Everysens

Digitize your transport processes

THE 5 REASONS TO ADOPT TMS RAIL

Did you know ? In France, around 10% of chargers are equipped with a TMS, which is still quite low compared to the United States, where the rate is 39%[1].

So why ?

In France, we are experiencing a strong growth in the deployment of generic "umbrella" TMS solutions powered by TMS specialised by mode of transport (particularly in road transportation).

In the case of rail transport, most of manufacturers do not have market software dedicated exclusively to this mode today.

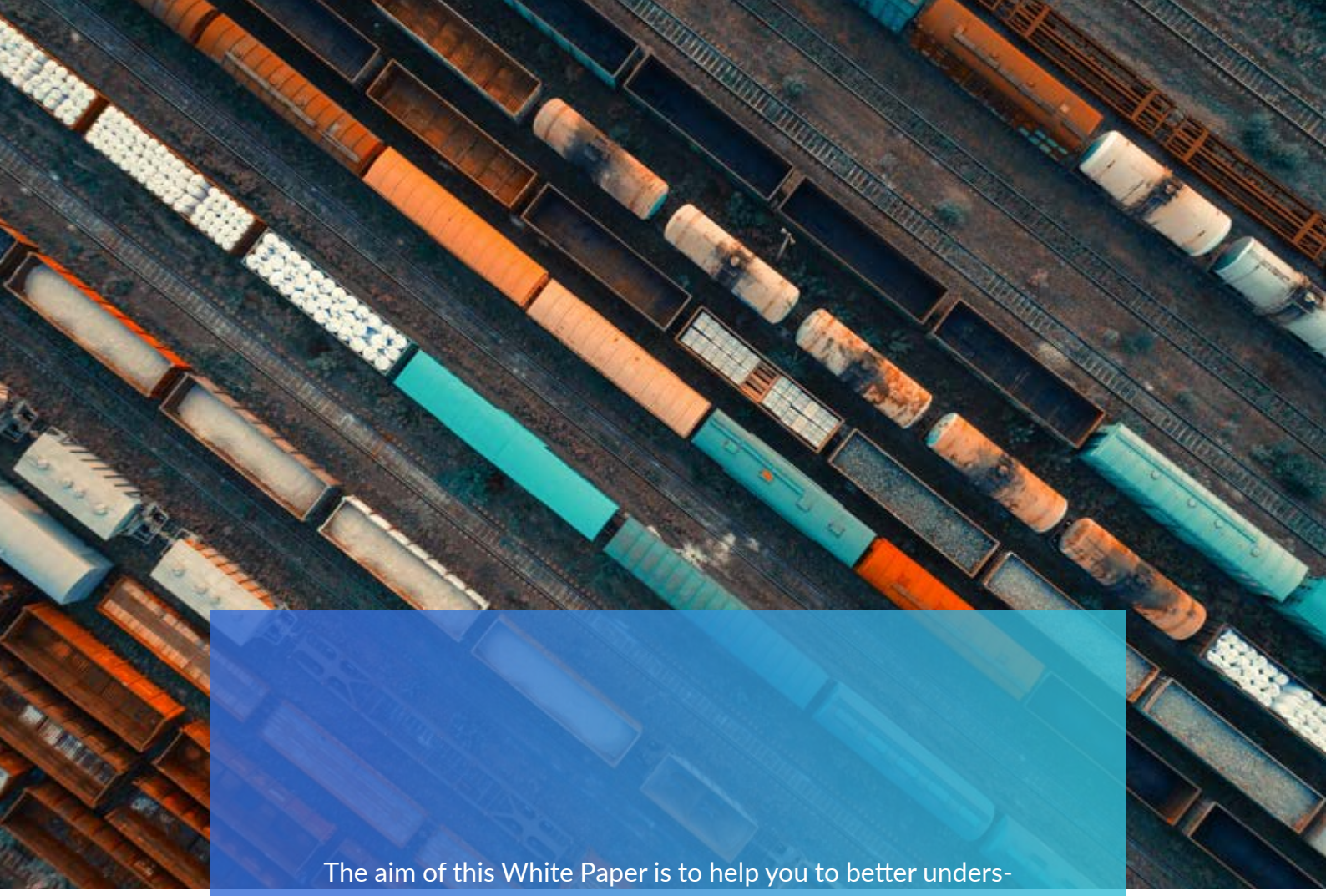
To overcome this situation, internal IT parts are developed for certain processes - which requires a development and infrastructure maintenance cost - while others remain manual (Excel is still often a good companion).

To ship your goods from end to end, many processes are required to ensure the planning and the transport execution.

It is in this context that the implementation of TMS (Transport Management System) software today allows industrials to better collaborate internally as well as with their suppliers, in order to ensure competitive transportation and quality service.

These supply chain optimization tools are thus becoming an asset to improve the supply chain performance and make its processes more agile.

