



# BUILDING RESILIENCE

## TO SUPPLY CHAIN DISRUPTIONS IN THE CONSTRUCTION INDUSTRY

Partnering with an integrated logistics service provider can add transparency, flexibility and efficiency to keep your business moving forward.

**Traverro**   
*Solutions. Delivered.*

# THE CONSTRUCTION INDUSTRY IS PRIMED TO SEE EXPONENTIAL GROWTH IN THE COMING YEARS.

The bipartisan Infrastructure Investment and Jobs Act (IIJA) alone with its funding for public works projects including roads, bridges, water and wastewater treatment plants, and rail networks is cause for excitement in most regions across the U.S.

To meet this opportunity, original equipment manufacturers (OEMs) will need a resilient supply chain to build intricate pieces of equipment and ensure replacement components are available.

This and other industry challenges like labor shortages and political pressures make companies examine their operations to see how they can be more strategic and in control.

“People are concerned about the resilience of the supply chain,” says Giovanni Schelfi, a partner with Roland Berger, an international management consultancy. “Which is challenging in today’s market, because resilience is expensive.”

Many realize the supply chain is volatile, said Schelfi. Just look at the availability of components.

“The unknown is the biggest challenge right now,” said John R. Somers, vice president of the construction and utility sectors for the Association of Equipment Manufacturers. “Our members, the OEMs, are trying to forecast, dealers are trying to prepare inventory and contractors are trying to understand if they put a bid on a project and they need new pieces of equipment, can they even get that? How can we plan ahead?”

Although the supply chain has much improved over what it was two to three years ago, it’s not perfect, said Somers.

In an industry in which margins are already thin and time is money, having the right services and partnerships at your disposal can make all the difference to ensure you make the best decisions for your business.



## CREATIVE SOURCING ASSETS

Over the last two years, inflation drove prices up and up. Many manufacturers have considered new options to reduce costs.

One solution has been to look abroad to find competitive rates. This comes with its own challenges.

“A lot of companies who used to purchase within the United States are now outsourcing from other countries. Now you’re looking at a whole new logistics problem,” said Jillian Walsh, senior manager of business development for Travero, a logistics company offering full-service, customized logistics solutions, including freight brokerage, warehouse management, rail and barge terminal services.

“They’re bringing product into U.S. ports and they have to figure out how to get that container of goods from the east or west coast to its final destination. Once they get it there, how will they unload it, and where will they store it?”

Buying whole containers of products – whether components or raw materials – helps bring the costs down, but how do you move it and store it? That’s where logistics companies like Travero can play an integral part.

Whether you’re looking for a logistics partner or not, let’s take a closer look at some of the services that could help improve your processes and lift some of the burden off your shoulders.



# FREIGHT BROKERAGE

The freight brokerage market has taken off and it's no surprise why. By providing additional capacity, flexibility and key industry knowledge, freight brokers can increase efficiency.

Rates and labor may remain unpredictable, but freight brokers have the influence and connections to negotiate lower rates than what a small or midsize shipper typically could.

## JILLIAN WALSH

SENIOR MANAGER OF BUSINESS  
DEVELOPMENT FOR TRAVERO

“Because of our team’s expertise in multiple industries, it’s easy to say, ‘Let me discuss with the team and find a solution to your problem and provide service and price options,’” said Walsh.



For companies like Travero, it's about taking experience and turning it into tangible results. Sometimes a customer knows exactly what they want. Other times they come in with a problem and rely on the expertise of the team to find a solution. This could include full truck load long haul and short haul, dry van, box truck, flat bed, step deck, temperature controlled and specialized truckload services.

Additionally, working with a freight broker can reduce a shipper's liability as the broker holds the carrier contract. It's the broker's role to evaluate and hire carriers that are reputable, properly licensed and insured with good safety ratings.

# RAIL-TO-TRUCK TRANSLOADING AND WAREHOUSING

Transloading allows for the consolidation and deconsolidation of freight, which can reduce transportation costs. Companies save using rail for long-haul transport and trucks for last-mile delivery or distribution, rather than solely one mode of transport. Transloading gives shippers the best of both options, combining cost-efficient rail transport and the flexibility of trucking.

Utilizing this blended approach of transportation can open new opportunities for customers and potentially significant cost savings. For example, a railcar will typically hold three to four trucks' worth of product for a fraction of the cost. Large and small construction equipment and building materials including sheet metal, steel beams, pipe, lumber, drywall, shingles, rebar and bricks are ideal candidates for transloading.

For Travero, the opening of Logistics Park Cedar Rapids, in Iowa, has been a game changer for offering this service.

