

Creating the ROI for a Multi-Carrier Parcel Shipping Solution

Presented by:

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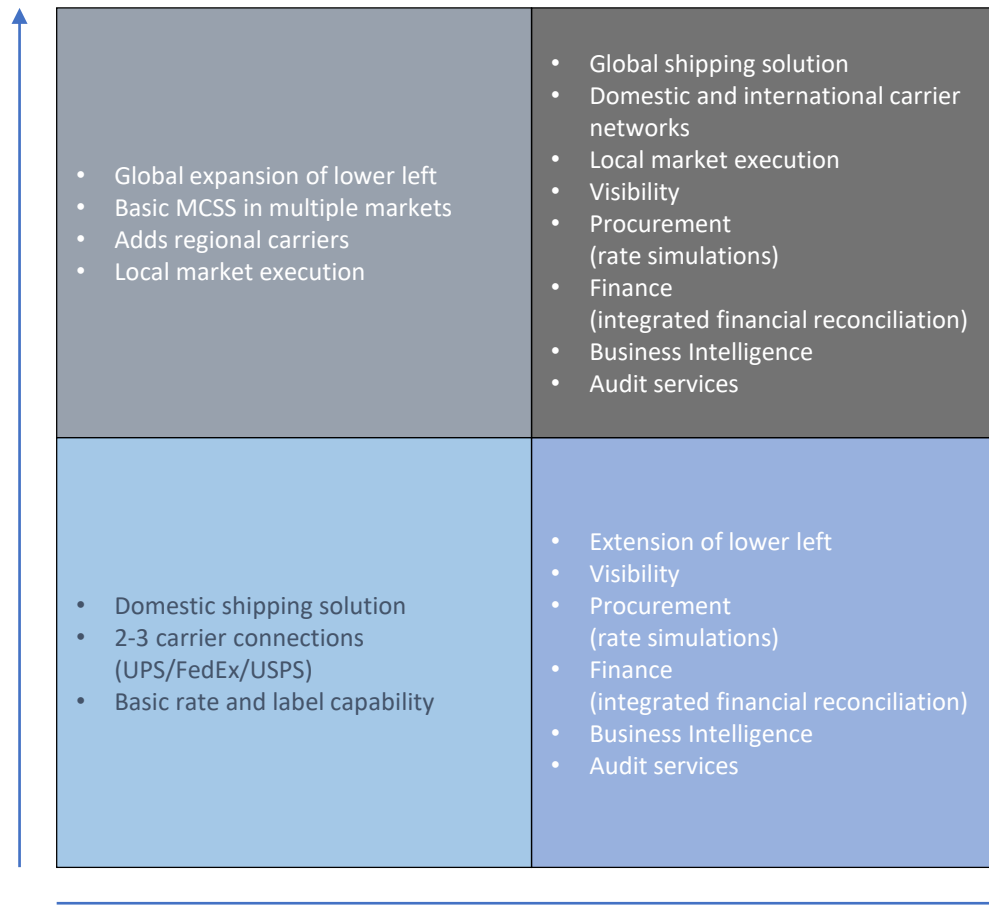


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The benefits gained must
outweigh the total cost of the
solution

TMS for Parcel Solution Segmentation



Segment One

The basic parcel shipping solution

Description of Scope

- Single carrier strategy
 - A carrier provides a more personalized approach to customer service (delivery requirements)
 - Will likely cost a little more for the “extra attention”
- Single Carrier +1
 - A carrier provides a more personalized approach to customer service (delivery requirements)
 - Will likely cost a little more for the “extra attention”
 - Adding USPS for local market delivery or cost efficient for smaller items (<1 lb, .5 kilo)
- Multi-Carrier domestic strategy
 - Different carriers by lane
 - Different carriers by price
 - Rate shopping to select appropriate carrier based on
 - Origin
 - Destination
 - Lead time
 - Service type
 - Cost

- Domestic shipping solution
- 2-3 carrier connections (UPS/FedEx/USPS)
- Basic rate and label capability



