

TMS CONNECTIONS

Extending your supply chain with the right connections

OBS LOGISTICS AND *CALIDUS* GOES FROM STRENGTH TO STRENGTH

Improving customer service and reducing operating costs continue to be amongst the key business drivers for companies.

It may seem obvious that to continuously improve customer service is vital for the success of a business – indeed there are many examples where failure to do this has quickly threatened the very survival of organisations. Nobody would want to be involved in a supply chain failure that, for example, results in a clothing retailer having the wrong stock, delivered late and to the wrong locations – what price the resulting damage to that business?

Henry Ford claimed that a major reason for his success was his ability to “keep on getting it right for customers and they will keep coming back and tell others about you”. It may not be a very original idea but some 80 years on it is still absolutely right!

One large corporate entity recently calculated it costs them at least four times as much to gain a new customer when compared to the cost of retaining an existing one. They did not publish the detail of how this figure was arrived at and, of course, it will vary greatly between different businesses but clearly gaining new customers is never likely to be as cost effective as retaining existing ones! What is clear, whether times are good or bad, retaining customers makes for a sound business strategy and ideally at the same time adding new ones could make for an even better strategy. High quality customer service is always going to be a key part of this strategy - as is the total cost of providing the service to a customer.

Almost without exception, the end-to-end cost of every business' supply chain continues to rise. Fuel, taxes, legislative requirements, labour, equipment... realistically, there is no reason to believe this trend of rising costs is likely to change and all the signs are that the rate of increase could accelerate! The inevitable end result of cost increases will be to directly affect the prices charged to customers or the company's profitability or both!

It appears to me that the only sensible solution is to become more efficient and effective in

the operation of the supply chain – there are not many, if any, other practical alternatives. It is to meet these needs that *CALIDUS* TMS is primarily focused on helping deliver the key objectives of improving customer service and reducing operating costs by enabling businesses to optimise their total supply chain operation.

All of the *CALIDUS* products are available as 'Managed Service' options. This helps companies achieve their customer service and reduced operating costs objectives at an affordable up-front investment and ongoing running cost – this is one of the ways we are working to meet our strategic objective of helping to keep our customer's costs down.

We were one of the first companies to introduce 'Solution as a Service' (SaaS). This covers all aspects of a project and avoids the usual up-front capital costs. Software Maintenance and Support services are included within the costs, all of which comes at a fixed price for the duration of the contract. As a result one important benefit of SaaS is the ability to accurately predict the total cost of the solution over the contract life. Managed Services has quickly become a very attractive option for many of our customers and to meet the increasing demand we have invested in a purpose-built data centre and separate back-up operations. The design and structure of the facilities - and the way we operate them - has enabled us to achieve and sustain ISO 27001 accreditation, the recognised industry standard for information security.

For more than 30 years, *CALIDUS* from OBS Logistics has been synonymous with Warehouse Management Systems (WMS) and Transport Management Systems (TMS). With a track record of successful implementations in over 60 countries the business continues to focus on innovation, customer service and value for money.



Ross Telford
Chairman
OBS Logistics Limited

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Managing many clients from a single control tower.

What was life like before transport control towers? OBS Logistics looks at an effective way of removing the constraints of bespoke logistics, while improving customer service and reducing running costs.

Logistics companies and departments have spent years responding to customer demands for quicker response replenishment so that order fulfilment levels are high, stock levels are kept to a minimum and the supply chain supports the commitments that organisations have made to customers.

These demands have led to the development of transport operations that are focused totally on a customer's requirement. By deploying customised solutions, transporters have been able to manage large complex relationships using dedicated teams. By using this approach they can maintain service levels while making investments to support individually defined client requirements. This has led to very bespoke, non-transferrable solutions - both operationally and from a systems perspective - and overall some very low fleet utilisation.

This bespoke approach brings challenges, including how to:

- introduce innovation across an organisation
- lower costs
- effectively deal with demand spikes with rigid capacity
- deliver consistent high levels of service across all customers
- support green initiatives

LET THE TOWER TAKE CONTROL

One solution is the introduction of a Multi Customer Control Tower. This concept balances the reduction of road transport miles, operational costs and fleet size while enabling high service levels.

