Transportation Manager

i2 Transportation Manager,™ part of i2 Transportation Management Solutions, supports the activities necessary to execute, manage, and monitor the entire transportation execution lifecycle. The solution uses three-dimensional analysis to build loads that honor operational and physical constraints, leveraging sophisticated solving techniques to create optimized shipment plans. i2 Transportation Manager enables proactive monitoring and intelligent exception management by providing visibility across shippers, carriers, vendors, and customers. The solution also creates sustainable value by synchronizing critical transportation execution processes that result in optimal cost and service performance.

Solution Capabilities

Managing the Entire Execution Lifecycle

With i2 Transportation Manager, the entire transportation execution process—from order management through customer service and financial settlement—is supported. i2 Transportation Manager minimizes manual shipping processes, lowers costs, and improves customer service levels. The system has a sophisticated transaction management tool to handle expanded order volumes, information flow over the Internet, and complex scenarios such as flexible delivery schedules and merge-in-transit. It ensures that the results of transportation planning are utilized for transportation execution and that any re-planning required due to unforeseen circumstances can be accomplished easily with minimal user intervention.

Creating Least-Cost Shipment Plans and Creating Loads that Maximize Capacity Utilization

i2 Transportation Manager provides a seamless integration with i2 Transportation Planner,™ accessing its powerful solving engine and extended features to consolidate orders, evaluate alternatives, and create optimal and executable plans. i2 Transportation Planner transforms order fulfillment, procurement, and replenishment plans into cost-optimized transportation plans using configurable business rules that adhere to facility, inventory, and transportation network constraints. Plans generated by i2 Transportation Planner are physically executable and operationally viable. They consider customer delivery commitments, product availability, and other real-world constraints.

Proactive Monitoring and Intelligent Exception Management

With i2 Transportation Manager, companies can provide accurate real-time, on-demand information to trading partners. Data about order status, proactive notification of potential problems, and real-time location of inventory is easily accessible via the Internet in formats that each partner can use. Information about the transportation service has become as critical as the service itself, and the delivery of that information is almost as important as the delivery of the goods.

Benefits Summary

Planning, executing, monitoring, and taking corrective action are critical in today's complex and constrained transportation environment. i2 Transportation Manager supports the entire transportation lifecycle—facilitating collaboration with customers and carriers, managing the transportation process, and providing end-to-end visibility throughout the process. As a result, companies are able to reduce transportation costs, improve service levels, and achieve higher levels of efficiency and profitability.

With i2 Transportation Manager, companies can save 5-15 percent of overall transportation costs. This is achieved by leveraging consolidation opportunities and selecting the most efficient and cost-effective combination of transportation modes and carriers. By using optimization techniques to create operationally feasible plans, users assure their customers of a reliable distribution network. The solution can also help reduce direct warehouse labor costs and reduce damage-in-transit, which can enhance both operational efficiencies and customer satisfaction.

"The art of our profession is to consolidate cargo. The better the consolidation, the better the yield. By using Transportation Manager to improve the consolidation of loads across all of our German offices, we have been able to identify significant savings. We now plan similar exercises to analyze loads across facilities in other countries and expect to substantially lower our cost levels. Overall, the decision to utilize i2's solutions has been a great success for both UTi and its customers."

—René Sirre
Head of UTi Supply Chain Solutions
EMENA

An exception management dashboard that proactively notifies users of critical events can also be included with i2 Transportation Manager. The monitoring capability enables immediate resolution of events with a few simple clicks. i2 Transportation Manager also supports a packaged analytical dashboard, i2 Performance Manager,™ which monitors key performance indicators, carrier scorecards, and other critical supply chain metrics.

Settling Freight Financial Transactions
To support the demanding freight financial requirements of both logistics service providers and large shipper enterprises, i2 Transportation Manager provides an easy-to-use freight financials capability. Within i2 Transportation Manager, customers can manage multiple variations of tariffs for their carriers (A/P costs), as well as separate but related tariffs for the consumers of transportation services (A/R revenues). This solution also supports industry-standard processes for cost allocations and freight audit. By tracking accurate costs, the solution facilitates the automated payment of carriers upon proof of delivery. This eliminates the need for a match-pay process, dramatically streamlining freight financial administration and resulting in bottom-line cost reductions and margin improvement.

Customization and Extensibility
Companies often design custom processes to support their business. Historically companies have had to make the choice between investing in custom developed solutions, which are not cost-effective, or packaged software, which might not always meet their full requirements. i2 Transportation Manager solves that problem by offering the best of both the packaged and custom solution approaches. The solution can also be extended and customized, via the use of the i2 platform, to meet customer-specific requirements. These custom components can be deployed within i2 Transportation Manager, with the same look and feel, thereby offering a seamless presentation to the end user.

i2 Differentiators
Manage the Entire Execution Lifecycle
Most enterprise resource planning solutions focus on financial management and either transportation management and planning is not coordinated, or it is executed in isolation. Without a distinction between the planning and execution environments, the transportation planning functionality is typically built on top of a transportation execution system, which limits the ability to apply transportation constraints to the operational and order planning workflows. i2 Transportation Manager integrates planning, execution, and real-world constraints for optimal cost and service performance.

