



The Better TMS

**WHAT TO LOOK FOR WHEN
EVALUATING MODERN TRANSPORTATION
MANAGEMENT SOLUTIONS**





There was a time when shippers were able to run their transportation networks with a few human resources, a couple of spreadsheets, and a reliable phone line. **Transportation Management System (TMS)** to the rescue! A TMS introduced shippers to automated workflow, rating, tendering, shipment tracking, and carrier payables. In the past just having a TMS, any TMS, would generate efficiency and cost reduction. In today's world where supply chains, transportation options, and customer requirements have become increasingly complex and global in nature, having *just any* TMS can be just as bad as no TMS at all.

Shippers need a robust, always available transportation management system that not only handles the orchestration of multiple freight modes domestically and internationally, but also optimizes activity in a way that reduces costs and meets delivery targets. Additionally, the TMS must facilitate interactions between an organization's order management system and its warehouse management system or distribution center. Common TMS software modules include shipment planning, basic consolidation, rating, tendering, and freight audit and payment. An advanced full-feature TMS extends the value into areas of optimization, multi-modal shipping, exception management, carrier management, yard management and decision support tools throughout the application. When deployed, a TMS delivers business value in the form of reduced costs, but also gives shippers improved accountability, better transportation chain visibility, and greater flexibility to make delivery plan changes.

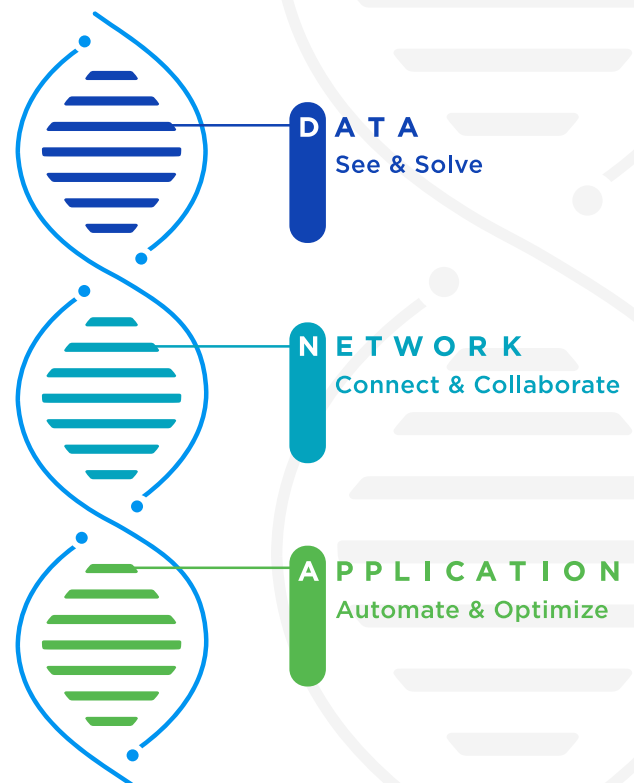
Defined by Gartner as a system used to plan freight movements, do freight rating and shopping across all modes, select the appropriate route and carrier, and manage freight bills and payments, a TMS serves a vital role in supporting the high volume of omni-channel, e-commerce, and traditional freight movements around the globe.

Beyond the textbook definition of TMS, an advanced full-feature TMS solution must also provide connectability to a broad group of partners and their supporting applications, a network of networks. This connectability opens a massive ecosystem of opportunity. Enterprise applications that are aware of the network around them, that consciously participate in all that the network affords them could create greater savings, greater efficiencies and help businesses delight their customers. Ecosystem awareness helps further reduce friction in a supply chain in ways a point solution simply cannot.

The ideal TMS partner will provide all the components of logistics excellence. This only occurs when a business has strong applications in place working in concert with a network. Large networks inherently generate vast quantities of data. Traditionally, this data simply sat there, largely untapped. Whether this data represents freight rates, transit times, customs clearance durations or most anything else, analysis and leveraging the data can yield even greater savings and insights.

A provider like BluJay Solutions is uniquely positioned to help guide businesses through from Operational Efficiency, to Ecosystem Awareness, to Insight-Driven Logistics. How? With a solution portfolio that consists of Data, Networks and Applications, or DNA.

Ok, so you need an advanced, full-featured, modern single-instance, multi-tenant, SaaS TMS application. How do you know one when you see it? The Better TMS will do all the common things but will also extend value in additional areas of cost reduction, enhanced decision-making, connectivity, and visibility. The Better TMS will also support supply chain resiliency and deliver continuous innovation. Let us examine those areas.



