

LENNOX AND
RYDER: DEDICATED
TO DELIVERING
INNOVATION
EVERYDAY

The importance of an efficiently running supply chain has never been more paramount than it is today. Companies face new, unrelenting challenges weekly to manufacture and get products to consumers quickly, damage free, and on time.





# THE OUTSOURCING DIFFERENCE

Since partnering with Ryder, Lennox has achieved:

20+ year partnership includes 67 trucks and 68 drivers





0 driver freight damage claims in 5+ years



99.7% on-time delivery

3.1 million miles traveled annually





100% freight visibility

For Lennox International, and its Lennox Residential division, the stakes are high knowing customers expect to receive their air conditioning units quickly, especially during peak season and in exceptional working condition. An industry leader in heating, ventilation, and air conditioning (HVAC) for more than 127 years, Lennox is committed to delivering exceptional support to its dealers through the industry's most direct distribution model. Lennox customers trust the company to deliver HVAC units expeditiously and damage free, especially during hot summer and cold winter months. To meet this demand, and focus on manufacturing its products, Lennox relies on Ryder Dedicated Transportation Solutions to deliver its HVAC units quickly and damage free to dealers.

The Lennox and Ryder relationship began in 2003 and has grown considerably over the years on a foundation of similar company values that include integrity, respect, and excellence. The Ryder Dedicated Transportation Solution for Lennox includes nearly 62 straight trucks, five tractors & trailers, complete management of routing, scheduling, vehicle maintenance, technology, and 68 professional truck drivers.

"We look at it as Ryder giving us a private fleet and drivers we can rely on," Jonas Imperial, Director of Transportation at Lennox, says. "We don't look at this as outsourcing. The alternative would be to outsource to a third party company where products would go through terminals, damage would be at stake, and timing of deliveries would be diminished by not having product delivered straight to the dealer. Having our products delivered efficiently and damage free is top priority for Lennox."

## **Driving Results**

In an environment where finding and retaining truck drivers is challenging, Ryder's professional truck drivers give Lennox a distinct advantage in the delivery of its products. Ryder hires, trains, and manages the drivers specifically for Lennox. This includes ensuring special care is taken to unload the HVAC units, as well as vigorous testing for the products to ensure they are not damaged and work properly when installed. The driver training prepares each driver for any circumstance, keeps delivery processes uniform, and gives Lennox a pool of reliable drivers who can also float to other locations if needed.





Driver safety is also paramount for Ryder and Lennox. Each vehicle is equipped with Lytx drive cams used to keep the drivers safe. Additionally, Ryder is able to implement and communicate new operating procedures rapidly as business needs shifts. For example, to keep drivers safe Ryder implemented touchless paperwork procedures, specialized cab cleanings, and worked to reduce overtime.

The drivers are the face of Lennox with its dealers. Employed and trained by Ryder, they act as Lennox employees—driving Lennox branded trucks, and wearing a Lennox patch on their uniforms. Drivers complete the same routes daily and know what the dealers expect. Lennox drivers are also regularly recognized as Drivers of the Month for Ryder. Because of their hands-on training, recognition, and relationships with customers, driver satisfaction at Lennox is high and turnover is well below the industry average.

Collectively, the 68 drivers travel an average of 3.1 million miles per year. They are among the safest within Ryder and the transportation industry, with just one DOT Recordable Collision in the past three years. They have a next day on-time delivery rate of 99.7% and no driver freight damage claims in more than five years.

"The execution of the deliveries is critical for our supply chain," Imperial says. "We guarantee a service where we deliver available products the same day or next day and without damage. Ryder enables us to execute on this because of its drivers."

"Ryder is an extension of our business.

They provide us with a distinct set of resources that helps us stand apart."

- Jonas Imperial, Director of Transportation at Lennox

# Innovation and Continuous Improvement Build Success

Along with trucks and drivers, Ryder also implemented RyderShare™, the ultimate digital platform that provides real-time visibility of goods as they move through the supply chain. Through RyderShare™, Lennox can track all its shipments and pinpoint exactly when a delivery will occur. This includes managing exceptions in real time to keep dealers informed of the delivery status. Drivers also submit proof of delivery documents and photos that are available on the RyderShare™ platform.

Through the Ryder Dedicated Transportation Solution,
Lennox keeps its cost-to-serve down, a key metric according
to Imperial. The relationship is expected to continue to grow
over the next few years as Lennox expands its footprint to get
closer to its dealers.

With a focus on innovation, continuous improvement, and transportation excellence, Lennox will continue to benefit from the flexibility and resilience it needs from its fleet and drivers to meet demands and face challenges head-on.

"Our dealer requirements are changing. Next day is turning into same day," Imperial says. "We'll need to change some processes within our supply chain, add more locations, and expand our fleet to support that. Ryder will play a big role in that for us.

"Ryder is an extension of our business. They provide us with a distinct set of resources that helps us stand apart. Ryder knows and plans for trends before they happen. They provide us with the personnel we need. They put our customers first."

#### **About Lennox**

Lennox Residential, a division of Lennox International Inc. (NYSE: LII), is in constant pursuit of perfect air because we believe everyone deserves it. Whatever your version of perfect is, we can help make it happen. Offering some of the quietest and most efficient units on the market, the first ultra-low emissions furnace, and hospital-grade air filtration, Lennox has a history of designing innovative heating, cooling and indoor air quality products. Lennox has earned more Dealer Design awards than its competitors combined and multiple ENERGY STAR Most Efficient certifications. Lennox is a proud contributor to its communities, investing in the future of the HVAC industry and giving back through its corporate social responsibility program, Feel The Love. For more information about how Lennox is redefining air, visit Lennox.com/Residential.



### About Ryder System, Inc.

Ryder System, Inc. is a leading logistics and transportation company. It provides supply chain, dedicated transportation, and commercial fleet management solutions, including full service leasing, rental, and maintenance, used vehicle sales, professional drivers, transportation services, freight brokerage, warehousing and distribution, e-commerce fulfillment, and last mile delivery services, to some of the world's most-recognized brands. Ryder manages more than 259,000 commercial vehicles and operates more than 350 warehouses, encompassing approximately 80 million square feet. Ryder is regularly recognized for its industry leading practices in third-party logistics, technologydriven innovations, commercial vehicle maintenance, environmentally friendly solutions, corporate social responsibility, world-class safety and security programs, military veteran recruitment initiatives, and the hiring of a diverse workforce.

ryder.com