Transport Control Towers require organisations to centralise planning into a single physical or virtual planning office. In addition, customers have to buy into sharing resources and a standard service that is based on a clear, well-adopted standard operating process and a solid systems backbone.

Control Towers enable greater efficiency, leverage scale and maintain or improve customer service.

Typical objectives for a Control Tower may include:

- improve vehicle utilisation and therefore reduce fleet size
- proactive selling of the unused space (multi customer consolidation, backhauls)
- reduce miles travelled to lower costs and support the company's green policies
- enable the logistics organisation to act as a lead provider for many customers in a consistent manner
- offer the customer the benefit of being part of a wider network to manage unpredictable demand, such as from e-fulfilment channels
- implement a platform for further innovation that can be easily deployed to all customers.



HOW CAN SYSTEMS HELP?

Multi Customer Control Towers need the support of a transport system that is easy to implement and configure. The system must provide a high level of communication with the client and help manage the business through strong financial controls, KPI reporting and proactive alerting.

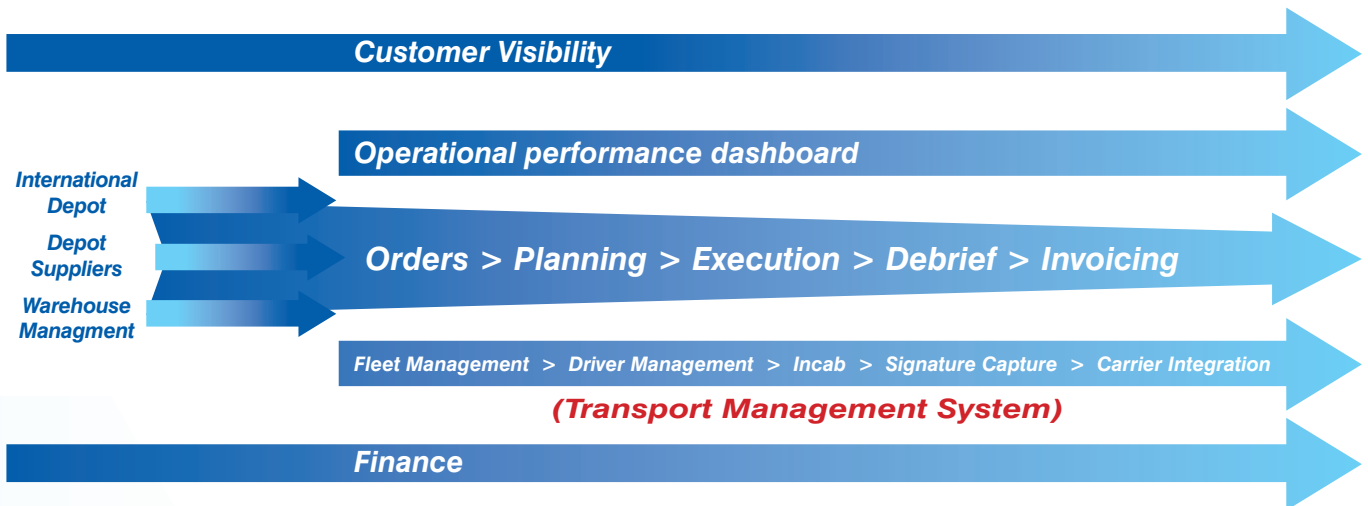
The system must support Multi Client Operations so that the planning function can manage many clients, supporting each client relationship to a consistently high standard. The following solution map is for the CALIDUS TMS, as supplied by OBS Logistics Ltd; this solution supports Multi Customer Control Towers to manage the movement of a wide variety of products across Europe and has more than 12,000 users.

Then introduce further innovations such as smart phone applications, global inventory reporting for a client to pull together the most up to date balances, EPOD (electronic proof of delivery), voice picking, portals, exchanges and so on. Importantly, deploy them once for all customers via the Control Tower.

WILL IT PAY?

The challenge of organisational change, resource and systems investment, alongside the concern of disrupting a customer relationship, may be enough to halt control tower initiatives in their tracks. However, the financial prizes should swing the decision in their favour.

The transport industry suffers from what is perceived as



The CALIDUS TMS product has been implemented alongside leading in-cab, ePOD, route optimisation and document management solutions to provide a single transport solution backbone.

