



## CASE STUDY

# OVER 50% LEAD TIME ON ONE SHIPPING ROUTE

How Contguard helped a customer **reduce lead time by over 33%** by identifying anomalies along the route

### ABOUT THE CUSTOMER

Contguard's customer, a well-known company in the automotive industry, ships millions of dollars worth of valuable cargo around the world every month. The customer uses Contguard's solutions to help monitor and track their shipments from origin to destination.

### THE CHALLENGE

Our customer needs to track and manage thousands of shipments every month. For our customer, and all companies in the automotive industry, it's crucial that cargo arrive at the right destination on time, in perfect condition.

However, lack of visibility into the supply chain makes this difficult, so that identifying and solving logistics and security issues along the shipment route can be almost impossible.

That's why Contguard's ability and expertise in providing insights - based on our solution's data analysis - provides such enormous value to our customers.

### THE ISSUE

For our customer, one specific shipment route was proving to be especially problematic. Over 1,000 shipments were made from the client's warehouse in Europe to one destination in the USA. **The average lead time for these shipments was over 50%.**

In addition, there were enormous fluctuations in the time that it took for each shipment to reach its destination, ranging from 20 to 77 days - a **285%** variation!

These fluctuations made it difficult for the customer to manage inventory efficiently and meet commitments to its own customers. Our customer urgently needed to improve shipping times along this route, making the shipments more consistent and predictable.

### THE SOLUTION

Contguard initiated an in-depth analysis, cross-referencing data to detect and pinpoint the issues affecting shipping times. Several issues and problems along the shipping route were identified.

### PROBLEMS ON THE ROUTE FROM WAREHOUSE TO POL

Our customer works with several 3PLs (third party logistics companies) who are responsible for transporting cargo from the warehouse to 3 different POLs (Ports of Loading).

Due to the valuable nature of the cargo, our customer's specifications stated that the goods were not to travel by rail. However, Contguard's cargo tracking showed that one 3PL was transporting the cargo to the port via rail, clearly not following the agreed-upon protocol for transportation.

### ISSUES AT THE POL (PORT OF LOADING)

Our customer's cargo was being shipped from 3 different POLs (ports of loading). Shipments leaving two of the ports took an average of 36.5 days to arrive, while shipments leaving the third port took an average of 48 days to arrive - over 30% higher than that of the other two!



### IMPACT AT A TRANSSHIPMENT PORT

Our team also identified a specific transshipment port where our solution reported a strong impact to the container, possibly posing risk to the cargo inside.

### UNAUTHORIZED CONTAINER BREACH

The system showed an unauthorized opening of a container at one of the ports, meaning the container was either opened in an unauthorized area, or opened without our customer's permission. This type of container breach poses a high risk with regards to security, quality assurance, and IP.

Contact us for more info: [info@contguard.com](mailto:info@contguard.com)

☆ **BENEFITS**

**CUSTOMER WAS ABLE TO REDUCE LEAD TIMES WERE REDUCED BY OVER 33% WITHIN TWO MONTHS, SAVING HUNDREDS OF THOUSANDS OF DOLLARS IN DEMURRAGE AND LATE DELIVERY FEES.**

Using the analysis and insights from Contguard's report, our customer was able to:

- Select faster, better routes by avoiding points along the routes with long lead times
- Hold their 3PLs to contract and ensure that they are working with the best possible vendors
- Mitigate possible quality and security risks at certain points along the shipment route
- Achieve consistent shipping times for the route, enabling them to optimize their inventory management and meet their customer commitments

***“The insights report provided to us by Contguard helped us to reduce massive lead times for thousands of valuable shipments. This has greatly reduced our costs, saving us hundreds of thousands of dollars in storage and late fees. Now that our shipment times are more consistent, we are able to efficiently manage our inventory, further reducing production costs. Contguard’s analysis and insights have been invaluable for us.”***

VP Operations at Contguard’s customer

**Contact us for more info:** [info@contguard.com](mailto:info@contguard.com)

