# 11 Considerations when choosing your U.S.-Canada Logistics Provider





We deliver Canada

# Introduction

When an Ohio-based garden equipment retailer decided to expand to the Canadian market, it chose to use its U.S.-based logistics provider an internationally recognized brand with a presence in Canada—to manage its logistics and transportation operations. It wasn't long though, before the retailer realized it had made a serious mistake.

Among other things, shipments were habitually late arriving in Canada, customs seemed to be a bigger issue than it should be, and costs were much higher than expected. After the retailer probed a bit, it learned that, in fact, the transportation provider had very little real experience in Canada, and was simply not up to the task of providing efficient service to the Canadian market.

Fortunately, this story has a happy ending. The garden equipment retailer found a logistics provider with deep experience in Canada that was able to right the ship. Today, the retailer's Canadian customers enjoy high levels of service and dependable, on-time deliveries.

Stories like this happen all too often. Another U.S. retailer—a relatively small supplier of industrial

safety gear—found that it was simply too small to warrant attention from its big-name logistics provider, and as a result its Canadian expansion plans were nearly derailed.

Finding the right logistics provider to oversee shipments moving between the United States and Canada is among the most important decisions a business can make. But with hundreds of providers claiming to offer the "best," "fastest," or "cheapest" service, how can a business know if it is truly making the best decision?

Well, it's a process. A business needs to invest the time, first to determine what it needs in a logistics provider, and then to research different options.

Will a business need to access customers located in non-urban areas of Canada, for example? If so, then that business needs to understand that most logistics providers cannot reach more remote regions of Canada, and generally offload final delivery to third parties. How frequently will shipments need to be transported? What about warehouse needs? Will shipments need special handling, or trigger additional customs requirements? "But with hundreds of providers claiming to offer the "best," "fastest," or "cheapest" service, how can a business know if it is truly making the best decision?"

Once a business has an understanding of its needs, it can establish a checklist to use when evaluating logistics providers. The following discussion will focus on key considerations—11 separate topics—that must be on any business's list of top priorities.

As a business goes about this process, it's important to keep in mind that the right provider is out there. A business does not need to sacrifice any of its priorities because a certain provider does not offer a specific service. Instead, the business should just keep looking. The effort will be rewarded with a logistics partner, that will truly understand the business's objectives, and help achieve its goals.



# #1. Choose an Innovator

Much has changed in the logistics industry as technology and better thinking have combined to produce new ideas and more efficient solutions. Gone are the days when a logistics provider would offer a rigid "take it or leave it" solution for a customer's service needs. Or force a customer to pay for higher levels of service than were needed.

Instead, today's logistics providers offer service options that were unthinkable as recently as a few years ago. Innovative logistics providers are taking advantage of technologyempowered insight and more strategic thinking to customize solutions to meet customers' specific needs.

For example, when a major motor coach parts supplier was having trouble ensuring critically needed deliveries across Canada, it decided to part ways with its logistics partner, an internationally recognized company that just didn't seem capable of the creative, flexible solution the supplier needed. Instead, the supplier turned to a company that was able to customize a solution to address the supplier's precise needs. The new logistics provider showed a willingness to work with the supplier to understand specifically what it needed to accomplish, and then went to work to develop the right solution.

Innovative logistics providers can offer a range of solutions that allow customers greater efficiency, significantly speed transit times, and reduce costs. Among the services to expect from an innovative solution provider:



# Distribution Center Bypass (DC Bypass)

Until recently a 2-3 day stopover was "baked in" to a standard distribution plan, regardless of whether or not it was needed. According to Supply Chain Digest, in some cases, a shipment was <u>required</u> to travel thousands of miles out of the way to make a distribution center stopover, only to make a return trip back to the vicinity of its starting point.

