



119-year old Company Demands Longevity in its Shipping Solution

In most instances, when a company invests in technology, the owners, managers and IT staff expect it to be around and supported for years to come. Sometimes even with the most stable of solutions, it just doesn't work out that way.

KUEHNE+NAGEL

During the fast and furious pace of business five years ago, Kuehne + Nagel faced a critical situation. They had to replace their newly obsolete, six-year old shipping system due to an acquisition. With hundreds of customers reliant on the system, their business was now at risk.

Kuehne + Nagel was supporting three warehouse management systems and needed to search for a system that could easily extract the data and import it into tables. One of the most important aspects of serving their customers is the Advanced Shipping Notice (ASN) feature. Large companies such as Target, Walmart and Walgreens expect the data collection and the label creation process to be accurate every time. If not, Kuehne + Nagel are fined and the goods are shipped back for proper labeling. This mistake can cost their entire profit margin and then some.

The logistics company also maintains 20+ locations around the United States where each individual facility focuses on a set of customers. Each location requires a server and anywhere from 1 to 20 workstations, resulting in a significant amount of time and cost for maintenance. It could take their IT department several weeks to implement updates, rate changes, applications or system upgrades.

Finding a Flexible Partner

Kuehne + Nagel began the search. Because the company employs highly experienced IT talent with shipping and logistics expertise, they required participating vendors to build a working prototype which would include a proven shipping technology. Many shipping software companies were interested in acquiring their business, but few were equipped for the task.

Two primary goals of the project were to deliver the required ASN functionality, and to identify new and improved ways to control costs and time associated with maintaining systems at the 20+ locations.

The company who developed a usable prototype with an established shipping technology, a team of

experienced developers, and reduced costs with a centralized system was ADSI with ConnectShip's shipping solution.

In Control of the ASN

What became clear to Kuehne + Nagel was that their core feature, ASN, needed to be developed and added to the shipping system. ADSI took on the enormous task of building and delivering a state-of-the-art, ASN module which creates ASN data and labels. Not only did ADSI deliver the ASN solution, but they realized the importance of modifications for the Kuehne + Nagel customers.

Kuehne + Nagel was constantly adding customers and changing specifications. If Kuehne + Nagel continued under the previous system, the company would need to rely on the vendor to re-code the system each time a change was made (over an hour of downtime). ADSI's solution is customer controlled and straightforward to maintain.

The new shipping system streamlined the process and eliminated steps within the operation.

Islands Come Together for a Centralized Solution

When the company used the previous shipping system, any upgrades, maintenance and rate changes were completed one facility at a time. Each of the 20+ facilities housed a server and up to 20 workstations. With the postal service updates occurring in the summer, UPS and FedEx in January, and patches to the software occurring every two months, the IT staff had time to do little else. The

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shipping operation at each of these locations was halted until the IT staff's work was complete.

The ADSI solution with embedded ConnectShip™ technology enabled Kuehne + Nagel to centralize the solution to one location eliminating the need for 20+ additional servers. In addition, the company also was able to purchase a corporate license instead of individual licenses for the server and workstation at each location. The cost reduction was stunning with approximately \$500,000 in savings (in addition to thousands of dollars in reduced maintenance costs).

Since its founding in 1890 Kuehne + Nagel has grown to become the world's leading logistics provider with 850 offices in over 100 countries with more than 54,000 employees. With its strong IT systems and high value customer service, Kuehne + Nagel serves the highly demanding industries of aviation, consumer goods, hotel, pharmaceutical, industrial, oil and gas as well as retail.

With a centralized system, it now takes just a single morning to perform updates, upgrades, and rate changes for 20+ sites which occur on a Saturday to allow the business operations to continue without interruption.

For more information on ADSI's products and services, please visit our website at adsionline.com.



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