

inbound logistics

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One key step to finding answers to any logistics, supply chain, or technology challenge is knowing the right questions to ask.

Inbound Logistics assembled a team of supply chain and logistics technology leaders, and asked for their perspectives on the important logistics challenges and opportunities impacting your business.

More importantly, these logistics thought leaders can give you guidance when considering improvements to your business processes.

*See ALL the Thought Leaders online here
bit.ly/ILThoughtLeaders*

Thought Leaders

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Parcel Is a Crucial Value-Add in the Evolution of the TMS



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The growing requirements and demands placed on shippers and logistics service providers have pushed transportation management systems to become more agile and able to support greater service levels and cover multiple modes—especially parcel.

Q Why is parcel gaining attention now?

A Shippers and LSPs want to streamline connectivity and communications with their parcel providers. Accurate rating is one of their greatest challenges. Throughout my conversations with logistics executives, they regularly cite carrier invoices returning with a higher fee than what was quoted. The inability to recoup these costs amid already thinning margins is detrimental to the bottom line.

The driver shortage is also driving interest in parcel. With numbers exceeding 80,000 from 61,000 in three years, securing carriers for bulk orders is proving to be more difficult. Organizations are deconsolidating larger orders to pull enough product and meet their customers' demands and delivery requirements to avoid losing the whole order—or worse, losing the client due to limited capacity.

Because this workaround is expensive, it's crucial for teams to save on efficiencies and logistics costs where they can, such as through seamless rate shopping and rate management.

Q Has it gotten easier to work with parcel providers—and why?

A Parcel providers—both tier 1 players like FedEx, UPS, and DHL, as well as the surging regional and super regional

providers—have become much easier to work with. Most parcel providers are willing to work within API connectivity in lieu of third-party providers who are still working with EDI or XML. As a result, TMS software providers with robust, underlying data models can offer extended functionality such as rate shopping, real-time tracking, and reporting and analytics.

Q How is effective parcel management a critical advantage?

A Today, communication between parcel providers and clients can be much more thorough, not only from a visibility perspective, but also enabling greater cost control. Using a multi-modal TMS that incorporates parcel, organizations can now assess the true cost of a shipment, including services requested and accessorial requirements, and get real-time tracking and accurate rating.

When managers have to enter their parameters and rate shop for each and every carrier across dozens of websites, then handle processes like pickup, track and trace, and invoicing via carrier portals or even by phone or email, these inefficiencies rack up a lot of time and money—especially when invoices don't match the initial quote.

That's why parcel via TMS is becoming a real game-changer. Teams can rate shop, execute, track and trace, audit, and pay all within one platform regardless of the mode, leg, or partner they're dealing with. The transportation management system will also flag unexpected charges (detention charges, inside delivery, beyond charges, sort and segregate, etc.) and create detailed line items that make it easy for finance to audit, saving valuable time and money.

DDC Sync Q&A: Supply Chain Efficiency Through Smart In-Cab BOL Capture



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Q DDC FPO just launched DDC Sync, which leverages intelligent automated capture. Why? How can companies gain supply chain efficiencies by automating data capture?

A We've been in this industry working with a large portion of leading motor carriers for a long time. One of the common, recurring challenges that we are always helping our partners overcome is finding new ways to boost efficiencies in their operation. An example is capturing BOL data earlier in order to reduce turn around time.

Yet most applications on the market—until now—don't adequately do this, because they aren't truly automated. They require drivers to capture an image of the BOL for historical record and then key the relevant data.

By automating this process with an intelligent capture engine, you'll benefit in both accuracy rates and speed of processing.

Not only will you ensure your data is correct due to the reduction in human error caused by manual entry, but you'll get a hold of the quality data faster. You no longer have to wait for the manual entry to happen, and you don't have to worry about days caused by rejects or snags in QA.

Now, take that automated, smart OCR engine and put it in a mobile device so that it can be taken care of at the time of pick up? It's a game changer.

Q How are freight operations optimized by empowering drivers to capture data?