1 according to Aberdeen



The aim of this White Paper is to help you to better understand complete technological tools that are Transportation Management Systems, specifically for the railway industry.

What functionalities do they include? What can they bring to your company and your customers? Focus on the need for a rail TMS today.

WHAT EXACTLY IS TMS SOFTWARE?

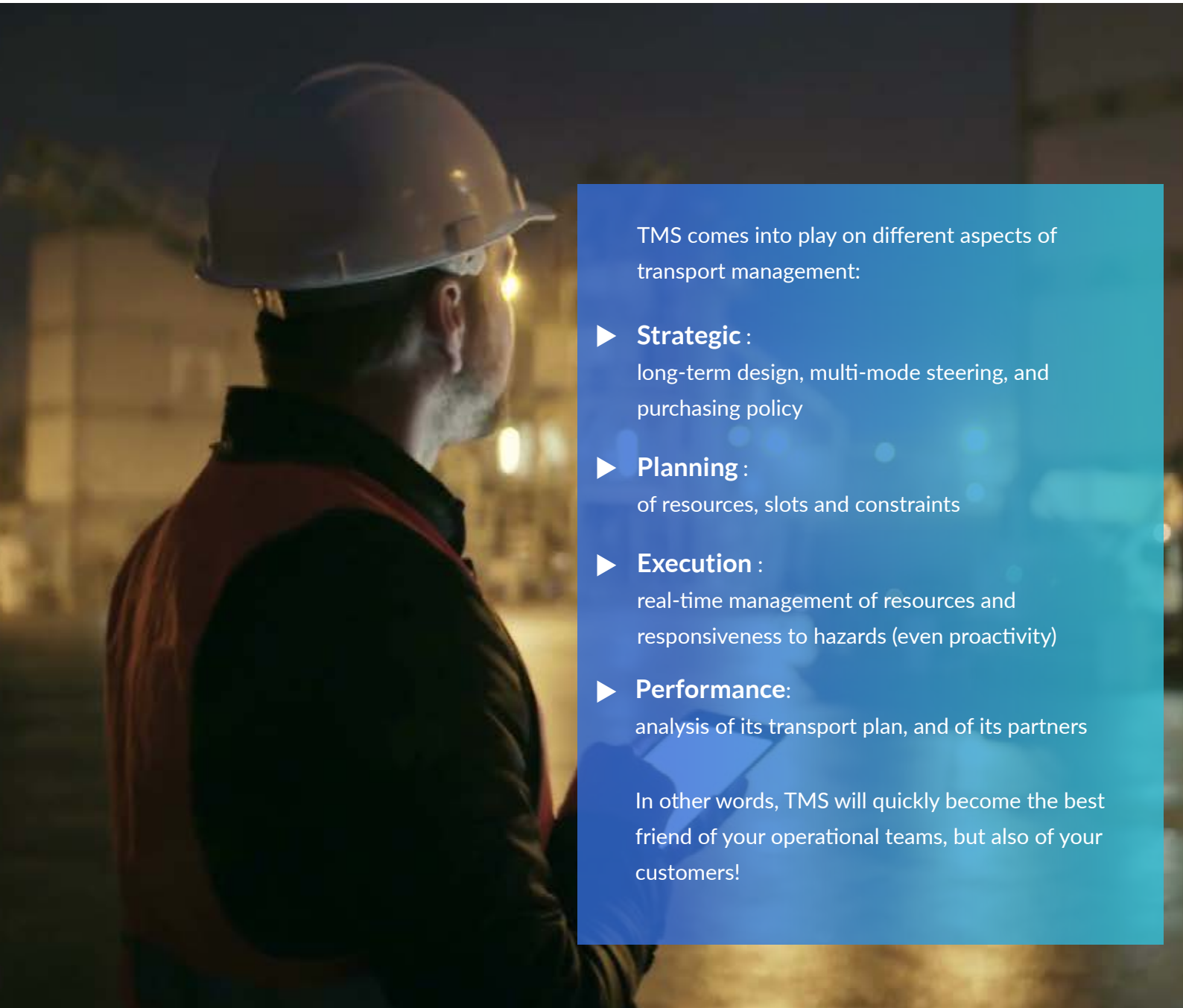
"You have to know to understand, and understand to judge.". So let's start at the beginning by explaining what TMS transport really is.

Above all, a TMS is a management tool that ensures proactive monitoring of all your f lows, whatever the mode. The TMS tool is designed to simplify the transport management of your operational teams: in this sense, the first added value of such a solution lies in the digitalisation of transport processes. The aim is to achieve operational excellence and a clear improvement in your supply chain.

Each step of the supply chain is managed by this transport management tool:

from the sending and validation of transport orders to the various service providers, through the planning and optimisation of its schedules per site, without forgetting the transport execution via real-time tracking.