Clearly this was a highly wasteful arrangement, and a situation ripe for an innovation overhaul. Many logistics providers are now able to offer a "DC Bypass," whereby a shipment travels direct to its end destination. A bypass solution can eliminate 7-14 days from the supply chain, which represents a significant amount of inventory that can be taken out of the system. The shortened distribution cycle is a lifeline for businesses trying to rush products to market and for those simply trying to control costs and better manage transportation spend. "A bypass solution can eliminate 7-14 days from the supply chain"

### Consolidation

Combining smaller shipments into one larger unit can be a tremendous source of savings. But not every carrier has this capability, and of those that do offer the service, not all perform it well. Consolidation can be accomplished in a <u>number</u> of ways: Placing multiple orders in the same carton, banding multiple cartons together, palletizing shipments, or using a full truck. By some estimates, consolidation can reduce freight costs by as much as <u>10 percent</u>. With regard to border clearance, a consolidated shipment can cross the border as a single unit, thereby reducing clearance wait times and associated fees. Once across the border, a consolidated shipment is then broken down, sorted, and directed to the appropriate distribution channel.

"By some estimates, consolidation can reduce freight costs by as much as <u>10 percent</u>."

#### Vendor Management Solutions

This can be a highly efficient solution for a company with multiple suppliers. Under the vendor management concept, a manufacturer's or a retailer's logistics provider assumes responsibility for shipments from all suppliers. This includes customs processing should a border crossing be necessary. Ideally, all supplier shipments are sent to a centralized processing center, where they are sorted, repacked, consolidated and set for delivery aboard a direct linehaul. For shipments between the United States and Canada, the logistics provider ensures all documentation is in order, and that the consolidated shipments benefit from all expedited clearance and reduced customs fees opportunities. A vendor management solution is ideal for companies with multiple suppliers all shipping to the same distribution center. A business can be assured that all shipments will arrive on time, and can also take control of inbound shipment scheduling, thereby ensuring resources are available for loading and unloading purposes.

These solutions represent a sample of the innovative solutions that are helping businesses achieve greater efficiency and cost savings. While not every logistics provider offers these specific solutions, a business should ensure the provider it chooses is a forward-thinker, continually in search of new solutions.



# #2. Personalization is Essential

How can a logistics provider possibly help your business meet its objectives, if it doesn't take the time to understand what you specifically need? Although it sounds like an obvious course of action, many logistics providers will offer a logistics plan without really understanding a customer's business model, special demands, or customer preferences.

Instead, a business should have a high degree of confidence that its logistics partner fully understands its priorities, and can help attain those goals. For example, a Wisconsin-based manufacturer of hunting gear was pleased when its logistics provider offered a highly flexible solution as a way to address the seasonal fluctuations of its business. Another business, a Canadian distributor of hospital and medical office supplies, found it was unable to have its next-day shipments pulled and packaged in time for a regularly-scheduled pick up. The manufacturer raised the issue with its logistics provider, and a new schedule was arranged. These examples illustrate the flexibility and customization that can be attained when a logistics provider takes the time to understand customers' needs. "With so much change in the supply chain environment, shippers increasingly need logistics providers to better support their businesses going forward," Dr. C. John Langley, of Penn State's Center for Supply Chain Research told <u>Inbound</u> <u>Logistics</u>. "Operational effectiveness has always been imperative, but it is underscored now because shippers are trying to run leaner and meaner without compromising service to their own customers."

But, a study by <u>Capgemini</u> consultants found there may be areas for improvement with regard to alignment between customer needs and logistics provider responsiveness. According to the survey, while 99 percent of logistics providers believe their customers expect high degrees of agility and flexibility in their logistics solutions, only 66 percent of customers are satisfied with current levels of service.



# #3. Technology is a Must!

Technology has certainly revolutionized the logistics industry, and providers are able to offer faster, less expensive, more reliable and more sustainable solutions than ever before. And with 3-D printing, the Internet of Things and drone deliveries on the horizon, it's clear that today's technology-dependent efficiencies will be dwarfed by innovations to come.

However, not all logistics providers are the same when it comes to offering technology-driven solutions. 2014 research by Capgemini technology consultant found only 55 percent of logistics providers' customers are satisfied with their current provider's capabilities.

