



## Parcel Expense Management Success Stories:

# How Visibility Leads to Savings

The value of Cass Parcel Services goes far beyond the processing and auditing of your small package invoices. Time and again, our clients report considerable savings they've achieved as a direct result of their exposure to actionable data. With a powerful business intelligence engine at their fingertips, Cass clients can identify problem areas that represent opportunities for savings. And a dedicated account manager – with expert knowledge of the parcel shipping business – uses the same data to look for savings opportunities as well. The following anecdotes illustrate some of the results our clients have achieved – directly as a result of this visibility and advisement.

### **GRI Advisement - \$900,000 Annual Savings**

When its parcel carrier announced a General Rate Increase of 4%, this high-volume shipper budgeted for a 4% increase in its parcel costs. In reviewing the client's shipping mix, however, Cass realized that its actual rate increase would be 7%. Cass and the client worked with the carrier to secure a net 4% increase overall – resulting in an annual savings of \$900,000.

### **Identify Wasteful Spending - \$570,000 Annual Savings**

Although this manufacturing company was self-insured, the data that Cass collected from invoice files showed that employees were still spending \$600,000 per year by insuring individual packages. We were able to pinpoint the bulk of the problem to a few locations. Through training and ongoing monitoring, 95% of the expense was eliminated.

### **Visibility into Account Activity - \$110,000 Annual Savings**

With another client, not long after our relationship began, we noticed that they had 100+ open but inactive accounts. Each inactive account was costing \$18 per week in service charges - adding up to \$2,000 a week, or \$110,000 annually. With the client's approval, Cass contacted the carrier to close the accounts.

### **Identify Account Misuse - \$60,000 Refund**

As companies often do, this Cass client had provided an account number to a third party to use when shipping certain packages related to the client's business. Using a standard Cass report that highlights potentially fraudulent activity, our client realized that the third party was shipping much more than was approved. Their account manager at Cass generated a report showing all past shipments where the account number was misused, the cost of which came to \$60,000. We assisted our client in earning a refund from the carrier and rebilling the third party.

### **Match Manifest to Billed Data - \$50,000 Savings**

Discrepancies can be identified when Cass' automated system matches manifest data to billing information. For one client, the data that Cass collected from both sources highlighted a mistake by a warehouse manager who had received a 'deal' on some boxes. The result of this deal was that the new (and larger) boxes were causing two-pound shipments to be dimmed to 15 pounds, costing \$5 more per shipment than they realized. This discovery prevented 10,000 additional and costly shipments.

### **Late Fee Visibility - \$140,000 Refund**

When systems go into production for new clients, a few problems usually jump out almost immediately. Often, one of these is a history of paying late fees. The first few invoices we received for a manufacturing client all had hefty late fees. Inquiring with the carrier, we discovered that our customer had unknowingly spent \$140,000 on late fees in a 14-month period. Because these charges are typically hidden in the invoice, the client asked for and received a refund.