27 Novembre 2014

Transport Monitoring & Benefits of TMS project

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- **Goal : Show our project experience of transport KPI improvement & Transport Mananagement System implementation**

- **Timing**
  - Business case : 30'
  - Questions : 15'

- **Business case - Agenda**
  - 1) Project context (3')
  - 2) Transport optimization : key targets (5')
  - 3) Scope of business case & project, vs network (2')
  - 4) Design of this solution (10')
  - 5) Outputs of project & ROI (10')

CANN = 21 298 M€ (2013) *

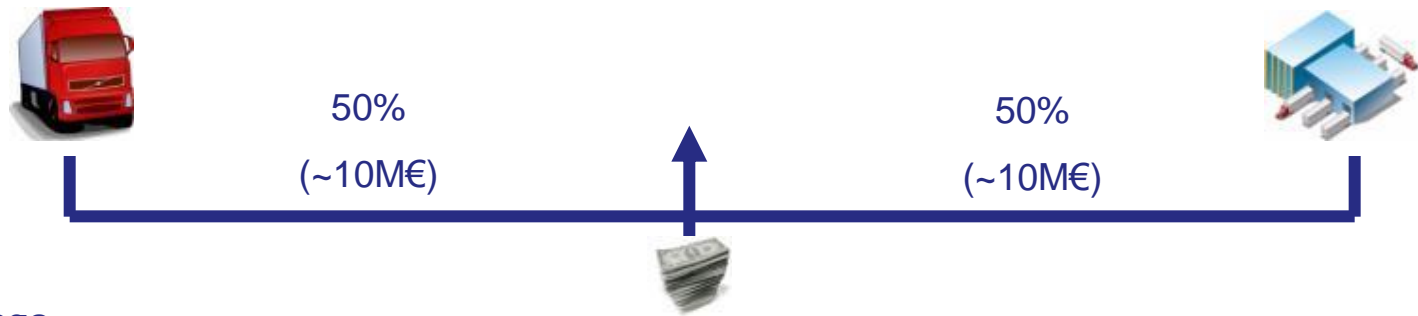**CANN = 11 790 M€**   **CANN = 3 903 M€**   **CANN = 4 263 M€**   **CANN = 1 342 €**

CANN ~ 430 M€

*Datas from « Danone_FY_2013_Results »

● **Logistics budget of Blédina**

50%
(~10M€)

50%
(~10M€)

● **Picture 2 years ago**

Cost monitoring	+/-		++
Performance monitoring	-		++
Operations efficiency (FTE)	-		+

Transport monitoring project was essential for Blédina to
- optimize organization
- Control better service level from carriers
- be better in terms of cost monitoring

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● **Transport optimization – Key targets**