Imagine that tomorrow, all your procedures and information will be centralized on a single platform!



TMS comes into play on different aspects of transport management:

- **Strategic** :
  long-term design, multi-mode steering, and purchasing policy
- **Planning** :
  of resources, slots and constraints
- **Execution** :
  real-time management of resources and responsiveness to hazards (even proactivity)
- **Performance**:
  analysis of its transport plan, and of its partners

In other words, TMS will quickly become the best friend of your operational teams, but also of your customers!

THE TMS' MARKET

Originally, TMSs were mainly implemented by carriers and logistics providers to reinforce loads and plan transport flows, with the aim of reducing their costs and automating the invoicing process.

TMSs allowed them to control the costs of subcontracted transport, then it became gradually more a means of transport management (route optimisation, planning, choice of service providers, ...).

The market is relatively mature in the carrier sector, with increasingly innovative and comprehensive technological solutions, and monitoring fleet management, flow management, planning, as well as execution and invoicing.

Nowadays, transport is a central player in the modern economy, a real strategic and competitive asset for the end customer service, both for carriers and shippers, who are still too poorly equipped with it.
From this point of view, there is a renewal of needs, centred on the level of transport visibility on both sides.

For 50% of French companies, this need for visibility addresses the problem of reducing shipping and delivery costs.

But this visibility issue must also make it possible to keep the promise to customers for 31% of the companies. [2]

Today, the financial aspect is no longer the only reason for interest in TMSs.
Indeed, for the last 5 years, the quest for agility and the demand of customers for visibility and quality of service have made TMSs more and more imperative.

According to Gartner, cost reduction is now in fifth place, which was the main reason in 2008.

Thanks to the TMS rail, the transport contribution to the commercial activity development, and also the strong need for collaboration between the actors of the Supply Chain are still levers of optimization.

Indeed, the ever-increasing number and importance of operational exchanges for the management of the transport activity, especially in the rail mode which has complex transport processes, require a better fluidity.

2 According to :Generix Group and Institut du Commerce

These emerging needs, coupled with incrementally demanding customer requirements, make it a definite necessity for any company to implement a high-performance transport management solution, and more particularly an TMS.

In 2015, the global market for transport management systems is estimated at 9 billion USD internationally.

This figure is expected to reach USD 19 billion by 2020 (this exceeds the pure scope of TMS) with an annual growth rate of around 15%.[3]

However, it is estimated that less than one in ten companies in France is equipped with an TMS.

In particular, shippers are concerned about the difficulty of implementing this type of tool, due to its complexity or the associated change management.

In addition, there are limits to most generic TMSs, depending on their ability to handle different modes of transport.
To date, generic TMSs exhaustively manage only one specific transport mode, given the wide philosophical gap in terms of planning or monitoring processes.

Indeed, there are many TMSs expert in the road and maritime sectors (with increasingly mature solutions covering organisation, monitoring and administrative management).
Only the railway remains the poor relation in terms of software solutions on the market, and for good reason: planning a train is much more complex than starting a truck.
However, rail transport is the most destitute mode in terms of transport reliability, due to its structural constraints (train path reservation years in advance, different types of rails in different countries, etc.) and to the multiplicity of roles.

In order to get a train off the track, you need a handler, a tractor unit, local vs. long-distance railway undertakings, etc.

[3] According to MarketsandMarkets,

SO WHO IS TMS RAIL FOR ?

We can answer that question with *"anyone who wants to be in control of their transportation plans"*...

The TMS will be profitable for your operational teams, but also for your service providers and end customers.

What shippers (manufacturers or distributors) are looking for in a TMS would rather be strategically or operationally oriented functionalities, within the framework of respecting their transport budget and their commitments in terms of quality of service.

The main interest of a rail shipper TMS would then be to plan beforehand its transport operations with its employees as realistically as possible.

This is also done by capturing delivery information from the field (either via collaborative web portals or real-time sensors), then processing and analysing it to assess its transport performance level.

Which profiles would most use TMS in your teams? Let's go behind the scenes of railway transport management. Every company organises itself differently, but here is an overview:

The Planning Manager must be as realistic as possible

Your transportation plan will be built by this planning manager. He makes sure that it is respected, taking into account transport availability constraints.

In charge of the respect of the schedule, the TMS will be for him an essential tool for the optimization of his transport planning, which will be all the more reinforced thanks to the collaboration with the different actors and the real time data such as tracking, open data, carrier IS, etc).

The Planning Manager will then be able to make the transport plan more reliable thanks to the exhaustive information provided by the TMS Rail, taking into account its constraints, whether they are at customer level or those of the railway companies. Here, collaboration is at the heart of planning, and it will be further reinforced by the use of a TMS.

