

Volvo

Volvo sees **significant cost savings and visibility** with BluJay Solutions

CHALLENGE

Headquartered in Sweden and under the ownership of the Zhejiang Geely Holding (Geely Holding) of China since 2010, Volvo Cars is one of the most respected car brands in the world. The company was founded in 1927 and has approximately 29,000 employees worldwide. In 2015, it sold more than half a million vehicles in 100 different countries.

Volvo looked to design and deploy a new transportation management system (TMS) that could serve as the backbone of its vehicle distribution network by planning, optimizing, and tracking shipments of

all finished vehicles from its four global factories – production plants in Sweden, Belgium, and two in China – to 2,300 dealerships worldwide. Volvo recently expanded its footprint to include a new factory in the U.S., which will also use the technology including rail capabilities. Volvo established a list of goals for a transportation management system.

- Bring consistency and efficiency to time-consuming, costly business processes
- Increase visibility across global operations
- Improve agility and the ability to respond quickly to changing business dynamics

QUICK FACTS

- › One of the most respected car brands in the world
- › Founded in 1927
- › Headquartered: Göteborg, Sweden
- › 29,000 employees worldwide

BUSINESS CHALLENGE

- › Volvo needed to improve visibility and business efficiencies across global operations.

RESULTS

- › Following an extremely fast global deployment, Volvo gained better visibility into its logistics, achieving improved efficiency and significant cost savings. Performance increased while service issues decreased.

5X greater cost savings than expected

SOLUTION

Volvo approached eight companies seeking a sophisticated, global TMS that could be ready to go in 150 days. After a competitive RFP process, Volvo chose Blujay Solutions to tackle the challenge of setting up a TMS that could integrate with 26 existing IT systems and handle 35,000 routes to market, 120 new EDI messages and 30 existing carriers.

“We immediately noticed that there are very few complete software packages on the market,” said Volvo’s VP of Supply Chain. “The logistics of finished cars is obviously not just about the transport. There is a whole process around it in which capacity planning and visibility play a big role.”

The cloud-based architecture of Blujay’s Transportation Management solution allowed Volvo to meet its aggressive timeline and have a new TMS fully deployed within five months without experiencing any disruption to its supply chain.

“With a traditional system, months would need to be spent just on discussing the architectural guidelines,” said Volvo’s VP of Supply Chain. “Most of those types of challenges during a new software implementation are covered by the SaaS model. I don’t think any other system could have gone live in less than five months.”

Since then Volvo has experienced cost savings that were five times greater than expected. In addition, Blujay’s Transportation Management has delivered a significant improvement in performance, with dealerships reporting just a fraction of the issues compared to when Volvo was using an LSP to handle its transportation needs.

VOLVO

“We monitor the number of issues that dealerships report to the service desk; a year after the go-live, there were no more than five per week. That proves that the system works and that the dealerships have confidence in it.”

VP, Supply Chain
Volvo

ABOUT BLUJAY SOLUTIONS



Blujay Solutions delivers supply chain software and services to the world’s most progressive retailers, distributors, freight forwarders, manufacturers, and logistics service providers. Transforming supply chain logistics with the Blujay Global Trade Network, we enable customers to unlock the power of more than 40,000 universally connected partners. With Blujay, companies can achieve greater trade velocity, transform their supply chain economics for disruptive advantage, and see beyond the horizon to optimize their future in the global economy.