

Biewer Lumber Leverages e2open Transportation Management for Rail

Biewer is a fourth-generation, family-owned company headquartered in St. Clair, MI. It is proud to supply the highest-quality lumber, superior service, and exceptional reliability. For over 70 years, Biewer has been delivering the best products and services to its customers. The company uses e2open Logistics as a Service (LaaS) team along with Transportation Management for its rail operations at six locations in four states.



The situation

Biewer was looking to expand its footprint in the forest product sector from four locations by building its first Southern Yellow Pine (SYP) sawmill. SYP is the preferred lumber product for the residential and commercial construction industries, which meant that the new mill could be an integral part of Biewer's growth plan. Many factors would be considered throughout the process, but from the very beginning, Biewer knew it wanted to have a go-to-market strategy that was heavily dependent on rail volumes. Having a flagship mill in the SYP belt would give Biewer a lot of flexibility and allow for many intra-company synergies.

The challenge

Biewer had a list of requirements for their SYP sawmill project. Initially, the company needed to secure a green field location with a plentiful fiber supply to which rail access could be reasonably added. Additionally, they needed a provider that could ensure that car supply was available and consistent as well as offer competitive rail rates that would be sustainable into the foreseeable future. Biewer had to develop a go-to-market strategy to move the roughly 250 million

board feet of production (an annual production capacity of 250MMBF) from this location. Finally, the company had to identify alternative reloads to utilize while the spur on site was being developed and approved for service.

The solution

With its extensive experience and expertise in the rail industry, the e2open Logistics as a Service (LaaS) rail team can negotiate competitive freight rates. For its work with Biewer, the LaaS team thoroughly vetted several carrier options and locations. A multi-year rate agreement was negotiated to all major interchanges, allowing Biewer to remain competitive in all traditional markets.

Furthermore, the LaaS team was able to procure additional leased Centerbeams to supplement what could be provided by Kansas City Southern Railroad (KCS), the primary provider for this region. This was



done via a sub-lease agreement which proved to be pivotal to Biewer's planning efforts. E2open was able to work alongside Biewer's sales team to suggest and assist in developing a comprehensive rate sheet for rail receivers in North America. This ongoing collaboration allowed e2open to assist in further freight reductions as needed to support Biewer's business.



Forest Products

Challenges

- Finding an optimal location for the new sawmill site
- Ensure rail access to new sawmill as well as identify alternative loading sites during construction
- Obtaining competitive rail rates that would be sustainable

Solution

Logistics as a Service (LaaS) team leveraged existing relationships with railroads and provided crucial industry expertise to negotiate competitive freight rates.

Applications

- Transportation Management - Rail

Services

- Logistics as a Service

The outcome

Biewer leveraged its nearly 30-year relationship with the e2open LaaS team to help validate its site selection process, which eventually led to its landing in Newton, MS, on the KCS railroad. The Newton project was such a resounding success that in the spring of 2021, Biewer broke ground on yet another state-of-the-art mill in Winona, MS. This time, the selected carrier partner was the Grenada Railroad (GRYR). Similar to the Newton project, e2open was pivotal in establishing a competitive rate base for the Winona initiative, and the rail business has hit the ground running. With both Winona and Newton, e2open was able to identify and facilitate alternative loading sites while the respective spurs were under construction.

Applications

- E2open Transportation Management - Rail

Services

- Logistics as a Service



OPTIMAL

Expansion Sites for Rail Network



COMPETITIVE

Base Rates



REDUCED

Freight Costs

About e2open

E2open is the connected supply chain software platform that enables the world's largest companies to transform the way they make, move, and sell goods and services. With the broadest cloud-native global platform purpose-built for modern supply chains, e2open connects more than 480,000 manufacturing, logistics, channel, and distribution partners as one multi-enterprise network tracking over 15 billion transactions annually. Our SaaS platform anticipates disruptions and opportunities to help companies improve efficiency, reduce waste, and operate sustainably. Moving as one.™ Learn More: www.e2open.com

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