



Business Case

Delivery processes modernization and transportation costs reduction with **ABM Rinkai TMS**

Project manager on the part of ABM Cloud

Aleksandr Shyriaev,
Project Implementation Executive
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Project manager on the part of Yubileyny

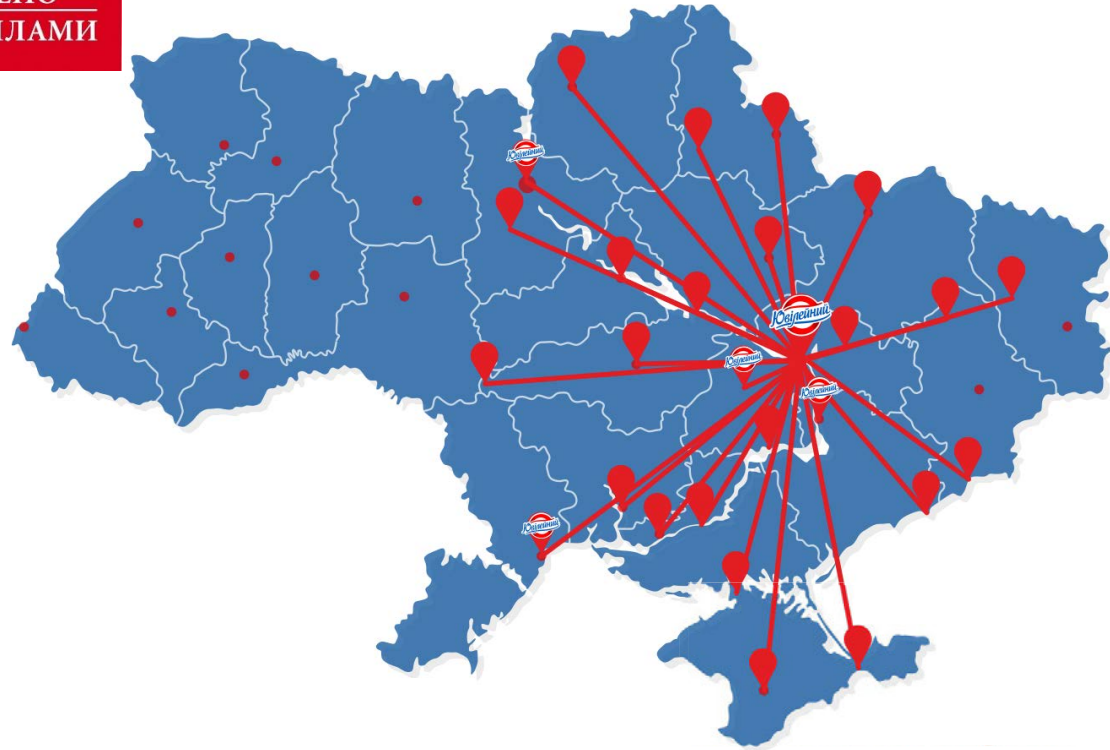
Alexei Binazarov,
Sales department vice-manager of
regional logistics
Meat-processing house "Yubileyny"

About Company

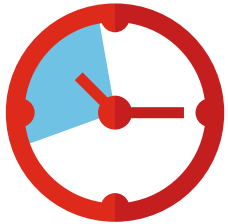


Meat-processing house "Yubileyny"
Holds one of the leading positions in production of sausages and meat delicacies. Production of meat-processing house "Yubileyny" is organized on the principle of the closed production cycle with complete control over all production phases.

Currently, about 13 000 outlets receive production of meat-processing house "Yubileyny" through own branches and distributors.



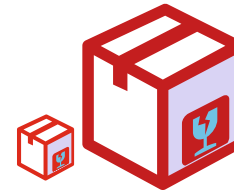
Main characteristics of product delivery and problems connected with it



