

Capacity Optimization Fuels Bottom Line



Performance Logistics is a third-party logistics (3PL) provider specializing in refrigerated freight. Looking for new solutions to find capacity efficiently and cost-effectively, the 3PL deployed Descartes MacroPoint™, an automated capacity matching and real-time freight visibility solution. By enabling the company to source new carriers and book profitable loads more quickly, the AI-driven capacity tool helps Performance Logistics build stronger carrier relationships, create greater margins, and deliver better performance for its customers.

“Descartes MacroPoint has enabled us to be more strategic in finding and booking capacity versus transactional posting. We can see what carriers are strong in specific lanes and what their tendencies are. It has helped us build better carrier relationships and improve profit margins.”

Eric Riddle

Chief Operating Officer
Performance Logistics

Company Profile

Performance Logistics
Third-party Logistics Provider

Descartes Solution

Descartes MacroPoint™

About the Client

Performance Logistics is a customer-focused third-party logistics provider based in Draper, UT. Serving the U.S. and parts of Canada, the 3PL provides comprehensive logistics solutions including FTL (Refrigerated, Dry and Flat), LTL, Specialized/Heavy Haul and Intermodal.

Quick Overview**Challenge**

Inefficient Carrier Sourcing

Solution

Automated Capacity Matching
Heightens Performance

Results

- Increased Productivity
- Improved Margins
- Proactive Load Coverage
- Stronger Carrier Relationships

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Challenge: Inefficient Carrier Sourcing

Using a load board solution that was being deployed in an inconsistent manner, Performance Logistics was faced with a hit-or-miss situation when trying to find new capacity. The carrier vetting process consisted largely of talking to carriers, which proved to be ineffective and often costly; carriers would drop loads and the 3PL would be forced to find alternates to cover loads, often at a higher price. Plus, during some months in 2020, 10% of the carriers hired through load boards were “no-shows.” Performance Logistics found that using a load board solution was very transactional and made it hard to control capacity and margins. The 3PL wanted a more advanced solution for proactively securing coverage of loads while fostering more strategic carrier relationships.

Solution: Automated Capacity Matching Heightens Performance

To keep pace with sizeable year-over-year growth, Performance Logistics deployed Descartes MacroPoint. By automating freight visibility, the Descartes solution eliminated the need for time-consuming outbound calls to track loads (the 3PL was averaging 10-12 check calls per load), which improved tracking accuracy, substantially increased productivity, and elevated customer service.

Building upon the real-time visibility benefits, Performance Logistics implemented the solution’s AI-driven capacity matching tool to automatically match open loads with available forward-looking capacity from its trusted carrier network. By combining historical load data with the ability to look over multiple days in the future to find optimal combinations, the user-friendly Descartes solution helps the 3PL find validated carriers at competitive rates to cover loads more consistently.

“It’s in our company DNA to never give back a load, even if the load isn’t profitable in the end. The Descartes solution helps us find coverage in order to reduce margin loss and ensure a satisfying customer experience,” said Eric Riddle, Chief Operating Officer at Performance Logistics.

“The Descartes MacroPoint capacity tool allows us to be more proactive vs. reactive; we can now bring loads to the carriers that we know are going to be there, before they are there,” noted Riddle. “Plus, we love the auto-offers feature. We’re getting call-ins and email responses before our employees even know that they posted the shipment. The proactive responses of our carriers have been a bonus to our process.”

The auto-offer feature enables a broker to target carriers based on specific attributes such as ranking, favorites, and forward-looking capacity, thus avoiding overflowing carriers with emails. Auto-offer can also be set up by different time triggers to “batch” offers at once, at specific times, or continuously send offers as they become available.

With Descartes powering its carrier sourcing, Performance Logistics has been able to convert more of its dynamically sourced lanes to strategically sourced lanes, giving larger volumes to strategic partner carriers. “Carrier relationship building is integral to our business and Descartes MacroPoint has been a critical tool for accomplishing that goal,” added Riddle.

Results:



Increased Productivity

The advanced visualization and capacity matching algorithms of Descartes MacroPoint dramatically reduce the time to identify open loads and carriers, helping the company book more profitable loads faster.



Improved Margins

By replacing the ineffective and unreliable load board practices with automated capacity matching, Performance Logistics can leverage strategic carrier sourcing and rate optimization to protect its margins.



Proactive Load Coverage

Descartes MacroPoint capacity matching automatically identifies which carriers will have trucks in the area when the 3PL needs loads picked up, facilitating a smarter and more proactive approach to load coverage.



Stronger Carrier Relationships

With knowledge of carriers’ preferred lanes, strengths, and specialization, in tandem with a view of overall market capacity, the 3PL has been able to give increased load volumes to strategic partner carriers to strengthen relationships.