

Optimized Routing Helps Create Compelling Business Proposition



US Supply Company, a distributor of plumbing and heating supplies, implemented the Descartes dynamic route planning solution to achieve its goals of minimizing inefficiencies, reducing the cost to serve and increasing customer satisfaction. By automating processes across their supply chain and ensuring greater visibility, the integrated Descartes solution increased efficiency, productivity, and revenue while satisfying rising customer expectation.

"Descartes' dynamic route planning software met all the requirements and the SaaS aspect of the solution reduced my upfront IT investment."

Kevin Hollinger, Director of Operations, US Supply

Company Profile

US Supply Company
Distribution of Plumbing, Heating & HVAC Supplies

Descartes Solution

Dynamic Route Planning

About the Client

Opened in April 1950, in Bristol, PA, US Supply Company grew from the one store in Bristol, to now 10 convenient branch locations, an amazing Kohler Bath & Kitchen Premier Showroom and two central distribution hubs across Pennsylvania and New Jersey to support the needs of its customers.

Quick Overview

Challenge

Inefficient Processes Drive Up Costs

Solution

Elevating Performance to the Highest Standards

Results

- Enhanced Operational Efficiency
- Cost Savings
- Near-perfect On-time Record
- Competitive Business Proposition

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Challenge:

Inefficient Processes Drive Up Costs

Kevin Hollinger, Director of Operations, explained that following an earlier growth period, the company faced several challenges. "Our branches were all doing their deliveries independently. We had no centralization and the drivers had no tools to manage or organize deliveries. They could produce a manual manifest, which was simply a list of deliveries - we really had no tools and we did not have the core competency of logistics in any of the branches. The deliveries were very inefficient, very frequent and it was very expensive." He further explained, "Delivery was extremely costly - various disorganized efforts were made at the branches but it was disruptive to the branches, frustrating for employees and the customer service was not consistent. Sometimes customers didn't even know if they were going to get the tools they ordered."

Solution:

Elevating Performance to the Highest Standards

US Supply wanted to minimize or eliminate the inefficiencies, reduce the cost to serve and increase customer service. The first major goal was to centralize the company's operations; more specifically to "right size" the company fleet and driver pool. In addition, US Supply was looking to reduce overall equipment costs and the number of vehicles on multiple shifts. Finally, the company wanted to achieve the highest standard of customer service in their industry: providing next day delivery down to the specific hour.

When asked about the importance of this initiative, Kevin answered the initiative was important because he wanted to be able to grow the business significantly by being able to provide the highest levels of customer service. Kevin stated, "I wanted to have on-time and complete deliveries at 99.5% or higher." When asked about reaching their goals he told us "Yes, we've accomplished our goals. We have reduced our cost by over \$425,000. We've increased our on-time deliveries, hitting our metrics pretty consistently at 99.5% on time and complete for the specified time and hour."

Results:



Enhanced Operational Efficiencies

The company has inventory at each of the branches and the inventory has to be replenished daily. The Descartes solution allowed to apply the same delivery standards for on-time and complete deliveries as they do with all of their customers.



Cost Savings

Thanks to optimized processes, US Supply Company reduced the number of drivers from 19 to 9 and eliminated excess equipment cost. Furthermore, having reduced costs by over \$425,000 and having minimized the upfront investment, helped profitability.



Near-perfect On-time Record

The Descartes solution enabled US Supply to offer next day deliveries at a designated hour. The company increased its on-time deliveries, hitting goals pretty consistently at 99.5% on time and complete for the specified time and hour.



Competitive Business Proposition

Using Descartes Route Planner On-demand enabled the company to share on-time performance metrics with their customers. With the added transparency and their current delivery record, US Supply expects to boost confidence with their customers.