Segment Two

Expansion (Geographic or Increased Domestic Carrier)

Description of Scope

Includes requirements of segment one

- Increased geographic markets
 - Adds carriers outside the domestic market
 - Adds documentation requirements
 - Adds localized compliance by market
- Increased Domestic Carriers
 - May add LTL/FTL for “white glove” or “bigger than parcel”
 - Same Day Delivery (SDD) enabling a courier network

- Global expansion of lower left
- Basic MCSS in multiple markets
- Adds regional carriers
- Local market execution



Segment Three

Capability Expansion

Description of Scope

Includes requirements of segment one

- Increased geographic markets
 - Adds carriers outside the domestic market
 - Adds documentation requirements
 - Adds localized compliance by market
- Increased domestic carriers
 - May add LTL/FTL for “white glove” or “bigger than parcel”
 - Same Day Delivery (SDD) enabling a courier network

- Extension of lower left
- Visibility
- Procurement (rate simulations)
- Finance (integrated financial reconciliation)
- Business Intelligence
- Audit services

Segment Four

Global Execution, Visibility and Intelligence

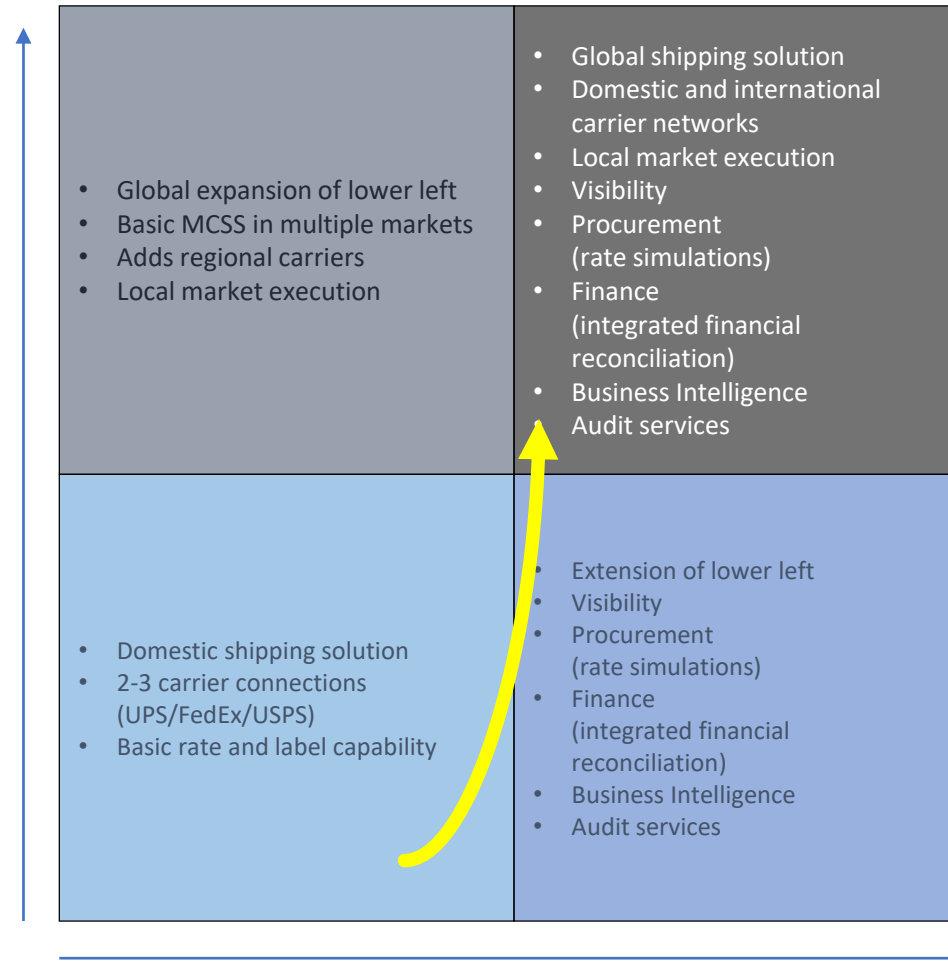
Description of Scope

- Combines the requirements of segments two and three
- Not all global requirements
- Often multiple regional requirements
- Global multi-Carrier shipping requires
 - Standardized solution
 - Adapted to local process and carrier requirements

