

CASE STUDY

Ferguson and U.S. Bank: a freight payment partnership built for enterprise scale

Recognized for excellence across a global logistics network

In January 2025, Ferguson Enterprises introduced a new distinction within its annual Carrier of the Year program: Global Logistics Partner of the Year. The inaugural award was presented to U.S. Bank, recognizing a partnership that delivered measurable impact across one of North America’s most complex distribution networks.

Presented during a ceremony at Ferguson’s headquarters in Newport News, Virginia, the award acknowledged more than strong execution. It highlighted the role of U.S. Bank in strengthening financial governance, improving audit discipline and supporting a logistics operation that continues to grow in both scale and complexity.

A distribution model defined by scale and complexity

Ferguson is a leading distributor of plumbing, heating, ventilation, air conditioning, waterworks and industrial products across North America, serving residential, commercial and large-scale infrastructure customers. With more than 35,000 associates, over one million stock-keeping units (SKUs) and a logistics footprint that places the company within 60 miles of approximately 95% of the U.S. population, Ferguson operates at a level of complexity few organizations encounter.

Ferguson operates through a dense network of distribution and fulfillment locations, many of which support both customer-facing sales activity and complex warehouse operations. These facilities handle a wide range of fulfillment needs – from individual customer orders to highly regulated industrial and infrastructure projects – placing significant demands on transportation, finance and compliance teams. As a result, freight audit and payment is not a back-office function but a critical component of enterprise performance.



Reevaluating freight audit and payment at enterprise scale

As Ferguson’s logistics network expanded, leadership identified an opportunity to modernize its freight audit and payment approach. A hybrid in-house and vendor model no longer provided the level of consistency, visibility or control required for a business operating at Ferguson’s scale.

Following a formal request for proposals process, Ferguson selected U.S. Bank Freight Payment to support its truckload and less-than-truckload (LTL) transportation, with a clear objective: Build a scalable, independent audit and payment foundation capable of supporting growth across domestic and international modes.

Why U.S. Bank stood apart

For Ferguson, the decision went beyond selecting a service provider – it was about finding a partner able to operate at enterprise scale. U.S. Bank differentiated itself through disciplined audit processes, the ability to integrate with multiple internal systems, and a willingness to engage deeply in the operational and financial details of the business.

That capability became especially important as Ferguson strengthened its financial governance framework, including enhanced Sarbanes Oxley (SOX) compliance requirements. Working closely with internal stakeholders, U.S. Bank helped address audit related challenges early in the relationship, contributing to stronger controls and highly positive audit outcomes. This alignment across logistics, finance and audit leadership positioned U.S. Bank not only as a transactional vendor but as a strategic partner embedded in Ferguson’s supply chain ecosystem.

A program designed to scale with the business

Since launch, the Ferguson-U.S. Bank freight payment program has expanded significantly. What began with approximately 30 carriers has grown to support more than 70 transportation providers across truckload, LTL, courier, drayage, ocean and air services.

Through the independent freight audit services of U.S. Bank, hundreds of millions of dollars in freight invoices have been processed, improving cash flow through direct carrier payments while reducing manual effort through automated rules and exception workflows. Integrations with key Ferguson systems have further enhanced visibility and consistency across the freight payment lifecycle.

Equally important, the ongoing collaboration between the two teams enables continuous improvement as Ferguson’s logistics network continues to evolve.



Looking forward: innovation beyond the core

With a strong foundation in place, Ferguson and U.S. Bank continue to explore new opportunities – particularly in final mile and courier services, where freight payment complexity has historically limited visibility and control.

By aligning routing systems, national carrier partners and freight payment workflows, the partnership is working toward new approaches designed to bring enterprise grade discipline to some of the most challenging segments of the transportation landscape.

A partnership built for enterprise supply chains

For Ferguson, naming U.S. Bank as its inaugural Global Logistics Partner of the Year reflects the tangible results of a relationship grounded in accountability, rigor and shared problem solving. For U.S. Bank, the recognition reinforces a focus on helping large organizations manage freight payment with the transparency, control and scalability modern supply chains demand.

Together, Ferguson and U.S. Bank have built a freight payment partnership designed not only to support today’s operations – but to enable what’s next.



“When I proposed U.S. Bank to our team for the Partner of the Year award, it was a no brainer – everyone was on board.”

Nick Palmucci, Ferguson