

Bidding for Bucks

Do's and don'ts for RFP's and alternatives to full blown bids



Signode : \$16MM+ LTL; \$30MM+ TL/Intermodal

ITW: \$80MM+ LTL; \$30MM+ TL/Intermodal

Who does the heavy lifting?

- * DIY
 - * Alone
 - * With outside help
- * Call in the cavalry



Who, what, when, where

Data, data, data

Where do I ship from?

Where does it go?

What do I ship?

How often do I ship?

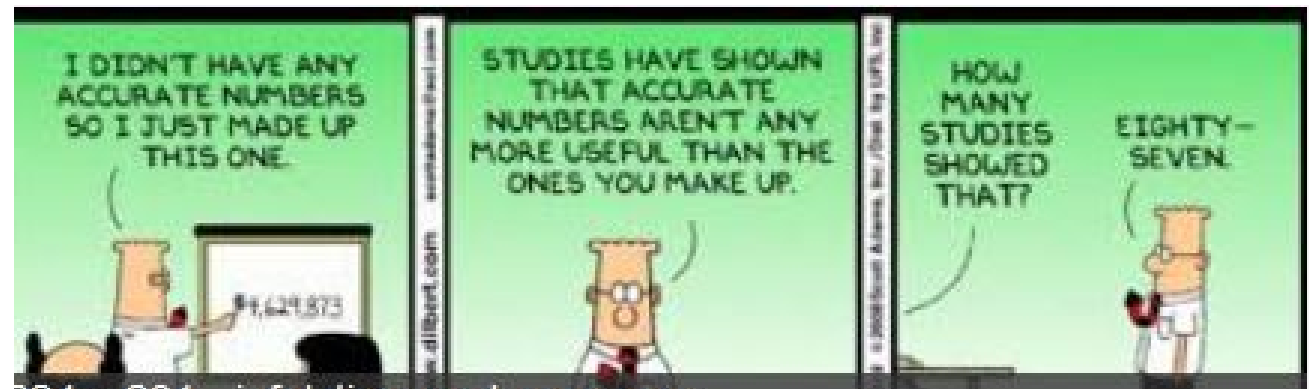
Quantity/size of shipments?

Who gets invited?



Where do I get the numbers?

- * Best option: freight bill payment provider
- * Next option: ask your incumbent carriers
- * When all else fails: A/P, or sampling





I don't have time for this!!

1. Ask incumbent for decrease
2. Ask competition

Okay, now what?

- * Things to think about:
 - * What do you want to get out of this?
 - * Pick a rate base
 - * Know your freight
 - * Geography
 - * Customer requirements/order guidelines
 - * Modes
 - * Round 2? 3?
 - * Don't forget inbound!
 - * Time frame to implement/duration



Sharing is caring!

- Do it up front or do it again and again and again
 - Shipping hours
 - Daily or will call
 - Special requirements
 - Claims expectations
- Ask shipping people for input
 - Who like? Dislike? WHY?
 - How many carriers?



Freight a la mode



TL/Intermodal/3PL

- K*I*S*S*
 - DIY or outside company?
 - Equipment?
 - Per mile or all in?
 - Specify mileage and fuel
 - Accessorials?
 - Time sensitive?



LTL

- LTL= Lots To Look (at)
 - Data
 - FAK?
 - Friendly Freight?
 - Geography
 - Door #1?
 - Regional vs National
 - Fuel & Accessorials
 - Service times/On time delivery



Air freight

- ✓ Data
- ✓ What is moving? (friendly freight, perishables, pharmaceuticals, etc.)
- ✓ IncoTerms
- ✓ Customs Clearance
- ✓ Door-to-Door Transit Time
- ✓ Weight Breaks
- ✓ Fuel & Accessorials



Ocean Freight

- ✓ FCL or LCL?
 - ✓ Oldest form of transportation
 - ✓ Maritime Law
 - ✓ International agreements
 - ✓ Tied to Brokerage
 - ✓ Port Selections
 - ✓ Capacity (Real vs Artificial)
 - ✓ Transit time= Long
 - ✓ Third party vs Carrier Direct

	Fixed Contract Pricing	Spot Market	Index Pricing
Annual Bid	✓	X	✓
Market Fluctuation	X	✓	✓
Risk	X	✓	✓



Now what?



- Third party routing guide
 - Easier, work still needed
 - Test run
 - Go back to the incumbent
 - Ask the shipping location



A Dilbert for all seasons





S*O*U*R*C*E

- ❖ Strategize
- ❖ Outline
- ❖ Understand
- ❖ Resolve
- ❖ Collaborate
- ❖ Execute