Located within 300 miles of major Midwestern metropolitan areas like Kansas

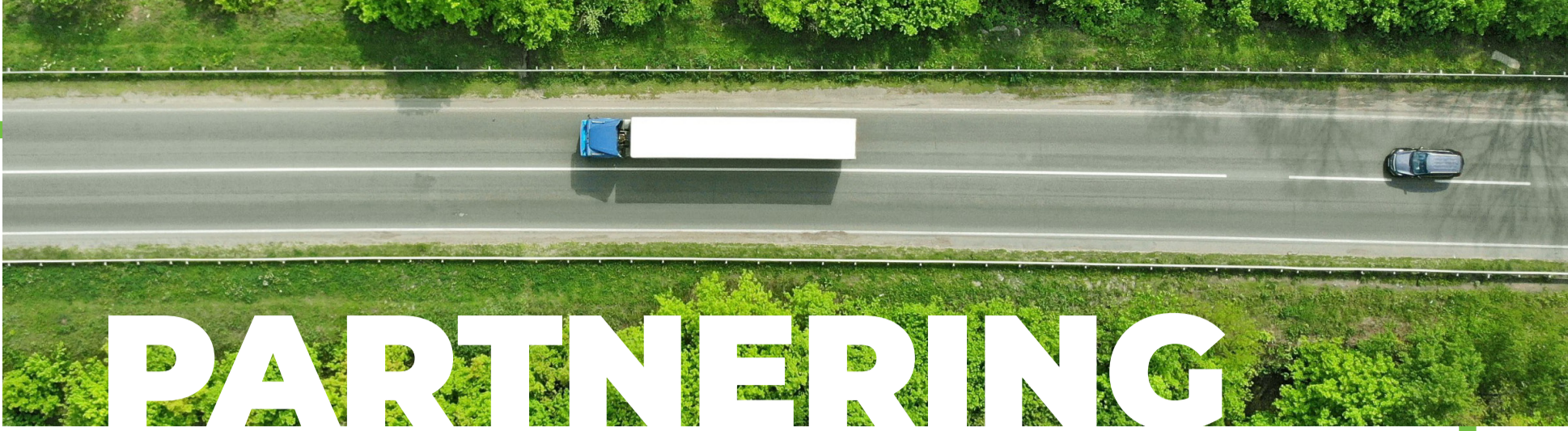
City, Chicago, Minneapolis, Omaha and St. Louis, this public, food grade-certified warehouse site has the unique ability to serve freight movements, transloading and storage via truck and rail. The Travero team has direct connections with Class 1 railways to facilitate shipping across the U.S., which takes the burden off the shipper.

“Transloading options are extremely important in the construction industry to reduce transportation costs and provide optionality for moving goods,” Walsh said. “Our site provides customers an option to move product by rail even if they do not have a direct rail spur into their building. Our customers also appreciate a site with ample space for large truck movement, transloading equipment and a certified truck scale.”

The space also includes two acres of secured laydown space and non-secured acreage. The available outdoor storage space lets receivers store product at the facility to provide them a distribution hub, along with more options and convenient access to inventory during peak seasons.



**We have a lot of customers who are looking at logistics differently and investigating and testing new options,” said Walsh. “They’re also sourcing their goods differently and that’s where we come in to help tie it all together.”**



# PARTNERING WITH SOMEONE YOU TRUST

In an ever-changing logistics landscape, it's important to be well positioned to face the unexpected and to have the right partner at your side.



- Relying on a logistics company to take on some of the burden and free up internal resources is not a simple change for some companies. It's important to have a trusted partner with the knowledge and experience to keep your business moving forward.
- Historically, the construction industry hasn't been quick to embrace new techniques but shifts in recent years indicate this may be changing. For instance, there's more transparency around the supply chain, according to Schelfi.
- Transparency is good, but taking control where you can is even better. Having an active role in how your products move from point A to B, can help you not only meet customer expectations, but exceed them.

## This is what Travero does best.

"Having options for how they move products, where they source products, or buying in bulk versus on demand, all tie back to our customers' success," said Walsh. "We partner with our customers to find the best freight management and storage solutions for these challenges."

# LEARN MORE

## about the services and capabilities of a full-service logistics firm.

Travero's knowledge and experience comes from working with one of the largest heavy equipment manufacturers in the world and its many suppliers. Travero operates quickly and offers timely communication to ensure customers never miss a deadline. To learn how Travero can help your company achieve its goals, call **1-877-205-9707** or visit **Travero.com**.

