



Improving the bottom line with a completely integrated, end-to-end supply chain solution



Location

Cranford, NJ

Industry

Manufacturing

Business challenge

Find a transportation management service with the functionality necessary to improve the bottom line

Solution

Sterling Transportation Management™ System

Benefits

- Provided integrated, end-to-end supply chain execution
- Improved bottom line by allowing the company to tender sequentially to low-cost carriers first
- Improved efficiency of logistics and operations, thus reducing shipping costs

The Newark Group

Customer background

Founded in 1912, The Newark Group is an integrated global producer of 100% recycled paperboard and paperboard products. With manufacturing and marketing operations in North American and Europe, the company meets world class standards in a complete range of grades, including tube board, chipboard, clay-coating and uncoated folding board, as well as many specialty paperboard grades.

Business challenge

The Newark Group wanted to replace its current transportation management system with one that enabled them to have all carriers, rates, lanes and accessorials online and available to all TNG shippers, thus improving the bottom line. They wanted a network that would tender shipments automatically and by cost so they could make informed shipping decisions and improve efficiency. They also needed a network that could help them decentralize the shipping and receiving process, thereby streamlining the supply chain.

Solution

The Newark Company chose Sterling Transportation Management System (Sterling TMS) because it has all the functionality necessary to tender to low-cost carriers first, thus improving the bottom line. Sterling TMS provides a completely integrated, end-to-end supply chain solution, enabling the company to view, plan, execute, settle and analyze all inbound and outbound transportation, as well as collaborate with supply chain partners.

For example, Sterling TMS tracks and manages the entire shipment lifecycle for The Newark Group, from load planning and building to tendering to invoice auditing to measuring performance. Corporate Logistics Manager Frank Provost said 95 percent of The Newark Group's carriers are on the Sterling TMS network, which means their routes and current rates are all online. "We know immediately what carriers are on what routes and what the charges will be," he said. "Sterling TMS also shows us all planned and unplanned accessorials so there are no disputes. It's all in black and white."

“Sterling TMS helps us improve our bottom line because it lets us tender to the lower cost carriers first. It also helps improve customer service because it streamlined our entire supply chain process.”

Frank Provost
Corporate Logistics Manager,
The Newark Group

As planned, Sterling TMS has helped the company decentralize the freight process. Prior to Sterling Commerce, one location handled most of the freight for the entire company. Now each of the 46 facilities nationwide is responsible for their own freight, thus increasing efficiency. Provost said Sterling TMS also allows everyone within the company to see each facility's shipment information. “This means each facility knows what carriers are coming inbound to them, which means those carriers can also take outbound freight. Since our divisions supply materials to each other, Sterling TMS has helped us improve efficiency and decrease shipping costs.”

Key benefits

Sterling TMS gives The Newark Group the most extensive visibility, accessibility and management of its supply chain process. Benefits include the following:

Visibility: Sterling TMS shows all shipping routes and rates, allowing The Newark Group to tender the low-cost carriers first, which improves the bottom line.

Accessibility: Sterling TMS enables everyone within the company to see each others' shipping information, which improves efficiency.

Management: Sterling TMS has helped the company decentralize and streamline the freight process, which saves time and money.

Sterling TMS also helps The Newark Group to achieve these results:
Increase savings on continuous moves or roundtrip shipments. Since both guarantee freight to carriers, The Newark Group can ask carriers for discounts.

Eliminate off-contract tendering because all routes, rates and accessorials are online.

Eliminate exceptions with invoicing because The Newark Group is paying carriers the contracted rate.

Refocus staff resources because the shipping process is now automated.

Improve customer service because Sterling TMS provides a direct interface with the company's order management system, letting them transfer the data directly into Sterling TMS, which eliminates human error and saves time from doing double entry.

Go paperless. Sterling TMS automates the freight process, including electronic billing. This is especially noteworthy since The Newark Group is one of the nation's largest recyclers.

About Sterling Commerce

Sterling Commerce, an AT&T Inc. (NYSE:T) company, helps companies optimize and transform their Business Collaboration Network quickly, easily and securely so they can accelerate revenues, reduce costs and protect their enterprise. Sterling Commerce provides more than 30,000 customers worldwide with applications and integration solutions to connect, communicate and collaborate with their customers, partners and suppliers. Learn more at www.sterlingcommerce.com.

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