The Flow Pilot is aptly named

In charge of creating orders and confirming transports, you need to know how to use your fleet, and to do so, you need therefore to manage hazards.
Also in charge of the daily tasks for the transport execution, such as the creation of waybills for instance, a self-respecting flow pilot ensures above all the good delivery of the goods to the customer.

For a flow pilot, in addition to automating his daily tasks, the TMS provides reliability and real-time tracking of wagons, helping him in his daily transport management.

This instantaneous transport visibility allows you to be proactive, particularly in the face of unexpected events. Imagine being alerted to a hazard before it's too late!

The Supply Chain Manager / Rail Logistics Manager aka your internal data scientist

The Supply Chain Manager is the Sherlock Holmes of transport performance. From contract analysis, to the study of data relating to the efficiency of supply chain processes, to the proper execution of procurement to the delivery of its customers, the Supply Chain Manager deploys and defines logistics management strategies.

He/she improves the efficiency of supply chain processes on a daily basis, with the aim of guaranteeing a certain level of service quality to customers. All this while taking into account the constraints of its service providers, but also in line with its company's strategic orientations.

In order to carry out his mission, the Supply Chain Manager must monitor the transport performance of his rail flows, but also that of each of his partners, in order to propose areas for improvement. Analysis tools, and often Excel, are therefore an integral part of his daily work.

TMS rail is the ideal tool to benefit from advanced analysis in an automated and filtered way according to the flow, the customer or the given wagon.

HOW TO CHOOSE YOUR TMS RAIL?

"The right tools make the right workers" this proverb applies very well to the choice of an TMS, especially in the railway sector.

Depending on the industry, the functional scope of an TMS may vary according to their needs and the players involved in transport management.

There are different options on the market: from the simple use of Excel files to the most complex software packages such as SAP.

But then how do you choose the right partner? Transport is an activity in constant evolution.

Therefore, management software must also keep pace and evolve with your business and your needs.

For example, a TMS must take into account the different types of existing transport flows (inter-site, multi-modal, single wagonload, etc.).

It must also allow you to manage your resources according to whether you have your own dedicated or pooled transport fleet.

Finally, the TMS must provide agility in the control of the transport process, in order to respond to an increasingly Demand-Driven Supply Chain.

Then comes into the game a new generation of TMSs that feeds on external data in real time (data from GPS, data from the infra manager, strikes and works, etc.) and is enriched to become more intelligent and automated thanks to artificial intelligence.

From a functional point of view, 5 dimensions make up this TMS 2.0

Strategy	Define its purchasing policy and the global digitalization of its activity thanks to predictive but realistic optimization scenarios that will allow to obtain an important ROI.
Planning	Organize transport in a collaborative way by integrating all the constraints of its activity, its customers and those of its partners.
Execution	Controlling the departure of the train with the digitisation of administrative documents (consignment note) then piloting the routing of deliveries in real time with controlled incident management.
Performance	Seek performance and ROI over its entire chain, in terms of orders, service rate, performance of service providers.
Pre-Invoicing	Being able to export transport data easily in order to trigger a pre-invoicing with its customer or service provider.

As you can see, TMS is a global solution that covers the management of flows from end to end and at every stage - from the provider to the customer.

The TMS must be a complete solution providing answers to each stakeholder and not isolated functionalities (tracking system, etc...), in order to meet an objective of efficiency throughout the chain.

Not convinced yet? Nothing like 5 reasons to illustrate the concrete gains of TMS 2.0.

FLUID AND UPSTREAM COLLABORATION MEANS EFFICIENCY

Transport management is made up of a series of relatively heavy and manual tasks to be handled between different teams, internal and external to the company: a lot of paperwork and procedures to follow, excels, letters, faxes, phone calls...

Today, all these time-consuming tasks are meant to be simplified and automated.

The digitalization of these processes using a TMS tool allows for better management of operations.

Indeed, the transport execution is under control, the automation of tasks allowing the operational teams to concentrate more on long-term transport management.

This collaboration, simplified by the digitisation of transport processes (administrative documents such as the consignment note, for example), improves the quality of operational decisions.
And when we talk about digitisation, we mean the possibility of managing your operations remotely, from your sofa!
This is why a transport TMS must today put collaboration at the centre of the digitalisation of business processes, taking into account all the constraints of customers, but also of service providers, and in real time.
Considering each actor and proposing an interface for each perimeter makes it possible to fluidify the execution of a multi-actor process.
Collaboration is therefore central, particularly in transport planning - one of the key aspects that a TMS covers - where all the constraints of your activity must be centralised.

Avoir un outil TMS collaboratif permet donc de fluidifier et formaliser les échanges au sein de la Supply Chain, lors d'opérations logistiques complexes.
Having a collaborative TMS tool thus allows to streamline and formalize exchanges within the Supply Chain, during complex logistics operations.

REAL-TIME VISIBILITY IS A PREREQUISITE FOR OPERATIONAL CONTROL

According to Gartner, "You can't control what you can't see."

