



Shipping and Receiving – Savings and Improvements

Just like any other industry, the shipping industry has seen a drastic increase in embracing technology, from the use of iPad to technical software, in a bid to maximize profits. There are challenges that arise from the day to day operations of shipping and receiving. It is therefore important for business owners to adequately provide up to date resources and train personnel on how to conduct business in order to curb these challenges and also embrace new technologies. Apart from the stress and challenges from the regulatory bodies, there are ways to lessen costs and discover savings and improvements that will counteract the challenges that every business faces today.

Standard Practices for Savings

- Proper care of office equipment
- Perform routine preventive maintenance checks
- Use maintenance log to track and monitor service issues
- Be knowledgeable of policy and terms of maintenance agreement for equipment
- Follow Proper Procedures:
 - Safety
 - Capacity
 - Throughput

Rate shopping

- Use your expertise in what the fastest and least expensive alternative will be when shipping
- Discuss various shipping vendors and options available with your customers
- One vendor is rarely always the best choice
- Inventory management

Prevention and Proactive

- Doing it right the first time is a significant factor in cost avoidance
- Quality and value take time to build, yet only one instance to lose
- Consistent personnel training: Having knowledge of the latest technological inventions in the industry will give you an upper hand, in addition to maximizing efficiency and minimizing costs
- Accountability and awareness among all staff is critical to success

Just by using the above strategies and through client consultation and best practices, in just a six month period, OMG generated \$11,647 in savings related to Shipping and Receiving costs and fees.

OMG, LLC CASE STUDY:

OMG, LLC assisted one of our large food retail clients with savings of \$120K under planned budget.

CLIENT CHALLENGES:

This OMG client was using a Shipping/Parcel Service even though the contractual rates were more expensive and there was no GTD service. The client was not educated on the surcharges or the contractual agreement with their own shipping supplier. The client was only presorting USPS mail one day a week. The client was not combining any of the same mail for delivery. The client had not negotiated any fees with the delivery and pick up service used. This process was costing the client.

SAVINGS: OMG provided the client with a solution and ongoing improvements that resulted in hard dollar savings of \$45,088 in one year. In addition, these changes reflected in client postage being under budget \$120,000.00 in that year.