

2009 innovators [10] chiquita moves to on-demand TMS

Chiquita Brands International needed to consolidate three disparate legacy systems into centralized transportation command and control.

Sourcing both strategically and for specific lanes was time-consuming and didn't leverage the large annual transportation spend.

The Cincinnati-based marketer and distributor of fresh produce also wanted to maximize the use of its Chiquita-owned containers. With the acquisition of Fresh Express in 2005, Chiquita faced a series of issues relative to its TMS (transportation management system) implementation. First, Fresh Express had a legacy installed TMS package.

Chiquita and Fresh Express conducted an evaluation and determined that LeanLogistics' On-Demand TMS had superior functionality and operational capabilities.

Holland, MI-based LeanLogistics is a global leader in on-demand transportation technology and supply chain services.

Chiquita and Fresh Express decided to convert Fresh Express to On-Demand TMS. At the same time, Chiquita decided to re-implement the entire company under one corporate

structure (three corporate divisions had been implemented separately and as different companies with On-Demand TMS).

Using On-Demand TMS, Chiquita implemented four business divisions onto one system, supporting centralized planning and decentralized execution. This automated the RFP process and directly linked strategic procurement with tactical execution.

Chiquita Express was able to automate routing guides for both the company and its customers, increasing efficiency. With a single corporate implementation, On-Demand TMS provides visibility of all shipments for the entire Chiquita corporation and for its trading partners.

There is also a single integration point for the entire company, simplifying inter-system communications. Asset utilization of the Chiquita-owned containers was increased through planning and managing container backhauls in the banana and commercial businesses.

On-Demand TMS also provides cooperative opportunities between Chiquita and other LeanLogistics customers for increased asset utilization.

Chiquita achieved cost reductions in the

Fresh Select business by utilizing the private transportation market functionality to obtain capacity. The Fresh Express division utilizes a forecasting system employing a two-stage commitment with their carriers.

They commit to the shipment before the specific inventory is ordered, because quantities are unknown. When the inventory is allocated, a refinement of the shipment is sent to the carrier, providing them with specific details. On-Demand TMS provides them with the tools to manage this short lead time process.

Chiquita optimizes its shipment plan to create multi-stop consolidations across divisions for LTL shipments moving to the same destination and in the same direction. Chiquita implemented LeanLogistics' WebSettle and consolidates payments to carriers from their multiple divisions. This means the carrier receives a single payment from the corporation (with an advice of which bills are being paid).

The entire Chiquita corporation gained significant operational efficiencies by bringing all divisions onto a single transportation management platform and implementing common ways-of-working throughout all divisions.

[11] casestack keeping it green

CaseStack is a sustainability-focused supply chain innovator that provides logistics outsourcing services to companies selling products to retailers, distributors and other manufacturers. The Santa Monica-based company has been able to provide sustainable solutions to companies who are looking to advance operations with a greener supply chain, but don't have the infrastructure to develop it themselves.

For companies interested in total logistics services, CaseStack offers consolidation programs that "mass transits" customers' products by combining separate LTL deliveries headed to the same DC, store or region into one full truckload. Depending on retailer orders, CaseStack has the ability to create 100 percent truckload shipments.

For companies interested in transportation services only, CaseStack aligns with green carriers that provide fleets with sustainable features and whether they have received certifications from their industry and/or the Environmental Protection Agency.

Fuel efficient fleets run better, last longer, lower emissions and save money. The results of CaseStack's Consolidation Program are that customers see an average of 50 percent reduction in transportation costs, an average 20 percent improvement in the must-arrive-by-fate, 7.75M lbs less of CO2 emissions each year, \$51,000 savings in reduced damages, and a 57 percent increase in sales to major retailers. Consolidation reduces the number of trucks on the road, congestion at docks and simplifies processes for both the shipper and the retailer.

Customers who opt for greener transportation and ship with CaseStack's sustainable carriers 40 percent of the time or more become "Certified Green Customers."

[12] ffe transportation communicates with its drivers

Looking for an affordable solution to communicate with its drivers, FFE Transportation Services Inc. decided to go with terrestrial communications using cellular telephones.

Dallas-based FFE, a leading temperature-controlled truckload and less-than-truckload carrier, implemented a solution from Cheetah Software Systems Inc., Westlake Village, CA.

"After a long research process, we picked Cheetah Software. They were the only solution provider we found that could take care of both needs in a single package," says Nick Cook of FFE. "They run their Cheetah Freight application over the AT&T network using RIM's Blackberry 8310 with GPS enablement. This gave us real-time location based tracking as well as instant communication via lower cost data, instead of voice. We can push application updates over the air via the Blackberry Enterprise Server (BES) instead of touching each device."

Cook says the company experienced immediate benefits with communications and driver acceptance was surprisingly positive. FFE's customers now have real-time visibility of their shipments and the ETA for delivery, which has reduced tedious phone calls into the local service centers.

"The optimization and routing of the deliveries is expected to pay for the application through reduced out-of-route miles and efficient routes," says Cook. "The benefit of customers having real time visibility has proved to be immeasurable. We have given them a tool that none of our competitors offer." ❖