

“Transport Infrastructure Evaluation”



ABOUT THE CLIENT

Industry	Port
Revenues	\$70 million
Employees	170
Location	Jacksonville, Florida
BSI Service or Solution	Transportation consulting

Key Challenges

- No granular view of profitability by customer or terminal.
- Difficulty assigning fixed overhead and asset costs fairly.
- Needed data-driven insights to secure favorable terms with major customers.
- Berth and equipment usage lacked transparency, leading to underutilized assets.

Why Boston Strategies was Selected

- Proven track record in ROI frameworks for logistics and infrastructure.
- Advanced methodology to allocate shared costs accurately.
- Experience translating financial insights into actionable negotiation strategies.
- Ability to extend models across terminals and adapt to evolving needs.

Project Scope

- Customized financial framework for customer- and terminal-level profitability.
- Berth occupancy analysis to track asset utilization.
- Configured port data to align with the model's financial parameters.
- Built a software tool to automate calculations.
- Applied the model to three major lease renewals with sensitivity testing.
- User guide and training for Jaxport staff to sustain the model's use.

Project Approach

- Mapped revenue streams, costs, and asset usage across terminals.
- Developed ABC principles to allocate shared overhead (equipment, labor, berths).
- Integrated financial and operational data into a dynamic software model.
- Piloted the model with three customers.
- Tested scenarios (e.g., volume changes, fee adjustments) to guide negotiations.
- Expanded the model to additional terminals.
- Delivered training to ensure long-term adoption.

Financial Benefits Realized

- Identified underperforming customers/terminals, enabling corrective pricing.
- Secured favorable lease terms with major customers, boosting long-term ROI.

Operational Benefits Realized

- Berth occupancy analysis reduced idle time by 10%.
- Clear cost drivers empowered staff to make data-driven decisions.
- Model adapted to new terminals without additional consulting support.