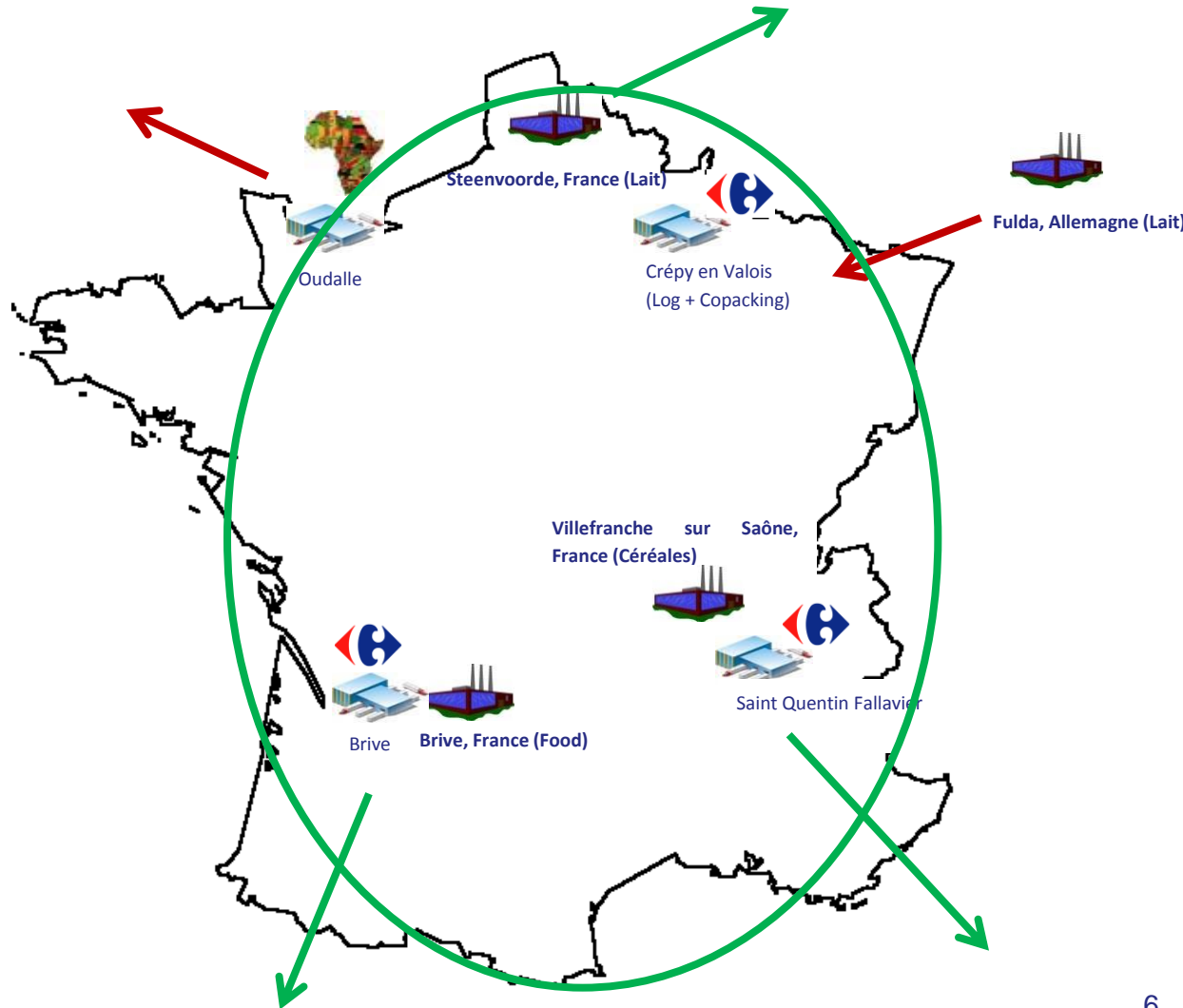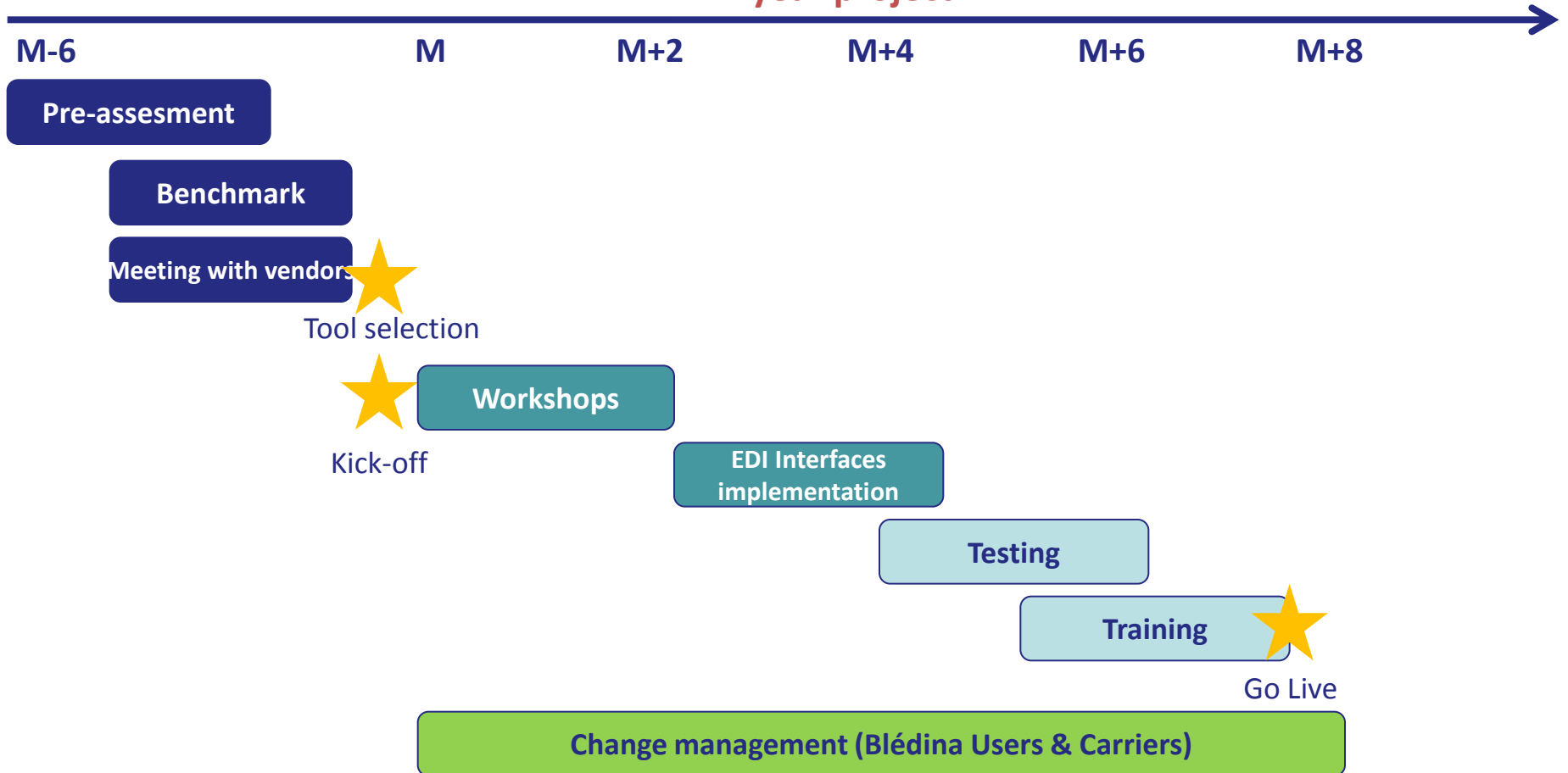| **Cost** optimization			**Service level** optimization		**Out of scope**
Invoicing process	Transportation plan (budget)	FTE	Customers penalties	Carriers monitoring	Truck filling monitoring
- Control cost - Be capable to analyze any deviance with respect Budget	- Monitore ratios put in budget to avoid deviance	- Decrease task with no added value to reinvest time in monitoring or decrease FTE	- Decrease penalties due to bad delivery in time perf by monitoring carriers	- Build KPI to animate partners & conduct WS to improve Service Level	