- Global shipping solution
- Domestic and international carrier networks
- Local market execution
- Visibility
- Procurement (rate simulations)
- Finance (integrated financial reconciliation)
- Business Intelligence
- Audit services

TMS for Parcel Solution Segmentation

Where are you today?

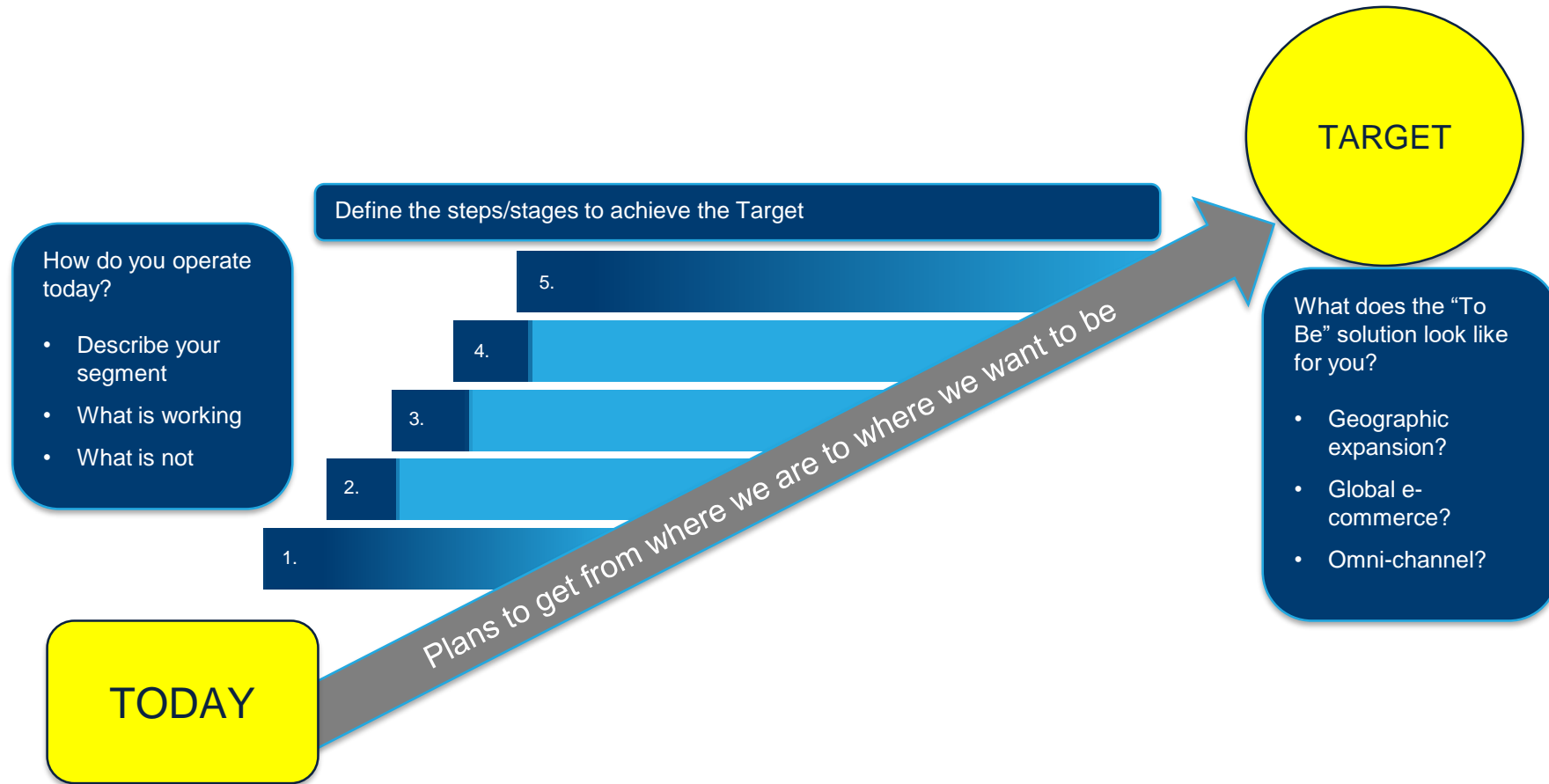


Where are you aiming to be?

How do you get there?

Defining the Stages from Segment to Segment

Does each stage create a ROI?



Find the Benefits

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How to Justify Seeking the Benefits

Look for opportunities that demonstrate specific, variable ROI

