



# Optimizing Bulk Liquids Transportation to Achieve Cost Efficiency with Keelvar

## Introduction

A leading energy company aimed to centralize and optimize its bulk liquids transportation procurement process across its chemical and lubricant divisions. Previously managed through legacy systems and spreadsheets with separate bids, the process required modernization. Unifying these bids into a single RFP marked the start of a strategic overhaul to leverage scale and enhance efficiency.

### The Challenge:

Managing a complex logistics network with 1,000s of lanes and a multimillion-dollar budget through Excel posed significant challenges. The complexity prevented the team from optimizing the bulk liquid network to align with global operations. The primary goal was to implement a sourcing process that could quickly adjust to changing market conditions.



*Using Keelvar during the liquids bid was easy and straight-forward. Huge improvement to the historical bid process.*

- Various participants in bulk liquids bid

### The Solution

Introducing Keelvar into the procurement process provided a transformative change. Keelvar's sourcing optimization solution offered an intuitive interface capable of easily handling the combined RFP's complexity. Keelvar enabled the team to move from static, historical bidding practices to a dynamic, scenario-based approach that provided real-time feedback to carriers and supported data-driven decision-making.



## Implementation

Keelvar's advanced scenario analysis capabilities and the company's readiness for innovation allowed the team to evaluate various bidding strategies, culminating in a streamlined, efficient bid process.

### Highlights include:

- The first step was eliminating lanes with minimal shipments to focus on high-volume and high-impact areas.
- Keelvar's traffic-light system enabled transparent communication with carriers, encouraging competitive pricing and allowing them to adjust bids dynamically.
- Multiple scenarios allowed the team to balance cost savings with operational considerations and identify the most favorable outcomes.



## The Bid

The company excluded lanes with fewer than two shipments to streamline the RFP process, eliminating 300-400 lanes from the historic total. The company also favored incumbent carriers to focus on freight costs, maintaining simplicity and fostering competition.

## The Results

Under the most constrained scenario, ExxonMobil was able to meet its savings target, underscoring the value of dynamic supplier engagement in driving cost savings and operational efficiency.

- ➔ Achieved ~10% in savings
- ➔ Consolidated bids across the chemical and lubricant divisions into a single, efficient process
- ➔ Enhanced supplier engagement through real-time dynamic feedback mechanisms (traffic-light system)
- ➔ Reduced operational complexity via a transparent, effective procurement process
- ➔ Easily ran multiple scenarios as bids were submitted

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