

Best Practices: Leveraging Technology in Transportation

This whitepaper highlights best practices that demonstrate how leading manufacturers and retailers are experiencing significant benefits from technology in transportation.

LeSaint Logistics



Transportation in today's supply chain has become much more complex. Yet, powerful technologies and a vast array of TMS applications now gives shippers the ability to manage orders, optimize loads, select the best carriers, automate shipping for all modes, track shipping progress, settle payment and manage claims. In addition, technologies now map, graph, model, trend and benchmark entire logistics operations at more than half the costs of what was required even just a few years ago.

LeSaint Logistics has seized the opportunity to bring such powerful technology to its customers through a strategic partnership with CTSI-Global. As a result, LeSaint provides customers with systems, capabilities, and reporting to manage the entire transportation processes, from order entry and dispatch through logistics management and settlement. These capabilities include:

- Accurate, comprehensive visibility to shipping costs, activities
- Shipment routing, rating and pricing
- Shipment tracking and delivery measurement

The best way to understand the full potential and power of transportation technology is to see it in action. Many major companies today are taking advantage of the technology solutions LeSaint can bring customers through CTSI-Global's technology and capabilities. This whitepaper highlights just a few of their stories.



BE Aerospace: "Freight Payment Audit Details Transportation Spend"



Like many shippers, BE Aerospace sought out a third-party freight payment auditor (in CTSI-Global) to ferret out rate errors and file service failure claims, but soon discovered the cascading benefits of having granular, accurate data about their transportation spend.

The Florida-based manufacturer of aircraft passenger cabin interior products implemented freight auditing and payment at its 30 sites using a phased approach, starting with the U.S., then spreading internationally. Among the unexpected benefits of the process was a reduction in the aging days for carrier invoices.

But the richness of the resulting data came as a bit of a surprise. "We have one repository we can go to pull data quickly and accurately," says Steve Francke, corporate transportation manager for BE. That's proven useful in a number of ways:

- Enhancing rate negotiations. "We can identify specifically our spend to the penny on an annual basis with multiple freight forwarders," says Francke, then roll the spend together to negotiate based on volume.
- Identifying shipping lanes and routes with each freight forwarder, without relying on the forwarder for that information.
- Discovering best routes to support potential expansion into new markets.

Supply chain managers at each site can access CTSI-Global Web tools for queries and analysis of BE's transportation data. The manufacturer also pulls data into its own business intelligence tool. The company has grown so quickly over the past several years through acquisition, so it has several sites with different operating systems, according to Francke. These tools allow the company to normalize data into one reporting system.

Other companies could attain a faster time to benefit in use of freight audit technology by working to normalize the data before beginning implementation. "It's tremendously important to have a good, accurate list of accounts," with naming and nomenclature issues worked out. The many benefits have Francke eyeing expanding to use of this transportation management system (TMS) to gain capabilities such as optimizing loads, selecting carriers, tendering shipments and track and trace.

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>
> Steve Francke
> Corporate Transportation Manager,
> BE Aerospace



RSC Equipment Rental: "When Quicker Is Better"

When the 4th Infantry Division stationed at Fort Hood, Texas received orders to move into Iraq, they turned to RSC Equipment Rental to provide equipment that could facilitate around-the-clock loading of supplies and military equipment. At 11 a.m., the Defense Accounting Financing Service requested 30 light towers and 5 reach lifts to be at Fort Hood by 5 p.m.

While RSC is a major rental and sales resource for everything from a single hammer to a 25-ton crane, not every one of their stores handles the entire line of items that are available. It was necessary to quickly access the inventories of a number of locations; and through close scheduling and coordination of their transportation capabilities, RSC delivered six trailer loads of equipment to Fort Hood within a few hours. During the hurricane season, similar pressure was put on the distribution system as RSC delivered generators, forklifts, and earth moving equipment into the affected areas. While these would be formidable tasks for most firms, they are all in a day's work for RSC. With a significant amount in annual expenditures and extreme customer service requirements, they leveraged the power of supply chain management technology.

