"*We engineered a complete transformation of our business using Manhattan SCALE. Scalability was key to making it possible for SPEED to transition to a global 3PL. SCALE provided our company with the ability to adapt to the growing demands without costs spiraling out of control. Just as important was the high level of support we received from Manhattan. Our collaboration has been instrumental in getting us to where we are today, and to where we want to go tomorrow.*"

Ruofan Xu, I.T. Manager, SPEED Global Services

SPEED Global Services increases throughput by 120% with Manhattan SCALE™

SPEED
GLOBAL SERVICES

Distribution centers: Buffalo, NY; Lockport, NY; Toronto, ON

Manhattan solutions: SCALE™, Billing Management

Challenge:

SPEED grew from a regional logistics provider into a global 3PL, which stressed legacy systems. Order accuracy suffered, shipments weren't being expedited, workflow processes weren't optimized and end-of-month processes were taking too long.

Solution:

SPEED selected Manhattan SCALE to replace its homegrown system. SCALE's open, flexible architecture enables real-time interface with other software programs and has allowed SPEED to streamline workflow, improve processes and meet customer commitments with greater efficiency.

Results:

Order and billing accuracy improved dramatically; 24-hour turnaround fill rate is now 87%; costs remained largely flat while revenue and volume surged. End-of-month billing and reconciliation is now completed with one employee in only three days.

In business in Buffalo, NY since 1946, SPEED Motor Express built its reputation on regional less-than-truckload transportation and warehousing services mostly for the automotive industry. But times were changing, and Carl Savarino, SPEED's President and the founder's grandson, saw a very different future for the family business. Savarino believed globalization could create enormous opportunities to broaden both SPEED's geographic footprint and its customer base.

In 2005, SPEED launched the boldest transformation in its history. It became a full-service 3PL, bundling worldwide transport, customs brokerage, and warehousing and distribution under the "SPEED Global Services" brand. However, the complex transition proved a challenge. SPEED's Excel spreadsheet system wasn't robust enough to respond to the needs of a new and diverse group of customers. SPEED struggled to expedite shipments; only about one quarter of orders with a 24-hour fill rate were executed within that time frame. Increased business from non-traditional sources strained its legacy billing systems, causing billing inaccuracies and crimping cash flow. Two full-time billing employees each spent half of each month just reconciling customer accounts.

SPEED knew scaling its supply chain software would be critical to operating efficiently, expanding its service offerings and satisfying a growing list of new customers. In 2012, Speed got the scale it needed with Manhattan Associates' .NET-based SCALE solution. SPEED saw near-immediate workflow improvements as SCALE's open and flexible systems enabled real-time integration with other software programs. Order accuracy increased markedly. Shipment delays became a thing of the past. SPEED's costs remained flat or declined despite a multi-year surge in throughput, a powerful combination that has led to profitable growth.

Today, 99.7% of all orders are accurately filled, as are 87% of all orders with a 24-hour turnaround. Customers are invoiced more accurately for their specific services, a process not 100% achievable before SCALE was implemented. Labor costs allocated to billing have been cut from 160 hours per month to just 24; today, only one SPEED full-time billing associate works on reconciliations, and that associate devotes only three days a month to it.

SPEED Global is a Supply Chain Leader
Manhattan Associates

Manhattan SCALE™
Supply Chain Architected for Logistics Execution

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From 2010 to 2013, we noticed significant gains. Costs remained steady and customer satisfaction increased. In 2014, we made two acquisitions and increased our throughput by 120% over the year before. Yet our year-over-year costs in 2014 stayed essentially flat. Much of that improvement goes straight to the bottom line. The implementation of SCALE has been so successful, we mention our appreciation of the product on our website, speedgs.com.

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Nearly a decade since Carl Savarino made the leap from a regional transportation company to a global 3PL, the results validate the prudence of his decision. Today, SPEED handles shipments from all parts of the globe. Its Buffalo international fulfillment center gives Canadian businesses a foothold in U.S. markets, while its Foreign Trade Zone operation on the Northern Border provides U.S. businesses with the ability to import, manufacture and re-export free of customs duties. SPEED's growth is directly tied to its improved performance metrics; it is now a certified GSI128 provider and pursues relationships with multi-national "big-box retailers"—some of the highest quality, most demanding customers in the business.

Prior to Manhattan SCALE, SPEED struggled with below average scores for big-box retailers. Now SPEED excels with a constant minimum 98 out of 100 average annual performance score. SPEED has even expanded into new fields such as e-commerce. Manhattan SCALE allows SPEED to focus and grow their e-fulfillment services as e-commerce demand continues to increase. SPEED can now handle any future e-commerce demand around the corner or around the world. And Manhattan SCALE is still behind the scenes helping to bring it all together. SPEED is so satisfied with SCALE that the company plans to upgrade to newer versions of the solution as its global footprint expands.

"Manhattan has helped SPEED step into a different world," said Ruofan Xu, SPEED's I.T. manager.

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supply chain **commerce** delivered™