



Solution as a Service

In over 25 years of providing logistics IT solutions, OBS Logistics has experienced significant and continuous change in the Logistics market. None more so than some of the key drivers logistics companies are currently experiencing. These trends are causing an increasing number of organisations to seek a new approach to acquiring operational logistics systems, away from the conventional route of purchasing software licenses with services and installing their own hardware and communications infrastructure to run the systems.

In today's Logistics World, organisations are facing some key trends:

- Financial: Tight Margins, variable demand, and cost of service failure.
- Change Management: Consolidation in the market, wider geography of operation, business change, ever more demanding customer needs; all to be dealt with in rapid timeframes.
- Focus on core competencies: an increasing move to outsourcing the total IT solutions but with fewer IT suppliers.
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These issues are driving systems thinking in the following ways:

- Cost of systems: Avoiding up front capital cost ahead of achieving benefits, striving for lower predictable cost and looking to ways of linking costs to revenue/throughput.
- Systems which are robust and resilient for such business critical operations and which cater for changes in scope and scale at known cost, without major investment decisions and business upheaval.
- Total Managed Services to achieve timely implementation of solutions and changes through a single IT supplier.

When it comes to procuring new systems, companies have used conventional routes of cash purchase or leasing for many years, however, when looking to address the above issues they both have particular drawbacks:

- Commitment is on Balance Sheet
- Solution has defined scope and scale
- Impact of changes in the business is not known

Organisations are looking for a new, cost effective, flexible approach and are considering "pay- as- you- go" managed services as the answer. A number of software companies have been offering a "pay- as- you- go" approach for a while but this has generally been based on 'out of the box' ASP type solution where the theory is that one approach suits all. In the business critical, complex world of operational logistics solutions, this is often inadequate given the differences in size and scope of organisations, the complexity of their business models and importantly, the specific needs of their customers.

This is precisely why OBS Logistics has introduced 'Solution as a Service' which provides a "pay- as- you- go" managed service which is tailor made to a client's particular needs.

With our '**Solution as a Service**' model, the total solution can be delivered for a single monthly charge including:

- All hardware, including the required RF, scanning, Voice and in cab/EPOD equipment,
- Communications infrastructure to the client's particular needs,
- Our industry leading *CALIDUS* TMS, WMS, Bonded and ERP solutions, plus third party software,
- All specific tailoring and systems integration work, including links to automation,
- The required consultancy, Project Management, Training and Implementation Support,
- On-going support/maintenance, geared to your specific needs through to full 7/24 cover,
- Overall management of the Solution to agreed service levels.

Charging models, based on a minimum contractual term, can be geared to size of operation and growth plan, user based or cost per transaction based, allowing for costs to be related to systems usage, with predictable cost changes when operational volumes change.

‘Solution as a Service’ therefore delivers a number of key benefits, which our clients are already enjoying:

- Predictable cost related to systems usage where 3pls can match cost to revenue and contract duration. Cost is spread on a more flexible basis than leasing and is off B/S, leaving room for other investment opportunities.
- Robust and resilient infrastructure which is affordable, avoiding the client having to set up and maintain such,
- Future Proof solutions where the service providers handles change and scaling issues in a timely manner and which are managed to agreed service levels, with a single point of contact and one overall charge “

If you would like to hear more about ‘Solution as a Service’ from OBS Logistics and how leading logistics organisations are benefiting from our solutions please contact our Sales and Marketing Team on 0207 881 2500 (email info@obs-logistics.com).

