



## With Close Collaboration, a Regional Solution becomes a National Network

Paul Gall, corporate director of logistics for Virco, appreciates the value of a strong relationship, so when he was looking for improvements in his distribution operation, he started with a trusted partner. As America's leading manufacturer and supplier of furniture and equipment for K-12 schools, Virco was facing some challenges related to its growth and the nature of its product.

Gall asked his regional carrier Averitt if they could help, and the carrier tapped its network of partners to come up with a solution. During Jump Start 2015, the retailer, along with partners Averitt Express, Pitt Ohio and Land Air Express of New England, were awarded a 2015 Alliance Award. The award recognizes shippers and carriers that effectively solve challenges through groundbreaking, measurable means.

For Virco, which ships out of two facilities in California and Arkansas, damage was the major issue. "With each carrier, you go through a learning curve. Averitt gets the lion's share of the LTL that we have – certainly within their footprint – so they've got a lot of the characteristics of our freight down," he noted. With the national carriers handling LTL shipments outside Averitt's region, Gall said, their focus was on the volumes, not the product. "For our business model, we were looking for something that could help cut those damages down," he said.

School furniture isn't the easiest freight to handle, admitted Gall. "We're floor-stacked freight. If I had to guess, we have probably 600 carton shapes and dimension sizes," he said. "So, it's not a cookie-cutter, palletized, shrink wrapped, 4x4x4 pallet of freight."



# The Alliance



## American Made

"Most of the manufacturing that we do in-house is true manufacturing," Gall explained. "We outsource very little. We take rail cars of materials, and we make our own shells for chairs that the kids sit in. We have our own wood shop that makes our desktops." Gall wanted the quality of the manufacturing to survive the rigors of distribution, and hoped to achieve this with Averitt.

The carrier's answer was to introduce some of its own partners in The Reliance Network. With a common technology platform and operating practices, Averitt felt Pitt Ohio and Land Air Express of New England could deliver the same consistent performance for Virco.

"We met with both of those carriers and we had to educate both of them on Virco's requirements and their product," said Tony Allison, western regional vice president for Averitt. "We wanted to make sure they were onboard and could offer and fulfill the requirements that Virco has laid out." From there, the Averitt team worked with The Reliance Network partners to bring them up to speed on the nuances of handling Virco's business.

## Expanding the Opportunity

With roughly 80 percent of its business going to schools, Virco experiences its peak demand between Memorial Day and Labor Day, shipping out close to 65 percent of its annual volume in that time period. To keep up with the workload, Virco brings in seasonal workers and must ensure they are familiar with the freight and the tools and processes. "We'll run six or seven days a week, as needed, to try to push everything out," Gall said. During the off-peak season, Virco's Arkansas facility operates on four, 10-hour days.

Through its work with The Reliance Network, Virco tested a hybrid pool distribution model. Whenever possible, Virco and Averitt now build truckloads, avoiding some of the additional costs of shipping product by LTL. The common technology platform and operating practices Averitt shares with the network allow the pool model to be extended. During its seasonal peak, Virco can build pool loads that run through Reliance with the same visibility it has over the Averitt network. When freight volumes are lower or cut-off times dictate, shipments can be switched to the LTL network.