

Company overview

For over a century, a leading manufacturer of security products (“Security Products”) has helped its customers protect their assets by offering the best products and services available on the market. Since its founding, Security Products has grown into a global operation with subsidiaries and distributors located all over the world. Quality, reliability, and service are the cornerstones of their success.

Situation

Security Products processes more than 1,000 shipments each day out of 5 distribution centers via UPS, FedEx, and LTL carriers. Each location used either carrier-provided parcel processing systems or a 3rd party provided PC-based shipping system. In most locations, shippers manually prepared labels and bills of lading for LTL shipments (50% of their total volume), a time-consuming task that often resulted in delivery delays and billing errors.

Each parcel processing system required a separate interface into Security Products’ ERP system to access order header information. None of the systems were able to capture line item information for contents packed within cartons, and only some of the systems were able to capture information related to multiple order containers. The inconsistencies associated with supporting multiple system interfaces created system maintenance issues, especially after “rate change” software updates.

Security Products lacked consistent policies about transportation service selection, primarily leaving decisions to local warehouse personnel. As a result, purchasing lacked the tools necessary to calculate accurate and cost-effective rates, routes, and services for inbound freight. This resulted in excessive inbound transportation spend and inefficiency at point of receiving due to lack of visibility and control over carrier delivery schedules.

Order entry and sales also lacked transportation decision support for rating and routing outbound orders, making it difficult for to quote accurate shipping costs to customers. This resulted in lost sales to competitors with lower shipping costs, or unexpectedly higher costs which they were unable to recover from customers, thereby eroding profitability. The COO was concerned that even if purchasing and order entry were able to quote accurate rates, there were no processes and controls in place to enforce execution of those decisions in shipping.

In addition to shipment processing inefficiencies and lack of control over transportation spend, Security Products’ accounts payable department had a difficult time reconciling LTL carrier invoices. They were unable to determine if the rates were accurate and could not easily associate costs with specific orders or general ledger accounts. This was especially hard with so few financial controls over carrier selection and reporting.

Lastly, customer service representatives (CSRs) were unable to respond efficiently to order and shipment status queries because they lacked a unified view of all shipments processed from their various locations and disparate shipping systems. CSRs manually researched order status in their Epicor Enterprise ERP system and then correlated order to the carrier tracking number which was difficult because multiple orders could have been processed within a shipment or multiple shipments contained within an order. When the tracking number was finally located, they re-keyed the number into the carrier web site and then forwarded the response to the customer. This process frustrated CSRs and customers. Accounts receivable had similar problems with Proofs of Delivery (PODs) for disputed orders.

To maintain their high level of service and support, Security Products knew it was time to implement a single platform that could unify transportation information, processes, and people. They turned to Agile-Network for help. Agile-Network delivered.

Situation Summary

- Disparate shipment processes
- Excessive transportation costs
- Inefficiency, inconsistency
- Poor shipment status visibility
- Lack of transportation cost controls

Capabilities Required

Agile-Network identified the following key system requirements:

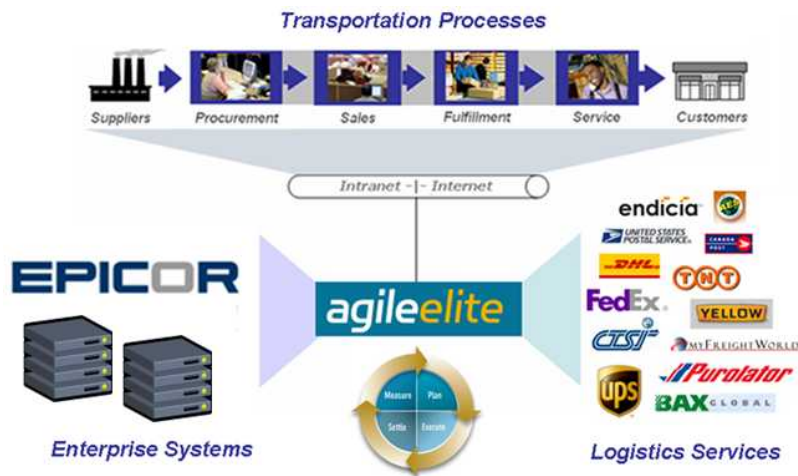
1. One enterprise solution to automate and simplify shipment processing across multiple facilities
2. Automate cost-effective carrier service selection in purchasing, order entry, and shipping
3. Centralized server to store all shipping transactions and carrier charges for improved accountability
4. Single connector to Epicor Enterprise ERP system
5. Ability to automate LTL invoice auditing and reconciliation
6. Ability to track and “drill down” on customer -> orders -> shipment -> line item status from any location

Solution

Agile-Network, Inc. (“Agile”) implemented AgileElite, a suite of transportation spend management solutions that met all of Security Products’ requirements. Agile installed AgileElite server at Security Products’ data center at their corporate headquarters. AgileElite integrates order information from Security Products’ Epicor system with interactive connectors to UPS, FedEx and CT Logistics, an LTL freight brokerage service.

Authorized employees from any of Security Products’ 5 locations can use Internet Explorer to access AgileElite solutions for automating transportation and fulfilment processes. Purchasing and order entry use AgileRoute to instantly compare accurate parcel and brokered LTL rates. AgileShip enables shippers to simply scan a bar coded order number on a pick ticket and automatically weigh, route, rate, and print error-free carrier-compliant labels and documents. CSRs use AgileView to pinpoint order and shipment status, and accounts receivable can quickly resolve disputed accounts with POD access. Accounts payable have a single view of all transportation costs.

Agile used AgileComposer to rapidly integrate and adapt role-specific, browser-based user interfaces for Security Product Company’s personnel which greatly reduced training time. AgileElite’s server-based administration tools provide Security Products’ IT staff with the tools they need centrally manage security, information, and support.



Key Benefits

- 5 locations, one solution
- LTL costs reduced \$270k/year
- Improved efficiency, consistency
- Reduced errors
- Improved customer service
- Cost visibility & control

Results

AgileElite has enabled Security Products to achieve complete transportation cost visibility and control over shipping processes throughout their enterprise. By taking the guesswork out of carrier service decisions, Security Products’ is holding the line against rising transportation costs. Their VP of Finance is thrilled with the results: “Agile enabled us to cut transportation costs by 18%, reduce labor, improve customer service response time and increase order accuracy. Carrier bill reconciliation is now fully automated.”

For more information:

Agile-Network

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www.agile-network.com

