How to Lower your Shipping Cost

In today’s economic environment, and given the budget reductions faced by the University investigating cost savings to reduce the impact of budget restraints and shortfalls is crucial. Central Receiving is currently working with a third party Logistics Company, to reduce freight costs (hard cost savings) and improve control of inbound processes (soft cost savings) associated with the transportation of materials to the University.

Purpose

The Purpose of this User Guide is to walk you through the steps, necessary to obtain the most cost effective transportation of materials that have been purchased for official university business.

Contact

Questions concerning this User Guide should be addressed to the Central Receiving Section at (ext. 5-3212).
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General Information

Central Receiving
(702) 895-3212

Mailing Address

Main Campus address: Shadow Lane Campus
4505 S. Maryland Parkway 1001 Shadow Lane
Las Vegas, NV 89154-1044 Las Vegas, NV 89106

Web page – Inbound Shipping

http://delivery.unlv.edu/ReceivingInformation

UNLV Shipping Information

http://delivery.unlv.edu/ReceivingInformation

Big Dog Logistics Contact

1235 North Loop West, Suite 500
Houston, TX 77008
Telephone: (713) 996-8171

www.bighdoglogistics.com

To request a freight quote from Bedrock Logistics either call 1-713-996-8171 or e-mail

sl@bigdoglogistics.com
What is Third Party Logistics

Third Party Logistics

A third party logistics company (3PL) works with customers, vendors and freight carriers to provide a comprehensive transportation program for our customers by establishing a true business partnership which allows us to gain a genuine and thorough understanding of our transportation needs. In this time of rising shipping costs, the need to ensure that we are effectively managing our transportation carrier costs, associated costs with damage resolution and freight management costs is imperative.

A third party logistics company offers One-Point-of-Contact On-line rating/booking/tracing systems that will also generate a Bill of Lading. The One-Point-of-Contact Customer Service Center provides dedicated customer service representatives regardless of what carrier is utilized, and Big Dog Logistics is second to none in the industry.

UNLV uses Big Dog Logistics to act as a 3PL. Big Dog is located in Houston, Texas. Big Dog Logistics works with its customers, to develop a comprehensive program specifically designed to provide procurement groups significant savings, in regard to the freight portion of their purchases. Additionally, their program provides us the ability to manage our inbound freight process, without the addition of any personnel or work on our part.

Big Dog Logistics is for LTL freight only. LTL is shipments weighing over 150 lbs. For small package (shipments weighing less than 150 lbs) FedEx is still the preferred freight carrier.
How Does it Work

Why are my suppliers and vendors so willing to prepay my freight and control my inbound freight process?

The reason is simple: Due to their volume with carriers, they receive a significant discount on their freight costs. They know they have a deeper discount than you can establish and markup the freight costs which are passed on to you. This becomes a significant profit center for them and a cost center for you.

The previous practice has been for vendors to allow you to pre-pay and added the freight charges to the Purchase Order. You may have been paying up to 50% or more on freight than was necessary. Regardless of the volume of product you order vendors pay carriers to move your freight and then pass the cost on to you, normally at an inflated price.

Will using third party Logistics Company requires more work for you?

A third party logistics company will allow you to take control of your inbound freight and will not result in more work for you or require additional staffing. Big Dog Logistics will act as an extension of Central Receiving and serve as the liaison between your vendors, the carriers and you.

Where do I Start?

Big Dog Logistics has developed a comprehensive program, referred to as the “5 Easy Steps,” designed specifically for governmental procurement departments, universities, educational departments, correctional facilities and other procurement departments whom are consumers of goods and have historically allowed their vendors to “control” the freight process. Big Dog Logistic’s “5 Easy Steps” is a comprehensive program designed to substantially reduce inbound freight costs that are buried in the cost of the items purchased at a significantly inflated rate. This program is showing savings of up to 50% or more for governmental and educational organizations throughout the United States, all without additional costs, minimum usage or additional work to the ordering department.
1. Unbundle your freight Charges

We will provide you language to incorporate in all future bid requests (RFP) and with existing vendors and contracts, which will enable you to make comparisons and begin to realize significant savings.

**Suggested Verbiage**

At UNLV we are attempting to ensure that we are receiving the absolute lowest bid on the actual items we are purchasing. Effective immediately, without exception, all vendors submitting proposals must show the shipping (freight costs) as a separate line item on your bid proposal and invoices. If you are including the shipping cost in the product unit cost, please deduct the amount you are adding for shipping and show it as a separate line item. Freight terms to be FOB Destination.