“The Control Tower mode of operation is increasingly being adopted by many organisations and CALIDUS TMS supports operations like this extremely well. When you get reductions in fleet size and a reduction in overall transport costs, the benefits speak for themselves,” says Dave Renshaw, CEO OBS Logistics.

WHAT NEXT?

The first step is to implement a strong systems backbone and get the operation to deliver a consistent service.

very low vehicle-volume utilisation rates. This does vary from sector to sector, with some food retail supply chains reaching over 80% utilisation, but the reality across the market is an average of around 50% utilisation. In addition, market surveys have assessed that 22% of all journey legs are empty and that even when laden 25% of the floor space is not filled.¹

If a 32-tonne curtain-side typically costs £267 per day plus 64.2 pence per mile to run, then fleets with 100 vehicles could save in the region of £500,000 per annum with just a 5% improvement in utilisation.²

This is the prize of the tower taking control!

REFERENCES

1. Research by Herriot-Watt University.
2. RHA (Road Haulage Association) statistics.

Cloud Computing makes **CALIDUS TMS** available to a wider audience

Cloud Computing makes **CALIDUS TMS** available to a wider audience

Supply Chain software specialist OBS Logistics has been delivering industry leading operational logistics solutions for over three decades to operations across the globe.

The company built its reputation on providing its World Class **CALIDUS** Warehouse Management Solutions which continues to be a thriving part of the OBS Logistics business.

However, another major strand of its operational logistics portfolio is emerging, **CALIDUS TMS**, which has fuelled considerable growth in the last few years and is now used to manage transport operations on an international basis. Many of the World's leading companies and household names, catering for inbound logistics, primary and secondary distribution plus home delivery are using **CALIDUS TMS**.

Although these solutions can be supplied on a conventional licence and services basis to run on a client's own IT infrastructure, increasingly, these solutions are being deployed based on a 'Cloud Computing Managed Service' solution provided by OBS Logistics through its data centres in the North West of England.

For OBS Logistics, this means that **CALIDUS TMS** has now become easily available to an audience that previously had a clear need for such a functionally rich system in their business critical environment, but were unable to create an acceptable, return on investment, business case. This was due to the significant up-front investment required in high availability equipment that had to be made before the systems were in use and delivering benefits. OBS Logistics believes that this applies to a large number of companies, from middle tier to multi-national enterprises, who are now all potential users of **CALIDUS TMS**.

Dave Renshaw, CEO of OBS Logistics explains,

"Fortunately we made the right decision to invest in two data centres. Our clients were increasingly considering the outsourcing of their IT infrastructures and placing that outsourcing with companies who could also provide and support their applications. This was seen as a big benefit as they then had fewer suppliers to deal with and clear supplier responsibilities. They were also striving for predictability of IT costs regardless of how the size and shape of their company changed over time.

Why two data centres? We recognised that our logistics solutions were business critical systems, used round the clock, with Boards and their advisers focusing on business continuity, demanding increasingly high levels of resilience including geographic.

*OBS Logistics has two ISO 27001 accredited data centre operations 10 miles apart and has made use of fast communications links between the sites to support high availability solutions. There is automatic failover between the sites, thus ensuring business continuity in the case of a failure of the primary server or network. That together with the resilient dual power supplies, environmental controls and on site 7/24 hour security has created an excellent environment for hosting business critical operational logistics Solutions of which **CALIDUS TMS** is a prime example."*

The decision to invest in the data centres and the additional seven figure investment in hardware/infrastructure has really paid off with the **CALIDUS** Managed Service deployments being a massive



OBS Logistics' extensive experience in the logistics sector has taught them that clients often want to have solutions customised to their specific needs and the business critical nature of their 7/24 round the clock operations means that they want to choose if and when they take new releases.

growth area for the business. This is no more so than for *CALIDUS TMS* which is now used by thousands of users processing millions of transport orders each year on an international basis through the OBS Logistics data centres.

To OBS Logistics' clients cloud computing is about delivering world class software solutions available over the web or private network. This can be extended in terms of capacity as their business changes in scope and scale, and they only pay for what they use as they use it, which is what OBS Logistics calls 'Solution as a Service' or (SaaS).

