

## TRANSPORTATION MANAGEMENT SYSTEM CASE STUDY

### BACKGROUND

Transportation expenses associated with shipping commodities across the world can be mitigated with strategic freight decisions. Successful companies understand the importance of freight optimization, which is the process of strategically selecting carriers based on a variety of factors, including price, service offerings and retail compliance.

### CHALLENGE

MD Logistics recently upgraded its Transportation Management System (TMS) as part of ongoing improvements to its supply chain support systems. The existing legacy TMS was used to manually optimize freight solutions for customers that elected for the value-added service. However, it lacked full integration to the WMS and the ability to rate shop and optimize freight spend and routing automatically.

MD Logistics also noticed that other customers were opting to price carriers, negotiate rates and handle freight decisions in-house. This approach often resulted in customers securing high freight prices for carriers that weren't the most strategic choices for their commodities.

### WHY MD LOGISTICS WAS THE SOLUTION

To better serve customers, MD Logistics implemented the Agile TMS and integrated it into its current Red Prairie Warehouse Management System (WMS). This integration allows MD Logistics to find customers the most strategic carrier based on a variety of factors, including price, transit times and retail compliance.

This turnkey solution requires no human intervention, such as manual entry or carrier negotiation, once rates and services are established. Instead, Agile TMS works with the WMS to automatically price shipments simultaneously amongst carriers that meet a customer's specific delivery needs.

### RESULTS

MD Logistics can efficiently and cost-effectively handle freight selection and important tasks such as filing claim paperwork, auditing invoices and managing non-deliverables for customers that opt for the value-added service. The integrated TMS also removes guesswork from the equation; customers can track their shipments until final delivery through MD Logistics' online portal, MD Net.

### BENEFIT TO THE CLIENT

#### *Cost-Savings*

With integrated freight optimization, MD Logistics can efficiently use its significant buying power to negotiate the most advantageous shipping rates for customers.

#### *Quality Control*

MD Logistics' Agile TMS identifies the best solutions for each customer. The system shops rates based on important parameters such as delivery date, service offerings and compliance. The system also supports easy tracking for troubleshooting and problem resolution.

#### *Flexibility*



The Agile TMS increases MD Logistics' ability to offer customized service offerings. The system also seamlessly communicates with the Red Prairie WMS to ensure customers remain compliant with retailers' carrier requirements.



#### *Optimization*

The Agile TMS is able to shop different modes of transportation services, varying from postal, parcel, LTL or FTL. Custom reports are easily generated through the TMS, enabling MD Logistics and customers to analyze their supply chain to make continuous improvements.

