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CASE STUDY
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DRIVING FOR JOHN DEERE

Lanter helps John Deere keep America growing

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– Jim Portwood, Manager
Atlanta distribution center

There are few Americans who aren't familiar with the John Deere green tractor and its trademark logo. A company with deep historical roots in this country, John Deere is known for its quality agricultural, construction and landscaping equipment, business integrity and respect for the individual. With such high standards to uphold, John Deere's dealers rely heavily on the company to deliver parts when their customers need them—immediately.

The Challenge

In March of 1999, John Deere was facing a potential problem with its Atlanta parts distribution center. Its current carrier had given the company 30 days notice, after which it would no longer be delivering parts to Florida, North and South Carolina, Virginia, Tennessee, Mississippi, Alabama and Georgia. Within those 30 days, John Deere needed a new carrier that could not only learn the system, but also provide next-morning delivery of 2,000 to 3,000 packages to approximately 590 dealers.

Having only one month to train a new carrier on his business, Jim Portwood, manager of John Deere's Atlanta distribution center, knew he needed an experienced transportation partner. That's when Lanter stepped in.

The Solution

Lanter already had been providing transportation services to John Deere in its Columbus, OH, Kansas City and Minneapolis depots, and had built a solid track record with the company. The difference was Atlanta was looking for a single small package delivery partner that could handle and deliver on-time, all their small package business by 8:00 a.m. next day. Portwood called on Kevin Westervelt, Lanter's vice president of marketing, to ask if they could pick up the Atlanta job quickly, with no disruption in service. “We were confident that we could fulfill their needs, but we wanted to do it better than their previous carrier and with no glitches out of the starting gate,” said Westervelt.

That meant a month of planning to ensure the system ran smoothly. John Deere receives part orders from its dealers up to 5 p.m. John Deere picks and packs the orders, then gives them to Lanter who sorts them before shipping them out for 8 a.m. delivery the next morning, Tuesday through Saturday.

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*– Kevin Westervelt,
Vice President, Marketing
Lanter Distribution Services*

The Solution - continued

Lanter put together a team of six sorters who staff the John Deere dock starting at 10:30 a.m., sorting and putting packages on six dedicated line hauls that run to Lanter’s satellite cross docks through midnight. At 1 a.m. the truck deliveries begin and drivers make their way to dealers in each of the eight states with the parts they ordered the day before. Because Lanter delivers the parts before 8 a.m., John Deere dealer’s field techs can be in the field earlier with the parts their customers need.

“Lanter took over our Atlanta operation with no hiccups. They now haul 74 percent of the product we ship from Atlanta and they do what it takes to get it there on time,” said Portwood. “They are our partner in providing a leading edge level of service and we trust them with our name and reputation.”

Taking the Extra Step

One of the problems with the previous carrier was the number of mis-sorts, which resulted in unfulfilled orders. To prevent the mis-sort problem before it started, Lanter instituted a dollar-an-hour program. Each worker receives an additional \$1 per hour for each shift they work with no individual mis-sorts. The number of mis-sorts has decreased significantly with the right part being delivered to the correct location 99.9% of the time.

Lanter also does something that is virtually unheard of in the business—they call if they are going to be late. And, every morning prior to 8 a.m., they send John Deere an e-mail report detailing their activities from the night before, including any mis-sorts, shortages or late deliveries. “We stand behind our promises,” claims Westervelt. “If we are going to be late, the dealer doesn’t pay for the freight. That’s our agreement with John Deere Parts Distribution - Atlanta.”

Lanter also developed a gain-sharing program that gives saving back to John Deere when Lanter finds customers who can share trailer space on their routes. Last year Lanter saved John Deere over \$100,000.

“Lanter is a high quality, professional organization that we’re proud to partner with,” said Portwood. “And, we’re not just happy with them here in Atlanta. Our dealers are extremely satisfied with the job they are doing, which results in our customers being satisfied with John Deere,” said Portwood.