

Outsourcing Captures More Nonprofit Donations



CHALLENGE

 Harvest Time Int'I's goal—
to increase donations and serve more people—could not be accomplished without an expanded distribution program.

SOLUTION

C.H. Robinson developed an outsource solution that includes inbound logistics and customized pickup plans for donations, as well as LTL consolidation, rail and truck transportation, warehousing, and scheduling of donated product shipments.

RESULT

Donations increased 40.5% in first quarter of 2010, compared to first quarter 2009.

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Harvest Time International ("Harvest Time Int'l") distributes food, clothing, household goods, and medical supplies to over 500 local, national, and international ministries and nonprofit organizations. Harvest Time Int'l has served more than 20 million people since 1991, and has received the "Best in America" seal from the Independent Charities of America.

EXPAND DISTRIBUTION TO SERVE MORE PEOPLE

Harvest Time Int'I's goal is to say yes to every donation, since the more donations they receive, the more people they can serve. The organization's Unsaleables Management Program gives Harvest Time Int'I the ability to accept a variety of grocery and non-grocery items, including new, used, out of package, discontinued, scratched, dented, surplus, and out-of-date items, as well as product that might ordinarily be labeled for disposal. In 2009, these donations were transported to the organization's global headquarters in Central Florida, where they were sorted by volunteers and distributed locally or to one of 500 ministries and nonprofits worldwide.

Harvest Time Int'I's donors are located around the country and value relationships with those organizations that can pick up donations in the quickest, most efficient manner. Response time is critical. If a donor has limited warehouse space, they may dispose of mixed loads of small quantities of items rather than wait for a pickup. To optimize donations, Harvest Time Int'l had to contract with individual transportation providers and geographically favorable warehouse space — oftentimes a time-consuming and expensive proposition.

Load flexibility is also crucial. One donor partner in Georgia wanted to donate product daily, but the quantities of product varied. Sometimes, they had enough mixed product to fill a truck, but at other times, there were less than 24 pallets. Without a way to consistently and economically accept smaller shipments, Harvest Time Int'l would miss opportunities.

To satisfy its donors' demands for load flexibility and quick response times, Harvest Time Int'l needed a strategy for collecting LTLs within hours of being notified. This required cost-efficient warehousing and transportation. To accomplish this, the organization outsourced all of its transportation to C.H. Robinson.

DONATION FLEXIBILITY INCREASES CHARITABLE GIVING

C.H. Robinson developed a transportation program that quickly improved Harvest Time Int'l's response time and increased product donations from existing and new donors. Under this program, C.H. Robinson oversees a matrix of local transportation and warehouse operators near several donor reclamation and distribution centers, and provides daily less than truckload (LTL) pickup and storage. As LTL loads are aggregated into more economical full truckloads, they are either shipped to Harvest Time Int'l by C.H. Robinson or rerouted by Harvest Time Int'l directly to other ministries or nonprofits.

With C.H. Robinson's inbound logistics program, Harvest Time Int'l can accept any donation, in quantities that range from a few pallets to many truckloads, with very little lead time. The program even accommodates donors who have neither storage space for its donations nor yard equipment. For these customers, C.H. Robinson arranges for a drop trailer to be placed at the dock door. As product becomes available, it is loaded directly onto the trailer, saving precious floor space. When the trailer is full, C.H. Robinson picks up that trailer and drops off another empty trailer to be filled.

The success of the outsource program benefits all parties. Harvest Time Int'l receives more donated product without incurring the high costs of LTL

"When we have a challenge, we don't have to meet it on our own. We have a partner in C.H. Robinson. They help us find a solution. This company has heart."

 Pastor John Murphy, co-founder and president, Harvest Time International 0

transportation. People in need gain access to more services. And donors face lower handling, transportation, and disposal costs, can maximize their warehouse space, and can easily support charitable outreach. The program has built-in sustainability, as well, since it repurposes all kinds of products that might otherwise end up in a landfill.

DONATIONS BY THE TRUCKLOAD

Key Result

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• C.H. Robinson's solution-driven approach to outsourcing, along with consistent, detailed cost accounting and reporting, have allowed Harvest Time Int'l to focus on its core ministry of helping others in need.

Additional Results

- Donations were up 40.5% in first quarter 2010 over first quarter 2009.
 - The alliance of Harvest Time Int'l's network and C.H. Robinson's logistics expertise and capabilities will greatly increase Harvest Time Int'l's capacity to secure new donor partners and better serve local, national, and international needs.

Andre Smolinsky, chief operating officer for Harvest Time Int'l, says, "Working with C.H. Robinson gives us more time to focus on other areas. We're moving ahead further and faster toward our goals than we have in the last few years. We can take mixed loads and varied type loads, any kind of product that's manufactured, we can find a home for it. There aren't many charitable organizations that can say that."

To learn more about C.H. Robinson, watch <u>our video</u>, visit <u>our website</u>, call 800-323-7587, or email <u>solutions@chrobinson.com</u>.