CONSOLIDATING FOR GROWTH

HOW WE UNLOCKED 5x VOLUME WITHOUT INCREASING COSTS

An international poultry company wanted to expand while maintaining a strict cost per pound for their product. But as they scaled up, they realized their ad hoc supply chain approach had severe limitations. With Lineage already providing ocean freight forwarding, they turned to us for a comprehensive solution that supported scaling up without breaking their cost model.





THE HIDDEN DOWNSIDE OF FRAGMENTATION

Cobbled together from four separate vendors, the poultry brand's supply chain works – until it doesn't. As they look to scale their operation, they discover the increased volume disrupts freight economics.

THE CHALLENGES

FREIGHT INEFFICIENCIES

Because of weight restrictions in the Southeast, the original vendor ships at only two thirds capacity. Container space is underutilized.

ADMINISTRATIVE BURDEN

With multiple vendors, moving product to the final destination takes four phone calls. The company loses time managing their supply chain instead of optimizing it.

MISSED OPPORTUNITIES

Multiple vendors means duplicative costs. Without an integrated supply chain, the company misses out on network cost savings that come with consolidation.

DESIGNING THE RIGHT SUPPLY CHAIN

Working collaboratively across commercial and operations teams, Lineage redesigns the poultry company's export process. Because of the weight restrictions in the Southeast, we transport the product to the Lineage Houston facility, where it's cross docked, inspected and loaded for export. This increases container utilization from approximately 40,000 pounds to as much as 60,000 pounds per container, making expansion possible, among other benefits.



THE RESULTS

- Shipping out of Texas circumvents weight restrictions and maximizes container efficiency and profitability.
- One point of contact increases product visibility and supply chain accountability.
- Shipping volume expands from four containers per month to 20 containers per month.

5x VOLUME WITH

0% INCREASE IN COST/LB

4 CONTACTS REDUCED TO **1**

FROM OPTIONS TO OPTIMIZATION

There's a misconception in the marketplace that vendor consolidation can lead to higher costs. But Lineage has the footprint, value-added services and expertise that gives customers more choices for designing a supply chain that works for them. Whether that means controlling costs, mitigating disruption or managing risk, we help you scale while still delivering value.