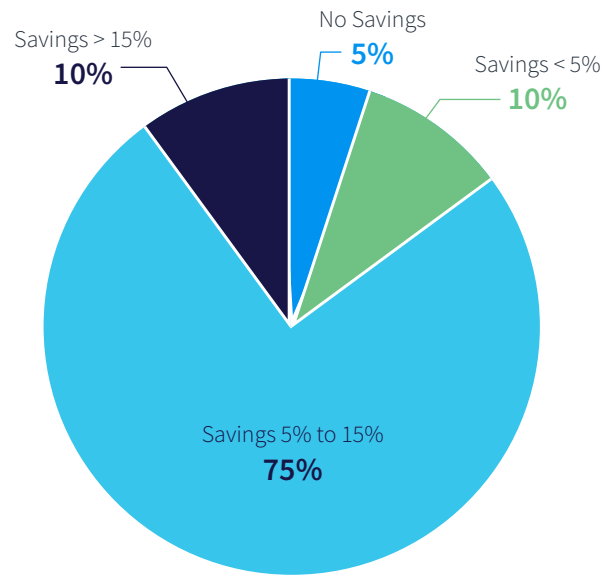


Cost reduction

An advanced, full-feature TMS provider will provide a wide scope solution that will impact operating and support cost reduction.

Based on analyst experience and end-user feedback, most organizations (approximately 75%) see an average operational cost savings from a TMS between 5% and 15% (see below). In some instances, particularly for organizations that have not previously used a TMS, an operational cost savings of more than 15% is possible. Typical cost improvements* are found in the following areas:

- › Optimization – 5% to 15%
 - Lower cost mode selections
 - Better rate selection
 - Load optimization
 - Continuous moves and dedicated fleets
 - Enhanced decision-making
- › Procurement savings – 3% to 10%
- › Increased utilization of preferred carriers – 2% to 5%
- › Operations efficiency and automation – 1% to 5%
- › Freight audit savings – 1% to 4%
- › Collaboration – 1% to 4%
- › Better analytics – 1% to 4%
- › Appointment scheduling – 0.5% to 1%



*Source: Gartner (July 2019)

In addition to the quantifiable areas of productivity in a TMS, several areas of soft benefits can be attributed to a TMS. The main areas are:

- › Customer satisfaction
- › Warehouse efficiencies
- › Yard efficiencies
- › New delivery capabilities
- › Cash-flow improvements
- › Access to a greater number of carriers
- › Better transportation compliance
- › Increase in customer engagement



The BluJay Solutions multimodal transportation platform has allowed us to see a 15 percent reduction in our cost per pound, excluding the cost of fuel.



GENERAL MANAGER, SARGENTO FOODS INC.





Enhanced decision-making from **actionable intelligence**

Many TMS providers will make an overwhelming volume of data available to the user, but an advanced full-feature TMS will refine the endless stream of data into real-time, actionable intelligence for the user to manage its overall supply chain and leverage the transportation ecosystem in which it participates. This, in turn, allows the shipper to be smarter at what they do every day—an accomplishment made easier using the actionable intelligence and better process management.



Shippers need the ability to adapt to meet the needs of customers while still driving operational effectiveness across the entire transportation network. With BluJay's transportation and distribution applications, we're leveraging more data and actionable insights across the platform to increase efficiency and visibility, making it easier for users to make immediate, informed decisions about their supply chain management."

DAVID LANDAU, CHIEF PRODUCT OFFICER AT BLUJAY SOLUTIONS

BluJay provides shippers tools to realize a tactical advantage based on data and information provided by the TMS. Operational examples include **SpotLight** — which identifies loads that may produce a savings if tendered to spot market carrier vs contracted carriers. SpotLight uses data from the BluJay network to determine current market rates. **SpotFinder** — identifies potential carriers for unassigned loads based on network carrier dispatches whose destination points and ETAs match capacity needs.

From a shipper perspective, the BluJay advantage is clear: "The benefits that Rich Products has received from BluJay's solutions are more than just rates. We can complete rate bids and then take that data to make smarter network decisions, drive utilization of trucks and optimize multi-stop loads. It's more than just rate; it's the ability to drive savings over several different areas of transportation." Director of Transportation, Rich Products.





Connectivity and visibility for **increased customer satisfaction**

In the 2020 Supply Chain Innovation Survey conducted by Adelante SCM and BluJay Solutions, in partnership with the Council of Supply Chain Management Professionals (CSCMP), **62% of the respondents agreed, or strongly agree the customer experience will overtake price and product functionality as the number-one brand differentiator.**

The number of respondents who strongly agree increased by almost 12% over the 2019 survey.

