

CASE STUDY

PARCEL SERVICES

HIGHLIGHTS

\$300,000

SAVINGS AFTER
ONLY 45 DAYS

.....

70

LOCATIONS

SUMMARY

Cavender's is a family owned western wear retailer that celebrated its 50th anniversary in 2015. Specializing in traditional western style clothing including men's and women's fashion and boots along with the newest trends comes naturally to the Cavender's family as they live that lifestyle themselves. Not only do they have over 70 locations nationwide, but Cavender's also has a website that carries their full array of merchandise. As with any online apparel retailer, parcel shipping plays a huge role in their goal for maintaining a positive customer service experience.

CUSTOMER CHALLENGES

In 2006, AFS reached out to Cavender's to offer an audit analysis for their parcel freight bills. By doing this, Joe Darwin, Director of Parcel Logistics, found an abundance of accessorial charges were billed. Shipping charge corrections were billed on many parcel packages the company shipped. Cavender's fulfills its ecommerce orders from a distribution center, as well as from their 70+ store locations. The store locations were not using actual weight scales in each location so weights were being estimated, which was incurring additional charges for weight corrections. The carrier's switch to dim charge rates added an additional hurdle. AFS found that ten percent of Cavender's overall shipping spend was attributed to shipping charge corrections.

OPPORTUNITY

In order to reduce unnecessary charges, AFS revamped Cavender's packaging supplies. Boxes were consolidated into eight sizes with a classification for each size. Their IT team programmed these new boxes into the company's software enabling employees to simply enter the box classification. Once entered, the software auto-calculated the box's dimensions, drastically decreasing the margin of error.

RESULTS

After only 45 days of implementing AFS' recommendations, Cavender's saved almost **\$300,000**.

"We've been partnering with AFS for several years now. They have become a very formidable partner and integral part of our operation. We run a lean and mean operation. What AFS brings to the table for us is not having to hire more people or use more man hours. AFS does all the leg work for us on inbound and outbound shipping and their reporting enables us to make solid business decisions concerning our logistical costs. I just have to look at the reporting. They make our lives easier. I appreciate the fact that AFS has expertise in logistics. They stay current on current events and notify us in advance to know what is happening when it affects us. It's been very beneficial and equitable for me."

-Cavender's, Director of Operations