

Are you looking for solutions to penetrate a new market or to supplement your current supply in a region? Consider transloading. Transloading can be a less expensive alternative to import and export products.

Background

A Salt Lake City-based convenience store's gas/diesel supply was being impacted with limited grades of fuel and other supply disruptions, frequently leaving its stations without fuel. It was critical for their business to find a reliable way to keep their stores fueled while keeping prices down for their consumers.

Solution

Within Salt Lake City proper, low RVP fuel is required year-round; however, many of the store's stations are located outside of the city proper and don't require the more expensive low RVP fuel.

KAG Logistics repurposed its Ogden, Utah, transloading facility to begin importing regular, less expensive RVP product into Utah for the client. **The result was a 10-15 cents per gallon savings on 30 million gallons of product per year** - the stores are kept in fuel and the prices are kept down for the consumer. In addition, the

convenience store chain targets customers for Utah's numerous parks and recreation areas. This solution allows them to bring in a reliable supply of dyed diesel for off-road activities. **The transloading solution has been so successful, the client's business in this location has grown 200% since implementation, with plans to replicate this method in additional markets.**

Transloading can also be a viable option for exporting products. For example, an ethanol producer was being squeezed out of the market when its customers began importing ethanol at a much lower price than the domestic ethanol company could produce it.

The producer was left with two options – to close the doors to their business or diversify. They opted to diversify into the alcohol market, distributing food-grade ethanol to be made into brandy, vodka, seltzers, and other spirits. They were referred to KAG Logistics' transloading service to export their product to alcoholic beverage companies across the U.S., and the company remains in business today.

For KAG Logistics the transloading facilities can be one solution to help customers meet various needs. The strategies can benefit a wide range of industries including manufacturing, chemical, food, retail, merchant gases, military, construction and petroleum.

Result



Contact KAG Logistics today to discuss what transportation management and logistics tools can help improve your bottom-line and make your job easier.

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