

INNOVATORS

A. DUIE PYLE
West Chester, Pa.



BUNDLING SERVICES

A. Duie Pyle drives new efficiencies, lowers costs for customers with all-in-one logistics center

BY JEFF CRISSEY

As a provider of less-than-truckload, regional and dedicated truckload, warehousing and distribution and brokerage services, A. Duie Pyle means a lot of different things to a lot of different customers.

One of the challenges of running such a diversified operation is trying to become a single-source provider. The West Chester, Pa.-based company realized it had been missing an opportunity to brand itself as an all-in-one supply chain solution.

“We’ve had LTL, truckload and warehousing for years, and we always asked, ‘We want more of our customers’ spend, but how do we do that?’” asks Randy Swart, chief operating officer. “We thought we were an enterprise to them because they used all parts of our business, but we really were no different to them than if they were using an outside company to do one part and then just used us for another.”

Last year, A. Duie Pyle took the first steps to cement itself as a single-source provider with the creation of its Customized Solutions Group that consolidated its custom dedicated, truckload, brokerage and warehouse and distribution services into one business unit. The goal, says the company, is to provide enhanced service offerings to its customer base.

Gaining supply chain efficiencies

A. Duie Pyle’s footprint extends from Maine to northern Virginia and west as far as Ohio and includes 24 LTL and truckload service centers and nine warehouse facilities with a combined 2 million square feet of storage space. But these facilities remained separate and required multiple movements for its customers’ goods

as the freight moved through the supply chain.

A. Duie Pyle realized that even with its new Customized Solutions Group that it could do more to drive down costs for itself as well as its customers.

“If you are a customer using our entire enterprise, it should add value to you,” says Swart, referring to LTL customers that used its warehouses. “And it shouldn’t be from the volume of business you do with us – it should be because it takes some cost out for both the carrier and the customer.”

Looking to solve this problem while adding value and driving more efficiency into its operations, last year the company developed a single-facility concept that would allow it to bundle these disparate operations under one roof.

“We recognized that we service customers with high-turn products that needed to pull out of inventory and get right into the transportation mode,” says Swart. “Having that product in a separate warehouse just added time and costs.”

A. Duie Pyle set out to purchase land and build its own cross-platform logistics center under the new model, but when Mount Holly, N.J.-based New Century Transportation declared bankruptcy and ceased operations last

The regional LTL and truckload carrier opens a one-of-a-kind warehousing and logistics facility to better meet the changing supply chain needs of its customers.



A. Duie Pyle says its “first of its kind” logistics center in Westampton, N.J., integrates LTL, truckload service and warehousing on a massive scale.

A. DUIE PYLE LOGISTICS CENTER SPECS

- » 32 acres
- » 101 doors
- » 18-door 23,000-sq. ft. maintenance shop
- » 132,000-sq. ft. heated and racked warehousing space
- » 180-foot-wide cross-dock operation
- » Systemwide global satellite communications and security and monitoring systems
- » Onsite driver academy

June, it provided A. Duie Pyle with a compelling opportunity.

New Century had leased and operated a large facility in Westampton, N.J., on a narrow 400-yard swath of land directly between I-95 and I-295. The location was situated perfectly between A. Duie Pyle’s existing service centers in West Chester and East Brunswick, N.J.

“You couldn’t ask for a better location for a facility,” says Swart.

Late last year, A. Duie Pyle purchased the facility. Last month, the company reopened it as what it says is a “first of its kind” logistics center for a carrier that integrates LTL, truckload and warehousing services on a massive scale.

The 32-acre facility includes a 101-door service center, 132,000 square feet of heated and racked warehousing space and a 180-foot-wide cross-dock operation. The facility also has a 23,000-square-foot 18-door maintenance shop and serves as one of A. Duie Pyle’s Truck Driver Academies.

“With this concept, if you’re a customer and your carrier is based in the warehouse, you can load directly to all sites from the warehouse, which eliminates pickup costs and driver time at the dock because that’s no longer needed, as a trailer is already at the dock,” says Swart. “A driver no longer has to drive out to a separate facility

to pick up the freight, and there is no fuel expended to do that. That’s the value-add – we didn’t incur the costs, so we can share those savings with the customer, and we are both better off.”

A. Duie Pyle also believes its new facility concept will greatly improve service time and flexibility. A customer can call in an order in the late afternoon, and it can be packed and loaded and out on a truck the same day for delivery the next morning, and in some cases even the same day.

“When you are talking about 500 miles and being able to offer that kind of next-day service, that is a real advantage,” says Swart.

A. Duie Pyle’s new logistics center also addresses the question of why a customer wouldn’t bundle all of its services with one company. “Once we are adding the value as a company, you can’t just break it apart because that would just add back those costs,” Swart says. “If customers are getting great cost savings in addition to the service that they want, why would they?”

“We believe this is the model for the future,” he says. “We don’t believe it will work in every market, but in the major cities, it will really be big.”

A vision for the future

Currently, A. Duie Pyle has 29 drivers operating out of the Westampton logistics center. The company anticipates

staffing will grow quickly as it peels service territories away from other terminals that are at or near full capacity.

A. Duie Pyle also sees great opportunities for the Westampton logistics center as part of the growing pool freight distribution trend, in which a shipper bundles goods bound for multiple destinations into a single truckload and line-hauls it across the country to a centrally located LTL carrier for final-mile delivery. Swart says the Westampton logistics center provides greater flexibility for its customers using this model.

“What we believe is they can fill up a trailer three-quarters full, and on the tail of that trailer, they can load some of their highest-moving product even if it’s not sold yet,” says Swart. “As it goes across the country and is delivered into the Northeast region, we can take the LTL right out for delivery and put the other product in the warehouse if it didn’t sell by the time the freight reached us. When one of our customers calls and says they need the product delivered tomorrow in the Northeast, they actually have some product in our inventory onsite and very close to their customers.”

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