As reported by <u>CFO Magazine</u>, research by Korn Ferry executive recruiting firm found a general sense that logistics providers are unable to keep pace with customer demands. "[W]hat we found was incredibly consistent," said Korn Ferry's Beau Lambert. "They [Logistics providers] all had the same pain points. They're all struggling with technology and talent, issues that other industries faced years ago." Among logistics customers top demands:

- Real-time tracking capability
- Customs management
- Route optimization
- Inventory demand-and-capacity forecasting

"Knowing when product will be shipped and where it is in the supply chain cycle allows [a business] to better manage cash flow, by understanding when receivables and payables will be coming in," Lambert noted. "That really adds to the bottom line."

Technology has enabled tremendous new capabilities within the logistics industry. But not all providers have embraced technology with the same degree of passion. A business needs to do its research and ask questions to ensure that a provider has the level of expertise to match the business's needs. "Only 55 percent of logistics providers' customers are satisfied with their current provider's capabilities."

Source: "<u>2014 Third Party logistics study</u>," Capgemini Consulting, 2014



# #4. Single-Source Solution Provider

Businesses are increasingly turning to providers that can provide a "one-stop shopping" solution. A comprehensive solution can include critical functions such as inventory/ warehouse management, fulfillment, transportation and returns management—all managed under one roof! By entrusting all processes to a single provider, a business can be assured of a higher degree of efficiency and accountability, visibility into overall operations, and better capability to serve their customers. Among the key benefits:

### One Team, One Goal

A single-source solution will generally be managed by a team of logistics company employees from all key processes including sales/on-boarding, warehousing/distribution, transportation, information technology (IT), accounting and of course, customer service. Each member of the team will have a common understanding of the plan, and communicate regularly to share updates and to make any necessary adjustments.

#### Improved Visibility

Supply chain visibility refers to a business's ability to have 360-degree insight and awareness of all supply chain operations, including inventory in-transit, inventory at-rest, warehouse operations, transportation efficiency, order processing, and back-office procedures. With full visibility, a business has immediate access to all pertinent information, including potential inefficiencies, and the ability to make immediate course corrections.

# Integrated Use Of Technology

A business can be assured of a fully integrated technology system—that its warehouse management system (WMS) will be able to "talk" to its transportation system (TMS), and that its accounting department will know when to generate an invoice or issue a credit, or to identify a distribution route with chronically late deliveries. This level of integration is difficult to achieve if multiple vendors are responsible for different parts of the strategy.

### **Greater Accountability**

With a single team responsible for the entire logistics strategy, the source of any mistakes or inefficiencies is easy to identify—and correct. Or, as an aptly named article in <u>Inbound</u> <u>Logistics</u> magazine once put it, a single-source provider can mean: "One Throat to Choke."

### Customization

By allowing a single provider to manage all logistics, warehouse and transportation issues, a business grants unfettered access to its internal processes, data and personnel. With this tremendous insight, a logistics provider can build a solution that meets the business's precise needs.



# Enhanced Security/ Fewer Damaged Shipments

A single-source solution means fewer touch points as a shipment moves through the distribution and transportation processes. With fewer hands touching a shipment, there are reduced opportunities for something to go awry. While every business wants to minimize the risk of theft or damage to its shipments, for some industries, this is critically important.

# Improved Accuracy Of Transit Times

A key goal of any logistics strategy is to add efficiency, thereby reducing shipment transit times. A single-source provider can play an important role in addressing transit times in several ways:

- Ensuring that inventory is available and properly positioned for rapid processing.
- Taking advantage of "most direct" transit solutions. A comprehensive provider will have insight into all available transportation options, and be positioned to offer the solution that best meets a particular shipment's needs.

• Using "past history" to gauge future accuracy. A logistics provider can use its tremendous access to data to determine the on-time accuracy of a particular route, and strategically avoid any route with a high likelihood of a problematic delivery.

