

# Sargento Food Inc.

## Sargento Leverages BluJay Solutions to Reduce Freight Spend and Improve Visibility

### CHALLENGE

Sargento's existing Transportation Management System (TMS) solution was not able to meet operational requirements. Orders were planned into shipments without considering cost, service, or contractual commitments to carriers, and there was an inability to accurately allocate transportation costs at the order level. Sargento chose to implement a flexible, scalable multimodal transportation management system that would meet their operational needs today and in the future.

Sargento established a list of goals for a transportation management system:

- Integrate with 30 carriers
- Ship approximately 3,000 orders per month
- Transport 24 million pounds of products on average per month
- Integrate with existing supply chain software
- Straight-through processing of order data via EDI

### QUICK FACTS

- › Family-owned producer of specialty cheeses
- › Founded in 1953
- › Headquartered: Plymouth, WI

### BUSINESS CHALLENGE

- › Improve order visibility and gain control of transportation costs and operational requirements

### RESULTS

- › Using BluJay's Transportation Management solution, Sargento is able to automate freight payments, reduce LTL shipments, and improve visibility and allocation of costs.

## SOLUTION

Sargento improved operational efficiencies by eliminating manual processes and non-value-added services. In the past, if a carrier charged an incorrect transportation cost, Sargento did not have the visibility to correct these charges prior to being invoiced for them. Sargento would calculate the rates but were often invoiced using a different rate. As a result, they had a difficult time reconciling payments. Since the implementation of the Blujay platform, each carrier has a contract in the contract management module of the system, where their rates are locked and paid accordingly with no discrepancies. Not only has the system helped Sargento manage costs, the automation has reduced the manpower required to reconcile payments from 15 hours per week to six hours per week, resulting in a 60 percent reduction in administrative costs for freight payment.

Accruals are done as soon as the product is loaded at the distribution center. The billing information is fed to the finance department and the accrual of transportation costs is done in real-time. Accessorials that occur during delivery are captured as part of the invoicing process and are also allocated down to the order level - this helps to ensure the real cost of freight is captured for each customer. With the Blujay platform, they are now able to evaluate charges during the year to better determine what the customer charges should be the following year, taking in to account the back-end fees that each customer was accumulating. This allows Sargento to accurately allocate costs back to their customers and helps ensure they remain profitable.

Prior to the implementation of the Blujay platform, Sargento was performing 10 percent of their shipments via Less than Truckload (LTL). With the visibility provided by the Blujay Transportation Management solution, they are able to convert more of their shipments into Full Truckloads (FTL), with only four percent now being shipped as LTL. With enhanced planning capabilities, Sargento can now plan multi-stop and multi-pickup routes, consolidating on average four different customer orders per shipment, for optimal execution and further cost savings.



“The Blujay Solutions multimodal transportation platform has allowed us to see a 15 percent reduction in our cost per pound, excluding the cost of fuel.”

General Manager  
Sargento

## ABOUT BLUJAY SOLUTIONS

Blujay Solutions helps companies around the world achieve excellence in logistics and trade compliance - it's in our DNA. Through a blend of Data, Networks, and Applications, delivered in the Blujay Way, our DNA platform powers the Frictionless Supply Chain for thousands of the world's leading manufacturers, retailers, distributors, freight forwarders, customs brokers, carriers, and logistics service providers.