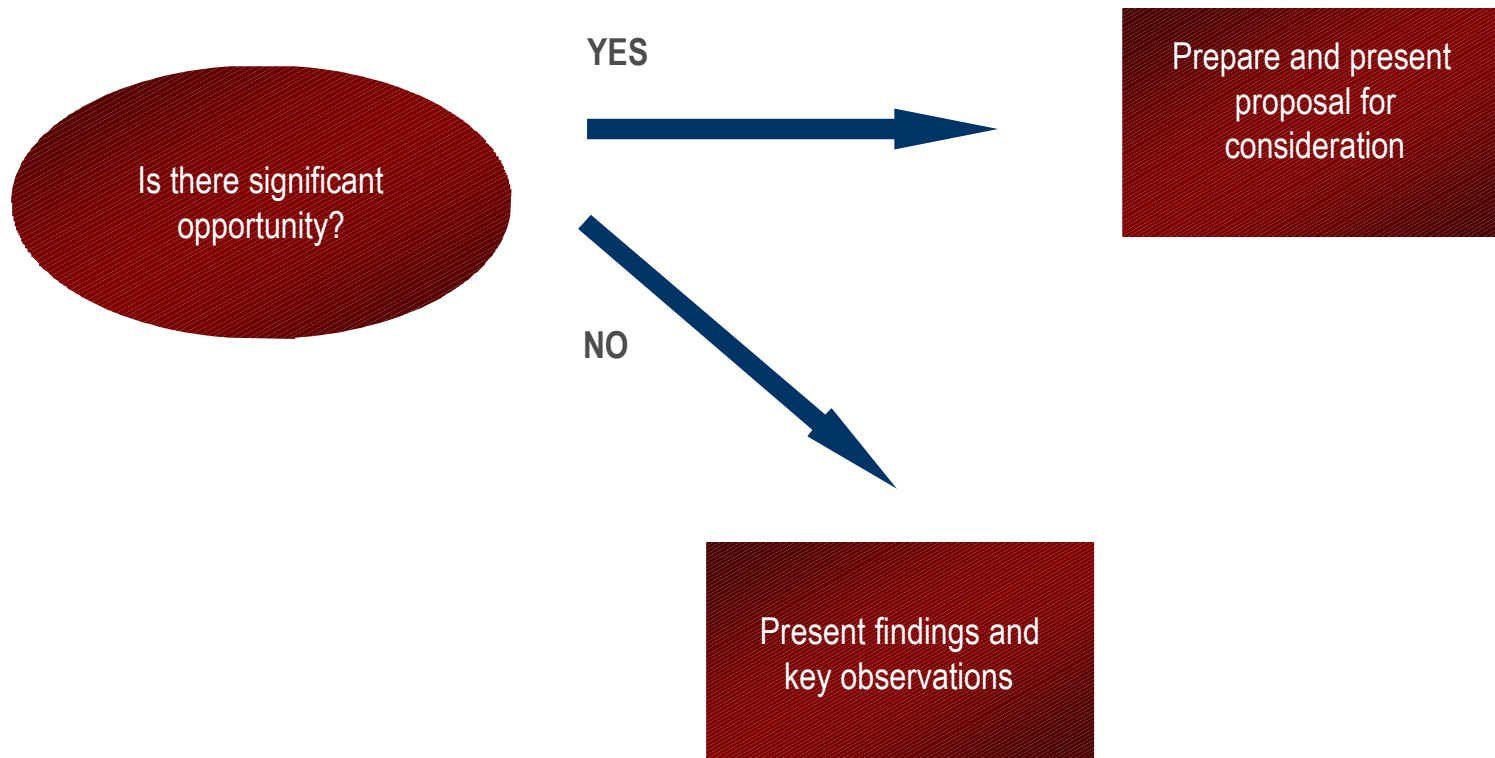




# Dawson Consulting – Freight Optimisation Methodology

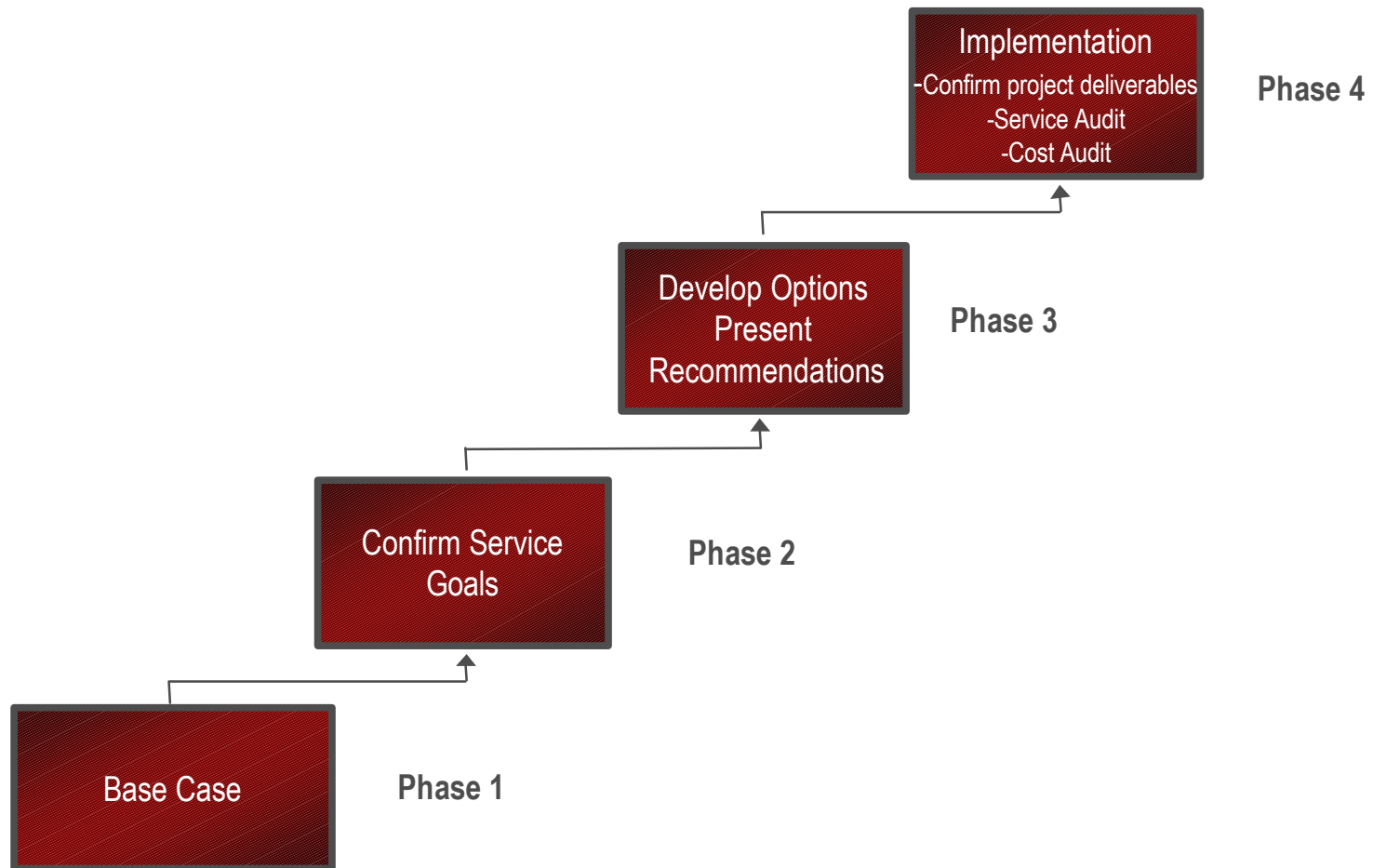
# Pre-project Evaluation



# Proposal Format

- Objectives
- Scope
- Deliverables
- High level view of current situation
- Methodology
- Project timetable
- Billing program

# Freight Optimisation Methodology



## Phase 1 Methodology - Establish 'Base Case' Profile

### Phase 1 Base Case

- Based on a typical month's transactions
- Cost, service and operational analysis
- 'Stake in the ground' basis for performance assessment
- Client must agree before continuing to Phase 2

# Phase 1 - Outcomes

## Phase 1 Base Case

- Development of accurate and comprehensive model of:
  - operation
  - service
  - cost
- Basis for rethink of the status quo

## Phase 2 Methodology - Confirm Operational/Service Goals

Phase 1

Phase 2  
Confirm Service  
Parameters

- Utilise observations gleaned from Phase 1
- Comparison between actual and required operational/service goals
- Opportunity to re-assess existing paradigms:
  - Clients / Carrier's
  - Clients / Customer's