Using the carrier posting and freight bill payment modules of CTSI's transportation management system and a small number of pre-qualified brokers, RSC is able to receive transportation quotes quickly and efficiently, and get shipments on their way. Since this is not a bulletin board, there is no risk of receiving quotes from brokers who have not been screened previously.

Once the necessary load information is posted (i.e., origin, destination, shipment description, requested pick-up and deliver times, special instructions, and quote expiration times), e-mails are sent to the eligible brokers. The email provides a link to the posted information. On the site, brokers can complete a broker acceptance form which goes back to RSC. Brokers are selected on the basis of price and proven capabilities, and there is always closure. All brokers are notified of final disposition of the shipment.

The posted document becomes the bill of lading, and shipping notices are sent to the destination. After the shipment is delivered and invoiced, the TMS checks the freight bill against the quote and, if there are no exceptions, pays the bill. In the process, the system captures data such as internal coding, equipment model numbers, distribution of freight and various other pieces of information required by RSC.

> ***"LeSaint's TMS allows customers unsurpassed cost savings, information, and efficiencies moving products and materials through the supply chain."***
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> Dino Moler
> Executive Vice President,
> Client Solutions
> LeSaint Logistics

Says Billy Hopper, Director of Fleet Management: “This system, which was designed to our specifications, has enabled us to efficiently manage a complex process and provide the level of service necessary to meet the objectives of our customers.”

Rental Service Corporation, a company within the Atlas Copco Group with an extensive network of nearly 500 rental centers, is the leading provider of equipment rental services for the construction, industrial/petrochemical, manufacturing and government sectors in the United States, Canada and Mexico.

In addition to those modules utilized by RSC Equipment Rental, this technology also contains modules for load consolidation, rating and routing, mode/carrier selection, order/bill of lading capture, reporting and modeling, load/web tendering, tracking/tracing, and benchmarking. This web-based application is for organizations seeking an enterprise-wide solution, managed through centralized administration tools.





Service Master: "Technology That Turned Complex Business Challenges Into Solutions"

ServiceMaster, a house-hold name, includes a network of more than 5,100 company-owned and franchise locations and one of the world's largest residential and commercial service networks. Brands include: TruGreen, TruGreen LandCare, Terminix, American Home Shield, ServiceMaster Clean, Merry Maids, Furniture Medic and AmeriSpec. The ServiceMaster family of brands serves more than 8.5 million customers every year and holds market-leading positions in lawn care, landscape maintenance, termite and pest control, home service contracts, furniture repair, home inspections, residential and commercial cleaning and disaster restoration. Service Master has multiple divisions/business units that all operate independently of one another. Each unit had their own set of carrier rates, payment processes, and shipping systems causing the corporate office to not have any visibility of their freight practices and spend across all locations.

> ***"Shippers who leverage LeSaint's TransTech™ system find significant value through our broad-based technology capabilities."***
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> Bill Lansaw
> Vice President Transportation
> LeSaint Logistics

Service Master had each of its business units consolidated under one freight payment process, giving them the complete visibility of their transportation spend for the entire organization. Service Master also implemented CTSI-Global's Web-based TMS applications. The TMS system allows headquarters to standardize shipping systems across each division.

Next, CTSI-Global re-rated all of their shipments, performed modeling, break-even analysis, reviewed data and made recommendations to allow ServiceMaster to execute Carrier Contract Negotiations. Furthermore, by utilizing the information gathered from the freight bill audit & payment and TMS applications, Service Master is able to leverage their freight spend across all locations and negotiate contracts at a lower rate. The result: A tremendous amount of time and money saved.