Whilst there are other Cloud/SaaS providers, what OBS Logistics offers with its 'Solution as a Service' is subtly different and is right for the logistics market. Firstly, clients like the fact that the solution is hosted in OBS Logistics' own data centres because they know that the entire service is managed by one organisation and responsibilities are clear. It might be surprising to learn that most of the Cloud/SaaS application providers rely on

third parties to provide the computing power and data centre facilities.

The clue to the second major difference with 'Solution as a Service' is in the word 'Solution.' Other providers' Cloud/Software as a Service offerings (few and far between for TMS) are based on deploying multiple clients on a vanilla flavoured single instance of the systems where

all customers use the same version of the system and all have to take upgrades to new versions as soon as the supplier releases them.

Whilst OBS Logistics can provide this form of standard service, OBS Logistics' extensive experience in the logistics sector has taught them that clients often want to have solutions customised to their specific needs and the business critical nature of their 7/24 round the clock operations means that they want to choose if and when they take new releases. As Dave Renshaw explains

"Cloud Computing with Logistics applications is not like using a solutions such as accounting systems or sales management solutions – in Logistics, clients need to be able to rely on their solutions being available whenever their operations are running. Solution as a Service from OBS Logistics addresses this by providing a specific instance of the application for each client which can be set up to meet their specific business needs."

Renshaw concludes, *"CALIDUS TMS (Transport Management Systems) together with CALIDUS WMS (Warehouse Management Systems) and CALIDUS TTM (Supply Chain Track & Trace Management) combine to offer what is increasingly recognised as the most comprehensive operational logistics solution in the World. Our CALIDUS Cloud Computing service now makes these solutions available to a wider range of companies worldwide, large and small, to deliver real business benefits. Our clients can focus on their business operations whilst we handle all of their IT needs cost effectively. Remember that with Solution as a Service the entire solution can be paid for on a monthly basis as the system is delivering benefits and, if required, may appear as an off-balance sheet item, leaving room for other business investments."*

If you are considering investing in a Transport Management System (TMS) then why not use our helpful questionnaire to assist in the decision making process. The 'Transport Management Selection Guide' contains some 113 questions that you should ask potential suppliers when evaluating their products.

To get your free copy please register at www.obs-logistics.com/resources

Can a Supply Chain Tracking System

Linking supply chain tracking and marketing in this way may seem surprising, but when a major logistics company working for some of the World's leading consumer goods manufacturers implemented OBS Logistics' supply chain tracking solution, *CALIDUS* TTM, this was one of the major benefits their clients achieved.

The challenge for many manufacturing and distribution companies is deciding what products they should promote in each geographical region, with the aim of promoting the products they have most readily available in preference to the products they still need to manufacture, thereby maximising sales and minimising stock.

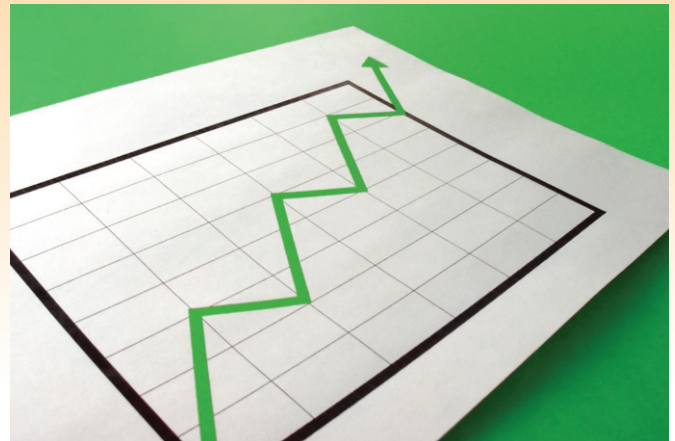
To achieve this objective product marketing teams need to have up to the minute information on what stock they have, where it is, how it is moving through the supply chain and what the current order demand is for these products. This is where *CALIDUS* TTM comes into its own.

CALIDUS TTM is a web based supply chain tracking solution which takes information from the company's organisation wide ERP and operational logistics solutions and provides facilities to track stock and orders across the entire supply chain.

