



## CASE STUDY

### **A First-Class Solution for a Major Airline: \$9 Million in Savings Over 5 Years**

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Airplane maintenance parts. A complex network. Special handling. Extreme transit times. Covenant makes it all work for a top-four global passenger airline.



# THE OVERVIEW

The world's second-largest airline needs to move big, heavy, odd-size parts and hazardous materials from its hubs to maintenance centers all over the U.S. All parts are crucial to the airline's performance and safety. Some are fragile and require white-glove handling. On-time expedited delivery is essential to transportation success, with overnight delivery required in major lanes and less than 7-day transit time needed throughout the network. The company requires an extremely high level of reliability and special handling. Cost savings are always appreciated.

# THE CHALLENGE

This client's needs are vast and ongoing, with many shipments weekly. With suppliers all over the U.S. and many different airport destinations, transit time is critical, and meticulous handling is a must — no scratches or blemishes on unpackaged parts, such as airplane wheels. But before Covenant stepped in, the airline lacked the logistics analysis and engineering capabilities to design a network to manage it all.

## CHARACTERISTICS

- Extreme flexibility to manage quick transit times
- Complex network design for < 7 day delivery
- Departures from main hubs 3 days a week
- Major lanes = overnight service

## EXPECTATIONS

- 95% on-time delivery
- Order-to-delivery shipment visibility
- Full range of transit solutions, from box trucks to hazmat
- One point of contact
- Continuous improvement



**9 MILLION IN  
COST SAVINGS  
IN FIVE YEARS**



**ROUTE  
CONSOLI-  
DATION**



**10%  
TRANSPOR-  
TATION  
REDUCTION**



**SCALABABLE  
SOLUTION  
WITH GROWTH**

## THE SOLUTION

- Network of team and solo trucks, including local shuttles
- Development of standard operating procedures for special handling
- EDI integration for order management
- Consolidation to reduce shipments and minimum-charge invoices
- Transportation management system for visibility and tracking
- 10% transportation reduction year over year = \$9 million savings to date

## THE RESULTS

Over five years, our relationship with this customer has evolved from an LTL-managed solution to a nationwide, custom network with a dedicated fleet, local shuttles, and distribution center management. The customer is delighted with our track record of on-time delivery, and our tailored solution has resulted in \$9 million in cost savings in five years. We are piloting new programs, growing our local services, and have recently embarked on new warehousing operations with this airline. We are looking forward to further expansion of our partnership.



Learn how Covenant can help  
address your supply chain needs.