- CAG report
 - Demonstrates potential savings of what a multi-carrier solution would provide in rate and carrier selection versus the way it's being done today
- Address correction report
 - Shows the incorrect/correct addresses and associated costs
- Shipment corrections report
 - Demonstrates problems with dimensions and other areas
- Freight spend analysis
 - Behavior correction

How to Justify Seeking the Benefits

Look for opportunities that demonstrate specific, variable ROI

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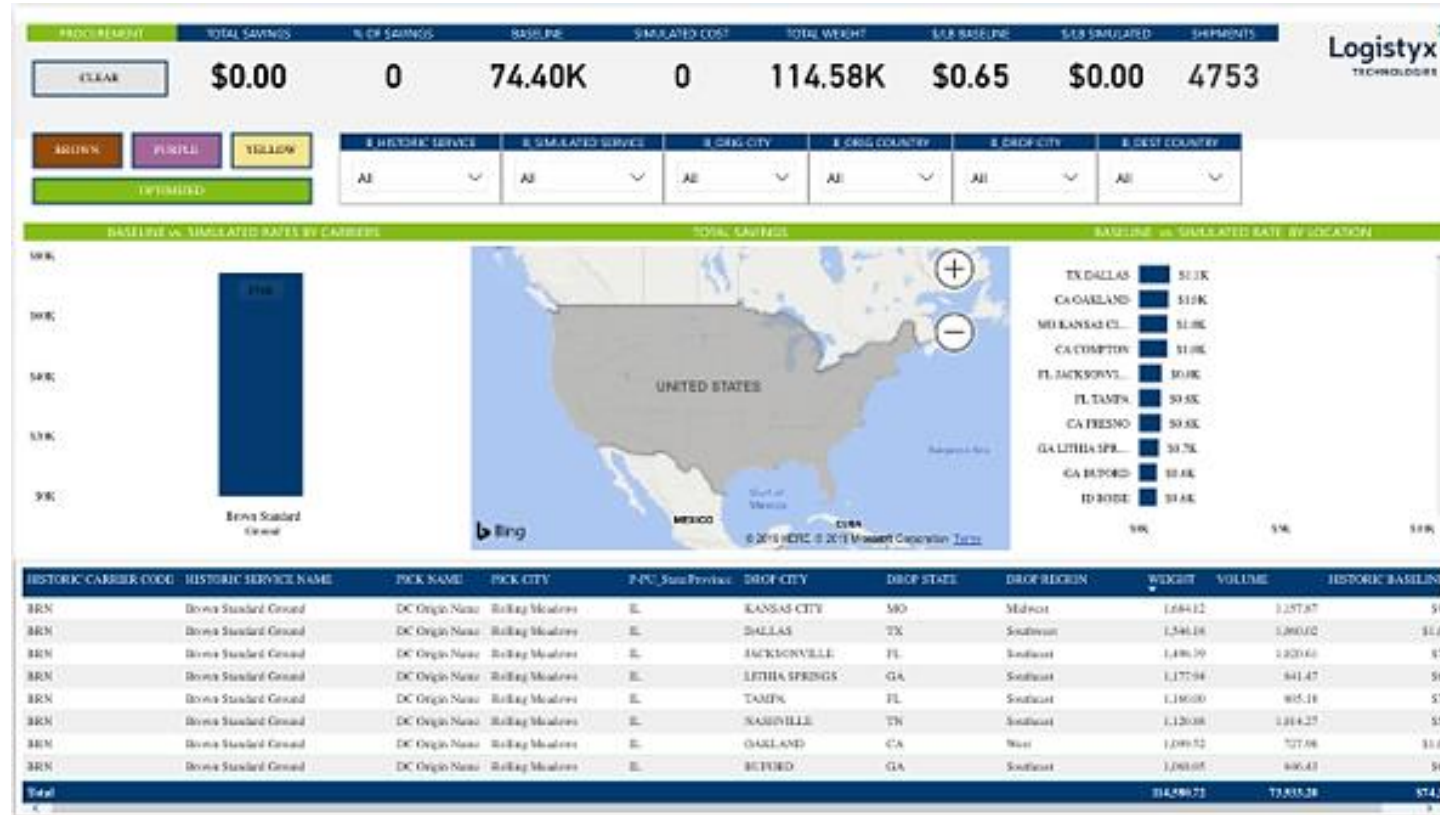
CAG Report