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In scope
TMS project
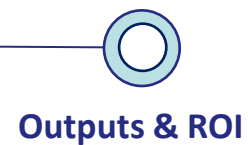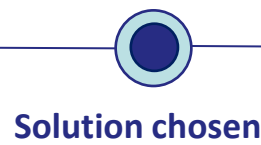= 20 000 TO/y

Out of scope
TMS project

Steenvoorde, France (Lait)

Fulda, Allemagne (Lait)

Oudalle

Crépy en Valois
(Log + Copacking)

Villefranche sur Saône,
France (Céréales)

Saint Quentin Fallavier

Brive   Brive, France (Food)

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- **Project timing**

1+ year project

M-6   M   M+2   M+4   M+6   M+8

Pre-assesment

Benchmark

Meeting with vendors

Tool selection

Workshops

Kick-off

EDI Interfaces implementation

Testing

Training

Go Live

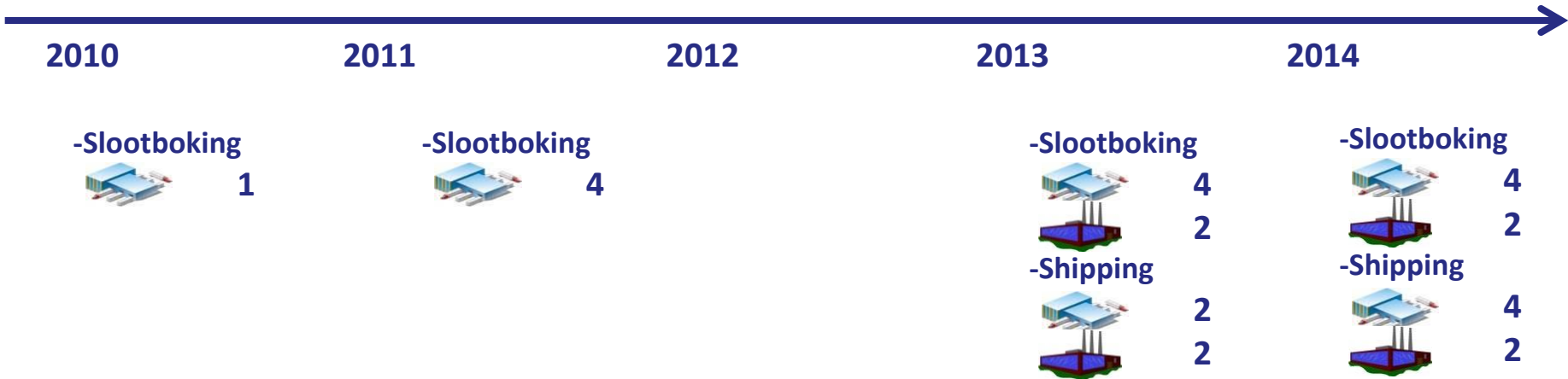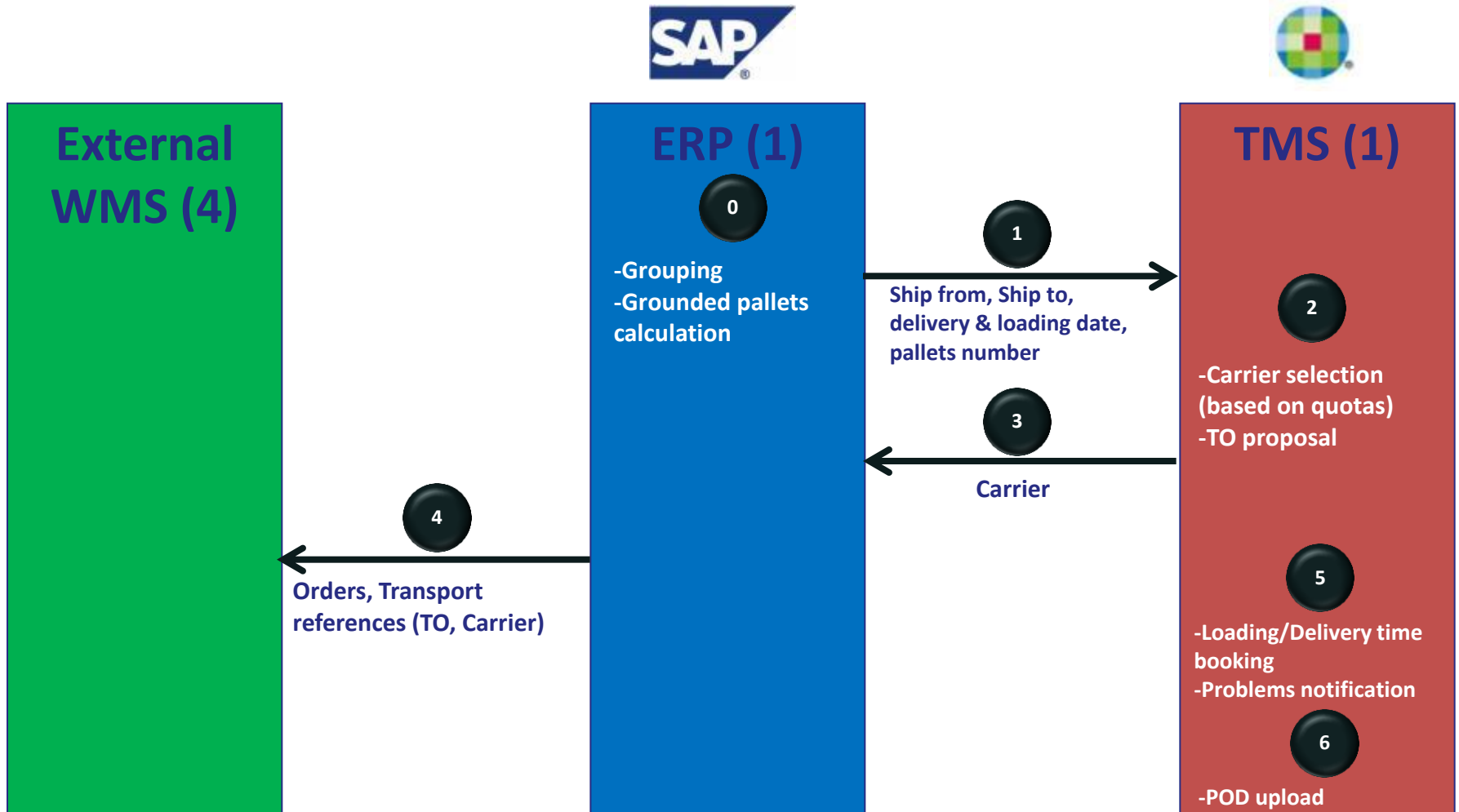Change management (Blédina Users & Carriers)
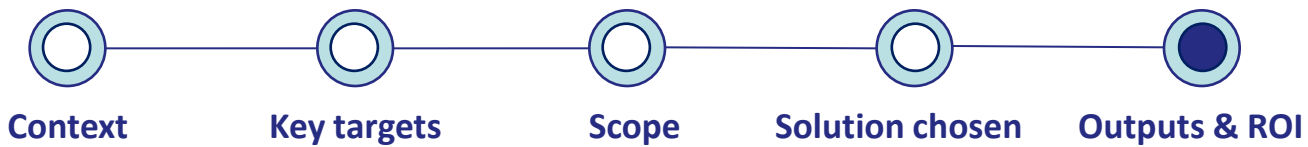
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- **Solution chosen = Transwide**
  - ❖ **One of the best referent tool for scope to be covered by Blédina (slotbooking, dematerialized transport orders, dynamic carrier allocation, claims report, POD upload)**
  - ❖ **Experienced partner for projects of EDI interfaces with SAP R/3**
  - ❖ **Cost model (major part of costs are variable costs)**
  - ❖ **A part of full Transwide TMS solution (twSlot) was already used with success by Blédina since 2010**

