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LOGISTICS REPORT

Companies Lean on Freight Technology to Untangle Scrambled Supply Chains

High demand driven by the coronavirus pandemic has distributors seeking rapid adjustments, real-time 'visibility' to keep goods moving

By Jennifer Smith

Technology designed to streamline supply chains in a prepandemic world is helping businesses cope with coronavirus-driven upheaval, from providing help adjusting to volatile swings in demand to tracking delivery of critical supplies.

Business at hardware supplier Do it Best Corp. exploded when the coronavirus pandemic hit as consumers loaded up on home-improvement and cleaning products.

"We've sold over a 40-year supply of hand sanitizer since the pandemic, in 10 weeks," said Tim Miller, vice president of logistics for the cooperative, which supplies more than 3,800 member-owned stores, lumber yards and industrial distributors from eight U.S. warehouses. During the first two weeks of May, Do it Best's warehouse sales jumped by 36% to 68%, depending on location, from the same period in 2019.

To accommodate the surge, the Fort Wayne, Ind.-based cooperative set up hundreds of new delivery routes, secured additional trucks, split up loads and rerouted vehicles with the help of a logistics platform developed by its dedicated trucking provider, Ryder System Inc.

The system, which connects freight shippers, carriers and receivers, automatically updated



Ryder customers rely heavily on visibility and collaboration technology to quickly reshape their supply chains under pandemic-driven upheaval. Above, the RyderShare platform provides instant access to real-time tracking, enables collaboration, and delivers analytics and insights for better decision making.

Photo supplied by Ryder System, Inc.

delivery times for Do it Best's member stores, a process Mr. Miller said would have been "next to impossible" to do manually, given the speed and scale of the changes.

Do it Best previously used the truck-leasing and fleet management company's collaborative technology for about a year before the pandemic hit.

Analysts say the market for such tools is taking off as companies

scramble to adjust their logistics operations to increasingly strained supply chains.

So-called visibility technology, for example, which uses sensors to track the location of trucks or the temperature of high-value goods, has "become a necessity" amid pandemic-driven lockdowns, demand spikes and supply disruptions, said Bart De Muynck, a vice president of research at Gartner Inc.

(over please)

“When stores are running out of product, when hospitals are running out of essential products, you need to know where that product is,” said Mr. De Muynck, who leads the research firm’s transportation technology coverage.

Companies that already had that technology in place are relying more heavily on those tools to use data on cargo volumes and how long trucks spend at the loading dock for predictive analytics, he said. “You’re seeing an acceleration of a lot of that technology. The next phase is more about scenario planning.”

Other freight technology providers such as FourKites

Inc. also are expanding beyond tracking to streamline processes such as truck appointments for picking up or dropping off loads, and rolling out instant-messaging tools to centralize communications between carriers and warehouses.

“It’s that whole need to be more agile,” said Cathy Roberson, president of supply-chain research firm Logistics Trends & Insights LLC.

Businesses that were already using those types of tools fared better during the pandemic, she said.

“So it’s going to be a mad scramble,” Ms. Roberson said, as more companies look to invest in technology that can help them respond to the changes using “data

that is coming in real time or as close to real time as you can get.”

At Do it Best, the Ryder platform uses cloud-based technology from logistics software provider Turvo Inc. to connect shippers, carriers and receivers through a dashboard that tracks the freight in real time.

Do it Best’s transportation management system feeds directly into the platform, which enables users to see where loads are and communicate directly with each other to address problems such as delivery delays, instead of making time-consuming phone calls and emails to track down freight.

Ryder said its platform is being used by 18 customers across 90 locations.