Managers can use this up to the minute information to confidently make key decisions which brings real business benefits. Product Marketing Managers can promote the available products in each region to good effect which results in:

- Maximising sales opportunities
- Reducing stock levels
- Improved utilisation of working capital
- Where demand exists for products not available in the region, they can work out how best to source these products, whether it is to manufacture them or procure them from stock in another region. It all comes down to the power and benefits of timely and accurate information.

In addition to supply chain tracking by the people within a company, *CALIDUS* TTM offers another important



business benefit when it comes to the customer service function. Customers of the company can sign onto a web portal to enquire on product availability and to place and track their orders from input through to final delivery. Along with the customer service benefits achieved by enabling customers to get easy access to the key information they need around the clock, *CALIDUS* TTM provides further benefits:

- Enabling the customer to enquire into stock and order information through the portal drastically reduces a company's administrative overhead that results from answering the customers' enquiries by phone or email.
- Allowing customers to enter their orders over the web reduces and often eliminates the time involved in entering customer orders.
- When customers enter their own orders they take responsibility for the timeliness and accuracy of the order information.
- Viewing the delivery information online minimises POD and Billing queries leading to fewer payment disputes and better cash flow.

Improve Your Company's Marketing?

In addition to CALIDUS TTM being used by third party logistics companies to allow clients to track their supply chain there is a further important benefit that their clients have gained from using CALIDUS TTM. It allows them to monitor how efficiently their logistics service provider is performing. When you think about it, a client can now see their stock being managed in third party facilities and can track the timeliness and accuracy of deliveries and orders. CALIDUS TTM therefore offers real logistics services provider performance monitoring.



You may think therefore that such benefits would not be encouraged by the logistics service providers. Information about their performance being readily available 24/7, may have been a cause of concern.

Interestingly you could not be more wrong. In our experience - leading logistics companies sell this open visibility of their performance as a benefit, promoting trust and providing proof of competence. After all, they are used to providing copious amounts of performance reporting on a regular basis. This is simply providing it in real time and potentially reducing the reporting burden in return.

So how does CALIDUS TTM manage to put all of this valuable information at the user's finger tips?

Dave Renshaw CEO of OBS Logistics explains

"It is all about seamlessly gathering up to the minute information from all of the systems used across an organisations supply chain – whether it be their ERP system, warehousing systems or

transport management systems – including the in-cab mobile facilities used by the drivers as they go about their daily tasks collecting and delivering. CALIDUS TTM is designed to bring information from non-CALIDUS systems equally effectively as it does from our own CALIDUS suite. Making supply chain tracking information available over a web portal to users within a company, its service partners and its customers alike is increasingly being seen as a 'must have' for many organisations."

Renshaw concluded

"CALIDUS TTM is another exciting member of the CALIDUS family, which is rapidly being recognised as the most comprehensive range of best of breed logistics solutions available in the market"

So, can you improve your marketing with a supply chain tracking system?

Well, by implementing CALIDUS TTM for some of the largest and most successful companies in the World it has been shown that you certainly can – along with achieving a whole host of other benefits!



Gaining the full benefit of an extended Transport Management System

Having recognised that a good transport management system (TMS) will improve overall efficiency, transport and logistics companies are looking further to gain additional benefits. Dave Renshaw, CEO of OBS Logistics and an expert in integrated supply chain and extended enterprise solutions looks at what companies can expect when they adopt advanced solutions such as the CALIDUS TMS.



At one time trip planning and trip execution were top of the agenda for most companies. They were generally happy if they could get these basic functions from their TMSs – and it is so easy to forget that at one time these functions were considered revolutionary.

Time has moved on, however. Now companies require ‘operational dashboards’ to give far greater management control and fast access to information, electronic proof of delivery (EPOD) systems to confirm that the delivery was received (and by whom and when), and online supply chain tracking so that both the customer and the company can track orders and inventory over the web.

Let’s begin with operational dashboards. These are easy to use, computer screens that provide managers with two important views of what is happening that are measurable by key performance indicators (KPI): real-time activity and past performance for historical analysis. Importantly, these dashboards provide instant, at-a-glance information.

With a dashboard view of displaying the status of the operation, managers can focus on mission critical issues. These are things that affect service levels and performance - two important drivers of any customer-focused logistics operation. This information could include the number of vehicles requiring loading, information on late running vehicles, failed delivery information and so on.