A Initial results of DDC Sync show that LTL carriers experience a near six-hour gain in visibility and access to their freight data. To quote one of our integration partners, Ben Wiesen from CLI, "This is huge."

When drivers are empowered to capture this data at the time of pick up, transportation providers can see it in real-time, review, and make logistics and workforce planning decisions immediately.

The competitive advantage they have to optimize their load planning and scheduling is significant.

Q DDC Sync is positioned as an enterprise application. Besides the in-cab BOL capture, what are other noteworthy features?

A With the web portal of the DDC Sync solution, dock operations and terminal management are no longer limited to zip code and tonnage. They can now make strategic routing moves based on all the consignee details that come to them in real-time or near-real time.

The end-to-end visibility comes full circle with GPS tagging, real-time reporting, and driver-terminal chat. And, to increase adoption, we have an engaging gamification program to reward drivers as well as interest groups for drivers to connect.

Why Expedited Is *Not* a Four-Letter Word



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Q Why is it more important than ever to establish a relationship with an expedited carrier?

A In today's volatile transportation environment, capacity is king. As a result, securing TL or reliable LTL capacity comes at a significant cost. Even when a shipper is prepared to pay a premium, there is a lingering fear their transportation partner may have issues delivering on-time performance.

Because of these variables, shippers are desperately seeking solutions to normalize and optimize their supply chain performance and deliver high-quality, affordable service to their valued customer. For this reason, transportation professionals should overcome a false fear of excessive cost and seek relationships with the ultimate "service-focused" professionals—the ground expedited industry.

Technology is a key component in controlling, measuring, and predicting cost on both the shipper and carrier side. In the current market, trucking companies are optimally maximizing their fleets, carefully managing every penny, mile, and minute for their available resources to deliver a positive impact to the organization.

Supply chain management coupled with concise load planning is paramount, even in a perfectly controlled and normalized environment. Shippers leverage technology to drive the decision-making process so they can optimize their carrier selection which is designed to improve cost while measuring and improving service.

However, human Freight IQ cannot be replaced. Optimal mode-shifting requires human intellect to deliver maximum results.

Transportation and logistics professionals have tremendous responsibility to manage multiple variables to deliver quality service and drive profit. They have multiple internal and external customers they must service without fail. Balancing the needs of everyone can be overwhelming, and having trusted partners is critical to the success of the team.

Variables faced when selecting the right solution include the measurement of:

- Urgency or complexity of shipment (including white glove)
- Historical service performance
- Carrier/asset/driver availability—HOS limitations
- Fleet/route optimization—loaded/enroute/out of route/empty miles/quantity of stops/backhaul freight availability/backhaul rates/pick up/delivery times/total asset utilization
- Cube analysis—under/over cube decision—rightsizing the asset

All of these variables and associated challenges are often solved through use of an expedited provider.

Effective transportation professionals understand the value of capacity and are capable of mode shifting at the perfect time in order to optimize total landed cost of transportation. While maximizing asset utilization is key, mode selection is critical.

Unfortunately, when mode optimization/shifting is deployed, most companies only think of the FTL or LTL modes of transportation. Often overlooked, smaller truck types like cargo/sprinter vans and straight trucks can fill the gaps. The expedited sector of the transportation realm brings value, capacity, service and yes, can reduce your transportation cost when used effectively.

Strengthening Omnichannel Capability to Address Fundamental Shifts in Consumer Behavior



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About Legacy Supply Chain

For nearly 40 years, Legacy Supply Chain has been the pioneering, mid-sized 3PL that businesses depend on to enable more control over their dynamic omnichannel supply chains—so they can stay more connected to their consumers and ultimately deliver better customer experiences.

With over 30 operations in the U.S. and Canada, Legacy provides truly tailored warehousing & distribution, e-commerce fulfillment, and transportation solutions. For more information, visit us at: legacyscs.com

Q What have the past few years revealed about consumer trends?

A With the rise of e-commerce came the demand for next-day or same-day shipping with a catch—no added cost. Consumers crave the instant gratification they would have experienced from going to the store, without leaving their house, and as large online retailers began offering free shipping, this became the new norm.