The concept of a "single-source" solution is relatively new in today's world of innovative, customer-driven solutions. Because success depends on access to all supply chain "parts"—warehousing, technology, transportation, and integrated technology—not every logistics provider has the resources, or the experience to offer comprehensive solution management. And of those that do claim to be single-source providers, not all perform at the same level.



# #5. The Service You Need

Logistics industry innovations have also improved service options for cross border shipments. Today ground shipments can reach the Canadian market faster and more efficiently than ever before. No longer must a business adapt to meet a service provider's inflexible schedule, or accept that a certain service simply isn't available. Instead, it truly is a customerdriven world in which logistics providers can meet a wide range of customer needs.

### Range Of Options

A potential logistics partner should offer a range of service and delivery options that meet your specific needs. Why pay for overnight delivery if a shipment doesn't need to arrive at its destination for several days? A smart logistics provider will work backwards, and develop a solution based on a customer's need.

### Depth Of Assets

To offer a wide menu of solutions, a logistics provider will need access to a deep distribution network and a full range of assets. A truly "best in class" provider will offer services ranging from premium expedited, to intermodal solutions, to a full suite of ground options. In addition, a provider must offer warehouse and fulfillment options, so that customers' inventories can be strategically sourced, close to where it will ultimately be needed. This is especially important for shipments to Canada, to ensure on-time deliveries to residents located in that vast country's more remote regions.

### Scalability

Many providers force businesses to lock-in service agreements that ignore the seasonality of many industries. Such agreements are no longer in step with today's best practices, which allow businesses to adjust service levels based on need.

Further, a truly innovative provider will work with a business to offer alternate services during non-peak times, so that high rates of service are still possible, but at a reduced cost. For example, a winter apparel retailer that ships a full truckload two times per week during the peak fall and winter period, might only need a weekly courier pick-up during the slow summer months.



# #6 Choose a Provider with Canadian Expertise



When the Ohio-based garden equipment retailer, referenced earlier, decided to expand to the Canadian market, it faced almost immediate questions from customers about why it was not using a Canadian logistics provider. It had never occurred to the retailer that this might be a factor. But as the company soon learned, Canadians are very patriotic, and will generally prefer a Canada-based option whenever possible.

While national loyalty is of course a compelling reason, there are other reasons to enlist a logistics provider with deep Canadian experience. For one thing, many U.S. businesses stumble right out of the gate, by failing to recognize that operating in Canada is fundamentally different from operating in the United States. According to the <u>U.S. Commerce</u> <u>Department</u>, a critical mistake many U.S. businesses make, is failing to recognize the differences between the two markets. "Doing business in Canada is not the same as doing business in the United States," the agency writes in its annual "Doing Business in Canada" guide. "Canada Customs documentation, bilingual labeling, packaging requirements, ITAR (International Traffic in Arms Regulations), and Canadian federal and provincial tax accounting can be surprisingly challenging."



Following are a few additional considerations a business must keep in mind:

- Roughly 80 percent of Canada's 35 million residents live in metropolitan areas—and 80 percent also live within 100 miles of the U.S. border. But special care must be taken for shipments to reach the more than four million Canadians living in non-urban, even remote areas.
- Both English and French are recognized as the "official language." Roughly <u>22 percent</u> of Canadians list French as their preferred language. In Quebec, French is spoken by nearly <u>80 percent</u> of residents.



- The Canadian government's <u>Consumer Packaging</u> <u>and Labeling Act</u> mandates specific information that must be included on various consumer product labels—including a mandate that information must be in both English and French, and quantities expressed in metric units.
- Western Canada has fewer distribution center/ warehouse options. Businesses entering the Canadian market learn quickly that there are not as many distribution and warehouse facilities in western Canada as there are in other regions of the country. This means a business will need to plan carefully to ensure it has adequate resources to ensure service to western Canada. In general, this means relying on a Canada-based logistics provider, with access to a deep Canadian distribution network.
- Canadians expect a "landed cost" at time of purchase. It's very important for a U.S. business to charge upfront for all brokerage fees, duties, taxes and any other customs-related fees. The alternative would be for a consumer to face an additional invoice at time of delivery. Unexpected fee invoices have resulted in refused shipments, and even lawsuits.
- Canadians are very "price savvy." Price discrepancies between the U.S. and Canada has garnered a tremendous amount of attention in recent years, as Canadian consumers have grown tired of U.S. retailers that charge higher prices for products sold in Canada, than for identical products sold in the United States. The situation became so tense, in fact, that U.S. apparel retailer J. Crew issued a public apology to its Canadian customers. Although there are reasons to justify higher costs in Canada—smaller market, marketing/distribution costs, transportation and customs fees-a business needs to be aware of the sensitivity. A logistics firm with strong Canadian ties would serve as a "first line of defense" in preventing a U.S. business from making basic mistakes of this nature.





