

TRANSPOREON
A Trimble Company



ARGUSLOGISTICS™

CASE STUDY

Ship smarter: the value and efficiencies gained through a **successful partnership**





A managed transportation provider
with **4 control tower offices**

Global presence in the
US, Canada and Mexico

Around the world
support and services

2.5 billion spent on
transportation per year

About the customer

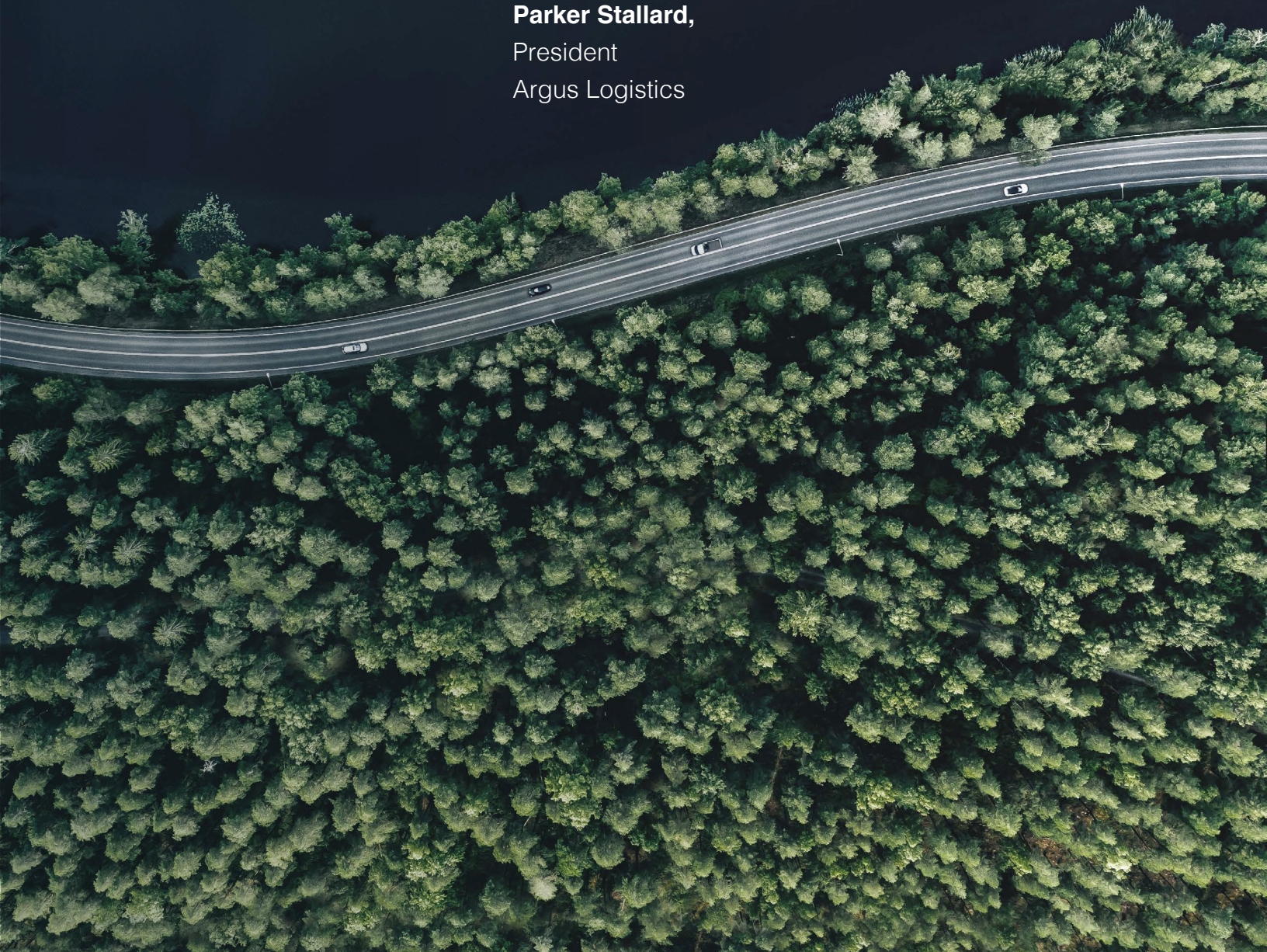
Argus Logistics is an industry leader with a global presence and 30 years of experience behind the brand. Their cloud based, customizable technology with actionable business analytics ensure a strong market position.

