

Transporting 120 Ton Dump Trucks is a Business Proposition Not to be Taken Lightly

LynnCo Moves Heavy Equipment for Terex Mining from U.S. to India

In the fall of 1998, Terex Mining, a large and valued client of LynnCo, (formerly Tradami Logistics) was awarded the industry's largest contract for 160 - 120 ton off road dump trucks to be delivered from its manufacturing location in Tulsa to coal fields in India. Terex Mining had to fill this giant order for the government of India, in what competitors and industry observers believed to be a very tight window of time.

1998-1999 had been a unusually big year for Terex Mining with record manufacturing orders and production for customers in the United States, Australia, Morocco, and of course India. In a typical year, Terex Mining manufactures up to 70 trucks. In twelve months spanning from November of 1998 to November of 1999, Terex Mining built close to 240 trucks.

LynnCo recognized that Terex Mining would need substantially more support to manage this project and assigned additional staff to work with Terex Mining to understand the full requirements of the order. LynnCo then leveraged its expertise and buying power to obtain world-class service and rates for the entire logistics process.

Terex Mining and their partner in India had looked at shipping rates to anticipate the cost of moving the dump trucks. "We



thought we had negotiated extremely attractive rates with a carrier on our own," explained Howard Jaffe, Terex Mining's vice president. "Imagine our surprise when we learned that the LynnCo team had turned the \$29,000 per truck shipping fee to only \$20,000 per truck." LynnCo had effectively saved Terex Mining \$1.4 million, a significant factor in Terex Mining's decision to turn the entire logistics process over to the LynnCo account team. LynnCo was responsible for managing the entire move for the Coal India account for Terex Mining. This included: a) domestic and international inbound raw materials from Terex Mining's vendors to the manufacturing

points, b) domestic outbound from three manufacturing sites to the Port of Houston, ocean carriage from Houston to Mumbai, customs clearance in Mumbai (Bombay) and in land transport to the mine sites in the northeast and southeast regions of India.

LynnCo also enhanced the logistics savings by working with Terex Mining staff in innovative ways such as designing and implementing improved packing methods, which reduced the volume of the shipments.

By integrating their best-in-class manufacturing process with the comprehensive logistics management services of LynnCo, Terex Mining set a new industry standard for production and delivery of mining trucks.

Since India's customs compliance regulations involved numerous government agencies, Terex Mining counted on LynnCo to know the ins and outs of ever-changing regulations to ensure that the trucks were delivered on time.

"We knew that all of our paperwork would need to be in order so that the dump trucks could quickly be loaded onto the locally-based trucks waiting on the docks. This was a large order, even for us and we wanted to be sure it would lead to future business," stated Jaffe. This record-breaking order was delivered, assembled and operational at the mine sites within 18 months of receiving the order.

"The delivery went off without a hitch!" Jaffe declared. "While India is not an easy place to deliver to, our paperwork cleared customs smoothly and our shipments were delivered to our customer on time." When the last shipment was unloaded in Mumbai and then delivered to the mine site, Terex Mining's logistics savings tallied almost \$1.5 million.