# #7. Canadian Customs Expertise is Critical

The U.S/Canada border clearance process is another critically important aspect of doing business in Canada that many U.S. businesses underestimate. After all, the logic seems to be, with the U.S. and Canada serving as each other's largest trading partner, with roughly \$1.8 billion in goods crossing the border each day, how hard can the process be?

In fact, it can be very difficult if a business has not done its homework to understand the precise regulations, compliance mandates, duties and fees, and filing requirements that apply to each shipment.

A qualified logistics provider can certainly ensure that a business's shipments are compliant with all Canada Border Services Agency (CBSA) paperwork requirements and compliance mandates, and that all duties and fees are paid. But a logistics provider with true expertise can improve efficiency and manage costs. For example:

#### Avoid Having To Present Canadian Customers With Unexpected Invoices At Time Of Delivery

U.S. businesses are prohibited from collecting Canadian sales taxes from their Canadian customers, unless they have been designated by CBSA as a "Non-Resident Importer," (NRI). As a NRI, an American business is allowed to act as an "importer of record," meaning that Canadian taxes can be collected, and that the U.S. business can oversee the importation process. Without NRI status, Canadian consumers would be presented with an unexpected invoice at time of delivery for the unpaid taxes, and would have to physically travel to a CBSA office to collect their imported shipment.

Unless a U.S. business has enlisted a logistics provider with Canadian customs expertise, it will likely be unaware of the NRI option, since it is not advertised, or given prominence on the CBSA website.

#### **Receive A Reimbursement For Import Duties**

The U.S. Customs and Border Protection (CBP) agency administers a "Duty Drawback" program through which a business can seek reimbursement for as much as 99 percent of import duties paid on products that are subsequently used in the manufacture of products that are then exported. A New Jersey business that imports zippers from France, for example, and pays duties on the zippers, might be eligible for a drawback on the import duties, if those zippers are used in the manufacture of dresses that are then exported to Canada. Similar to Canada's NRI program, most businesses are unaware of the drawback program, and do not even attempt to seek reimbursement for the funds to which they are legally entitled.

#### Tariff Classification

Every product entering the Canadian market must be assigned a 10-digit tariff classification code, that is selected from the CBSA-maintained "Customs Tariff" list. The tariff classification code is used to assess tariff liability. An experienced logistics provider will understand the importance of ensuring a proper tariff classification code is assigned. This is very important, since a mislabeled product can result in an overpayment.

# #8. Choose A Trusted Trader



The U.S. Customs-Trade Partnership Against Terrorism (C-TPAT) and Canada's Partners in Protection (PIP) are "trusted trader" program that offer benefits to qualified participants in exchange for cooperation in ensuring the safety of shipments arriving at each country's border.

Both the United States and Canadian governments offer trade facilitation options known as "trusted trader" programs, whereby qualified businesses can obtain important benefits including expedited clearance. In the U.S., the main trusted trade program is called Customs-Trade Partnership Against Terrorism (C-TPAT). To qualify, a business must undergo a rigorous application process, which includes multiple site inspections by CBP agents. A business must also certify the safety of its supply chain, as well as the safety of its vendors' supply chains. In exchange, C-TPAT members' shipments receive expedited clearance at the border, along with other benefits. In Canada, CBSA maintains a similar program known as "Partners in Protection" (PIP). A business should ensure that its logistics partner is a recognized trusted trade partner. Not only does participation in C-TPAT and PIP mean that shipments will benefit from expedited clearance, but it also means the logistics provider is recognized by the U.S. and/or Canadian governments as a highly reputable member of the trade community.



