

# CASE STUDY

LTL SERVICES

## HIGHLIGHTS

**33%**

SAVINGS ON SHIPPING  
SPEND

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MANUFACTURE & SHIP  
**1 MILLION**  
HATS PER YEAR

## SUMMARY

Hatco began its journey into hat making in 1927 as Byer-Rolnick and made the company name change in 1938 when they opened their factory in Garland, Texas. They manufacture more than one million hats a year at the factory including designs for western wear, law enforcement, dress hats and now helmets. Quality and reliability are Hatco product standards their customers recognize and expect which Hatco strives to exceed.

## CUSTOMER CHALLENGES

Every company wants the best shipping rates possible and Hatco is no different. Once AFS was able to determine all avenues of potential cost savings opportunities, Hatco was ready to employ their least cost carriers. Service and savings should go hand in hand, but that is not always the case. A strain on carrier relations came to light which put Hatco in a bind and threatened the success of their business. In addition, when installing new warehouse management software for Hatco's entire company, an issue arose with the software automation. This left Hatco employees manually comparing LTL and parcel rates.

## OPPORTUNITY

AFS implemented a customized savings plan to provide Hatco with the transportation industry's best-in-class pricing. Upon hearing of the strained carrier relations Hatco experienced, AFS Regional Sales Director, Steve Smith, immediately met with carriers to facilitate better service to go along with the discounted pricing. Hatco called Dean Jones, Divisional VP of Sales at AFS, to discuss their issues with the new warehouse management software. Dean put boots on the ground to initiate the automation of API in order for LTL and parcel rates to feed into the new system.

## RESULTS

In 2016, Hatco's shipping costs were lowered by 20%. YTD 2017, partnering with AFS has saved Hatco 33% on their shipping spend. Realizing the huge impact of the cost savings AFS provides is what brought Hatco on board, but it's the continued support and expertise from the AFS staff that Hatco finds invaluable.

**"The freight industry is complicated and complex. Being a strong, big brand company, we needed to control our shipping costs. Partnering with AFS makes it easier to improve service to our customers while maintaining our shipping spend."**

- Hatco, CFO