CUSTOMER SNAPSHOT: 99 CENT DELIVERY RESTRUCTURING - CALIFORNIA

William Perry, former Engineer for the DCS W Region, recently shared this customer value delivery initiative. This CVD project demonstrates J.B. Hunt's ability to transform store delivery schedules for 99 Cents Only to help reduce route miles, stops, and loads, while increasing service to its stores.

OPPORTUNITY

99 Cents Only Stores is one of the larger price point retailers on the West Coast, operating in California, Nevada, Arizona, and Texas, and is the largest J.B. Hunt account at a single location. 99 Cents Only operates with over 300 stores in these states and sends out over 150 loads daily to service their customers in these regions.

After taking over the account in early 2019, J.B. Hunt recognized great opportunity within the regional store delivery schedules that were generating much higher transportation costs to 99 Cents Only and poor service to their stores, specifically in the Arizona market. J.B. Hunt realized that because of the tight windows, given the length of haul to their Arizona market stores, routing and delivery windows were the keys that would unlock huge value when added to their current operation, and save the customer costs in the future.

PROCESS

J.B. Hunt examined delivery schedules in the greater Phoenix market to help strategically align store deliveries and backhauls more closely. We converted store deliveries to a six-hour time window to improve routing efficiency and on-time service. We analyzed deliveries by day of week, average volume per store delivery (to justify frequency), geographic delivery location by day, and customer backhaul schedules. By conducting this analysis and implementing them into 99 Cents' operation, J.B. Hunt was able to make an immediate impact to 99 Cents Only Stores' costs in that market. The outcome drove down the cost per cube to $.604 from $.625 and resulted in 99 Cents' ability to ship a higher cube per week out on fewer loads.

RESULTS

By restructuring 99 Cents Only Arizona Store delivery schedules, J.B. Hunt was able to:

- Save an annualized estimated $248,815 in mile costs
- Save an annualized estimated $26,439 in stop costs
- Increase OTS to the Arizona market to 98%



Let J.B. Hunt optimize your delivery schedules to make your business the most efficient it can be!