Historical analysis enables the management team to see and compare past performance measured against preset standards, without having to delve back through paper or electronic records. This includes information on the performance of individual drivers and operatives, enabling individual performances to be compared and reviewed. We find that drivers respond well to this performance measurement and it is driving forward the right behaviour, which in turn is beneficial to the entire operation.

ELECTRONIC PROOF OF DELIVERY MAKES SENSE

EPOD is now much more of a must have rather than a nice to have function. It is a powerful extension of the TMS that reaches out to the point of delivery with the use of hand held terminals or PDAs. These provide the driver with a mobile office environment that is paperless, electronic and real-time.

Delivery information together with vehicle routing information is downloaded onto the driver’s PDA, which is then used at each drop point to confirm the delivery with signature capture and where required, photos to prove quality and completeness of the delivery. In addition, a paper copy of the EPOD can be printed for the person receiving the goods, with an electronic copy being sent by email simultaneously to the designated customer contact with details of who signed for the goods. Within minutes, the outcome of the delivery can be transmitted back to the central system to provide timely and valuable information for the central transport and customer service teams.



Armed with the information the transport and customer teams are better placed to deal proactively with all delivery exceptions instead of waiting for disgruntled customers to telephone in with complaints, etc. For example, they can quickly re-plan failed deliveries, discuss shortages/damages, late running so that they can reassign goods reception staff and so on.

For the company, EPOD has another huge benefit in that it enables timelier invoicing and reduces the number of post-delivery queries, resulting in faster payments and cashflow improvements.

ONLINE SUPPLY CHAIN TRACKING

Logistics companies are finding that tracking portals are becoming essential components of their TMS. Their customers are expecting to be able to simply log onto a website and see their orders and delivery progress. For them it means no more having to call in to

find out the status and for the logistics company it reduces the amount of nonessential customer contact time and associated administration.

Supply chain tracking over the web offers massive benefits. For example, a *CALIDUS* TTM Supply Chain Tracking solution for the world's largest consumer goods manufacturer has revolutionised how it manages a major part of its supply side operation.

The company can now track the performance of its logistics services provider – however, there were more gains than simply performance management. Being able to monitor orders and inventory provided the largest return on investment. The company discovered that having timely information on how much inventory it held in each region and the order demand from customers worldwide, made it possible to manage promotions better and fulfil orders from stock. This reduced inventory levels, increased sales and improved customer service – you could say that it helped it to improve its marketing.

These extensions to *CALIDUS* TMS are obviously beneficial. There are, however, a number of fundamental capabilities inherent to an advanced system.

Many transport solutions track consignments reasonably well but they do not provide detailed information on the orders and products making up the consignment. The lack of this detail results in a partial tracking solution; at best, it could be summed up as simply tracking a consignment number, which in today's service driven economy is not enough. We have taken the concept much further by drawing on our warehouse management expertise and implementing our expertise at an early stage, so that our customers have always benefited from being able to see the entire composition of their consignments. This information is available to them through the supply chain tracking portal.

Transport operations striving to maximise efficiency and vehicle loads need accurate collection information available for the collection-planning phase. If they provide a supplier portal, where the suppliers themselves enter and update product and collection quantity information, the transport planners have quality information to enable them to develop accurate plans that maximise loads and optimise the delivery trips. The portals also enable the supplier to print barcode labels to attach to the goods to improve the accuracy and speed of loading and unloading. We have seen this put into action when a leading household goods retailer used its supplier portal to improve timeliness and accuracy of supplier deliveries into its stores.

CROSS DOCK WITHOUT WIRES

To maximise speed, accuracy and efficiency at each depot you have to forget about paperwork! Radio frequency terminals are the way to go for boosting cross docking performance. Instead of reading documentation and then reentering the information (and probably mis-keying it, thereby creating problems) use a scanner to read the barcodes. It is amazing that in 2011 that some companies would need encouraging to do so. The improvements come quickly as does the justification for using the technology followed by a fast return on investment.



INTEGRATE YOUR VEHICLE TRACKING SYSTEM

An extended TMS will integrate fully with the built-in telematics equipment or third-party solutions. The TMS will use this live information to help transport managers improve fleet fuel usage by as much as 10% to 15%.