Real-time visibility makes sense in a TMS. "*For many years, transport has struggled to achieve visibility. Commercial customers and consumers continue to have increasing demands for real-time visibility of their orders and shipments with the Amazon effect.*" [4]

A good TMS tool must therefore provide you with exhaustive information so that your teams can understand and control your flows.

The reliability and granularity of the information provided will hence be a differentiating factor from one TMS tool to another.

The more relevant the information is at the business level, the more your operational teams will be able to implement consistent procedures and real-time resolution actions to anticipate incidents and hazards. The objective here is to reduce the rate of damage, losses, customer returns and disputes.

Optimal traceability of transport or merchandise inevitably leads to considerable time savings in the search for information and data on the behaviour of its wagons.

This operational monitoring provided by the TMS therefore makes it possible to anticipate difficulties at each stage of the supply chain.

This better knowledge of its transport, and this proactive incident resolution inevitably brings peace of mind throughout the day on the your logistics operations execution.

Thanks to TMS, your teams will no longer be looking for information, but will instead be focused on resolving but also anticipating incidents in a proactive manner.

A good TMS tool will help you achieve operational excellence, because everything that can be measured gets better!

[4] Source: Market Guide for Real-Time Visibility Providers, Gartner (2018)

THE SUCCESS OF A SUPPLY CHAIN CAN BE SUMMED UP IN THE SATISFACTION RATE OF ITS CUSTOMERS.

The control of the transport execution thanks to TMS also leads to a better customer satisfaction.

For example, having an ETA in real time allows you to monitor your deliveries of goods, and to be alerted in case of delays as soon as possible so that they are less penalizing.
Likewise, offering your customer an interface to confirm their transport orders will be a value-added service. To optimize your customer service, keep in mind some key indicators that vary by industry. We often find :

Delivery punctuality rate

Compliance with delivery commitments

Litigation rate

These indicators are common to many logistics operations and need to be evaluated on an ongoing basis.

The use of a TMS to automate the monitoring of these indicators and to historize the various hazards generally improves the quality of service.

The automation of time-consuming tasks increases your efficiency and productivity.

Your customer will then notice a clear improvement in your services.

Basically, a tool that allows you to analyze your performance in a granular way and help you achieve your annual objectives, it is a tool that will help you increase your quality of service and thus achieve a better customer satisfaction rate.

OPTIMISING THE TRANSPORT PLAN FEEDS YOUR LONG-TERM STRATEGY

According to Gartner, more than 40% of companies are unable to properly orchestrate their flows and synchronize their processes from one end of the chain to the other without dedicated software.[5]

Having an optimal collaboration within its Supply Chain and being able to anticipate hazards inevitably leads to a better respect of its transport plan.

Thanks to the automation of time-consuming tasks via TMS, the teams focus their efforts on value-added tasks and thus have a more long-term vision of transport management.

Your transport plan will therefore be more well thought out, tactically and strategically, reinforced by a gain in operational productivity.

This operational control will eventually optimize your transport plan, as the increased monitoring of your flows through a real-time visibility will allow you to see if your transport plan is respected and adjusted.

Thus, a thorough analysis of your rotations will enable you to find solutions and better manage your transport capacities accordingly.

Reinforced by Artificial Intelligence technologies, TMS 2.0 is now able to build a schedule automatically, based on the history of your flows and your constraints.

The implementation of a specialized TMS in particular for rail, allows shippers to build a global inter-site schedule, taking into account all the constraints related to this mode and its industry.

Thus, your transport planning will be realistic and optimized.

Thanks to this centralization of information, operational teams can easily collaborate and benefit from a global and extended visibility of their transport delivery objectives.

TMS thereby helps to avoid unnecessary retentions and to reduce unfulfilled orders resulting from poor management or an unbalanced transport plan.

The rotations of your transport equipment are thus better organized. Thanks to this, your resources are always used in the right place and at the right time.

This optimisation of your transport performance gives you greater control over your transport costs, which also leads to a significant reduction in costs.

[5] Supply Chain Management Needs Study - 2014).

AUTOMATION OF TRANSPORT PROCESSES ALSO MEANS A REDUCTION IN COSTS

Did you know this? The automation of transport processes, particularly at the level of invoicing for example, usually brings savings of around 5% on a transport budget.
In particular, this automation of tasks frees up time for teams who can devote themselves to other high value-added tasks (strategic thinking, incident resolution, customer relations, etc.).

Adopting a TMS is the guarantee of controlling your logistics resources, and so reducing or at least optimising your investment costs.

Indeed, by anticipating incidents, your teams can thus anticipate the necessary resources and establish an optimal transport plan.

In this way, the company's fleet is used wisely, decisions are made more efficiently and strategic choices are more relevant thanks to the use of a TMS.