62% **CUSTOMER EXPERIENCE**
NUMBER-ONE BRAND DIFFERENTIATOR

Customers are no longer satisfied with yesterday's technology. Today's demanding customers are looking for online self-service for orders, rating, booking, and detailed visibility to order progress, tracking, and status. They want connectivity not only to the TMS, but applications for business intelligence, customs clearance declarations, vessel tracking, electronic documents and more. Satisfied customers are a critical to shippers like Danone, parent of The Dannon Company, "We work in a fast-growing marketplace that has unique demands on the supply chain due to the shelf life of the product and our distributed operation. With BluJay, we are able to manage transportation from shipment tender through delivery, making service a competitive advantage," said Dannon's National Transportation Manager.

Chris Timmer, Chief Revenue Officer at BluJay Solutions, shares, "Our vast strategic partner network is another example of BluJay expanding our massive transportation ecosystem through the leverage of technology, connectivity, and data. This partnership helps provide access to options for each of our shippers to strategically design their supply chains like never before."



Modern TMS solutions need to know it all, and show it all in a friendly, quick, and easy to understand experience for users. Customers demand it, and BluJay delivers. As HP Hood's Operations Systems Analyst says, "Since we have every piece of information from order to delivery, we can figure out how to better serve our customers. Customers are driving the way we do business. In order to exceed their expectations, we have to go from cow to customer. We need to be able to see, manage, and measure by automating our entire transportation process using BluJay's Transportation Management."



Supply chain **resiliency** during disruption

Whether high-impact/low-probability events like natural disasters, or everyday upsets caused by snowstorms and traffic jams—managing disruptions is a big part of the job for supply chain and logistics professionals. Perhaps no other recent event has caused such exceptional global disruption as COVID-19, so it's not surprising that supply chain resilience is in the spotlight.

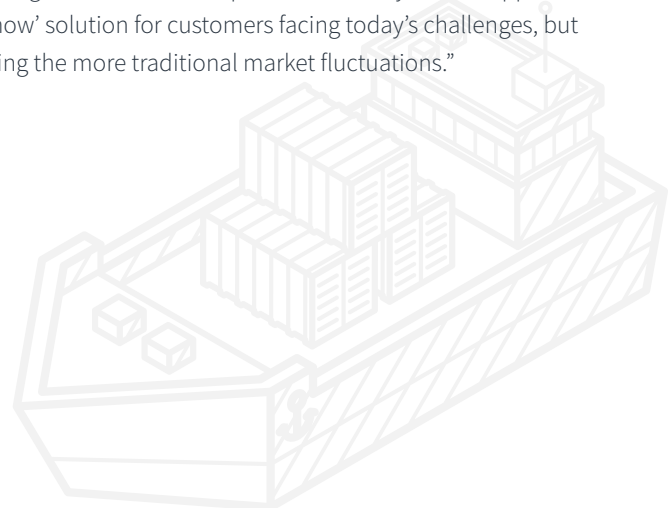
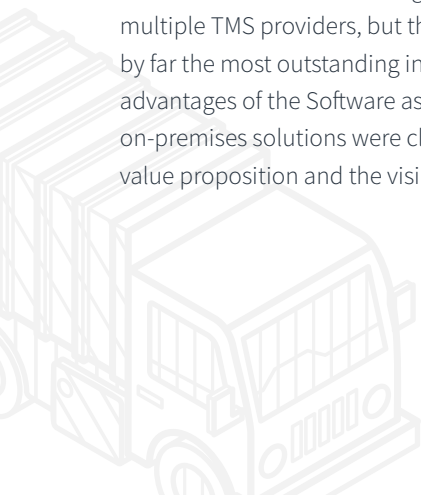
“For companies, resilience measures their ability to, and the speed at which they can, return to their normal performance level following a high-impact/low-probability disruption,” explains Massachusetts Institute of Technology professor Yossi Sheffi in his 2005 book, *The Resilient Enterprise*. “Thinking about disasters as opportunities and using disaster preparedness to increase resilience are the essence of making lemonade from lemons...The advantage of creating resilience is that...it is a characteristic that gives enterprise buoyancy in the wake of any disruption, increasing its day-to-day flexibility to respond to a world that is changing fast and becoming ever less certain.”

This is certainly true in supply chain management, where communication and collaboration among many trading partners—manufacturers, retailers, distributors, and logistics service providers—is more urgent than ever. The selection of a TMS provider should include an examination of the key areas required to accommodate an ever-changing world.