- **Transwide & Blédina story**

2010	2011	2012	2013	2014
-Slootboking 1	-Slootboking 4		-Slootboking 4 2 -Shipping 2 2	-Slootboking 4 2 -Shipping 4 2

- **Design of flows :**

External WMS (4)

ERP (1)

0

-Grouping
-Grounded pallets calculation

TMS (1)

1

Ship from, Ship to, delivery & loading date, pallets number

2

-Carrier selection (based on quotas)
-TO proposal

3

Carrier

4

Orders, Transport references (TO, Carrier)

5

-Loading/Delivery time booking
-Problems notification

6

-POD upload

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● **ROI (based on Blédina business case)**

> **2 years > ROI > 1 year**
> - Transportation Plan : Savings ~ 0,4% of Transportation Budget
> - Labor optimization : Savings of 1FTE/y (3 FTE vs 4)
> - Decrease of issues & penalties with customers

● **Cost model for Blédina ROI**

Functionality	Transwide tool	Cost model	Cost unit
Slotbooking	twSlot	Variable	X€/booking
Dynamic Carrier Allocation	twQuota/twSelect	Variable	X€/dynamic carrier allocation
Shipping, POD return	twCallOff	Variable	X€/transport order sent
Claims,	twTrace	Variable	X€/transport order sent
Maintenance Fee		Recurrent	Around 25% of yearly cost

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