This new challenge pushed businesses and logistics providers to rethink their strategy, and COVID has accelerated this challenge exponentially. As a result, businesses are decentralizing distribution and delivery networks to get products closer to the end consumer. In response, we've heavily invested ourselves to build an integrated U.S./Canada fulfillment network and expand our transportation offering to increase capacity for our customers.

Q What are the advantages of an omnichannel solution?

A An omnichannel solution places the optimal level of inventory in the right locations to service retail, wholesale, and end consumer markets—creating improved levels of service and reduced supply chain costs. An omnichannel supply chain is built with elasticity to handle demand shifts and seasonal fluctuations, and when done correctly, can create redundancy and reduce risk. The ability to deliver using optimal shipping methods creates new cost savings and economies of scale.

Q How can technology enhance omnichannel solutions?

A In an omnichannel supply chain there are many components that need to be connected, including suppliers and vendors, online and physical storefronts, and delivery channels. Technologies such as distributed order management (DOM) can be leveraged to create that connection, and drive better visibility, decision-making, and predictability. While technology is essential to connect supply chain parties—technology absent of supply chain operational know-how will have limited positive impact.

Q The labor force has changed—how do we adapt?

A We are seeing an increased demand for blue collar warehouse associates and drivers, as well as white collar professional talent. Incoming employees are expressing increased health and safety concerns, and we are seeing a more mobile workforce with new expectations. To compete in a sustainable way, in addition to continual refreshing of compensation and benefits packages to remain competitive, providing a positive workplace experience and meaningful culture will give you a hiring and retention advantage.

Q How has the role of a 3PL changed?

A Logistics service providers must shift their focus from being simply a provider of services to more of a strategic and long-term growth partner. Providers must seek mutual investments and deeper connections within the organizations they service.

Reducing Small Parcel Shipping Costs: Here's Where to Begin



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Q The cost of shipping small parcels is constantly increasing, so how can I reduce and control these expenses more easily?

A Global supply chains are still being impacted by COVID-19, and will likely remain volatile for the foreseeable future. Unprecedented volume is also a huge contributor to these costs. According to Statista.com, the global parcel shipping volume in 2020 was more than 131 billion parcels, a figure they predict will double in less than six years, reaching 266 billion parcels by 2026.

So, providing accurate shipping costs, and managing these costs effectively, is more important than ever before. If you cannot, you will likely pay more than you need, and often a huge part of the problem is due to incorrectly sized and/or poorly packed cartons.

We frequently find companies have a limited selection of cartons that are outdated for the products currently shipped, resulting in items being packed in cartons that are too big. Consequently, the cartons are packed out with costly dunnage, and shippers pay to transport empty space.

Good Cartonization software eliminates this problem, using the weight and dimensions of objects to select the correct sized carton, assisting with accurate shipping cost calculations in near real-time when the customer places an order, essential for any e-commerce site. At the same time, packers are shown how to pack the items properly, requiring minimal fill while ensuring items arrive in perfect condition.

Q What do I need to implement Cartonization software efficiently?

A To get the best results, you need two things. First, you need to automate the process. Our software connects seamlessly with any WMS/ERP and functions almost like a “plug-in” giving you access to advanced Cartonization capabilities that support an unparalleled number of rules and operational constraints.

Secondly, you need accurate product dimensions and weights. When we receive good quality data from customers and run it through our software, we can achieve extremely good, predictable results.

Unfortunately, many companies fail to realize the importance of using proper dimensioning equipment and how this will ultimately reduce their costs. For example, dimensioning equipment scans and weighs items to provide accurate data but can often provide other interesting and vital information such as whether a product can be compressed or folded or nested. These factors can make a tremendous difference in achieving substantial savings.

Q Your software runs with any existing WMS, but how can I integrate it?

A Our BlackBox software for high-speed Cartonization runs as a Windows service and supports many industry-standard APIs for easy integration into WMS, TMS, ERP, and even legacy systems. BlackBox can be configured to operate with any system available that generates data to a standard schema and can be running and providing savings within a very short timeframe.