› **Modern architecture:** Does the provider have a true single-instance, multi-tenant, SaaS TMS application that will allow your employees to work from anywhere? Not only does this support remote work solutions for the office closures like experienced during COVID-19, but it also allows you to attract talented employees from around the globe versus only the local community. This was a key factor in a TMS selection for the Sales Vice President at Contech Engineered Solutions: “We evaluated multiple TMS providers, but the BluJay Solutions product was by far the most outstanding in terms of functionality. And the advantages of the Software as a Service (SaaS) model over the on-premises solutions were clear. It provided the best overall value proposition and the visibility we needed.”

- › **Connectivity:** Communication is always a key for a TMS, but in times of disruption it is critical. Is the provider's solution invested in connectivity with key supplier and industry partner networks? A resilient solution must be network — aware of the network of networks and able to interpret and deliver the data as it is needed in your workflow. Whether this data represents freight rates, transit times, customs clearance declarations or most anything else, analysis and leveraging the data can yield even greater savings and insights.
- › **Capacity:** With capacity already tight across the entire supply chain, shortages are likely during any disruption. Does the TMS provider help you increase capacity, not just a carrier list, but capacity providers connected to the system via EDI, and API? The typical shipper operating in today's business environment has anywhere from 30 to 100 different core carriers within its network. BluJay Solutions' BluJay Carrier Network is comprised of over 25,000 carriers. The network includes EDI, and API connectivity for rate shopping, booking, and tracking as well as digital freight and capacity matching partners including Uber Freight, Convoy, Loadsmart and others.

“At BluJay, we help our customers achieve operational excellence by providing the tools they need to make immediate, informed business decisions. With our variety of digital freight and capacity matching partners, our TMS customers can easily access a new level of capacity with real-time visibility so they can plan for the weeks ahead *and* account for last-minute market shifts,” said Bryant Smith, Director Product Management at BluJay Solutions. “These integrations and the responsiveness they allow shippers is a ‘right now’ solution for customers facing today's challenges, but also during the more traditional market fluctuations.”





Managed Transportation Services **drives innovation**

BluJay's largest user of the TMS is our own Logistics as a Service (LaaS) group, designed to be the better MTS. The LaaS team has over 220 operational experts managing an annualized transportation freight spend of more than \$3 billion USD. Just imagine if your operations team were just a few steps away from the developers creating your TMS, how much impact would you have on TMS innovation? At BluJay that is just the case; our LaaS managed transportation group is only 53 feet from our research and development team, and they are an integral part of our development process.

This relationship benefits all BluJay customers in many ways. Primarily they provide real-life use cases for our R&D teams to study, as the LaaS team discovers new needs, their partnership with development quickly drives innovation in the TMS. They are also beta testing new features before they are released to all BluJay customers ensuring high efficiency and value are delivered.

"The LaaS team members are Freight Practitioners that have unique insights on what is needed to improve efficiency and reduce costs," said Bill Madden, Group Vice President LaaS. "We share those insights with product leaders who create new tools that benefit all TMS users." An example of this collaboration is provided by the Vice President of Operation at IFCO North America: "BluJay's LaaS group helps us get on board with things we hadn't started using. We can utilize the software more fully and robustly, which is beneficial. If there is something we haven't used, or that other LaaS customers are using that would benefit us, the team makes us aware and suggests solutions. The transference of information as our business has changed has been invaluable."

Differentiating features such as the BluDex freight rate Index have been born from this collaboration. BluDex aggregates real-world trending truck rates from anonymous transactions, allowing BluJay TMS users to compare actual market rates vs routing guide or contracted rates on any lane in real time.

The LaaS team offers multiple services for BluJay customers. From our Logistics Analyst service that adds a BluJay LaaS expert to your operations team, to BluJay's full-service transportation management, an experienced team of logistics experts managing your complete supply chain. The LaaS Logistics Analysts convert big data to actionable intelligence to help your team increase system utilization and gain additional value from the TMS. The LaaS group can also provide assisted or full-service procurement events on your behalf making the complex simple.



“ The LaaS team members are Freight Practitioners that have unique insights on what is needed to improve efficiency and reduce costs. ”

**BILL MADDEN,
GROUP VICE PRESIDENT LAAS**

ABOUT BLUJAY SOLUTIONS

BluJay Solutions helps companies around the world achieve excellence in logistics and trade compliance – it's in our DNA. Through a blend of Data, Networks, and Applications, delivered in the BluJay Way, our DNA platform powers the Frictionless Supply Chain for thousands of the world's leading manufacturers, retailers, distributors, freight forwarders, customs brokers, carriers, and logistics service providers.

BLU JAY
SOLUTIONS