

CASE STUDY

KEEPING IT COOL: ARCTIC AIR'S SUPPLY CHAIN SUCCESS

MVP Logistics delivers results



Introduction

In today's fast-paced market, efficient supply chains are crucial for maintaining a competitive edge. This case study examines how MVP Logistics partnered with Arctic Air, a leading provider of affordable commercial refrigeration solutions, to overcome supply chain challenges, enable next-day delivery and, reduce shipping costs, ultimately achieving significant cost savings and improved customer satisfaction.

The Challenge: High Costs and Slow Delivery Times

Arctic Air identified a significant opportunity for their success by developing in a new regional market. The challenge was that they couldn't support that regional market efficiently and cost effectively because of several key challenges with their legacy supply chain:

- **Slow Delivery Times:** Meeting customer expectations for timely delivery, particularly in the competitive Southeast region, was difficult.
- **Inefficient Inventory Placement:** Network model for inventory placement to capitalize on market demand was insufficient for customer fulfillment needs.
- **High Shipping Costs:** The existing supply chain strategy resulted in higher shipping expenses to that region, impacting profitability.



The Solution: A Partnership with MVP Logistics

MVP Logistics collaborated closely with Arctic Air to develop a customized supply chain solution that addressed their specific needs. Key components of the solution included:

- **Strategic Warehouse Placement:** Establishing a distribution hub in the Southeast enabled faster delivery to key markets.
- **Optimized Transportation Network:** MVP Logistics leveraged its extensive network and carrier relationships to secure competitive rates and reduce transit times.
- **Seamless Technology Integration:** Leveraging MVP Logistics' technology for Transportation Management System (TMS) capabilities and Warehouse Management Systems (WMS) provided a seamless real-time visibility to inventory, shipments, and key performance indicators (KPI) - congruent with all other regional services their partners provide.

MVP Logistics Solutions

- Network Optimization
- Strategic Warehousing
- Technology Integration

New Market/Customer Demand

- Faster Delivery Times
- Improved Inventory Management
- Reduced Shipping Costs

Keeping it Cool: Arctic Air’s Supply Chain Success

The Results: Significant Cost Savings and Improved Service

The partnership between MVP Logistics and Arctic Air yielded impressive results:

- **Next-Day Delivery:** MVP Logistics enabled next-day delivery to **100%** of Arctic Air’s target market for this Southeast regional expansion.
- **Increased Customer Satisfaction:** Faster delivery times and improved order accuracy leads to a significant boost in customer satisfaction scores, as well as new customer interest.
- **Improved Inventory Placement:** Real-time inventory tracking reduced stockouts.
- **Cost Savings for All:** Reduced shipping costs meant cost savings for all parties, enhancing competitiveness for Arctic Air’s distributors and ultimately benefiting end customers.
- **Reduced Shipping Costs:** MVP Logistics forecasts more than **50%** reduction in Arctic Air’s southeast demand driven shipping expenses within the first year.

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Conclusion

By partnering with MVP Logistics, Arctic Air transformed its supply chain from a cost center into a strategic advantage. The implementation of strategic warehousing, optimized transportation, and advanced technology faster delivery times, enabled significant cost savings, and improved customer satisfaction. This case study demonstrates the power of collaboration and the importance of investing in efficient logistics solutions.



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