

CASEBOOK

Shifting Gears to Drive Improvement

THE CUSTOMER

National Oak Distributors is an automotive paint, body, and equipment (PBE) warehouse distributing company with more than 400 employees. Headquartered in West Palm Beach, Florida, its portfolio consists of 50,000-plus products from more than 200 manufacturers stocked in 24 warehouses across the United States.

THE PROVIDER

IL2000 is a full-service freight and logistics company based in Virginia Beach, Virginia.

by June Allan Corrigan

National Oak Distributors, an automotive paint, body, and equipment warehouse distributing company founded in 1995, reaches more than 95% of the country with next-day delivery. Because timeliness lies at the heart of its business model, supply chain visibility and accurate reporting are key.

When Cale Beckman, vice president of operations at National Oak Distributors, came onboard in spring 2020 and performed an analysis, he wasn't entirely happy with the state of freight operations—in particular less-than-truckload (LTL) freight, which represents 99% of the company's business.

"I felt it was time to engage with a new logistics partner who could drive some improvement to both cost structure and on-time delivery—which is the most important thing to us—as well as the reporting around it," he says.

UNIQUE SERVICE

National Oak Distributors considers itself unique in the way it goes to market and how it services its customers. The company foots the bill for LTL freight 99.5% of the time and their customers generally expect a next-day delivery service level.

"We were looking for a logistics company that had a robust piece of software we could use," Beckman says. "We wanted to find a provider that would take the time to understand our business model

and be able to design a solution around our unique needs."

National Oak Distributors interviewed many potential companies and considered several RFPs and RFQs during the process. Although keeping an eye on the bottom line was a major part of the decision-making process, "it was more about holistically designing a solution that would meet the needs of our company and our customers," Beckman notes.

WANTED: CUSTOM TAILORING

Enter Integrated Logistics 2000—or IL2000 as it is more commonly known. The full-service freight and logistics company has helped manufacturers, retailers, and other shippers gain visibility and control of their logistics operations since 1999. Founded by Kraig Cesar, who still owns the company and remains at the helm as CEO, IL2000 employs more than 60 people and serves clients around the globe.

IL2000 relies on its own business intelligence (BI) platform—a proprietary transportation management system it built—to customize solutions for clients.

The company specializes in LTL, full truckload (FTL), parcel, international, less-than-containerload (LCL), full containerload (FCL), and air freight.

“Providing custom-tailored solutions to fit each one of our clients is what we do,” says Matt Thomas, national account manager at IL2000.

The company’s calling card is

CASEBOOK STUDY

Full Speed Ahead

THE CHALLENGE

National Oak Distributors, an automotive paint, body and equipment (PBE) warehouse distributing company with a large footprint, lacked visibility and control over its shipping and tracking. It sought improvements to cost structure, on-time delivery, and reporting.

THE SOLUTION

The company contracted with IL2000, a full-service freight and logistics company, to enhance its supply chain visibility and to get help resolving routine supply chain disruptions.

THE RESULTS

National Oak Distributors realized more than \$500,000 in freight cost savings in less than one year. The company now receives quick assistance when facing supply chain issues so it can make good on its promise of next-day delivery to customers. Moving forward, it has access to proven data to make optimal business decisions surrounding logistics.

NEXT STEPS

Following National Oak Distributors’ acquisition of its largest competitor in 2021 and resulting volume expansion, the work to streamline all the newly acquired LTL business, which was put under IL2000’s umbrella, will continue.

innovative technologies, consistent communication, and steadfast reliability. “Our goal is to understand a client’s business inside and out,” Thomas adds.

IL2000 had the analytics National Oak Distributors was looking for. “The software is user friendly but also has capabilities for us to add functionality in the future,” Beckman says. “We wanted to have that potential.”

In financial terms, IL2000 was not the most cost competitive of the companies National Oak Distributors considered. But for this warehouse distributing company with the largest distribution footprint in its industry, it was more about the complete package and solution than cost.