How does it do it? The telematics information enables transport managers to monitor driver habits and performance. They are able to use the vehicle tracking information – idling, speeding, heavy braking, miles travelled, diversions from planned routes, etc – to improve driver behaviour and encourage more fuel-efficient driving. Once drivers are aware that their transport managers are able to compare them to other drivers they respond by striving to achieve their own personal bests. This brings a positive driver league table type of approach to the delivery operation.

CENTRALISE PLANNING IN THE CONTROL TOWER

Central planning and transport management is becoming the way forward for many companies as they move from localised planning to a 'control tower' approach. Extended TMS users are finding that they benefit from reducing fleet size, have less reliance on subcontractors and achieve significantly more efficient deliveries. They also find that they can reduce the number of stocking points and can reduce overall stock holding.

OBS Logistics has seen this as our third-party logistics customers move to control towers for servicing their clients. DHL, reduced its fleet by 10% for a transport operation in Poland by taking this approach.

MANAGED SERVICES

One of the most significant trends we are seeing is the increase in companies that are choosing an extended TMS supplied as a managed service. For example, we currently process over 6 million transport orders each year on our hosted system. We are expecting this volume to increase by more than 30% during this year. The purpose built data centres owned and operated by OBS Logistics are ideal locations to host business critical systems like *CALIDUS* TMS.



TMS - THE THREE LETTER ACRONYM WITH A BIG IMPACT FOR TRANSPORT OPERATIONS

Dave Renshaw, CEO of OBS Logistics and an expert in integrated supply chain and extended enterprise solutions, looks at how to reduce transport costs and enhance customer service with advanced Transport Management Systems (TMS). These cutting-edge systems are putting companies in control of their supply chains and helping the efficiency and effectiveness of their transport operations. This is providing a win by reducing operational costs, a win for customer service and a win for the environment.

The most significant cost in the supply chain is transport. The ever-increasing price of fuel and its influence on running a cost-effective transport operation is a major issue. Add to this overall efficiency and performance of the operation and clearly fuel and operational costs will have a huge impact on business costs. Badly run transport operations simply leak cash and damage customer relations through poor service.

With an estimated 500,000 trucks on UK roads, the environment will suffer. Granted new engine technology and tractor and trailer designs are bringing down emission

levels but technological advances alone are not enough. We also need good transport management.

ENTER TMS

Some companies are working hard to take control of their transport operations by implementing enhanced TMS. These systems are helping them to balance the hard costs of transport – fuel, maintenance, and insurance – with providing best service.

A good TMS will address a company's desire for improvement by enabling it to become more efficient, effective, and environmentally friendlier.

Working quickly using the minimum of resource, expense and time are a measure of efficiency for transport operations. However, sometimes being efficient does not always meet the needs of the customer. They need transport to do the right thing by delivering in full and on time. This can only happen by working smarter to provide an effective transport solution.

- **A MAJOR UK SUPERMARKET SAVED 12 TO 15% IN FUEL COSTS THROUGH IMPROVED PLANNING, ROUTE AND SCHEDULE ADHERENCE, AND CONTROLLED DELIVERY TIME SLOTS**
- **A CONSTRUCTION FIRM USING TMS MANAGED SERVICE RATIONALISED A FRAGMENTED TRANSPORT OPERATION RESULTING IN A SMALLER FLEET, REDUCED RELIANCE ON SUBCONTRACTING AND 15% LOWER OPERATING COSTS**
- **A MAJOR CLOTHING RETAILER REDUCED ITS EXISTING FLEET BY 6% THROUGH OPERATIONAL PLANNING, ROUTE AND SCHEDULE ADHERENCE, AND IMPROVED MANAGEMENT INFORMATION**
- **ONE OF THE UK'S MAIN BREAD PRODUCERS GAINED 7% IMPROVEMENT IN FUEL USAGE THROUGH IMPROVED PLANNING, ROUTE AND SCHEDULE ADHERENCE, AND CONTROLLED DELIVERY TIME SLOTS**
- **AN INTERNATIONAL OIL REFINING, MARKETING AND DISTRIBUTION COMPANY SUPPORTS 11,000 USERS THROUGH THE USE OF HAND HELD TERMINALS AND WEB-BASED TRACKING FOR DELIVERY OF OVER 2 MILLION ORDERS EACH YEAR**
- **A GARMENT DISTRIBUTION COMPANY REDUCED THE NUMBER OF PLANNING CENTRES, IMPROVING OVERALL EFFICIENCY AND REDUCING TRANSPORT OPERATING COSTS BY 12%**

TMS users and the benefits they gain from the solution.