Time windows

Delivery time violation penalties

Delivery to company stores to 9.00



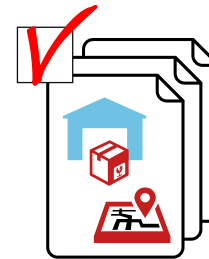
Order sizes fluctuation

Order sizes fluctuation can exceed 60 %



Temperature conditions

Quality and expiry date depend on temperature conditions maintenance



Inconstant orders

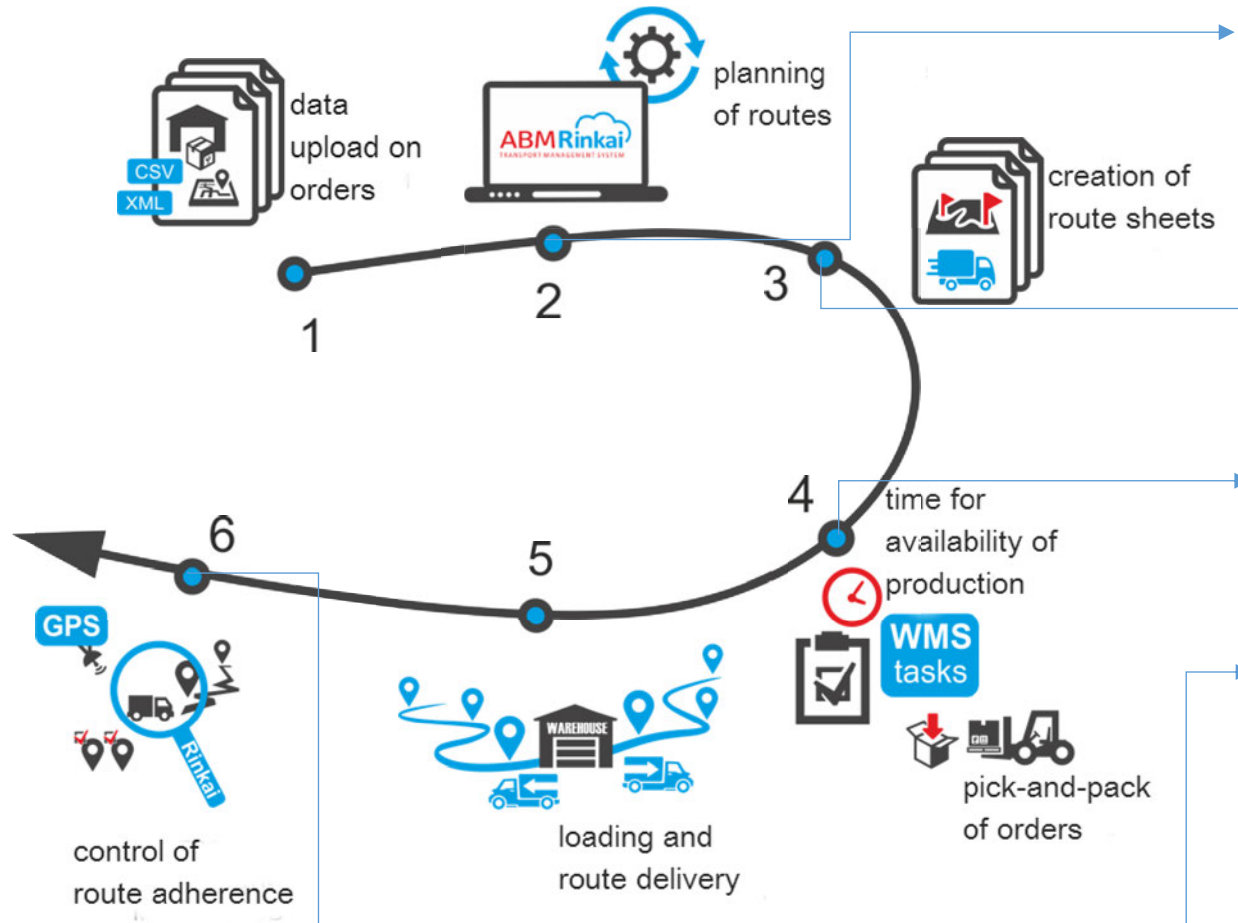
The outlets don't always make orders according to the sales agent's schedule



Specific features while loading

Loading procedure is determined by outlet visiting order

How the Process was transformed:



- Planning takes 10 minutes instead of one hour.
- Route sheets have accurate outlet visiting order.
- Order consolidation goes in accordance with the route
- Are registered:
 1. Time spent in an outlet
 2. Correspondence of outlet visiting order
 3. Mileage deviations

Results of routing processes optimization



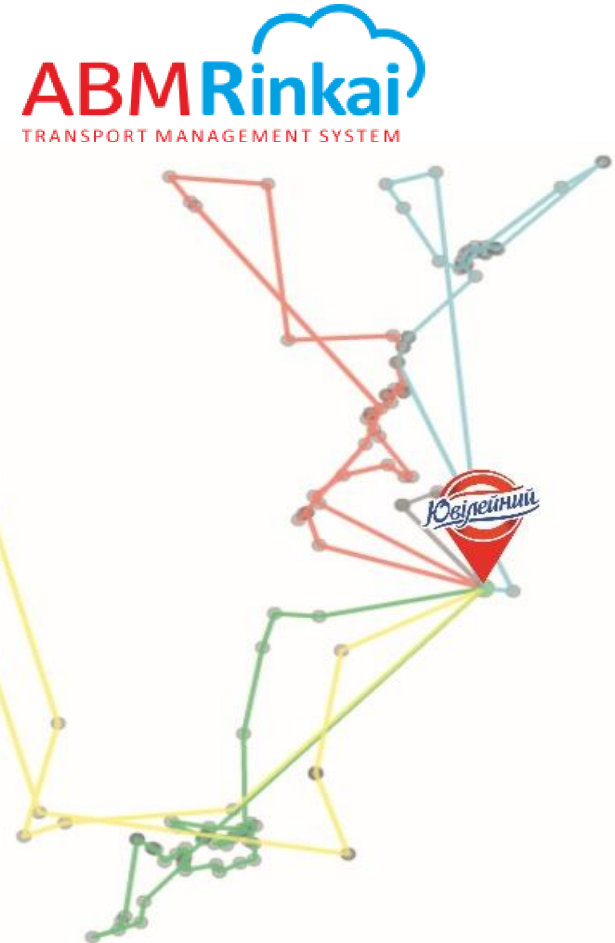
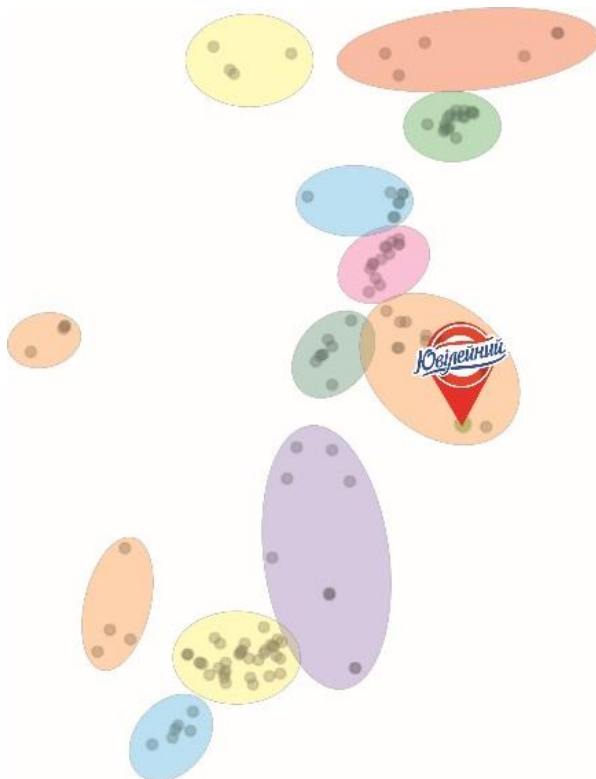
Before the Project

