

## **Case History: Schneider National**

### **Schneider Fills 3rd Party Capacity Through NTE**

Schneider National, the nation's largest truckload carrier, was an early believer in NTE's online marketplace exchange, joining in 1997. But it was not until late 2000 that the \$3 billion carrier created a new business segment, its Freight Generation Group, to use Internet technology to help generate freight for excess capacity in an effort to drive down costs.

With 13,000 tractors and 42,000 trailers, the Green Bay, Wisconsin-based company often has plenty of excess capacity to fill – as many as 500 loads a day. While Schneider utilizes traditional brokers, freight forwarders and 3PLs to fill third-party freight, it also uses the Internet for additional B2B solutions to improve profits. After researching nearly 80 e-commerce possibilities, Schneider selected a handful of online marketplaces, including NTE.

“Our goal was to create a Web-enabled network of trading partners to increase visibility and drive down costs and waste within our supply chain,” says Bill Tisch, Schneider's director of freight generation. “We did thorough research on market exchanges, and relied heavily on what our people in the field told us. The end result is that today we use a couple of exchanges, and NTE is one of the best, if not the best.”

NTE's value in filling capacity can be seen in the number of load transactions over a one-year period. Prior to aggressively generating freight capacity through its new group, Schneider did \$32,000 worth of business with NTE in all of 2000. In just the first few months of 2001, that figure increased fivefold to approximately \$150,000.

“We find NTE to be both dynamic and strategic,” reports Tisch. “We're filling excess capacity that went empty before and we're doing it efficiently, on a real-time basis.”

Tisch cites four major attractions Schneider realizes by using NTE's online trading community:

- Its user-friendly online exchange engine
- Its dynamic business model
- Its real-time connectivity
- The quality of its personnel

“Compared to the others, NTE's system is much easier and cost effective to use,” says Tisch. “We can conduct several trading transactions at the same time, with one click of the mouse, as

opposed to making numerous phone calls and sending faxes to inquire about freight opportunities. This not only helps us drive down distribution costs and eliminate waste, but it also creates internal productivity for us.”

Because all trading partners in NTE’s trading community are pre-qualified, Schneider knows exactly what it is getting up front. Virtually all trades tendered are executed on a timely basis. NTE handles the administrative functions, including pricing, booking and billing, in a paperless, seamless fashion. Currently, Schneider uses a Web browser to connect with NTE’s online market, and is considered an end-to-end integration in the future.

“We will explore all options,” says Tisch. “What NTE has developed is the technology of the future, and I applaud them for creating a freight transportation infrastructure that enables us to optimize our freight selection process. When they established their business model, they did it right.”

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**Company Highlights**

- The nation’s largest truckload carrier; based in Green Bay, Wisconsin
- Formed a Freight Generation Group in late 2000 to generate 3<sup>rd</sup> party freight
- Has 13,000 tractors and 42,000 trailers

**Highlights of NTE’s Solution**

- Became an NTE member in 1997; significantly expanded its use of NTE’s Exchange solution in early 2001
- Generated \$150,000 in revenue in the first three months of 2001 through NTE
- Particularly likes NTE’s user friendly technology, real-time connectivity and high-quality personnel
- Currently connects with NTE using a Web browser; considering system-to-system integration