2. Request your Quote –

Email your quote request to Central Receiving at receiving@unlv.edu

   a. You may wish to send a copy of the original request that was sent to the vendor.

   b. If this is being put out in an RFP, request the quote from Central Receiving, once the vendor has been selected.

**Quote Request Information to Central Receiving**

Please include the following in your request:

   a. General information about the item being purchased or a copy of the original request that was sent to the vendor.

   b. A contact name and phone number for the vendor.

   c. Special delivery requirements that may be necessary, including appointment, lift gate, inside delivery, etc.

   d. The Vendor's freight cost if known, should be included in your request.

3. Receive your Quote and Compare

4. Initiate your Shipment
After comparing the Big Dog Logistics and vendor quote and determining the savings that can be realized by utilizing Big Dog Logistics, simply:

a. Advise Central Receiving that you would like to move forward with the shipment

b. When the final request for purchase or the PO is issued to your vendor, simply send a copy of the PO to Central Receiving

Vendor Instructions

SHIPPING—CUSTOMER PICK UP

Vendors for UNLV must contact Big Dog Logistics to coordinate pick up of commodities, equipment or materials. Purchase orders must ship through the UNLV specified carrier unless authorization from customer and/or Big Dog Logistics is received in advance. Failure to utilize Bedrock Logistics for shipping UNLV purchase orders will result in your company paying the resulting difference in freight cost.

Please contact Big Dog Logistics at 713-996-8171 or sl@bigdoglogistics.com to request freight pick up.

Let Big Dog Logistics Work for You

Big Dog Logistics Will:

• Contact the Supplier and Coordinate Shipping Specifics
• Verify Weight, Class and Count
• Produce and forward necessary paperwork
• Verify Pick-up
• Trace shipment Daily and provide you any necessary feedback
• Audit Freight Bills
• Generate tracing reports as requested
• Work with you in regard to the filing of claims while developing a claims prevention program with you and your carriers.
**Damaged Freight**

In general, it is best to refuse damaged freight, in which case, the carrier will normally return to shipper “free astray/deadhead,” which means at no charge. Whenever freight is refused as damaged, or received and signed for with suspected or minor damage, customer should notify Big Dog Logistics immediately and they will provide information on how to file a freight claim, with the carrier.

Customer is still responsible for original freight charges and any re-shipment of replacement freight.

In cases of “concealed damage” (where damage is discovered after freight is received and delivery receipt is signed), customer should contact the shipper/supplier for compensation.

If the freight is returned to the shipper, the customer is responsible for return shipping charges. The customer is also responsible for original freight charges and any reshipment of replacement freight.

When a shipment is damaged or lost, the owner of the freight/material normally files the claim against the carrier. As a third-party, Big Dog Logistics does not file claims, but will assist customers and guide them through the claims process.

**Relationship with FedEx**

FedEx is the preferred carrier for all university inbound and outbound small packages (under 150 lbs) in order to more effectively meet the needs of the campus community. Central Receiving has worked with FedEx so that freight is billed to the University at a discounted rate separate from the vendor charges on the Purchase Order.

This process breaks the freight charge out of the Purchase Order amount and creates a separate bill to the department (currently this is sent to the department as a shipping authorization. Future efforts will attempt to simplify this process and include freight charges in the monthly mail billing process).
Again, this partnership with FedEx creates a reduction to the department in the freight amount from what would have been paid in the past (by approximately 25%), but Departments will now see a separate bill outside of the PO total. For more information visit the Delivery Services website at:

http://delivery.unlv.edu/ReceivingInformation
Inbound Freight Work Flow

Purchasing Process

The Ordering Department submits a quote to Purchasing with a separate line item for shipping cost even if freight is included in the purchase cost. Central Receiving is forwarded the quote.

Are the materials being ordered over or under 150 lbs?

If the materials are over 150 lbs, the Purchase Order contains a line item for freight and the freight terms are prepay and add. If the Vendor is unfamiliar with the process, they can obtain further instructions from the following website: http://delivery.unlv.edu/receivinginformation. If the vendor still needs further instructions, they can call the FedEx Vendor Activation Desk at 1.866.883.9290.

Under 150 lbs

The IX for the freight charge plus the Central Receiving handling charge is entered into Advantage for processing with an account number specified by the department.

Over 150 lbs

Central Receiving contacts Big Dog to obtain a competing quote. Big Dog contacts the vendor to get freight class, weight, and origination zip code. Big Dog contacts the vendor to schedule the freight pick up.

The Invoices are sent to Delivery Services. If more information is needed, the package is researched.