# #9. Commitment to Customer Service

A true test for a logistics provider comes after the contract has been signed and a business is locked-in. Does the logistics provider follow through on promises made during the bidding/solicitation process? Do phone calls/emails get returned? And what happens if a problem arises or a change needs to be made?

In fact, customer service is emerging as a crucial component of overall logistics provider performance. And while there are many ways for a provider to deliver customer service, "the personal touch" is still most valued. A best in class logistics provider will assign dedicated staff to each account in order to ensure accountability and comprehensive management. With internal personnel tasked with day-to-day management of a particular account, a provider can ensure seamless movement of a shipment through the entire logistics process, and that any glitches will be quickly addressed.

Good customer service can also manifest itself in other ways, whereby integrated use of technology can allow a provider to communicate with customers about pertinent product and shipment information:

#### Advance Notice Of Damaged Shipments

A retailer that learns a shipment has been damaged while in transit can notify its customer before the damaged product arrives. The business can offer a partial refund if the consumer agrees to accept the merchandise, which allows the retailer to retain at least some value from the sale, and can help manage customer dissatisfaction at the prospect of a shipment arriving damaged.

### Pending Delivery Notification

An email or text can be sent to a consumer when a delivery is imminent. This "heads up" allows the consumer time to ensure availability to accept the delivery, or to request a last-minute change.

# Scheduled Pick-Ups And Deliveries

Not every business follows the same daily cycle, which means that randomly assigned pick up and delivery times often won't work. Technology can play an important role by providing visibility into each business's work cycle, and basing delivery and pick up schedules on those individual needs.

# **Proof Of Delivery**

Customers will be notified after a delivery has been made, with detailed information including the destination address, specific location where the package was left, time of day, and the name and signature of the person who accepted delivery.

#### Eliminate Surprises!

While no one likes bad news, people especially don't like being caught off guard with unexpected bad news. Fortunately, technology now enables providers to alert a customer when something has gone awry. If a shipment unexpectedly becomes unavailable, or a delivery is delayed, a customer can immediately be forewarned.

#### **Risk Management**

As most businesses are painfully aware, they generally operate one hurricane or blizzard away from disaster. Fortunately though, technology can help businesses build contingency plans that can be easily activated should the need arise. For example, a manufacturer could have contingency plans in place for seamlessly diverting production to different manufacturing facilities, or to secondary suppliers.



# #10. Experience Matters

It used to be that deciding on a logistics provider was primarily driven by cost, with everything else taking a back seat. Not so anymore. Instead the logistics provider has become the logistics partner, with a seat at the table and a bird's eye view into a business's overall strategy and processes. Which is why it is so important to bring on board a logistics partner with a proven track record of success and positive feedback.

Supply chain managers face a detailed list of questions in determining their options:

- Go with the big name versus the regional carrier?
- Sacrifice an extra day there to gain a day here?
- Trust my U.S. carrier to move goods across the border into Canada?
- Is intermodal a viable option?
- Source Canadian inventory in the U.S. or Canada?
- And the list goes on.

If a logistics provider can't answer these questions, then it's probably time to shop around. An <u>Inbound Logistics</u> editorial noted: "More than ever before, shippers feel pressure to find transportation partners capable of handling a load and delivering optimal service. When the market was soft, many scoured freight boards and lanes for cheaper rates. Now, with so much flux on the capacity side, motor freight buyers are trying to lock up assets, or pare down core carrier networks and consolidate volumes with trusted partners."

One industry analyst noted: "Determining which carriers to remain allied with seems daunting at the moment."

This is especially true for businesses that ship regularly to Canada. As mentioned previously, many logistics providers claim to have the expertise necessary to ensure a seamless border clearance and on-time delivery to the Canadian market, only to fall short when it comes time to perform.