After 40% of deployments, savings of between 5% and 10% can be seen.
These gains can even exceed 10% for 23% of MSD implementation projects.[6]

The costs reduction is mainly linked to the control of transport costs through the rationalisation of incoming and outgoing flows. This reduction in transport costs is achieved thanks to better managed and anticipated contingencies (exceptional transport, last-minute, more expensive).

More and more companies are adopting a generic TMS to manage their transport flows and gain efficiency, but it is not necessarily adapted to their activities.

Many gains are still difficult to quantify, such as improved customer service or hazard management.

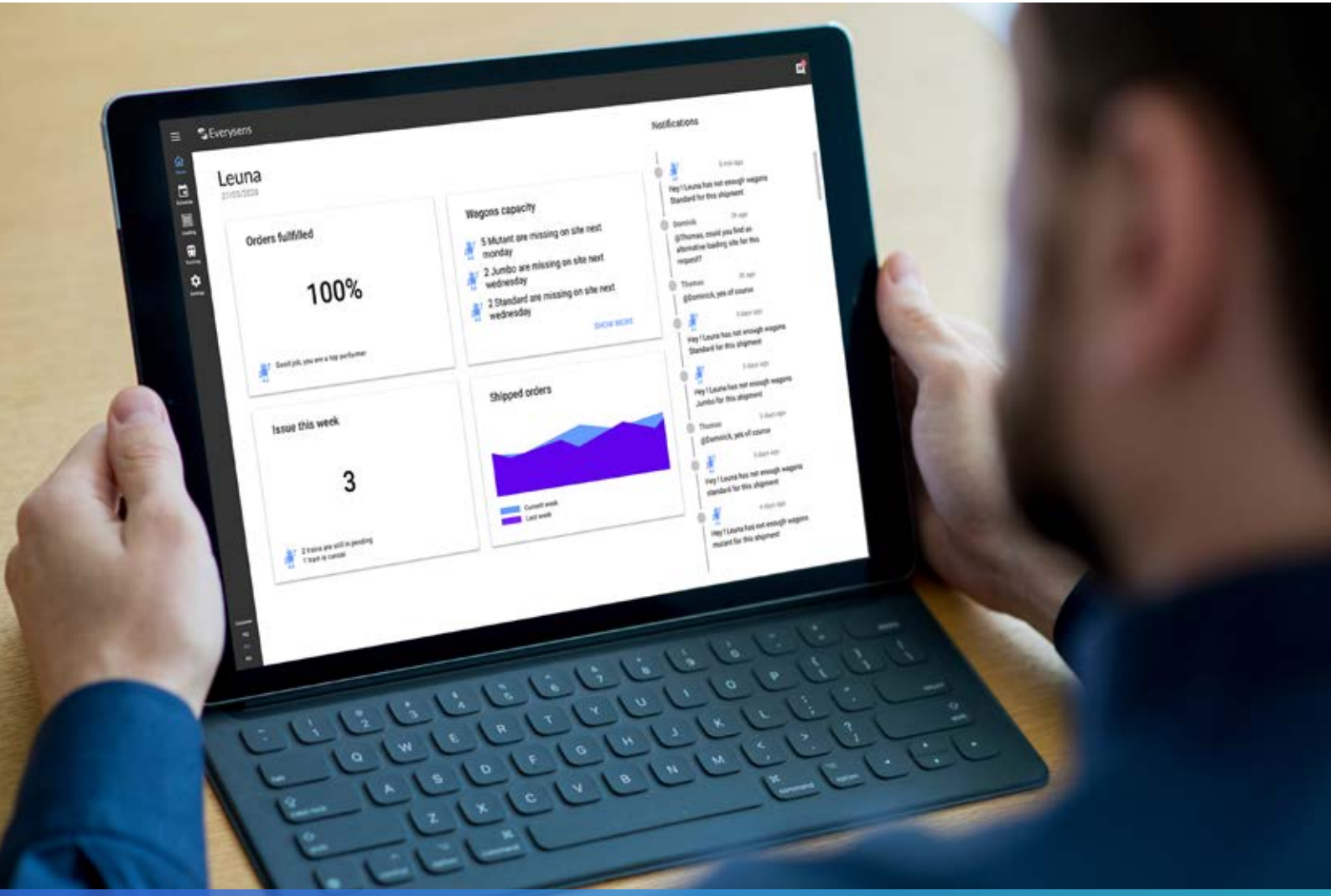
But these qualitative gains brought by a transport a TMS remain undeniable.

