



# Third Party Freight Management



Effective June 1, 2019 through May 31, 2022

## Products and Services Available

This category includes third-party freight services that may include freight management cost analysis, freight reduction, rate improvement, multimodal carrier services, courier, fleet and large cargo management, warehousing, transportation, distribution or freight consolidation and evaluation of freight optimization opportunities (e.g. direct versus distribution, mode shifting, package weights, etc.). Service type rates are pre-negotiated with carriers by the third-party freight provider.

## How to Operationalize These Agreements

- A Participating Member Designation Form (PMDF) or electronic price activation (PA) is required at all tiers with Cardinal and Triose.
- A PMDF/PA is not required with L5 Express, Life Science Logistics or TQL due to single tier offerings.
  - Members can reach out to L5 Express to discuss the completion of a customer service agreement in addition to this contract.

## Aggregation Opportunities






Aggregation is allowed for multi-facility systems, group purchasing organizations and established networks of facilities with all suppliers.

## Class of Trade

- Agreements with L5 Express, LSL, TQL and Triose are available to acute care, non-acute healthcare and non-healthcare facilities.
- Cardinal's agreement is available to select classes of trade. See Exhibit B-2 for details.

## Other Key Value and Terms

- Pricing is firm for the term of the agreement with all suppliers.
  - For each consecutive calendar year after June 1, 2019, Triose will limit and cap the annual calendar year carrier base rate increase to a maximum of 5 percent in the aggregate.
- Financial analysis reveals:
  - Cardinal's new agreement discounts off **inbound** base rates increased by up to 2.0 percent compared to its expiring agreement discounts off inbound base rates.
  - Cardinal's new agreement discounts off **outbound** base rates increased by up to 1.0 percent compared to its expiring agreement discounts off outbound base rates.
  - Triose's new agreement discounts off **inbound** base rates increased by up to 5.9 percent compared to its expiring agreement discounts off inbound base rates.
  - Triose's new agreement discount off the **outbound** top tier base rate decreased by 0.1 percent compared to its expiring agreement discount off the outbound top tier base rate.
  - The low-cost supplier varies by freight delivery scenario.
- Life Science Logistics and Triose offer early payment discounts.
- Triose charges 6 percent on total past due balances as a late payment penalty.
- Cardinal offers value-adds, including a loyalty purchase volume rebate and OptiFreight savings guarantee.
- Triose offers multiple value-adds, including conversion analysis, savings guarantees and free consultations for its courier management and supply chain consulting programs.
- Available direct: Cardinal, L5 Express, Life Science Logistics, TQL, Triose

Contracted Suppliers		
Supplier	New Contract	Expiring Contract
 <b>CARDINAL</b> <small>DEDICATED   DELIVERY   LOGISTICS</small>	<b>PP-MM-702</b> <b>AS-MM-702</b>	PP-MM-419 AS-MM-419
	<b>PP-MM-704</b>	New
 <b>LifeScience</b> Logistics®	<b>ES-SV-308</b>	New
 <b>TQL</b>	<b>ES-SV-309</b>	New
 <b>TRIOSE</b> <small>WE DELIVER HEALING</small>	<b>PP-MM-703</b>	PP-MM-420

L5 Express is a woman-owned business enterprise (WBE).

**ASCEND®:** This category has been designated as ridge. Visit the [ASCEND portal](#) for ASCEND launch materials.

**Update January 2021:** Life Science Logistics (LSL) and Total Quality Logistics (TQL) have been added to the category effective January 1, 2021.



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## Supplier Contact Information

- Cardinal Health 200 LLC: Brad Patridge, 614.553.4482, [bradley.patridge@cardinalhealth.com](mailto:bradley.patridge@cardinalhealth.com)
- L5 Express LLC: Derek Keys, 813.334.3018, [derek.keys@l5us.com](mailto:derek.keys@l5us.com)
- Life Science Logistics (LSL) LLC: Cherry Douglas, 469.844.3717, [dcherry@lslog.com](mailto:dcherry@lslog.com)
- Total Quality (TQL) Logistics LLC: Jeffrey Warren, 513.831.2600, [jcwarren@tql.com](mailto:jcwarren@tql.com)
- TRIOSE Inc.: Melanie Sullivan, 866.241.2268, [m.sullivan@triose.com](mailto:m.sullivan@triose.com)

**Note:** Supplier contact information is current as of January 14, 2021. For up-to-date contact information, see supplier's detail tab in Supply Chain Advisor.

## Related Category

- Inbound and Outbound Freight: Next day, second day, express, ground and international freight services for members across the U.S., Puerto Rico and Canada

## Full Launch Content and Additional Resources Available in Supply Chain Advisor

- PDF value analysis toolkit: A PDF version of the toolkit that maintains the integrity of links to Premier resources. This document is unable to be edited.
- Category update: A PDF update document providing information about suppliers added to the category. This document is unable to be edited.

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