After the Project

Area-based

Dynamic

Planning



Results of routing processes optimization



Before the Project

After the Project

Control

- ✓ Mileage and fuel consumption control
- ✓ Borders control
- ✓ Temperature control in refrigerator

- ✓ Plan/actual mileage analytics
- ✓ Route adherence control
- ✓ Outlets attending control
- ✓ Outlet visit control
- ✓ Deviation from time window
- ✓ Time spent in an outlet
- ✓ Temperature control in refrigerator
- ✓ Fuel consumption control

Before the Project

After the Project

Analytics

- ✓ Fuel consumption per delivered item (l/kg)

- ✓ Fuel consumption per delivered item (l/kg)
- ✓ Time spent in an outlet
- ✓ Time windows

Results of the Project:



- ✓ Car fleet optimization **-15%**
- ✓ Logistics department staff optimization **-15%**
- ✓ Reduction of fuel consumption per delivered item **-12%**
- ✓ Delivery quality enhancement and customer loyalty growth

Review



Review on the project “Delivery processes modernization and transportation costs reduction with ABM Rinkai TMS”

About

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Background to implementation of the project and a choice of system

To organize a large number of transportations and effective use of vehicles, we needed the transport management system, which could allow us to:

- automatically plan delivery routes on the basis of available orders and vehicles taking into account their features (time windows, temperature conditions).
- take control of route performance,
- analyze loading efficiency of motor transport and delivery cost to outlets.

We chose the system ABM Rinkai TMS that solved these issues, and what is important, allowed to optimize transportation costs. The decision to cooperate with ABM experts was influenced by positive references from the existing company’s clients, readiness to find the best possible solutions of client’s problems and competently organized process of the project implementation.

The Project in Progress

The Project implementation began in June, 2014. In 2 weeks from the project start cars went along the routes planned by ABM Rinkai TMS. On the first day, it was saved about 30 minutes on each car owing to previously created outlets visits order that accelerated the loading process at the warehouse. During July clients data was completely updated (geocoordinates, time windows, etc.) that led to 6% decrease of transportation costs in August. In October 2014 the system ABM Rinkai was connected to GPS-tracking and was started active work with the plan/actual report that allowed to double cost-effectiveness comparing to August. After 6 months of system usage, there was made a decision on implementing TMS to all 4 branches of the company.

During the project, routing process was optimized and reorganized.

At the moment, the exact clients visiting order is specified in route sheets, orders formation goes according to a route. Planning with the system takes 10 minutes instead of 1 hour, as it was earlier. To control the planned routes performance and outlets visits order, several factors are registered in the system: time in an outlet, outlets visits order correspondence, mileage deviations. It allows to trace the fact and duration of stay in an outlet and time window deviations, to analyze the mileage plan/fact.

Process optimization and ABM Rinkai TMS implementation allowed our company to obtain such results:

- ✓ Car fleet quantity optimization (-15%).
- ✓ Logistics department staff optimization (-15%).
- ✓ Fuel consumption decrease per delivered production unit (-12%).
- ✓ Delivery quality improvement and client’s loyalty growth
- ✓ Minimized influence of logistician qualification on the end result.

We want to point out the exceptional professionalism of ABM Cloud team, which is carrying out fast and high-quality support. We are ready to recommend ABM Cloud Company as a reliable partner that is always considering interests of the Client.

Project manager

Binazarov Alexei Olegovich



Learn more about other projects



- **Transportation management and logistics**
- **Inventory and order management**
- **Retail management**

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