

## Sterling Commerce helps reduce transportation costs East Jordan Iron Works, Inc.



### East Jordan Iron Works, Inc.

#### Location

East Jordan, Michigan

#### Industry

Manufacturing

#### Business challenge

An effective solution to managing transportation while trying to maintain the goal of enhancing customer service.

#### Solution

Sterling Transportation Management™ System

#### Benefits

- Streamlines process for load tendering and automating settlement
- Centralizes management of transportation operations
- Reduces transportation costs, resulting in ROI within three months
- Increases on-time delivery, thereby improving customer service

#### Customer background

East Jordan Iron Works, Inc. is the nation's leading manufacturer of construction castings used in road building, underground construction, utilities and civil infrastructure. Company professionals design custom castings to best meet customer performance criteria. The company's transportation management system involves thousands of truckloads annually.

#### Business challenge

Don Dakoske, distribution manager for East Jordan Iron Works, quickly recognized several transportation management issues in 2005: a growing demand from customers for on-time deliveries, escalating freight costs and a reduction in carrier capacity. The proposed goal included automating planning and execution to improve daily

transportation operations, optimizing asset utilization to reduce costs and streamlining the freight payment process.

"We knew 'dialing for diesel' was no longer a viable solution at that point," he explained.

#### Solution

Dakoske and his team evaluated several transportation management systems that would be able to answer their business challenges.

"Sterling Commerce continued to rise to the top of the list regarding selection criteria," he explained. "We wanted to exceed our customers' demands in a cost-effective manner, and we felt there was a very strong fit between our goal of containing and streamlining the freight process and the Sterling Commerce solution."

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*"Our overall experience with Sterling Commerce is one of mutual trust and admiration. I feel my Sterling Commerce representative is there for me if there's ever an issue. I know that he's part of my team, and I'm part of his."*

Don Dakoske  
Distribution Manager,  
East Jordan Iron Works, Inc.

### Key benefits

Implementation of the Sterling Transportation Management System (Sterling TMS) began in April 2006. Dakoske said the process was very hands-on and efficient.

"Our product is delivered to customers in a more timely fashion," Dakoske said. "In the past, freight procurement took up to three days, now the process is instantaneous. Dispatchers are no longer tied up with tendering and now manage to the plan generated by Sterling TMS."

Sterling TMS automates the entire freight process for East Jordan Iron Works, including planning, execution and settlement. They are no longer concerned with a dwindling supply of flatbed trucks which results in higher customer satisfaction. They are now able to manage transportation costs by being able to optimize assets.

According to Dakoske, "We were able to hit the ground running on day one and recognized savings almost immediately, which exceeded our expectations. We didn't expect a return on investment for at least six months, but we achieved it within three months.

Even with additional growth to our business we haven't had to add anyone new to our logistics group since the implementation of Sterling TMS. We've

been able to eliminate the need to increase staffing to handle increased workload in accounting by reassigning staff members who previously devoted all their time to handling freight settlement, which is now completely automated by Sterling TMS.

The logistics manager no longer has to focus on manual bill paying. He would say, 'Do you want me to handle the bills or move freight?' Now it happens seamlessly."

Sterling TMS has enabled East Jordan Iron Works to transform the payment process to a self-invoicing model. "The carriers are happier because they are paid quicker and we have used this benefit to negotiate improved rates with our transportation partners," Dakoske said. "We are able to handle an increased workload with fewer people because the system handles the work rather than individuals. This means our employees can get their jobs done in a timely fashion."

The increased visibility into the transportation management process and the ability to analyze transportation performance and costs has allowed East Jordan Iron Works to make better decisions and negotiate with the carriers more effectively to reduce costs.

"We've gone into certain lanes that were \$2,400 and now do it for \$1,700," Dakoske said. "Those savings add up quickly."

### 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](http://www.sterlingcommerce.com).

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