Creating Least-Cost Shipment Plans

i2 Transportation Manager's ability to quickly create and modify complex transportation plans is important in most dynamic shipping environments. Equally important—if not more so—is the ability to produce plans that respect the cost and operational requirements of each shipper's environment.

Creating Loads that Maximize Capacity Utilization

Load planning methods that use gross approximations such as weight and cube analysis result in wasted capacity and plans that often can't be executed as planned. Companies can't afford to "plan to waste" 20 percent or more of their transport capacity, and instead need a system that plans capacity utilization at a granular level and supports downstream execution. i2 leverages three-dimensional analysis and stacking, which are constrained by the operational and physical realities of product line and customer conditions, in order to satisfy these requirements.

Proactive Monitoring and Intelligent Exception Management

Businesses strive to provide quality products, at a competitive price, with the highest service levels. The logistics organization often supports this effort, while adhering to the goal of providing "perfect" service at minimal cost. Traditional techniques for striking the cost-service balance have resulted in the use of inventory or time "buffers" at points in the supply chain where failures have the greatest impact on customer service. This has historically been necessary because of the lack of visibility into real-time events. Regardless of how good a company's order fulfillment plans are, true value for customer service initiatives lies in providing visibility into the real-time status of the order.

i2 Transportation Manager provides real-time monitoring and visibility of entities across the complete supply chain. It can bridge the enterprise's planning and execution systems by comparing the planned activity to the actual activity in the supply chain. This comparison produces proactive notifications, which give participants the information necessary to make corrective decisions. The tool can disseminate information to partners in a customized format, giving them data they can use and act upon.

Settle Freight Financial Transactions

Companies that manage challenging freight networks must also be able to accurately capture and settle freight bills in a cost-effective manner. Since it is possible to have mixed freight from different divisions or customers on one truck, logistics service providers and large multi-division enterprises need the ability to track the freight charge to the end user separately from the payments made to the carriers. i2 Transportation Manager can handle both match-pay freight audit processes, as well as auto-pay or self-invoicing processes, depending on the contractual relationships with each particular carrier.

Customization and Extensibility

The ability to adapt and respond to ever-changing business conditions is critical to succeeding in today's business environment. Companies need the ability to respond quickly in order to capitalize on new business opportunities as they arise. Companies that use i2 Transportation Manager and the i2 platform to rapidly develop and deploy extensions to meet new custom requirements will have a competitive advantage.

"When we decided to implement Transportation Manager and Transportation Planner, we knew we were taking advantage of only a small percentage of their functionality. Knowing the value that we've realized with that small percentage, the future is pretty exciting. We have the upstream visibility and are able to bolt onto our order-capture system—the opportunities are endless in terms of visibility, cost reduction, and overall management of our supply chain."

—*Steve Polski*
Transportation Manager
Andersen Corporation

Key Features

Transportation Planning

- Manage tariffs and accessorial charges
- Rate and route shipments with mode and carrier assignments
- Conduct automated carrier selection against contracted rates
- Support automated creation of transportation plans
- Optimize shipment routes that minimize transportation spend
  - Dynamically select cross-docking opportunities respecting the complex capacities and costs associated with each hub
  - Automatically build and route loads and determine pick-up and delivery times, using real carrier and hub rates and data, while respecting delivery, equipment, and driver constraints
  - Represent a variety of costs such as multiple cost components (distance, weight, stops, etc.) and cross-docking fees
  - Capitalize on multi-drop, continuous move, and merge-in-transit opportunities
  - Honor shipment grouping constraints such as merge-in-transit requirements
  - Honor carrier equipment capacity constraints and respect volume commitments at a global or lane level

Transportation Execution

- Manage both the customer and carrier side of any move
- Automated carrier selection based on a combination of cost and performance factors
- Support automated tendering of loads to carriers
- Optimized and collaborative dock-appointment scheduling
- Provide status visibility via track-and-trace capabilities
- Enable both EDI, XML, and web portal collaboration with buyers, vendors, and carriers

Monitoring and Reporting

- View and distribute operational reports via web or e-mail
- Provide proactive notification of exceptions (delays, missed pickups, etc.)
- Track specific situations based on customer-specific business rules
- Save "favorite" filters to highlight various types of exceptions by user
- Track and manage visibility and exceptions across orders, inventory, and shipments
- Monitor key performance indicators and carrier scorecards with online business intelligence

Freight Financial Settlement

- Provide rate quote and tariff management of customer (A/R) pricing
- Capture and use accurate carrier tariffs (A/P) for optimization and carrier selection
- Provide multiple methods of cost allocations for commingled freight
- Track actual margin by customer, carrier, or load
- Enable freight audit based on match-pay and facilitate auto-pay or self-invoicing processes

For more information on i2 Transportation Manager and other i2 solutions, visit www.i2.com.

i2®

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