



SUCCESS STORY

VPL Delivers Big Value for Midwestern Hospital System

When it came time to choose a new freight management provider, it was a matter of dollars and cents for a Midwestern health system with 23 hospitals and 5,300 beds. They were looking to cut costs across the board and knew they had a real opportunity to lower their freight expenses. With VPL's unparalleled record of cost savings for their customers, they were selected as the system's new freight management partner.

After analyzing the customer's freight expenses, VPL determined there was a significant savings opportunity available through a combination of managing more of their freight spend and securing more advantageous carrier pricing. Based on this analysis, VPL provided the customer with a performance-based contract with a specific first-year savings guarantee.

VPL performed a robust outreach to all of this customer's suppliers so that they each had the appropriate instructions that ensured the maximum number of shipments would be managed for the customer. Previously, this customer had access to only one small parcel carrier which hindered their ability to maximize savings. With VPL, the customer can utilize both FedEx and UPS, which allows them to take advantage of competitive pricing scenarios while at the same time providing their suppliers with more shipping options.

Throughout this new partnership, the customer has frequently expressed satisfaction with the VPL program and the value the two have already achieved together. In fact, the partnership with VPL was identified as one of the hospital system's top saving initiatives in 2019.

To date, VPL has saved the customer nearly \$295,000, which is \$95,000 more than the guaranteed savings goal. After 14 months of a 15-month contract, VPL has managed more than 133,000 shipments, which exceeds the previous programs annualized managed volume by 16%. Overall, VPL was able to lower costs while increasing shipments for the hospital system.



BY THE NUMBERS

133,824

Shipments Managed

\$294,587

Savings Realized

\$1.35

Savings Per Shipment

1,600

Suppliers Shipping Through Program