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Cost Opportunity

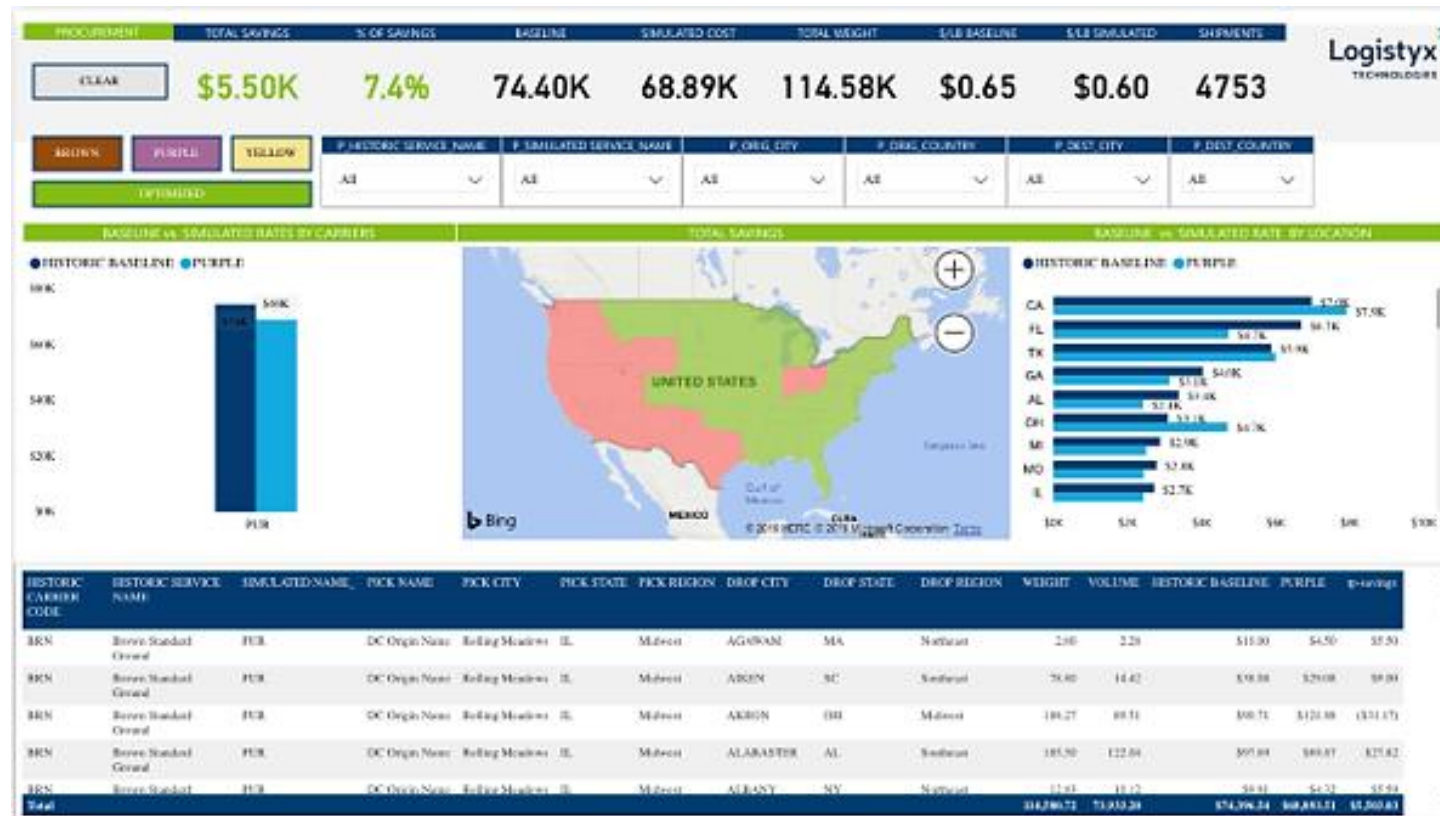
The Starting Point



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Cost Opportunity

Switching Options (Option 1)



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Cost Opportunity

Switching Options (Option 2)



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Cost Opportunity Optimize



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Freight Spend Management Analysis

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Objective – Freight Spend Management

What are we trying to accomplish?

