

CASE STUDY



RedCat Racing

Driving Down Shipping Costs 28% for an RC Car Manufacturer

Challenge

A premier manufacturer of remote controlled cars, RedCat Racing didn't think they could do much to improve their rates with UPS. Because the company was heavily backed by a venture capital firm, however, they were constantly looking for ways to manage costs more efficiently. Like many Reveel clients, RedCat Racing figured it couldn't hurt to see if they'd left anything on the table in negotiating their shipping contract.



Solution

An analysis of RedCat’s situation bore out what we had expected from the start: the company’s shipping rates were being significantly negatively impacted by dimensional weight. Because they are plastic, remote control cars don’t weigh much. They do, however, take up a lot of space. Add in padding to protect against damage in transit, and the total volume per package is even higher. Negotiating for a better dimensional divisor—the key to determining shipping costs calculated by dimensional weight—wasn’t something that RedCat had ever considered. By targeting dimensional weight in our negotiations with UPS, Reveel was able to significantly cut the amount of wasted space that RedCat was paying for.

Results

The strategies we implemented for RedCat cut their rated weight and significantly increased their shipping margins, saving the company an incredible 28% on annual shipping costs. We’ve gone on to partner with RedCat for years, monitoring their carrier contracts for compliance. Dan Sloane, RedCat COO, is one of Reveel’s strongest advocates and is always the first to recommend us when a conversation turns to shipping. He has said that we know exactly what to look for in a lengthy and complex carrier contract to extract the best savings possible.

“I advocate for those guys all the time. I always recommend working with Reveel. It’s unbelievable how good they are. They promised they were going to do all the work and make it easy on us. And they absolutely did.”

Dan Sloan
Chief Operating Officer
RedCat Racing

(877) 421-4994
info@reveelgroup.com
www.reveelgroup.com

ABOUT REDCAT RACING

Established in 2005, Redcat Racing has become the premier name for Fast-Affordable-Fun, offering ready-to-run, gas, nitro, and electric powered remote controlled surface vehicles. All Redcat Racing vehicles come fully assembled and ready to run right out of the box, making it simple for anyone to get started in the R/C hobby.

