

UNYSON LOGISTICS CASE STUDY



Big Lots, Inc. is the nation's largest broadline closeout retailer with annual revenues exceeding \$4 billion. Headquartered in Columbus, Ohio, Big Lots operates over 1,400 retail stores serving 47 states. Five regional distribution centers and two furniture distribution centers throughout the country, ranging in size from 1 million to 3 million square feet, provide the company's stores with brand-name products from more than 3,000 manufacturers.

Big Lots offers merchandise at 20% to 40% below traditional discount retailers. Founded in 1967, the company employs more than 38,000 associates across the U.S. Big Lots is traded on the New York Stock Exchange under the symbol BIG. For more information, visit www.biglots.com.

BUSINESS CHALLENGE

Like many companies, transportation expense may have a significant impact on Big Lots' financial performance. While outbound transportation (from Distribution Centers to Stores) had been tightly managed, inbound transportation (Suppliers to Distribution Centers) had not received the same level of attention until the implementation of a TMS in 2004. In late 2005, Big Lots decided to enlist the assistance of a third-party logistics (3PL) company to help take control of their inbound less than truckload ("LTL") shipments. Big Lots went through a rigorous evaluation process seeking a partner that was capable of delivering:

- Significant transportation savings without sacrificing service;
- Improved shipment visibility for all supply chain stakeholders;
- Greater operating efficiency through process improvement initiatives;
- Experienced resources and a flexible operating infrastructure that could work closely with the existing Big Lots transportation organization.

UNYSON SOLUTION

After being selected as Big Lots' provider, Unyson quickly mobilized a cross-functional team to implement our solution.

Concurrently, Unyson's procurement team conducted an LTL bid event that generated rate savings of nearly 25% over previous LTL rates. Additional savings were identified through the application of advanced transportation management techniques, optimizing LTL shipments into intermodal and truckload through consolidation centers.

Given the significant amount of savings available, Unyson and Big Lots made a joint commitment to expedite the implementation timeline. Working together, we were able to develop and deliver a fully operational inbound transportation management program in less than 30 days.

Within the first 8 months of implementation, Unyson had delivered inbound transportation savings over previous LTL rates of more than 30% for Big Lots.