Addressing Accessorial

- Fixed rates
- Outsource
- Manage and correct behavior

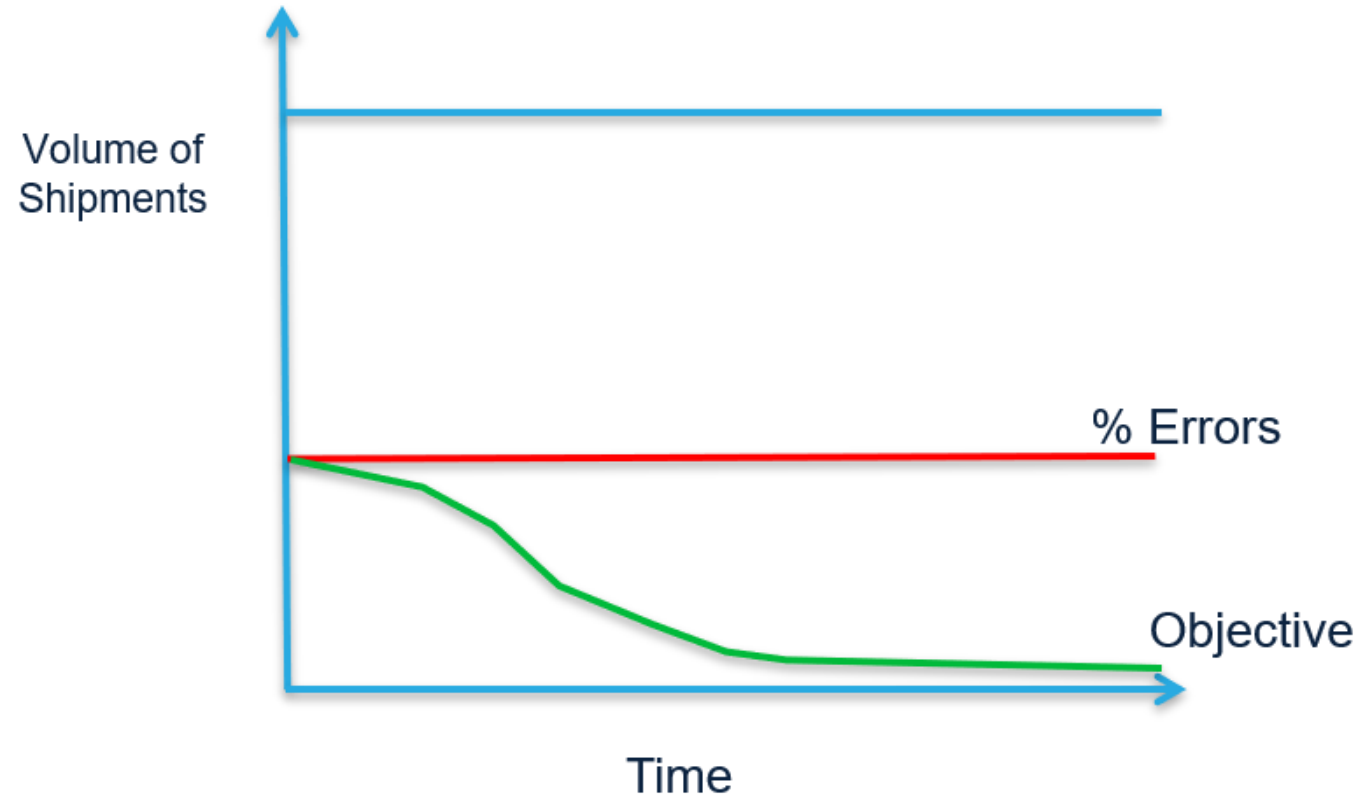
Ignores the problem

Manages the problem

Fixes the problem

Benefit

The Perfect World

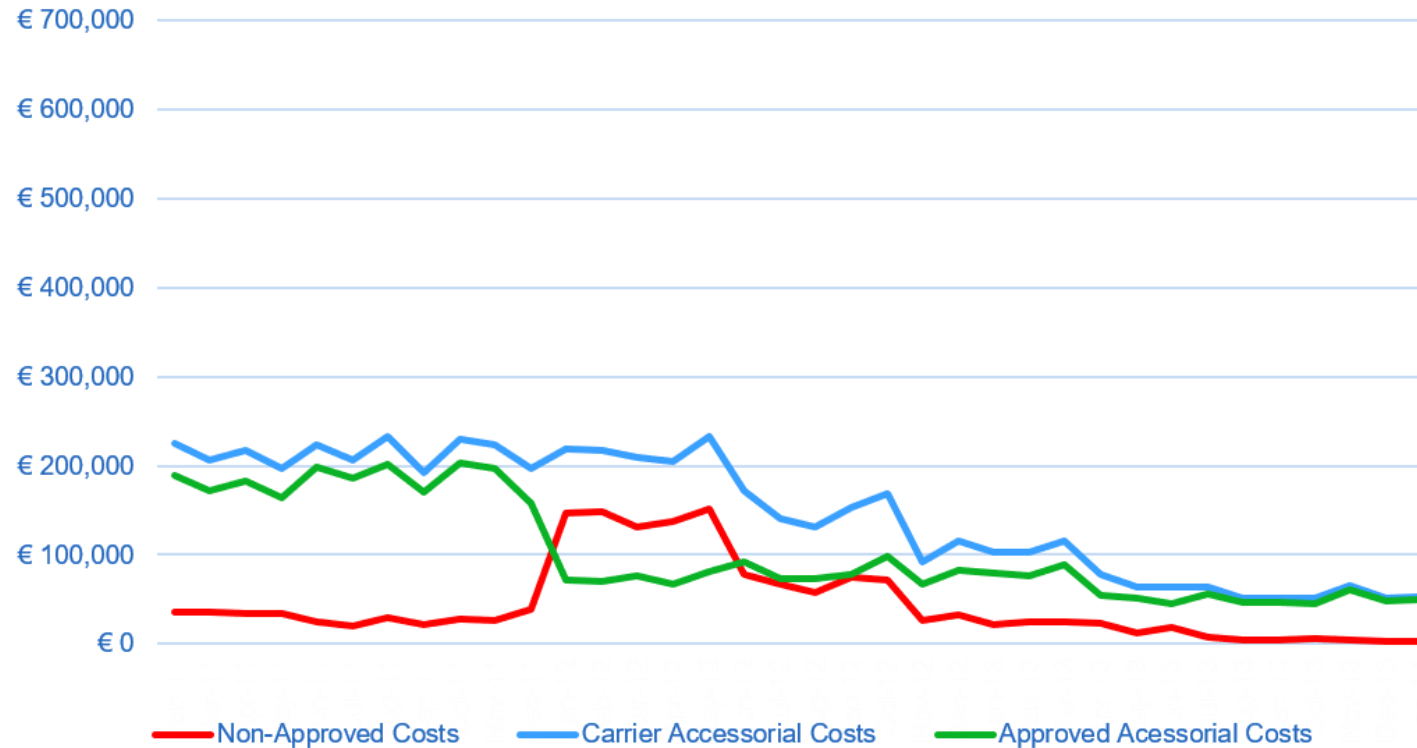


Manage and Correct Behavior Beyond the Label

Requirements to Fix the Problem

- Shipment orders from “system of record”
 - ERP, WMS, OMS
- Carrier communications
 - Sending orders, receiving deviations and delivery notifications
- eInvoice
 - E.g., EDI 810, 210 or invoice
- Carrier incentive
 - Pay quicker on reconcile
 - Threat of alternative providers

Case Study



Where to Start

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Clean Up your Data

- Data extraction
- Data cleansing
- Data verification
- Data validation
- Data segmentation

