



## Shaking Things up and Saving Money

When thinking about cost savings in transport, do you automatically think.....

- Reduce the hourly rate?
- Lower the pallet rate being paid?
- Obtain better cubic rates or conversions?

If you do, you are not alone. Most people do, I hear it all the time. Nearly everyone I speak to bundles transport cost savings with lowering rates.

My article the other day spoke about saving money in business, by spending more on the right transport solution. Well carrying on from that, here is other ways of saving money overall, while at the same time streamlining process, applying expertise to your distribution area and lessening the chance of your business being liable under Chain Of Responsibility Legislation (COR) due to inexperienced staff and old processes.

People in general find something that works and usually being creatures of habit, don't change for fear of things becoming worse or creating additional work. Even if things are somewhat uncertain or could be done better, it normally isn't enough for change. Normally change will only come when the wheels fall off or it impacts supervisors/managers. As a rule, people don't like change and are reactive to issues rather than proactive in reducing issues and adding value.



Well the same thing applies for Transport in business. Companies will continue using the same owner drivers or Transport Companies, putting up with the same attitudes, breakdowns, paperwork issues, damages, late deliveries and bad representation because, well.....

- That's how we've always done it
- We've always used that company
- Such and such has been with us for 10yrs

A shake up of your transport carriers and contracting an independent transport expert to audit your transport and distribution areas can save you thousands upon thousands of dollars, pin pointing massive savings in process, staff experience, how your daily deliveries are consolidated and streamlining areas of Sydney. It is very important to understand that just because someone works in a warehouse or has spoken to a truck driver in the past, DOES NOT mean they can allocate transport requirements in a fashion that is cost effective. An experienced Transport Professional will save your business thousands of dollars.

With COR laws getting tougher on the supplier for things like vehicle weights and documentation, it is important to understand that your business is just as liable in some instances as the carriers and receivers. That's why more and more companies are going down the road of contracting Third Party Warehousing and Distribution companies, allowing them to deal with back end of picking, packing and Distribution while the supplier can get on with their core business, all the while knowing they are covered in by an experienced, professional company.

Even just contracting the allocation and transport directly from your premises can save you tens of thousands of dollars, not only in experience and knowledge, but in potential COR fines issued in major breaches.

Managing business and/or business areas is no longer just ensuring things happen on a day to day basis. A manager now needs to be proactive in these areas rather than reacting when it's too late as they, themselves can be held accountable for different issues within the supply chain.

While actual costs on paper sometimes appear to increase, there are cost savings multiplying behind the scenes in obscure ways, some of which are with better productivity, increased product deliveries, experienced professionals covering your COR liabilities and the hidden savings of knowing your business is covered by experts into the future.