Best of Breed Technology From LeSaint Logistics

LeSaint brings significant power to its suite of technology solutions, including these capabilities:

- Transportation Network Design
- Shipment Execution and Compliance
- Carrier Management
- Event Management
- End-to-End Transportation Management
- Freight Audit, Payments and Reporting
- Spend Management
- Consulting Services
- Claim Management
- Score Carding, Reporting and Analysis
- Centralized Customer Service
- Seamless Implementation



Technicolor Case Study: "Color Me Visible"



Who can imagine the logistics forces necessary to have 18 million copies of *Indiana Jones and the Crystal Skull* DVD in 12,000 unique locations on a specified date? Technicolor can. Almost every week, this leading manufacturer and distributor of DVDs and CDs ensures that consumers will be able to comfortably view our favorite movie on the date promised. These magic dates called "street dates" are the heart of Technicolor's logistics challenges. Over one billion units annually must be replicated and delivered to their final destination by this precise, advertised date.

The process all starts in China from which container loads of supplies and components sail ultimately bound for Guadalajara, Mexico. There, the DVDs and CDs are replicated and dispatched to Technicolor warehouses in Tennessee, Michigan, and southern California. From these DCs, the units move to their final retail location through LTL or package delivery systems.

The challenge Technicolor faced was to find a system that would give them complete visibility to their shipments any time of the day or night. They needed a system that would be robust enough to allow them to detect possible delivery delays and take steps to ensure delivery prior to the designated street date. To do this, they needed to have dock-to-delivery visibility to millions of units each week.

Technicolor chose CTSI's Event Management System to provide the visibility they needed. The system has the collaborative event management technology that integrates all modes and carriers into one online supply tracking solution. In addition to providing in-transit tracking visibility, this system gives Technicolor the ability to extend tracking to include pre- and post-shipment activity. These transportation tracking strengths with warehouse management technologies provide an end-to-end tracking solution. The result? Millions of happy viewers and a Technicolor reputation for on-time delivery.

After the fact, Technicolor's freight bills are audited and paid, ensuring correct weight, rates, and accessorial charges. Reports on all activities and their costs are readily available to Technicolor through the online visibility tools. In addition to those modules utilized by Technicolor, the system contains additional applications for load consolidation, rating and routing, mode/carrier selection, order/bill of lading capture, reporting and modeling, load/web tendering, and benchmarking. This web-based application is for organizations seeking an enterprise-wide solution, managed through centralized administration tools.

Many companies like Technicolor are seeking technology solutions that give them complete shipment visibility on global and domestic shipments, at any time–day or night.



LeSaint TechKnow™ technology suite adapts best of breed third-party information technology systems to provide management and reporting throughout the supply chain, with the accountability and visibility you need to streamline your logistics processes. Our WareTech™ manages all your inbound and outbound shipments, fulfillment and inventory control. Our TransTech™ solution manages your entire transportation processes, from order entry and dispatch through logistics management and settlement. For real-time reporting, count on our TechKnow™ Portal, providing web-based order and inventory status, transportation management, customized reporting and email alerts. We are continually adding and upgrading technologies to help manage the flow of your products more effectively.

Part of these solutions are brought to our customers through a strategic partnership with CTSI-Global. The case studies showcased in this whitepaper are based upon real life experiences from shippers taking advantage of the technologies this company has to offer. LeSaint Logistics thanks CTSI-Global for providing us with expressed permission to use them in this whitepaper.

About LeSaint Logistics

LeSaint Logistics is a nationally recognized provider of warehousing, inventory control, transportation management, and technology solutions that streamline and maximize their customers' supply chain efficiencies. In transportation, LeSaint provides end-to-end management, brokerage, and asset-based solutions that ultimately leverage the company's multimodal knowledge, flexibility, and service performance levels for its customers. For more information, visit www.LeSaint.com.

LeSaint Logistics
3PL KnowHow™

About CTSI

CTSI-Global has been providing global supply chain solutions for 60 years to hundreds of clients, including 25 Fortune 500 firms. CTSI-Global has been routinely named both a Top 3PL as well as a Top 100 Logistics Technology Company. LeSaint gives a special thanks to its strategic technology partner in allowing these case studies to be shared with the industry.

CTSI
Your Link to Supply Chain Solutions