

# Case Study: Steel King



## Fast-Growing Steel King Needed a 3PL to Take Them to the Next Level

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*-Brian Pfannes, Director of Purchasing*

### Executive Summary

Steel King is one of the nation’s top five largest producers of pallet rack systems. The company’s complete product line includes pallet racks, cantilever racks, portable racks, industrial containers and protective guarding systems.

### Not a Cookie Cutter Solution

“The primary reason we chose LPS was the transparency [philosophy] they presented to us. We got a strong sense of their Midwest, hard-working background, which is a lot like us,” shares Brian Pfannes, the company’s Direct of Purchasing. Steel King was also looking for technology designed for them, not just another cookie cutter solution. “We felt LPS was going to cater to exactly what we were looking for and help us move to the next level,” he adds.

Steel King has two massive manufacturing facilities in Wisconsin—also home to corporate headquarters—and one in Georgia where they ship out LTL loads choreographed by LPS. Until LPS came on board Brian says

each one of their facilities managed its own LTL platform and own group of carriers. Now all three Steel King factories are using LPS technology tailored to their needs and leveraging the pricing and negotiating power of the 3PL.

Brian says LPS also manages about 80-85 percent of Steel King's inbound logistics, which is both LTL and full truckload.

## A TRUSTED PARTNERSHIP

Since the two companies began working together in 2013 Brian notes, LPS has evolved into a trusted and strategic partner for Steel King. LPS supports Steel King in inventory control and logistics, but where the partnership has paid off is in the area of procurement.

"Before LPS, we had several products that we had dependability issues of product getting into the facility during our plans for production. I don't have to worry about that anymore. Between the team that's at LPS handling our purchases orders, I'm confident that materials are going to get in the door. When something does come up, they're very good about reaching out to us right away," shares Brian.

*"We've created something very custom, very catered to our needs. LPS is the framework behind it."*

He recounts the time when a truck bringing supplies to one of Steel King's factories flipped and damaged the load. "LPS worked through a holiday weekend to get another truck to pick up a load and into our production facility so we could keep running," he says. By Sunday night, the new material was at Steel King's door waiting to be unloaded.



*In its search for a 3PL in 2013, Steel King was looking for more than just another logistics vendor; it wanted a strategic partner. They needed a 3PL that had experience, technology capabilities and a strong commitment to Steel King's success. That last part was most important. Steel King boasts a roster of some of the fastest growing blue chip companies in the e-commerce distribution center space.*

**"LPS knows our supply chain. They know our suppliers."**

Cost savings materialized quickly the first year of the new partnership when LPS consolidated carriers and leveraged volume and negotiated rates. But cost improvements weren't everything: "With LPS's help we weeded out some lower cost carriers with higher claim rates for freight damage," says Brian.

Improvements have also appeared in the form of more efficient processes. Steel King integrated its purchasing system with LPS technology, which allows the company to send purchase orders electronically. Says Brian, "I don't have emails going back and forth between buyers anymore, and LPS is thorough. It's all automated." LPS also helped automate the quoting process for Steel King. "We've created something very custom, very catered to our needs. LPS is the framework behind it," summarizes Brian.

What's next for the partnership? Brian says LPS is performing site assessments on Steel King facilities to recommend what the company needs to do to remain best in class. One of those projects is helping Steel King improve the company's RGA (returned goods authorization) process.

## About Logistics Planning Services (LPS)

LPS is a private-owned 3PL and transportation management system company with 29 years of logistics experience. Our mission is forging trusted partnerships with customers by simplifying logistics and building world-class freight operations. Whatever your supply chain challenges, wherever your shipments are going, LPS has the people with integrity, strong carrier relationships, and the advanced technology to make choosing us an easy decision.

### Why Shippers love LPS

- ✓ LPS is one of the few providers in the US that can give you a single-source partnership, yet allow you to maintain relationships with the best 3PLs, brokers and carriers in the market
- ✓ Lean pricing structure
- ✓ Proprietary, customizable and web-based TMS integrates directly with your ERP
- ✓ Zero implementation cost for our TMS
- ✓ We host fixed LTL & FTL rates, plus, we give the open market a chance to spot quote every shipment. Your team (or ours) can compare costs and provide the best solution
- ✓ You get a dedicated account manager and support team available 24/7/365 to help you increase efficiency and save money on your logistics every day.

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