Argus manages over \$2.5 billion in annual transportation spend for their customer base and services all modes across Automotive Manufacturing, Health & Beauty, Chemical, Oil & Gas, Construction and Retail, among others. Their mission is to provide their clients with the team, processes, technology, and expertise through a comprehensive world class logistics management platform that allows them to gain full control of their supply chain and maximize savings. It's their mission to ensure every stakeholder FROM THE SHIPPING DOCK TO THE BOARDROOM recognizes the value and efficiencies gained through the mutual success of a partnership with Argus Logistics.



“*Knowing the value of being an existing Transporeon customer, we knew that implementing Transporeon’s Autonomous Procurement solution would bring the most value to our growing business. With Autonomous Procurement, we are able to focus more on servicing our customer base, equipped to identify capacity opportunities and exceptions before they occur, and in a strong position to optimize our talented team.”*

Parker Stallard,
President
Argus Logistics





The challenge

These were the challenges that Argus Logistics needed to tackle:

- ▶ Historic bid board practices in a dynamic market create false capacity demands resulting in slower response times and drivers controlling daily market prices
- ▶ High amount of manual work during the life cycle of each shipment
- ▶ Carrier compliance
- ▶ Inaccurate indexed based pricing like DAT (often non-specific to the unique customer needs or buying power) – especially important during a period of unprecedented market volatility



The combination of all these factors helped the company achieve its goal to **reduce costs by 17%** against the industry bid-board standard and TMS Freight Auction.

The solution

Argus has been a Transporeon Freight Procurement customer since 2021. From then on, they used Transporeon for several years to increase the efficiency of their contracted freight procurement process. This involved embracing automation to optimize rates and standardize their network bidding process with contracted suppliers.

Following the successful deployment of the Transporeon Freight Procurement platform, Argus knew that Transporeon’s Autonomous Procurement solution would further improve their business processes in the context of the spot market and its associated volatility.

Argus benefited from exceptional support from the Transporeon team both during and after the implementation phase. This ensured a seamless journey, from the first kick-off meeting on how to use the tool, to ongoing collaboration and guidance through the entire process.

Autonomous Procurement provides Argus with the tools they needed, offering:

- ▶ Automated spot procurement using data and behavioral science
- ▶ An understanding of how carriers have biases and make pricing decisions to create a win win for all parties
- ▶ The ability to find capacity at lower rates
- ▶ A change to the point of cost competition to the carriers at the moment of booking, rather than drivers receiving multiple requests for the same shipment (artificially driving cost up)
- ▶ A fully automated process for predicting rates, presenting dynamic and custom offers, and confirming tenders
- ▶ An end-to-end automated process

The results

Incorporating Autonomous Procurement into their logistics technology portfolio drove a number of key results, aligned to the short and long term strategic goals set out by Argus Logistics.

- ▶ **Carrier compliance** – Upon implementation of a preferred carrier program, there has been a radical increase in performance and compliance from carriers.
- ▶ **Higher levels of carrier satisfaction** thanks to better relationships with strategic carriers.
- ▶ Argus took an approach focused on exclusivity, rolling the tool out to their premier carriers by invitation and as an award for better service (service being better compliance and improved on time delivery).
- ▶ **Carrier Consolidation** – Bid Boards create a “tail spend”, of which 80% of client spend through ad-hoc shipments was in top 20 ad-hoc providers, however the remaining 20% was split up amongst several hundred carriers. The reduction and consolidation of the carrier base has created numerous administrative and operation efficiencies, including:
 - ▶ Less sharing of information such as invoices and contact details
 - ▶ Less noise as a result of working with more carriers
 - ▶ Improved reliability

Conclusions

Autonomous Procurement has been developed to solve a specific and well-known set of challenges frequently faced by transportation firms, and in the case of Argus Logistics, the solution proved to be a perfect match for their needs. Argus Logistics describes the partnership with Transporeon as exactly what they were looking for and recognizes that implementing this solution compliments Transporeon’s Freight Procurement, which continues to be leveraged to strategically source contracted freight.

The outlook

Argus is determined to maintain its status as a market leader, and acknowledges that further investment in their logistics framework is a critical factor in ensuring continued success. Plans are in discussion on expanding the partnership to include features such as Ocean Visibility, Road Visibility, and Mini-Bid (Marketplace) management.

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automating spot buying?

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