

Special Delivery: Benefits of Outsourcing Live Production Transportation

Transportation is a necessity in every industry; however, delivery requirements can vary considerably. Agriculture transportation, particularly live production, requires a tremendous amount of specialized knowledge, practices, and skills.

Live production transportation encompasses all needs for vertically integrated poultry companies. In poultry, such transportation supports the birds throughout all life stages (i.e. feed, hatching eggs, baby chicks, live haul, and finished products). Integrators started outsourcing bird development to contracted growers years ago, because those growers are experts in what they do. As companies realized those benefits and the increased difficulty to manage other business areas, they began outsourcing to experts in other areas like transportation.

Integrators choose to outsource their private fleet for dozens of reasons. The top 3 reasons are:

1. Reduce time spent managing and operating a fleet

Operating a private fleet requires an immense amount of time, capital, and know-how. It also competes with resources that should be allocated to the birds. An outsourced provider assumes fleet responsibilities such as driver hiring and training, which can be overwhelming to businesses. Account managers are also on-site to oversee drivers, so integrators can focus on greater return opportunities within growout.

2. Minimize risk exposure to control costs

A private fleet's management responsibilities and its liability risk are significantly increasing. Transportation represents 4%* of total live production costs in the integrated business model, yet its challenges exceed its worth in time and capital. A single safety event can cause serious and costly repercussions. One major benefit of an outsourced provider is that it absorbs transportation risks from the company. Integrators have more peace of mind knowing they're protected from the unexpected.

3. Enhance safety technology and training procedures

Especially when hauling live eggs or birds, driving on rural roads can be a difficult task. Many companies don't have the necessary time and resources to implement safety technology. Well-established outsourced providers already have cutting-edge safety technology in place, including forward-facing cameras, rollover and load stability, forward-collision warning systems, and traction loss. But, technology is only as good as its user, so training resources are available to help protect drivers and the birds.

Being on someone's farm is as sensitive as being in their house. An outsourced provider needs to understand that sentiment and reflect it in its service. When it comes to transportation, it pays to choose an expert and only one provider has ag-specific

operations. J.B. Hunt Ag offers a private fleet experience and delivers feed, live haul, and bulk commodities in the poultry, dairy, and hog industries. We have a team of ag experts who understand your business and the demands that come with it.

Contact us today to learn more about our unique role in the industry and how we can help you focus more on the core competency.

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*Based on J.B. Hunt estimates