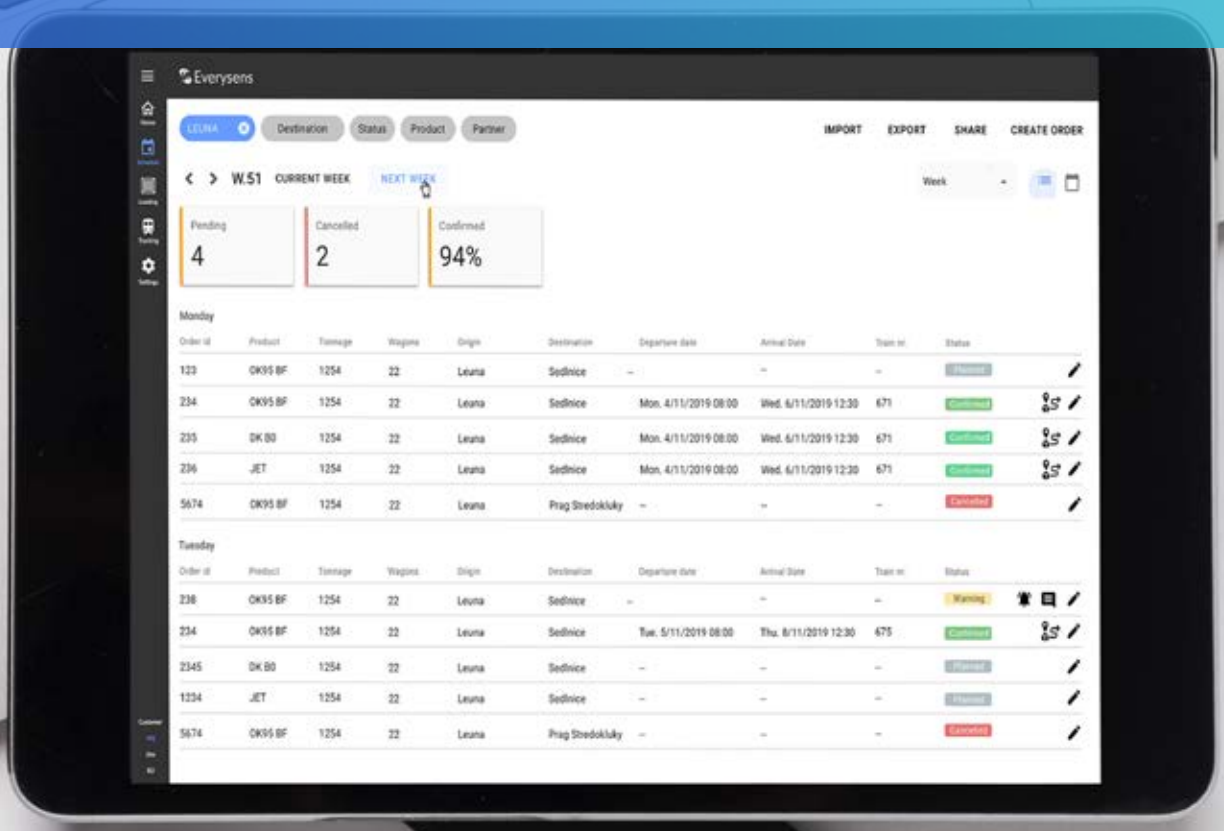
These transport management tools have already proved their worth for several years.

Today, reinforced even more by technologies notably such as Artificial Intelligence and IoT, transport TMS is becoming an essential tool for optimising the Supply Chain.

