



THE CHALLENGE

When pushed by their previous TMS provider to upgrade their existing, hosted system, the outbound logistics team at Verso Corporation chose to look for a new TMS. They took lessons learned and began a search for a new system. Ease of implementation, system stability, and ease of use topped their list of search criteria.

THE SOLUTION

After considering other hosted solutions and evaluating several SaaS-based systems, Verso chose the MercuryGate TMS. In addition to providing stability, they also found the MercuryGate system much easier to use. With a well-defined implementation plan, Verso was able to get up and running quickly on the MercuryGate TMS and the Mojo optimization tool.

THE RESULTS

Verso manages about 150,000 loads annually through the MercuryGate TMS, representing a freight spend of \$255 million. By using Mojo Dark, Verso can identify the optimal mode and route for every load. Today, they are managing the same amount of freight with a team of seven that used to require 21 people with their old system.



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— Michael Dailey, Corporate Logistics Manager

VERSO CORPORATION RESHAPES OUTBOUND LOGISTICS WITH MERCURYGATE TMS, OPTIMIZATION

STARTING OVER WITH A NEW TMS

Deciding to move to a new Transportation Management System (TMS) isn't something that logistics managers do without a good reason and careful consideration. Sometimes, however, a company's hand is forced into making a change. That was the scenario that faced the outbound logistics team at Verso Corporation, a producer of graphic and specialty papers, packaging, and pulp. After a few years on a hosted TMS, Verso was notified by its TMS provider that a system upgrade was required to continue to receive support. The Verso team took that notification as their cue to start their search for a new TMS solution that better fit its needs.

"The biggest thing for us, as a paper company, was to have a system that would

be reliable and stable," said Michael Dailey, Corporate Logistics Manager at Verso. "We needed to make sure that we didn't have any customer interruptions."

Today, Verso has more than 5,000 unique customers globally. In the paper industry, these customers often have very late cutoff times and next-day delivery requirements. Delivery appointment times can be difficult to pin down. Cut off times might be at 5 pm while the client's receiving department leaves at 4 pm. With such tight timeframes, the shipping process must be extremely efficient.

"One of the biggest benefits we get from MercuryGate is that it's a very stable system," said Dailey. "With our last system, we had a lot of issues with the interface to the system would go down. With MercuryGate we have done a much

better job on the architecture, and we've experienced almost no downtime; that's huge."

During the evaluation process, the Verso team looked at both hosted and SaaS-based options to replace their existing system. While the need to change may have been thrust upon them, they wanted to make the most of the opportunity to select a system that could help reshape their operations. As the team reviewed the list of critical requirements, it became clear that MercuryGate checked many of the boxes and closed the functionality gaps left by their existing software.

"We just really felt more comfortable with the MercuryGate software than we did with everything else," said Dailey.

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MANAGING THE COMPLEXITIES OF PAPER SUPPLY CHAINS

Paper companies have a unique transportation network created by the far-flung locations of their paper mills. Mills require a lot of water to process pulp, so locations near a natural water resource are a necessity, but it also means they are located in very rural, out-of-the-way places. Logistics managers have to find carriers who can run loads through these locations while still meeting the tight delivery windows their customers require.

Headquartered in Miamisburg, Ohio, Verso operates seven mills in the United States, and they are in places like the upper peninsula of Michigan, rural Maine, and in isolated areas of West Virginia and Maryland. There aren't a lot of other manufacturing facilities in these areas, which reduces the amount of truck traffic that can be contracted to carry shipments.

"The thing that we struggle the most with is just the remoteness of our mills," said Dailey. "When capacity gets tight, it's very difficult to get excess capacity in the upper peninsula of Michigan or central Wisconsin or Jay, Maine."

Making the transportation network more complex is that Verso's outbound team essentially manages two distinct supply chains. Dailey explains that they make to stock, which is the material that goes into the company's distribution center, and from there those items go direct to either merchant partners or direct customers.

At the same time Verso is managing shipments from its mills to its merchant partners or merchant printers.

Today, Verso manages about 150,000 loads a year through the MercuryGate TMS, representing freight spend of \$255 million. Dailey says the biggest benefit of working with MercuryGate are the efficiencies created by using the Mojo optimization software. Verso uses Mojo Dark, which is a version of the Mojo software that automatically runs in the background to help identify the optimal mode and route for every load.

"On the old system, we had a team of 21 people that handled the same amount of transportation we are handling today," said Dailey. "With Mojo, we're able to do as much of the load planning and the routing of freight with just seven people. Mojo takes care of all of that for us now."

MAKING IMPLEMENTATION AND DAILY TASKS EASIER

Drawing on their poor experience with their prior TMS provider, the Verso team identified implementation as a top selection criterion for their new TMS. Equally important was finding a solution that would be easy to use for day-to-day transportation management. Dailey explains that they wanted a system that they could get up and running quickly.

"The MercuryGate implementation was a much smoother process," said Dailey "We had a great group of people on our end

and the support that we demanded from MercuryGate ended up being worth it as well."

Several years after their implementation of the MercuryGate TMS, Verso continues to find the application to be easy to use. Dailey says that it makes tasks such as rating, routing, and tendering freight very straightforward. His team appreciates the simplicity of the system.

"For the way that we utilize the TMS, it's super easy to use," said Dailey. "MercuryGate is an excellent software. Being able to tender in mass and do updates in mass, it's just very easy to navigate through the system."

To learn more, email sales@mercurygate.com

ABOUT MERCURYGATE MercuryGate provides powerful transportation management solutions proven to be a competitive advantage for today's most successful shippers, 3PLs, freight forwarders, brokers, and carriers. Through the continued release of innovative, results-driven technology and a commitment to making customers successful, MercuryGate delivers exceptional value for TMS users through improved productivity and operational efficiency.

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