Global Packaging Company Supports Multimodal Transportation Operations with Manhattan's SaaS Solution

"We switched to Manhattan's Software-as-a-Service (SaaS) package to achieve superior TMS functionality with more regularity. We brought our ocean export bookings in-house, a critical step given our huge export traffic base. We've streamlined our carrier communications, expanded our role in hazardous materials handling, and positioned our truckload services to capitalize on flexible and cost-effective dynamic carrier routing."

Global Packaging Company

With a network of mills and plants serving much of North America, 300,000 truckload and rail shipments each year and products filling 70,000 twenty-foot equivalent unit (TEU) ocean containers annually, this heavyweight in the global paper and packaging industry is also one of the top 15 U.S.-based exporters.

Challenge: This company used Manhattan's TMS under an on-premise agreement since the companies joined forces in 2002. In 2014, it began looking to reduce internal IT workload and capitalize on functionality improvements to optimize its multi-faceted shipping operations.

Solution: Transitioning to Manhattan's SaaS solution allowed the company to leverage IT improvements with greater frequency. The increased functionality that came with SaaS upgrades provided expanded capabilities to the company's shipping business.

Results: The company brought ocean export booking in-house, reducing costs and increasing efficiency and control. About 90% of carrier communications are now handled electronically. Truckload carrier routings are dynamic and flexible, enabling the company to optimize the value of its truckload spend.

Moving from On-Premise to SaaS Opens New Opportunities

According to the company's director of global supply chain operations, a major operational and cultural change was needed. "We used the licensed software for years, and after much internal discussion, concluded that the need to improve the functionality of our software justified investing in the SaaS annual upgrades."

For more than a dozen years, the company used a licensed, on-premise version, which served its business extraordinarily well. By 2014, the company's supply chain executives realized it could no longer afford to forego access to the regular upgrades that accompany a "Software-as-a-Service" (SaaS) model. The SaaS enhancements would also effectively support its increasing multimodal use, including a potentially greater reliance on rail intermodal services because of concerns over scarce truckload capacity.

The transition yielded substantial benefits almost immediately. With the improved IT functionality, the company's ocean export, inbound and interline

"Supply chain technology becomes more robust by the day. By converting to SaaS, we take advantage of these improvements almost as they happen, and we build added functionality into our TMS in real-time. We scale our capabilities more efficiently so our IT network expands along with our physical distribution capabilities. In so doing, we've dramatically streamlined our processes and workflow."

rail operations are now supported along with its truckload business. Ocean export bookings have been brought in-house, delivering an unprecedented level of control over a vital process without placing a burden on internal resources. The company communicates electronically with its carrier partners on more than 90% of its transactions, a much higher level than in the past. The company has effectively outsourced all current and future TMS work to Manhattan, freeing its IT staff to focus on other priorities.

In addition, the company leverages Manhattan's Rail Rule 11 logic for shipment planning and EDI for freight rail invoicing. Using these capabilities, the company can plan and automatically invoice two separate shipments with different rail carriers using the same railcar. This process provides better asset utilization and ensures freight is paid on-time and accurately, with minimal manual intervention.

Optimizing Loads and Freight Spend

Looking ahead, the robust SaaS platform will support the company's shift from using a static, linear model to route truckload shipments to more dynamic carrier selection and scheduling that promises significant savings and efficiencies. Before SaaS, our carrier routings were linear and static. We would offer a load, and the TMS would find the cheapest available capacity. "By switching to SaaS, we can do much more to optimize our loads and freight spend. For example, the system can now analyze the total cost of a basket of our freight, and identify routings that promise us the highest margins given the carrier's capacity and the load's characteristics. Not only do we expect significant cost savings, but we can maximize our trucking relationships in a climate of increasingly tight truck capacity."

The SaaS capabilities strengthen the company's already durable relationship with Manhattan. "Much of what the two of us do together remains unchanged. We still rely on Manhattan's breadth of capabilities and the quality and expertise of its people. What has changed is that we now have a software strategy in place that is aligned for where our business is headed."

About Manhattan Associates, Inc.

Manhattan Associates, Inc. makes commerce-ready supply chains that bring all points of commerce together so you're ready to sell and ready to execute. Across the store, through your network or from your fulfillment center, we design, build and deliver market-leading solutions that support both top-line growth and bottom-line profitability. By converging front-end sales with back-end supply chain execution, our software, platform technology and unmatched experience help our customers get commerce ready—and ready to reap the rewards of the omni-channel marketplace. For more information, please visit www.manh.com.