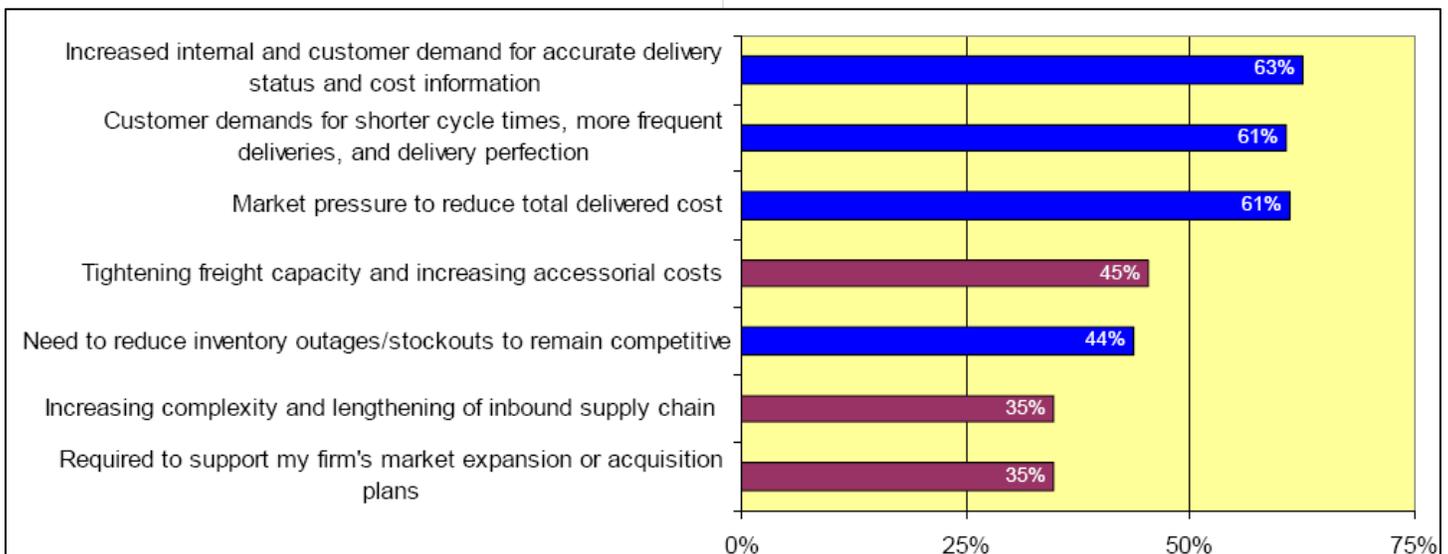


Table 1. Top Pressures for Improving Transportation Processes (Source: Aberdeen Group, September 2004)