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## **Decreasing Transportation Costs by Eliminating Waste**

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**Abstract:** This work describes the strategy of a Mexican firm to decrease transportation costs. The company uses its private truck fleet and third party trucks to perform the transport of different items between its several installations. Most of the moves are on full trucks. However, it has been found that the firm experiences an important amount of empty moves that negatively impact its transportation costs. The strategy is based on the application of a scheme for eliminating waste associated with the efficiency of the firm's transport operations. The Operational Equipment Effectiveness index used in Total Productive Maintenance (TPM) is adapted to be used as the main performance measure. Availability, performance and quality wastes are identified using Value Stream Mapping of the transport operation. The implementation of the improvement initiatives is still in progress but the projected and available results are provided.

*Keywords:* Transportation Waste Elimination, Lean Transportation, Value Stream Map, Transportation Efficiency, Vehicle Routing Problem