Business Needs	Solution	Benefit
Demand management	Provides visibility of resource utilisation. System and management override capability to smooth demand	Avoid over-utilisation in busy times; reduce reliance on third-party contractors. Optimise efficiency of Warehouse Management System pick and load processes
Consistent service delivery	Able to schedule to delivery windows, booking-in times and vehicle constraints	Customer service improvements and adherence to contract terms
Service level agreement adherence	Provides automated trip build scheduling to match delivery window or booking-in time	On-time deliveries. Customer satisfaction improvements and customer retention
Improved resource utilisation	Uses fixed rules to automatically schedule and is based on defined routes, carriers, geography, cost and vehicle fill. Gives order-well visibility	Lower costs. Empty running reduced. Road miles reduced. Spending on agency drivers and vehicles is reduced
Visibility - consolidation opportunities	Provides opportunities for backloading, consolidation of fleet (multiuser shared network rather than dedicated), order-well management	Improved revenue and asset utilisation - increased throughput of volume from resource base
End-to-end consignment tracking	Gives visibility of consignment / product throughout supply chain	Improved customer service. Enhances customer confidence
Key Performance Indicators - measuring and reporting, process improvements, identifying trends	Gives detailed plan versus actual management reporting	Identify strengths and weaknesses. Prioritise improvement initiatives

Table I: Basic TMS requirements, solutions and benefits applicable to most companies.

Effectiveness, therefore, requires a focus on achieving important transport objectives to meet and exceed customer requirements. This is possible by doing the right things, in the right order and in the right way!

Efficiency and effectiveness lead to a reduction in the carbon footprint of the transport operation. With a TMS, it is possible to manage efficiencies and effectiveness constantly so environmental impact reduces continuously.

TMS EXPECTATIONS

Table I highlights how a well-designed TMS should address transport business needs, solve the issues and deliver benefits. These represent the basic TMS requirements for most companies.

Most companies will need further benefits to those shown in Table I. However, an enhanced TMS will be scalable. This will provide extra features for bringing online whenever the company needs them.

Author

Dave Renshaw has specialised in the Logistics Industry since the early 1980s working with clients including many leading logistics companies and supply chain organisations. He is CEO of OBS Logistics Ltd and In2grate Business Solutions Ltd whose business is the provision of Total Supply Chain IT Solutions with over 500 implementations in 57 countries.

His philosophy for a successful company in the IT Solutions business is to work with customers to get true value from the systems they install. His key driver is to build and sustain long term client relationships based on mutual trust and success. For more information, please go to <http://www.obs-logistics.com/tms>

TMS SCALABILITY

Such a scalable solution is the CALIDUS TMS. This popular TMS has a user base of more than 1,500 users worldwide in the retail, wholesale, manufacturing, food and drink, pharmaceuticals and apparel and fashion industries.

Users are achieving at least 10% direct savings on transport costs through scheduling, route planning, and driving and maintenance improvements. Table II shows real-world examples of the benefits some companies are enjoying with a TMS-based solution.

In conclusion, clearly TMS implementation is an important step forward for any company wanting to optimise its business processes and distinguish the service it provides. Companies can only realise the full benefit once the TMS is in place and by performing the necessary supporting operational practices.



About The Anisa Group

The Anisa Group of companies consists of leading suppliers specialising in the delivery of world-class integrated supply chain and extended enterprise solutions.

With a global customer base and an average of one of our solutions going live somewhere in the world every week, our success lies in providing transparency and openness combined with the highest levels of efficiency throughout our customers business processes.

The Anisa Group responds to customer demands by synchronising their entire enterprise from development and engineering, manufacturing, through to warehousing, distribution and transportation operations including their sales and customer relationship management and all their financial accounting needs.

By selecting partners at the forefront of exciting innovations and technologies, we expand our knowledge and fulfil our promise to our customers. We are continually evaluating further opportunities both for organic growth from our existing operations and for expansion through acquisitions and reseller channels.

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