

RCS

Quotation to MGF logistics

1) and 2) ship 2 40' containers

Departure Fos port

Rate basis 382 area so 438 € per container

Total price 40' 2 * 438 = 876.00 €

Expected dates and transport choice

Container availability : Thursday 12h from Fos

From Fos to Lyon Port Herriot terminal

Thursday 12 March evening arriving on Saturday 14 March morning Lyon Barge Friday 13th March evening Monday 16 March morning Lyon by Rail

Friday 13th March evening Saturday 14 March morning Lyon by Rail

Saturday 14 March Evening Monday 16 March morning Lyon by Barge

Maximum number of TEUS to load on a barge.

20' container size : L x W x H 6.058 m x 2.438 m x 2.591 m

Ship characteristics : L x Width = 135 m 11.40 m

Utility length (under deck) Utility width (under deck) 105 m x 10.09 m

TEUS number : Size Length Width Barge 105 m 10,09 m

Container 20' 6.058 m x 2.438 m 17 x 4 = 68 TEUS

68 TEUS x 3 lays = 204 TEUS

So 204 TEUS are possible.

So the proper IWT ship is

Guadania shipment

Number of 40' 55 : $55 \times 2 = 110$

Number of 20' 93 93 $\times 1 = 93$

TOTAL number 203 TEUS

Guadania ship which leaves on Thursday 12 March evening to arrive Saturday 14 at Lyon is ... full, as with a 203 TEUS shipment. We can't add two extra 40' containers.

Nirvana shipment

Number of 40' 47 47 $\times 2 = 94$

Number of 20' 93 93 $\times 1 = 93$

TOTAL 187 TEUS

Nirvana ship leaves Saturday 14 March evening to arrive Monday 16 March morning and can pick up 2 containers = $187 + 4 = 191$ TEUS < 204 teus

Nirvana is the successful solution.

RSC charters its usual carriers Transports AUDUC in Vernaison (69) to deliver the 2 containers to ultimate destination.

You have to

1. Calculate road transport part in the price charged to the customer.

IWT part is 68 %, so road is 32 % of customer price . $438 \text{ €} \times 0,32 = 140,16 \text{ €}$ integer to 140 € for a container $140 \text{ €} \times 2 = 280 \text{ €}$ for 2 containers

2. Buying price considering a margin of 12 % to RSC.

$140 \text{ €} \times 0,88 = 123,20 \text{ €}$ for one container $123 \text{ €} \times 2 = 246 \text{ €}$ for 2 containers

Transport cost to check

Itinerary and number of kms of the round trip

Departure Arrival Distance

69390 Vernaison Port Herriot 69007 Lyon 07 16 km

Port Herriot 69007 Lyon 07 38070 Saint-Quentin-Fallavier 29 km

38070 Saint-Quentin-Fallavier Port Herriot 69007 Lyon 07 29 km

Port Herriot 69007 Lyon 07 38070 Saint-Quentin-Fallavier 29 km 38070 Saint-Quentin- (**2nd container**) Fallavier 69390 Vernaison 35 km

TOTAL 138 KM

¾ Temps d'immobilisation

Loading time 45 mn x 2 containers 1 h 30 + Unloading time 45 mn x 2 containers 1 h 30
TOTAL 3 H

Waiting time

transport 138 km /70 km/h = 1,98 h i.e. 2 h waiting time 3 h Total 5 h transportation
duration in days : 5 h < 6 h 0,5 day

Road post carriage

- Cost formula

Variable cost (1) $0,372 + 0,038 + 0,123 + 0,043 = 0,576 \text{ €}$

Cost for one hour service $(179,97 \text{ €} + 28,14 \text{ €}) / 10 \text{ H } 20,81 \text{ €}$

Daily fixed cost $12,59 \text{ €} + 2,53 \text{ €} + 55,56 \text{ €} + 17,14 \text{ €} + 81,73 \text{ €}$

$169,55 \text{ €} = \text{TOTAL COST}$

Variable cost $0,576 \text{ €} \times 138 \text{ km } 80.87 \text{ €}$

Driver cost $20,81 \text{ €} \times 5 \text{ h } 104,05 \text{ €}$ Daily cost $169.55 \text{ €} \times 0,5 \text{ day } 84.78 \text{ €}$

Cost for the two containers

Cost for one container 269.70 €

134.85 € Average cost with or without motorway

After negotiation , RSC and LAUDUC transport agree on a transport price per container of 137 €.

New margin of RSC

In value : $140 \text{ €} - 137 \text{ €} = 3 \text{ €}$

% : $3 \text{ €} / 137 \text{ €} = 3,70 \%$

At the end we have only 2,2 %, so 9% down !

5. We have to change for future shipments

Increase the price to customers : non obvious considering competition

Change the carrier : transports AUDUC but they work well and are reliable

But this decrease in margin is just for the road, we can believe that IWT is not reduced.