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CASE STUDY

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Mountain Valley Freight Solutions Moves to Capture a Larger Market Share with SONAR-Powered Rating and Next-Gen Appeal

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Introduction

Mountain Valley Express, which owns Freight Solutions, was acquired in late 2019 by ground parcel services provider General Logistics Systems (GLS) to create a combined freight and parcel offering as a fast, flexible alternative to national carriers. The company sought to expand its ability to source truckload transportation and offer an increasing array of consulting and management services, leading management to consider FreightWaves SONAR. By adopting SONAR, they realized, Mountain Valley could improve rating and truck management, overcome obstacles with data-driven decision-making and realize greater profitability.

The Business Challenges

Natural disasters, general economic fluctuations and growing market diversity are the usual challenges faced by freight operators over the course of a typical year, and 2020 was no exception. Combining them with the global COVID-19 pandemic amid the turbulence of a contentious US election year, however, resulted in industry-wide volatility that was anything but typical. With trucking capacity at a breaking point, Mountain Valley's (MV) ability to provide consistent, clear and reasonable rates to drivers and customers grew more constrained.

Still, as tender rejections soared across the industry, MV maintained high performance levels and caught the attention of companies increasingly eager to improve margins across their shipping operations. With COVID driving demand to new heights and peak season on the mid-term horizon, by the early summer MV's management team saw that the company's growth trajectory was on course to become a challenge in its own right. And although the late-2019 acquisition had increased the volume of available loads, it also highlighted some rating nuances, including the rating inconsistencies, and a need for greater market insights. Taken individually, seemingly minor concerns like these can be easily addressed, but when multiplied across hundreds upon hundreds of accounts the issues were significant enough to leave the company's tech stack at odds with corporate objectives.

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Mountain Valley, in addition to solutions, must offer more value to our customers than our competitors. At the same time, we must be careful not to undercut our profit margins or clients. For those reasons, we have chosen SONAR to create a more productive risk management strategy and stimulate our ability to offer the best rates possible."

–Joe Bartone, VP of Sales and Marketing, GLS US, Inc.

SONAR

Why Mountain Valley Freight Solutions Chose FreightWaves SONAR

Historically MV has depended on DAT and Truckstop.com to make rating decisions, but without the benefit of real-time data availability, both lack SONAR's speed and granularity of detail. The Freight Solutions team also relied solely upon load boards to secure drivers and loads in pre-SONAR times, but exploding demand made the approach increasingly cost-prohibitive, in part due to growing inefficiencies in the front-line staff's efforts to connect loads with drivers.

The company's search for a scalable solution to provide real-time data capabilities and improve gross profit margins led them to SONAR, which was singled out as the platform best-suited to see MV through the industry's evolving complexities. SONAR has helped MV overcome common booking and management issues by:

Providing real-time information that improves customer service levels and enables accurate, consistent pricing for customers

Replacing time-consuming, inefficient load board searches with streamlined, turnkey booking functionality

Facilitating on-time deliveries and exception management

Enabling enhanced, integrated invoicing and auditing processes

Providing SONAR data to help validate shipment details in retrospect and gain insight into lucrative business opportunities

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Our brokerage arm uses SONAR daily, and in time we'll begin leveraging it for further insight into smaller lanes – possibly using API to integrate everything into a single resource."

–Joe Bartone, VP of Sales and Marketing, GLS US, Inc.

SONAR

How SONAR Data Maximizes Resource Utilization

Just as the MV management team hoped, SONAR data has quickly empowered Mountain Valley Freight Solutions to connect its top-down tech stack and streamline rating processes, resulting in maximized value and profitability across all transactions. The Freight Solutions team uses SONAR daily, citing its real-time reporting and forecasting capabilities as game-changers, and as predicted, brokerage revenue has doubled over the last months.

Additional benefits of SONAR at MV include:

Immediate insight into market conditions and potential fluctuations before they occur – SONAR's various indices increase the ability to allocate assets and connect with more carriers, drivers and shippers across all lanes.

Snapshot views of lane conditions based on indexed data points – Lane Signal has helped to pinpoint top-performing lanes and increases value for customers. Eventually it will lead to more use of Lane Manager functions and Lane Score values to create additional value opportunities. Improved rate management – Predictive rates help MV users see changes as they occur and encourages company customers to book when rates are most competitive.

Advanced insights into performance and growth opportunities – Managers, front-line workers, and executives will begin creating custom charts and views to apply insights that will help the company create a distinct competitive advantage.



Summary

SONAR is among the most advanced freight forecasting platforms on the planet. And some would argue that SONAR's connections are so insightful they go well beyond any pre-built or in-house -developed freight and demand sensing capabilities. Regardless of what happens, the proof is in the new contracts and users that turn to SONAR over DAT, Truckstop, and week-old load board resources. Mountain Valley Freight Solutions has taken the next step by helping brokers protect their profit margins and continuously looking toward future growth and innovation. SONAR makes it all possible.

The results were further explained by Joe Bartone, VP of Sales and Marketing:

"We have experienced strong demand for faster and more accurate quoting as the pandemic continues to unfold. We have taken all possible steps to reduce risk. And now, peak season threatens to lead to a record-breaking rate of tender rejections and higher freight costs. We realize that setting a new standard means accommodating the unusual and continuously building out a more cohesive transportation and freight management solution. Part of that naturally means we must offer more value to our customers than our competitors. At the same time, we must be careful not to undercut our profit margins or clients. For those reasons, we have chosen SONAR to create a more productive risk management strategy and stimulate our ability to offer the best rates possible. Our brokerage arm uses SONAR daily, and in time we'll begin leveraging it for further insight into smaller lanes – possibly using API to integrate everything into a single resource."