Right-Sizing and Leveraging Fulfillment Automation



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Q How can right-sizing automation address labor shortages? Does it lead to increased employee engagement?

A Automation, when correctly applied, should have two benefits: performing tasks with fewer people, and increasing the value of (remaining) employee tasks.

Consider automation as a tool, doing the heavy lifting with repetitive tasks and the heavy thinking that goes into those tasks.

When staff interact with these solutions, they see more being accomplished with their efforts. The higher perceived value on a task, the more likely it will increase engagement, with that engagement feeling more significant to staff.

This is vital for keeping well-performing employees around.

Q Why are modular systems so essential for e-commerce fulfillment operations?

A Unless an entire operation is being built from scratch, there is no such thing as a one-size-fits-all solution. Fulfillment operations often have modules for different customers, each with unique requirements.

With our Chameleon Parcel Processing Solution, for example, the fulfillment space is most often utilized to automate tasks after packaging is finalized.

Some companies may only need a scan-sort solution, others scan-print-and-apply, some need both, and then you run into weighing and dimensioning on-the-fly requirements.

Our pick and put-to LightSort Technology can be retrofitted to sections of existing racks systems and then expanded across others. Once retrofitted, they can house differing workflows across modules, for example, depending on the picking methodology (traditional, wave, etc.).

Put walls are perfectly modular as they can be expanded, replicated for different modules, or even moved around on wheels.

Q Why do you think the misconception that automation is only for larger companies continues to persist? How would you address that?

A Historically larger companies have been the ones automating, simply due to their larger amounts of capital. As automation technology evolves, the cost to acquire and implement go down.

With the ever-increasing demands on fulfillment operations, from stricter SLAs to ever increasing volumes, the perfect storm is created. Many are going to pull the trigger on solutions that provide quick benefits. Due to the built-in modularity of their operations, they can automate specific things in specific places, referred to as point automation.

WMS Must-Haves: Adaptability, Scalability for Efficiency and Profit



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Q What do you consider to be the primary commercial advantages of a contemporary WMS?

A The DNA of a WMS should be adaptable, fast, affordable, and scalable to offer a low entry point into the warehouse versus Tier 1 solutions, while at the same time providing a platform that expands exponentially according to the client's requirements.

Q With a WMS you must be able to build fast and efficient ways to accommodate changes in client requirements or adapt to changing environments. What is your point of view?

A A WMS must be designed to allow clients the "keys to the car" so to speak, where they can extend the functionality of their WMS without custom coding. Thus, clients can extend according to their requirements without time-consuming plans or make process modifications essentially on the fly.

The actual benefit of a WMS must be the rapid initial implementation and then in the case of 3PLs adding new clients is a fraction of the expected cost.

Modules as proprietary WCS tightly integrated with the WMS as well as an advanced module for interfacing have to be designed to work as universal connection tools to allow for integration into virtually any automation, ERP, or e-commerce shopping carts with little configuration by the client resources and not necessarily the WMS vendor's development team.

Q What tools should a WMS own to gain insights on performance and activity?

A Warehouse intelligence is of utmost importance providing analytics that actively monitor performance and activity through WMS related KPIs, visualizations, and measures.

It is essential to provide both historical and trending data to the management team, as well as dashboards on real-time productivity, activity, and work content to the floor. The mantra will be if we capture it in the system, the customer can manage and display in dashboard formats the progress and performance of the operation as it happens.

The true benefit of this real-time visibility is measured in the increase in performance of the operation by 20% per hour, as well as actively balancing the requirement of labor from a day-to-day basis.

Having the ability to know that on a given day, your performance in picking would be 50 lines per hour, and at 2:20 pm you have 1,150 lines left, you would require an additional 23 hours of picking or call in 10 people on picking.

You could then adjust your labor as required during the final 2.5 hours of the day or send home unnecessary labor to save money and time.

Mantis offers all the aforementioned, together with many more modules and systems to create the most appropriate logistics solution for your enterprise.