Instead, a business should take the time to fully research a potential logistics partner. Don't just take a provider's sales team's promises at face value. Pay a visit to the provider's warehouse or processing center to see for yourself if operations are aligned with your needs. Ask for a list of current customers who can discuss the provider's performance with you. Check local media and trade publications for any coverage—positive or negative.



# #11. Don't Forget about Returns

An often-overlooked aspect of a logistics provider's role is its ability to manage product returns. Product returns, which account for as much as nine percent of a traditional retailer's sales—or as much as <u>30 percent</u> for some e-commerce retailers—have received increased attention since (a) retailers are increasingly seeing resale potential in retail outlets and other secondary markets, and (b) consumer demand has heightened for seamless, efficient and low-cost returns policies.

A few key considerations in ensuring a logistics provider is capable of managing an effective returns policy:

### Flexibility in Scheduling

Build a returns management strategy that gives you the level of service you need. Do you need to receive returns on a daily basis, or would a weekly or even bi-weekly schedule be more appropriate for your business?

### Centralized Returns Centers

Where exactly do you want returns delivered? A growing trend is to process returns at a dedicated returns center, rather than via a traditional distribution center. A dedicated returns center allows businesses to focus resources and build best practices, and by one estimate, can be as much as <u>20 times more efficient</u> than having multiple processing points.

#### Border Consolidation

If a border crossing is involved, consider having your goods consolidated at the border, so that many small shipments are allowed to clear customs as a single unit.

#### Integrated Returns Material Authorization (RMA)

A returns authorization label can be preprinted and sent to customers with the outbound shipment, and the customer can fill in the RMA on that label. Or, a web-based system can print a label after the RMA number has been assigned.

### Multi-Channel Visibility

Customers are demanding that returns be handled quickly and with complete visibility into the process. Allowing visibility into the process can give customers direct information about the process of their return, and some degree of explanation should a delay occur. Web-based portals allow consumers 24/7 access to information about their return.

#### Sustainability

It's also important to incorporate sustainability wherever possible. An obvious place to start is by finding "second lives" for returned merchandise. Since an estimated 80 percent of goods are returned with no defects, these products can be sold in an outlet, a dollar store, or an "overstock" website. For returns that are defective, sustainability can be attained by repairing the good, or by breaking it down to its component parts, which can then be sold on a secondary market.



# Conclusion

A business in search of a logistics provider will have many options from which to choose. Indeed a quick Internet search in any U.S. geographical region will generate a list of dozens of possible candidates.

But, a cursory examination of that list will quickly reveal that when it comes to logistics providers, not all are created equal. Which is why it is so important for a business to do its homework, ask lots of questions and demand to know precisely how a possible partner would solve its logistics needs.

As this discussion has made clear, tremendous change has taken place within the industry in recent years. With the right partner on its team, a business can be assured of tapping into today's technology-driven, customer-focused logistics solutions. And, for shipments to Canada, the right provider can offer tremendous insight and expertise about the Canadian market, and the customs clearance process. This paper focused on 11 topics that a business needs to consider when selecting a logistics provider. No doubt there are others not included on this list. What's critical though, is for a business to understand the importance of taking the time to do its due diligence and find the right provider for its unique needs.



# Purolator. We deliver Canada.

Purolator is the best-kept secret among leading U.S. companies who need reliable, efficient, and cost-effective shipping to Canada. We deliver unsurpassed Canadian expertise because of our Canadian roots, U.S. reach, and exclusive focus on cross-border shipping.

Every day, Purolator delivers more than 1,000,000 packages. With the largest dedicated air fleet and ground network, including hybrid vehicles, and more guaranteed delivery points in Canada than anyone else, we are part of the fifth largest postal organization in the world.

But size alone doesn't make Purolator different. We also understand that the needs of no two customers are the same. We can design the right mix of proprietary services that will make your shipments to Canada hassle free at every point in the supply chain.

#### For more information:

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