IBM

IBM Sterling TMS Peer-to-Peer Networking Program

Agenda

- Program Objectives

- Seneca Foods – Janelle Murphy

- Contract Management and Dock Scheduling

First IBM Sterling TMS Peer-to-Peer Networking Program Has Officially Kicked-Off

- Program Objective:

  – To bring the community of Sterling TMS users together, allowing shippers to learn from one another, and maximize the use of the TMS solution

- Live meetings held on a quarterly basis and through an online 24/7 forum:
– Meetings are recorded and will be posted on Customer Center under "TMS Forum"
– Next meeting estimated for mid-April

- IBM/Sterling Commerce will continue to organize the Peer-to-Peer Networking Meetings based on level of user participation and feedback

- Product Management will not be involved with this program, not discussing roadmap

Janelle Murphy
Transportation Manager
Seneca Foods

Transportation Profile – Seneca Foods

- A leading low-cost food processor and distributor; primarily producing canned, frozen, and bottled produce under private label, as well as national and regional brands

- Most freight is TL, some LTL

- Arranged transportation for 63,000 outbound shipments last year

- Ship to Retailers and Distribution Centers

- Ship higher volumes September through December

- Initially managed transportation process with paper spreadsheets at 15 separate dispatching locations

- Sterling TMS customer since 2000:
  – Implemented contract management first so carriers would assume responsibility for their contracts
  – Started dock scheduling project in 2003 – First rolled out to largest distribution center in Janesville

Poll Question #1

- What topic would you prefer to be discussed first?
  - Contract Management
  - Dock Scheduling

Contract Management Was Top Priority for Seneca

- Purpose of project:
  - To require carriers to submit and maintain rates through one system and consistent process
  - Leverage carrier contracted rates for freight payment process and more accurate accruals

- Expectations of project:
  - Reduce the number of disputes with carriers on contracted rates
  - Improve freight pay and auditing process

- Project implementation – Self enrollment, no services needed

- What worked:
  - Communicated with carriers of new responsibility and step-by-step instructions on the new process
  - Small carriers gained visibility that previously they didn't have to their contract

- Challenge was volume of work for carriers

Benefits of Contract Management Project

- Reduction on carrier rate disputes due to increased visibility

- Carrier rate history is easily accessible

- Old rates automatically expire based on the effective date on the rate changes

- Improved freight audit and pay process for both the Carrier and Accounts Payable

- No surprises with project

- What we wish for:
  - A way for carriers to upload rates without the shipper getting involved in proofing and submitting
  - Possible even without Sterling having to get involved

Dock Scheduling Project was Key for Increased Efficiency

- Purpose of project:
  - Arrange for carriers to schedule their own appointments
  - Allow carrier and shipper visibility to certain dock doors
  - Assign carrier lead time requirements so a carrier cannot schedule a last minute appointment without calling the facility
  - Ability to generate and email specific people within warehouse with next day plans

- Expectations of project:
  - Eliminate number of phone calls from carriers – large amount of resources allocated
  - A single tool to schedule and secure all dock appointment times, improving visibility
  - Lessen responsibility of warehouse

- Project implementation – Self enrolment, no services needed

- What worked:
  - Worked with Warehouse Manager to establish best dock scheduling process
  - Before rolling out, worked with Sterling team to have all desired functionality available
  - Instructions sent to carriers explaining new process and go-live date

- What didn't:
  - Caused some process changes at Seneca but no system issues

Seneca Has Received Significant Paybacks with Implementing Dock Scheduling

- Eliminated carrier phone calls

- Opportunity for carrier to dispute an appointment time is no longer an option

- A record of all arrival and departure times are updated by the warehouse and available for carrier or shipper to reference
  - Carriers have visibility to certain dock doors and shipper visibility to others

    - Number of dock doors is customized for each location

    - Dock Report is setup to generate and email specific people within the warehouse so everyone is aware of next day plans

- 11 facilities are currently using dock scheduling and plan to setup 5 more in 2011

- No surprises with project

- What we wish for
  - Capability to allow carriers to schedule own appointments for "customer pick-ups" i.e. Walmart

Poll Question #2

- What topic would be of interest to you for the next Peer-to-Peer Networking Meeting?
    - Freight Audit and Payment
    - Support to Walmart's Freight Collect Process
    - TMS Optimizer
    - Other (Submit suggestions in Chat window)

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Thank You!

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