

# IFCO North America

IFCO North America **saves time, reduces costs** with BluJay's LaaS

## CHALLENGE

**IFCO Systems is the global market leader of reusable plastic containers (RPCs) for fresh products including fruits and vegetables, meat, eggs, and bananas. With over 300 retailers and 14,000 producers, IFCO's global pool has more RPCs worldwide than any other supplier.**

IFCO North America is the largest RPC pool operation, utilizing a combination of state-of-the-art technology and digital solutions, supporting external auditing to maintain standards.

In 2017, unprecedented transport market conditions led to higher spot market utilization and ultimately higher transportation spend for IFCO. The company needed to reduce transportation spend by improving primary carrier tender acceptance, decreasing spot market utilization, increasing intermodal conversion, and shortening order lead time. IFCO sought a solution with a powerful network that could provide stabilization, scalability, analysis, and actionable intelligence for continuous improvement.

## QUICK FACTS

- › Founded in 1992
- › Leading provider of reusable plastic containers (RPCs) for fresh products
- › 300+ retailers and 14,000+ producers, with operations on five continents
- › Headquartered in Munich, Germany, with a North American office in Tampa, Florida

## BUSINESS CHALLENGE

- › Unprecedented market transport conditions led to higher spot market utilization and ultimately higher transportation spend. IFCO needed analysis and solutions to reduce spend, improve primary carrier tender acceptance, decrease use of spot market, increase intermodal conversions, and shorten order lead times.

## RESULTS

- › After implementing BluJay's LaaS, IFCO North America benefited from improved visibility, leading to cost savings, specifically by decreasing the need for spot market loads; competitive freight spend allows IFCO to maintain cost to serve for its customers

## SOLUTION

IFCO North America selected Blujay's Logistics as a Service (LaaS) to gain a team of experts that would fully leverage the Transportation Management solution for the company. "Our history with Blujay's software goes back many years, and the solution has grown over time. Being part of the network is the power of the solution – users help drive innovation and the work Blujay does every year to enhance the product increases the value for users over time," said IFCO's Director – Pool Management & Transportation. "A huge benefit to outsourcing with Blujay is having a team that is trained to run the software – because they built the software. The LaaS team allows us to focus more on our core competencies in our own business."

With Blujay's LaaS, IFCO is able to better leverage the technology and increase communication between SAP and the TMS in key areas that help improve performance, for example:

- **Order Validation File** - Allows IFCO to replace a manual legacy process, eliminating human error.
- **Order Status File** - Replaced a legacy process, which improved the flow of receipt data from service center operations to ensure the carrier payment process is done according to contract payment terms.
- **Payment Status File** - Provides greater visibility for when loads are paid to carriers, minimizing the number of payment-related questions.

Since partnering with Blujay over 10 years ago, IFCO North America's goal has remained the same - continue to drive cost out of the transportation side of business. Blujay helps IFCO achieve its business objectives by helping get more done for less.

"The ability to deliver effectively and efficiently to and from customers is a key business objective for IFCO. Blujay's technology helps us achieve on-time performance and provides the ability to communicate when things are going wrong or when a problem arises," said IFCO's Vice President of Operations, North America. "In addition, working with Blujay allows us to be competitive in our freight spend, which allows us to be a market leader and maintain our cost to serve for our customers."

### Data insight drives decisions and improvement

The analytics provided by Blujay help IFCO North America to measure business at a greater level, along with integrated validation files that save time and cost. This data allows IFCO to make decisions and inform other areas of the business, specifically with last-minute requests, service center improvement - how much would it cost or save IFCO, and network planning - how the company lays out its network.

IFCO's Vice President of Operations, North America said: "For IFCO, one of the most valuable pieces of the relationship in addition to service and cost is the wealth of data available to the team. It is extremely valuable for us to have Blujay's experts work with this information, which allows us to focus more time on our business."

Blujay's LaaS improved IFCO's optimization by building over 6,000 lanes as location-to-location for the greatest level of detail and grouping over 1,000 routing guide like-lanes together and assigning carriers.

Key results for IFCO since partnering with Blujay include:

- Tender load acceptance (TLA) increased by 14% year-over-year, considered best-in-class
- Number of spot market loads reduced by 47% year-over-year
- On-time pickup improvement of 5%
- Optimization improved by 45%

Blujay's LaaS not only turns big data into actionable intelligence, but also increases customer service while decreasing transportation costs. With demands constantly increasing, LaaS makes sure product is delivered on time and for the best fill rate possible.

# IFCO

"Blujay's LaaS helps us get on board with things we hadn't started using. We can utilize the software more fully and robustly, which is beneficial. If there's something we haven't used, or that other LaaS customers are using that would benefit us, the team makes us aware and suggests solutions. The transference of information as our business has changed has been invaluable."

Jon Heyler  
Vice President of Operations,  
North America

## ABOUT BLUJAY SOLUTIONS



Blujay Solutions delivers supply chain software and services to the world's most progressive retailers, distributors, freight forwarders, manufacturers, and logistics service providers. Transforming supply chain logistics with the Blujay Global Trade Network, we enable customers to unlock the power of more than 40,000 universally connected partners. With Blujay, companies can achieve greater trade velocity, transform their supply chain economics for disruptive advantage, and see beyond the horizon to optimize their future in the global economy.