i2® The Supply Chain Company®

Improving Demand Forecasting at Canadian National

In order to maintain the flow of products that drives the world's economy, large international railway companies must determine how to match the immense quantity of goods they move with the thousands of railcars and railways that crisscross the continent.

Canadian National Railway Company (CN) covers six operating districts, from across Canada to Chicago, while managing tens of thousands of railcars and 1,500 locomotives. Such a large organization makes for a highly complex database of customer information, which was difficult to manage without the proper tools.

"It's critical for us to utilize those assets efficiently," said Duncan Robertson, CN's Director of Revenue Forecasting and Workload Translation. "We did not have a good match between what demand was and how we were using our assets, so we didn't have the consistent ability to forecast revenue."

CN executives had difficulty analyzing the information coming in from the marketplace and could not utilize the company's many assets to meet customer demand. The company wanted a tool to forecast its business opportunities as well as to translate incoming market information. CN was also looking for a tool to replace the effort of many employees involved in the calculation process.

Why i2?

After reviewing other decision-support solution vendors, CN executives chose i2 Demand Planner™ because it could carefully assess the extensive data CN was collecting from customers across North America.

"The amount of data we collect is overwhelming," Robertson said. "We found that other solutions could not process all of that data."

Challenges
- Utilize assets more efficiently
- Increase forecast accuracy
- Improve customer satisfaction

Solutions
- Analyze market information
- Improve communication across supply chain
- Implement asset utilization

Results
- Improved overall business performance
- Gained visibility into future business opportunities
- Improved customer service

Company Description
Canadian National Railway Company (CN) operates Canada's largest Class One freight railroad. With more than 23,000 employees, the company manages more than 17,000 miles of track in Canada and the United States. Annual freight revenue for Canadian National totals nearly US$4.5 billion.

In addition, CN executives chose Demand Planner because of its ease of use among multiple planners with varied computer skills.

i2's Contribution

As CN gets new information from customers, Demand Planner sorts and interprets business factors to rapidly forecast and meet the demands of the marketplace. With intelligent decision-support tools, CN can forecast what will occur in the supply chain, then ensure that it has the appropriate assets in place to handle the situation.

Demand Planner helps CN to retrieve information from employees who work directly with customers, enabling the company to gather the most accurate information possible.

Information from i2 solutions is continually passed along to CN employees, so planners can better execute their transportation services.

"i2 under-sells and over-delivers. We haven't been promised anything that hasn't come true. i2 solutions are excellent."

—Duncan Robertson
Director of Revenue Forecasting and Workload Translation
Canadian National

Canadian National's Results

CN has seen significant results with Demand Planner. The solution has provided accurate forecasting for the company so that it can quickly improve its business methods.

With better forecasting abilities, the company can more efficiently utilize its assets. Having the necessary equipment in the right place when the customer calls makes a world of difference to the company by saving both time and money.

"It is critical for the company to understand any conflict in the business process and come to a conclusion about what to do next," Robertson said.

Demand Planner has allowed CN to recognize inconsistencies in its business system and find a solution to better manage its freight. This solution adds value to the company while continually improving its performance.

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