



CASE STUDY



In a tight freight market, capacity and cutting costs are big challenges. See how CHOPTANK is making one ingredient manufacturer's job much easier.

CHALLENGE \ \

As Logistics Manager at the bustling wholesale dairy distributor located in Linwood, New Jersey, Lou Cavaliere's day is anything but routine. He started at Clofine in June of 2016, inheriting CHOPTANK as one of several existing 3PLs used by the company. The relationship between CHOPTANK and the dairy ingredient manufacturer goes back to 2012.

"We are a trading company as well as a dairy. We buy and sell dry milk powder and bulk salted and unsalted butter from every major bulk co-op in the United States. We take hundreds of loads of powder and other refrigerated dairy products and ship them to over forty warehouses throughout the U.S. It is a very busy operation."

Lou's biggest daily challenges as a logistics manager are finding capacity and finding the time to do everything, he needs to in an eight-hour day.

CAPACITY \ \

According to Lou, sourcing trucks in the current market is extremely difficult. Reefer rejection rates in many areas are at an all-time high, **with some lanes declining as much as 79.26% of the reefer freight in the market.** For Lou, capacity out of Idaho and the Pacific Northwest is especially hard to find this year. Luckily only 10-15% of their shipments are reefer. The rest are dry, but even dry capacity is seeing a tighter market than years before.

TIME \ \

For Lou, there aren't enough hours in the day. "We do a lot of quotes that don't necessarily turn into tenders, but they take time to process. We do about 30 shipments a day. In addition to that, I also do sales for the company. Finding the time to do it all is definitely a daily challenge."

CUTTING COSTS \ \

A universal challenge for any logistics operation is finding ways to cut costs. This year, the need is greater than ever with rates averaging 20% to 30% higher than 2019 over the past three months. Today, for many companies to stay in business getting control of shipping costs is imperative.

SOLUTION \ \

In the 110 years the company has been in business they have gone from a small, local dairy farm to a major food ingredient manufacturer, broadening their customer base as well as widening their array of products. This type of busy manufacturing facility needs efficient and reliable transportation management.

"I talk to my CHOPTANK representative multiple times a day. When it comes to last minute orders, I can count on him because he is very dependable. Even when capacity is tight, my rep can source the trucks I need. When he says he is going to cover a load for me, he gets it moving. There is a good trust there and that gives me a peace of mind when I consider who I want to choose as a supply-chain partner."

Lou continued, "With CHOPTANK I can send a load over and



forget about it. I know that if there is a problem my representative won't wait to contact me. My sales representative also sends me daily updates every day at 10:00 am that lists all my shipments, when they are scheduled, if they've been picked up or if they've been delivered. I like the personal updates but I also know that their ORBIT TI has real-time tracking so I can always access that as well.

CHOPTANK has also helped Lou cut costs and increase revenue. As a technology forward 3PL, CHOPTANK can identify destinations (in Clofine's case, distribution centers) where trucks are getting hung up either loading or unloading. Uncovering problem dwell times like this can help Lou with scheduling if he knows there will be probable delays at certain locations.

RESULTS\\

Clofine's strong relationship with CHOPTANK's sales representative has reaped other unexpected rewards. For example, Lou's sales rep has introduced him to new customers by using one of the 3PLs' for-hire carriers to run local and regional loads for Clofine at exceptionally good rates. By doing so, Lou can make additional competitive sales. CHOPTANK also has given Lou referrals to some of the 3PLs other food-based customers to help facilitate the dairy's ingredient sales.

In conclusion, working with the right 3PL that offers the latest technology to help analyze and save costs can help a company's bottom line. Just as important is the trust and peace of mind a shipping company can realize when they have a sales rep who has worked hard to nurture a good relationship while delivering excellent customer service to its clientele.

Clofine Dairy & Food Products is a business with longevity. The company was founded in 1910 as a local dairy farm providing staples such as milk, eggs, butter and cream to its neighboring Philadelphia clientele. Today, Clofine manufactures and distributes a complete line of dried and fluid dairy products and proteins. The lineup includes nonfat dry milk, whole milk powder, buttermilk powder, and whey protein concentrates. They also offer the standard dairy products such as cream, whole and skim condensed milks and evaporated milks, sour cream, yogurt and dried cheeses. It wasn't until the 1980s that Clofine began manufacturing other dry food ingredients and custom-formulated products. They are now considered one of the oldest and largest food ingredient companies in the industry. Most of the products they ship are in dry vans with about ten to fifteen percent requiring reefer transport.

ABOUT CHOPTANK TRANSPORT

CHOPTANK TRANSPORT is an award-winning, nationwide provider of transportation services including truckload, dry and refrigerated, LTL, intermodal, port & drayage, heavy-haul and cross-border freight movement. CHOPTANK is headquartered in Preston, Maryland and has five additional locations in Dallas, Denver, Atlanta, Baltimore, and Tampa.

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