Analyze the Data



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Utilize the Experts

- Industry experts
- Consultants
- Vendors



About Logistyx

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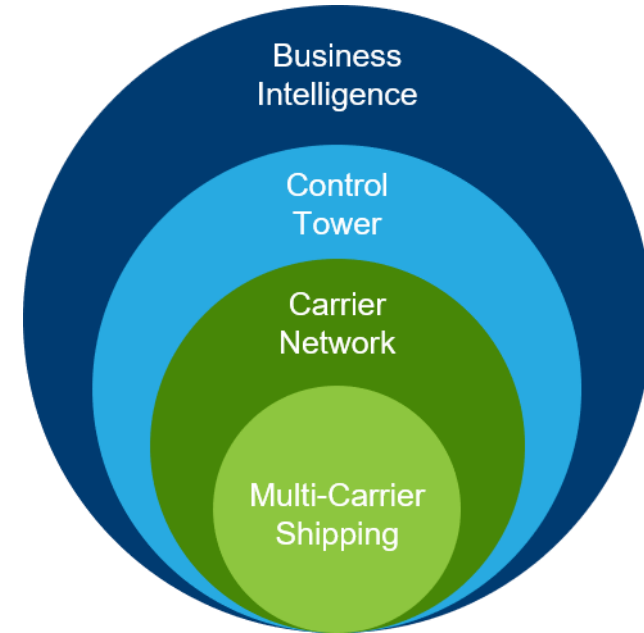


Addressing Global Parcel Logistics Market

Growth retail eCommerce sales reached \$2.3 trillion, creating a surge in parcel shipping industry

Logistyx was created to provide

- **Single unified shipping platform** to address the global market
- Strongest **carrier compliant network** for parcel and extended modality delivery **worldwide**
- **Business Intelligence** providing analytical tools and services to **optimize activity and predict behavior**



Extensible Platform

About Logistyx

Logistyx Innovation. Delivered.

- Leading provider of global, multi-carrier parcel transportation management systems
- One of the industry's largest multi-national, global, major, and regional carrier networks
- FedEx® Diamond/Platinum Compatible Solution Provider including EU and APAC certifications
- UPS Ready Certified Partner
- Certified solution partner with major supply chain software providers: JDA, Manhattan Associates, Oracle, and SAP
- 1,500+ years industry experience



8

Global Office
Locations



250+

Employees



Over

2B

Cartons Shipped
Last Year



1,000+

Clients around
the world

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Global Presence / Local Knowledge

Canada

Toronto

USA

Chicago
St. Louis
Tulsa

EMEA

The Netherlands
UK
France
Germany

APAC

Singapore

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