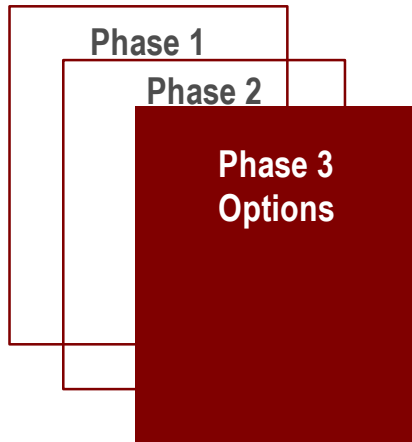
## Phase 2 - Outcomes

Phase 1

Phase 2  
Confirm Service  
Parameters

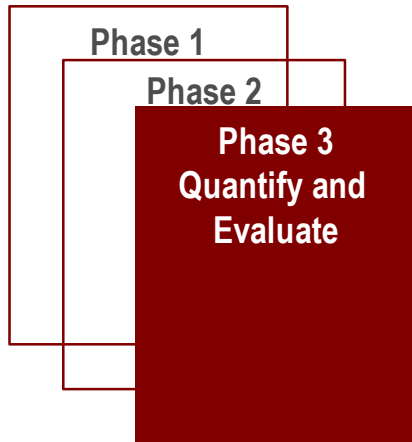
- Identify gap between actual and required operational/service goals
- Framework for project deliverables - direction required by Consultants
- Document standards for the future - service specification

## Phase 3 Methodology - Options, Qualify Carriers, Recommendations



- Investigate a 'better way' to perform the transport task; not simply a cheaper way
  - opportunities across divisions
  - customer operations
  - process redesign
  - evaluation of methodology
- 'Workshop' with project team - no surprises

# Phase 3 Methodology - Options, Qualify Carriers, Recommendations



- Prepare request for proposal from pre-qualified list of known carriers

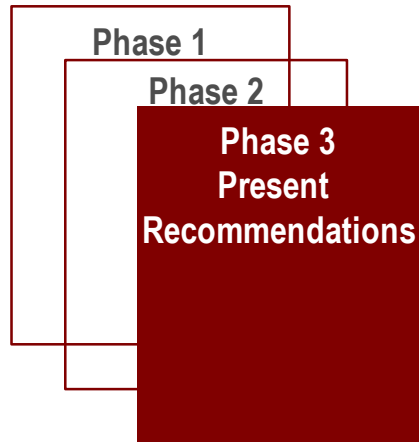


- Evaluate responses against agreed selection criteria and develop short list



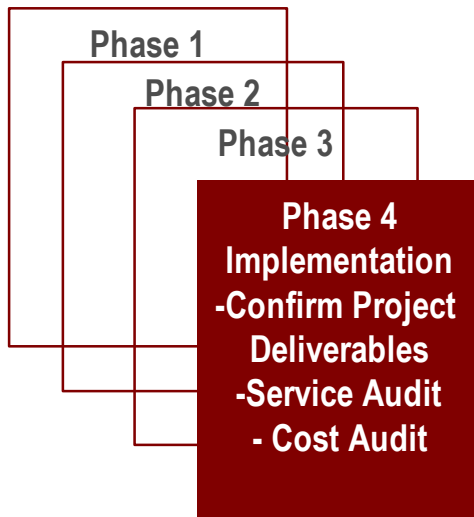
- Facilitate presentations by short listed carriers to client

## Phase 3 - Outcomes



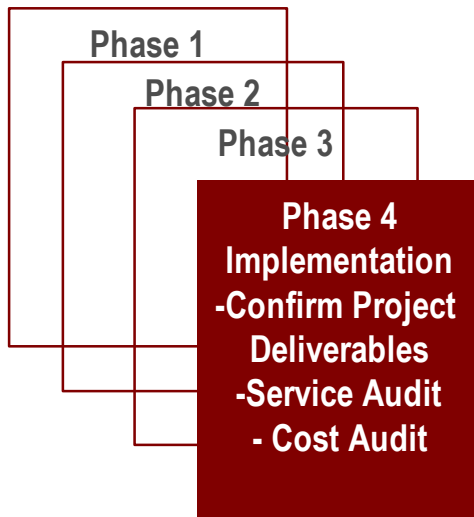
- Recommendation and justification of best options
  - internally
  - externally
- Support/ownership by key personnel

# Phase 4 Methodology - Implementation



- Co-ordinate negotiation of performance-based contracts with selected carriers
  - based on continuous improvement
  - use of objective, meaningful KPI's
- Manage the transition process
- Document new operation procedures

## Phase 4 - Outcomes



- Full implementation of new internal and external arrangements
- Measurement of saving according to pre-determined formula
- Sustainable result