

A large, out-of-focus image of a white die with blue pips is positioned in the upper left quadrant of the page. It is slightly tilted and occupies a significant portion of the background.

**L**ike other hospitality companies, MGM Resorts International has always been good at procuring large quantities of products: carpeting, curtains, desk lamps, cleaning supplies.

What it wasn't as good at was managing the shipment of those incoming goods.

But that's all changing, thanks to a little help from UPS. Two years ago, MGM leadership decided to explore the possibility of managing inbound freight shipments, says David Jeshurun, director of strategic sourcing in the global procurement division of MGM Resorts International. "The whole freight piece was just sort of a process that wasn't well understood or managed," he admits. "We weren't necessarily sure whether we were being hurt or not hurt by it."

**ARE YOU LEAVING YOUR  
*INBOUND LOGISTICS* TO**

**CHANCE?**

A close-up, sharp image of a white die with blue and red pips is located in the bottom left corner. The die is shown from a three-quarter perspective, with several faces visible. The blue pips are on the top and side faces, while the red pips are on the bottom face.

**Hotels, resorts, country clubs — any company that receives goods can book new efficiencies by taking control of its inbound logistics.**

Now, the company is gaining control of its inbound logistics, better managing its shipping costs and receiving process, and looking for new ways to save. The lesson: Any company that receives incoming goods, from maintenance and refurbishment materials to basic supplies, can take control of those shipments and, in the process, gain efficiencies that ripple throughout the business.

Knowledge of inbound logistics is power, says Dana Caron, a marketing manager with UPS. “We want to help you leverage your buying power, bring it all in on your UPS account ... and not allow your vendors to just arbitrarily charge whatever they want to,” he says. “If you take that whole transport question away...you may be getting a false positive on who the best vendor is going to be.”

When you’re in charge of your inbound logistics, you decide when shipments arrive and the costs involved. You know who placed the order and where the costs should be allocated. Most important, all your key personnel know what’s in each shipment, so everyone can perform at peak efficiency.

And it’s not just big hotels and resort companies that benefit from better inbound logistics. Any size business can improve efficiency and save money by taking charge of what comes into the company. Here are some of the ways you can save by getting control of your inbound logistics.

**SEIZE YOUR INCENTIVE.** “The first thing you absolutely have to do is, you need to start using your account number for your shipments and take advantage of freight collect,” says Matthew Hanna, a UPS marketing manager. “Start with your top three or four vendors. Let them know that shipments must go onto your account number. Now you’re building volume toward rate discounts.”

Because MGM Resorts did not have a logistics expert on staff, UPS filled that void. A UPS vendor management technology suite ensures that purchase order numbers are on all shipments, improving MGM’s cost-allocation accuracy. UPS also assisted with vendor routing instructions, pickup requests and shipment labeling. All shipments are now billed to MGM’s UPS account number.

**CONTROL YOUR SHIPPING SPEED.** MGM is now beginning to track its true shipping costs, once hidden in vendor invoices, and identify potential for savings. “So, for



instance, if we see vendors using air when it’s only going to add a day or two to use ground, we’re going to go after that,” Jeshurun says.

**STAFF INTELLIGENTLY.** When you’re in control of your inbound logistics, you’re in control of your staffing needs, too. With Quantum View® Manage, you can see the movement of incoming shipments — and staff accordingly.

**SEE WHAT’S IN THERE.** Somewhere in all the boxes in your receiving department is one “hot item,” such as a new lighting fixture for a room remodel. But it’s mixed in with boxes of supplies and other goods. Typically, employees open half the boxes in search of the missing item. “An open carton leads to loss,” Hanna says.

With UPS Trackpad®, a hand-held dock-to-guest visibility tool, cartons can be scanned to instantly determine the contents — no need to search through the contents or find the packing slip. So no time is wasted looking for rush orders, and inventory is managed more efficiently.

**IMPROVE CUSTOMER SERVICE.** Trackpad can also help hospitality companies receive and deliver shipments on behalf of guests. Just scan the shipment upon arrival to the property, and then record the guest’s signature upon delivery.

**GAIN GREATER EFFICIENCY (AND ACCOUNTABILITY).** A UPS technology solution connects with MGM’s back-office procurement and inventory software system to simplify shipment scheduling and automatically ensure correct cost allocation through purchase order numbers. “We are very much trying to use all this to drive efficiency in our costs,” Jeshurun says.

That bold step puts the company in rare, and wise, company. “Less than half of our customer base actually takes control of their supply chain in its totality,” Hanna says. “That’s a shame, because it’s one of the few areas where they can still save.”



## STOP ROLLING THE DICE

How can your company take control of its inbound logistics? Contact your UPS account manager or visit [ups.com/hospitality](https://www.ups.com/hospitality) for more information about end-to-end logistics solutions.