[6] According to ARC Advisory Group,

EVERYSENS: THE ONLY TMS ON THE MARKET THAT MEETS YOUR RAIL CHALLENGES



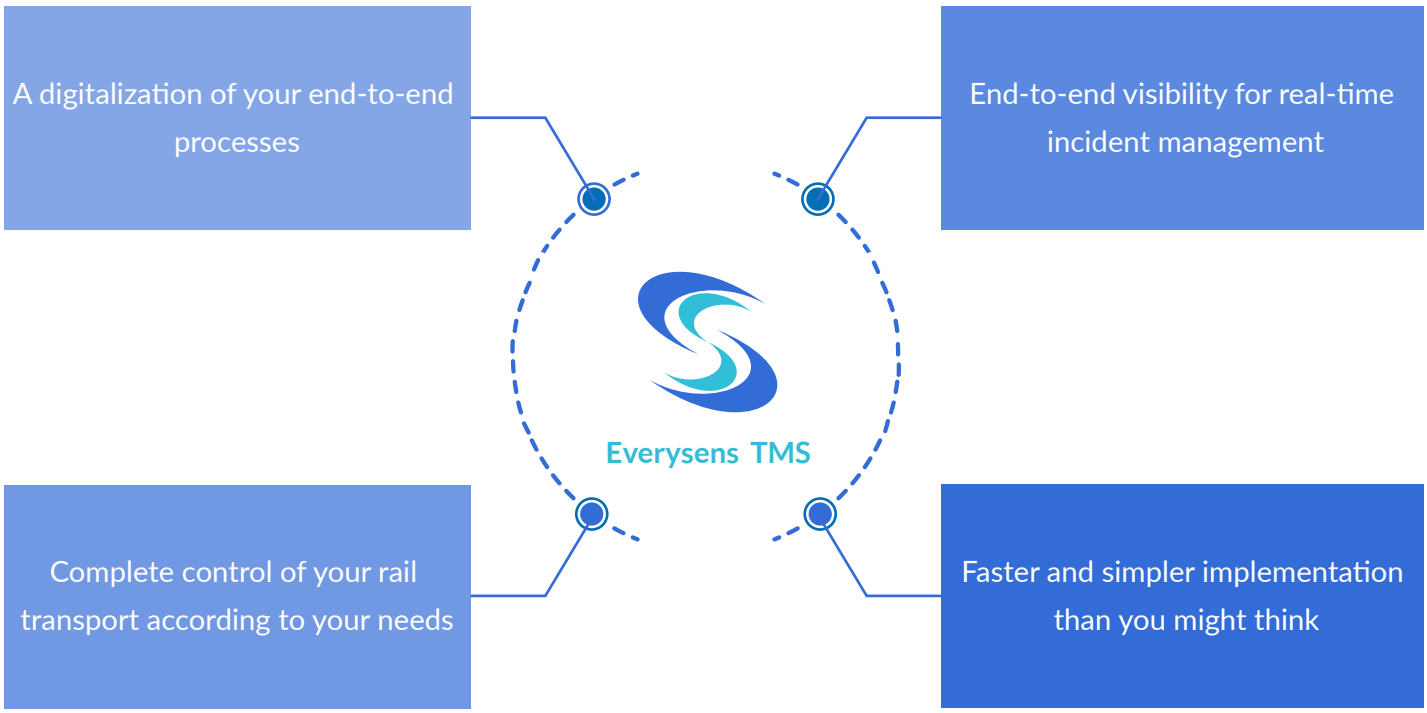


At Everysens, the promotion of rail transport and the attractiveness of this mode is part of our DNA.

Everysens has developed a Transport TMS 2.0 to enable shippers and forwarders to meet all their challenges in terms of rail transport management, other than with a generic classic TMS which often contains only a small brick dedicated to rail.

We offer a collaborative, predictive and real-time SaaS TMS that digitizes a set of time-consuming transport processes, from the planning to the execution of rail transport.

This software enables better management of the industrial company's end-customer relationship, by offering an improved and efficient service. It includes 4 functional elements, each independent of the other but together richer:



A digitalization of your end-to-end processes

The Everysens TMS tool ensures proactive management of rail flows via a collaborative platform.

Our logistics planning and transport execution system digitizes and automates transport processes from A to Z for better management of operations.

End-to-end visibility for real-time incident management

Real-time tracking is a significant advantage of TMS which, in its classic version, does not systematically integrate real time data.

Monitoring shipments allows you to work on anticipating delays, and above all to be proactive in managing incidents, regardless of the partner/service provider.

TMS is therefore a combination of functionalities that are necessary for improving supply chain performance and, above all, for digitising transport processes that are still too time-consuming. The workload of the operational teams is thus smoothed out, to improve productivity, and thus enables them to manage their transport proactively, even (and above all) remotely and in an unprecedented context that we are experiencing in this period of crisis COVID-19 2020.

Complete control of your rail transport according to your needs

This tool offers real control over the transport chain, allowing shippers, forwarders and carriers to gain in efficiency and profitability.

In particular thanks to the customizable alerts: indeed, each customer is different, so these alerts are configured to meet the definitions of each one and the triggering criteria (severity, persons to contact, etc.).

But the added value of these customizable alerts is the fact that they notify an anomaly before it becomes critical. The important thing is not to cure, as today's TMSs do, but rather to prevent in order to be proactive in incident management.

In addition, Everysens' TMS tool takes into account the constraints in the field: our understanding and expertise in rail transport has enabled us to create the first TMS dedicated to the sector, where the complexity of transport is greater than that of the road sector. Hence the need for a transport management tool!

Faster and simpler implementation than you might think

Easy to install and Plug&Play solution, the Everysens TMS tool is quick and efficient to set up. For example, one of the challenges of a TMS often lies in the need to connect to a network of partners, and to internal IT tools.

Everysens accelerates these steps by offering a catalogue that integrates your telematics suppliers and your railway companies to collaborate efficiently.

For each consignment note sent, no more need to call each other to modify the departure, the railway company can connect directly to the Everysens tool to validate or invalidate an order.

Our transport management tool is therefore modular with a large number of functionalities. We are constantly adapting to your needs and your company.

The 5 reasons that we have just cited address to your problems of rail performance and the attractiveness of this mode: collaboration, customer satisfaction, real-time operational control, optimisation of the transport plan and, last but not least, cost reduction.

Digitize your transport processes

For more information on our tool or to establish a diagnosis of your activity, contact one of our experts:

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