ZEROING IN

The problem was National Oak Distributors lacked visibility and control over its shipping and tracking. Its huge portfolio of 50,000-plus products from numerous manufacturers stocked in 24 warehouses across the United States adds up to a lot of moving parts. A hiccup in the supply chain interferes with its ability to provide on-time delivery to customers.

IL2000 used its proprietary BI platform to develop a suite of customized on-time

performance reporting tools. National Oak Distributors now has access to six daily status updates across three regions, which equips it with the reliable data it needs to manage critical shipments.

Another plus is that the reports integrate seamlessly with the company’s existing platform.

DEDICATED SUPPORT

“It’s a very consultative relationship,” says Beckman. He compares it to other partnerships where, after the initial setup and installation, there can be little to no interaction.

“With IL2000, we have dedicated support,” he adds. “We have regular meetings where we look at how to improve and optimize. There’s follow-up with issues.”

Gone are the days when National Oak Distributors had to conduct its own investigation when something went wrong within the supply chain, from reduced carrier capacity to poor visibility and poor carrier performance, as well as rising costs. Because the company has such a vast freight operation, resolving these issues was often an expensive and frustrating endeavor.



National Oak Distributors, Inc. is a leading automotive paint, body, and equipment warehouse distributor. Its portfolio consists of 50,000+ products from more than 200 manufacturers to cover a variety of industries including automotive, industrial, marine, commercial, and others.

“We have a dedicated pod of operations managers who work with Cale and his team daily, keeping an eye on their freight operations at all times,” explains Thomas. Supply chain challenges are typically addressed in less than 30 minutes.

Improving carriers’ on-time performance of carriers in a time of escalating freight costs is a major focus for IL2000.

“National Oak Distributors’ next-day delivery is what sets it apart and we work to provide solutions so it can keep that promise to clients,” says Thomas. Proactively managing potential carrier bottlenecks is part of that formula.

“We never had this kind of service before,” says Beckman. “It’s more than a typical third-party logistics (3PL) relationship where you rate and tender shipments and tasks along those lines. It’s a consultative relationship for driving improvements continually.”

A TRUE PARTNERSHIP

Acquiring enhanced reporting tools and having a troubleshooting support team at the ready ended up saving National Oak Distributors more than \$500,000 in freight costs in a single year. That figure is even higher if you factor in avoiding cost and rate increases while negotiating with carriers over new tariffs, according to Beckman and Thomas.

Fuel costs currently weigh heavily on everyone in the transportation industry and the IL2000 team has spent a good deal of time focusing on ways to offset them. Finding and negotiating better accessorial rates has been helpful; so has anticipating reweighing inspections that in the past had caused unnecessary expenditures.

National Oak Distributors did not have certified scales uniformly in place at all its facilities. Upon IL2000’s advice, it rectified that situation.

“Weighing freight and making sure the company got proper and accurate quotes has eliminated the issues we used to see when a pallet would reach a dock, get reweighed, and the weights didn’t match,” explains Thomas.

Of all the improvements achieved thus far through the partnership, being able to live up to its promise of on-time delivery



National Oak Distributors products are stocked in 16 warehouses across the United States. A partnership with IL2000 helps the company improve visibility and manage supply chain disruptions.



Acquiring enhanced reporting tools and having a troubleshooting support team at the ready as a result of its IL2000 partnership saved National Oak Distributors more than \$500,000 in freight costs in one year.

gives National Oak Distributors the greatest satisfaction.

“I haven’t any benchmark to make a comparison,” explains Beckman. “I can’t say it’s a 10 or 15% improvement because we didn’t have the visibility we have today. But we have the visibility now and we know our on-time percentage. We’ve stayed fairly consistent despite the crazy carrier situation this year and that is certainly a benefit.”

In order to successfully navigate through

some of the roadblocks the transportation industry currently is dealing with, communication is essential.

“We meet bi-weekly to strategize,” says Thomas. “Our teams are in contact with one another daily. Communication has been the truest testament to our success.”

“What sealed the deal was that IL2000 took the time to understand our business and to develop a solution that would meet our needs,” Beckman says. “It has been seamless to do business together.” ■