



The Supply Chain Results Company™

## Reducing Logistics Costs and Improving Service Levels for UTi Worldwide and its Customers



Even successful companies cannot afford to stand still in a competitive market. In less than 10 years, UTi Worldwide had built a thriving global business based on air and ocean freight forwarding. However, its customers started asking for more.

UTi was in need of a logistics solutions partner that could help them not just operate their supply chains, but optimize them. UTi therefore decided to offer enhanced supply chain management services in addition to its established, operational business offering. It was a decision that the company will never regret.

### Why i2?

In order to deliver enhanced supply chain management services, UTi needed to invest in a new IT solution.

“Our systems were geared toward processing orders and not so much on optimization of logistics flows,” said René Sirre, head of UTi Supply Chain Solutions, EMENA. “Our customers wanted a smart solution, and, for this, we needed an intelligent tool.”

UTi sought out a complementary suite of products for supply chain planning, optimization, and execution that would integrate easily with its existing IT infrastructure. The features of the technology were important—but so too was the reputation of the IT partner.

“We wanted to be associated with a market leader to give added credibility to our new services,” Sirre said. “We are not just a forwarding company anymore; we are more and more focused on utilizing our proprietary information technology systems to optimize the operations of our customers’ global supply chains.”



### Challenges

- Create a new range of logistics services
- Integrate easily with existing IT systems
- Optimize loads for freight transportation

### Solutions

- Implement a comprehensive transportation and distribution management solution for customers
- Establish profitable new supply chain management services for customers
- Review and improve internal processes

### Results

- Improved customer supply chains with considerable cost reductions
- Realized significant savings by consolidating loads
- Helped customers become more competitive

### Company Description

**UTi Worldwide Inc.** is an international, non-asset-based supply chain management company providing air and ocean freight forwarding, contract logistics, customs brokerage, and other logistics-related services.

*“The i2 products have enabled us to design new customer solutions, improve our customers’ businesses, and also make our own business more efficient.”*

*— René Sirre  
Head of UTi Supply Chain Solutions, EMENA*



After a thorough evaluation of the leading IT vendors in the market, UTi decided to work with i2 Technologies. UTi selected the i2 Transportation and Distribution Management™ (TDM) solution, including i2 Transportation Manager™ with Optimizer and proactive monitoring extensions, i2 Transportation Modeler™ and i2 Transportation Planner™ with load configuration capabilities, as well as i2 Supply Chain Strategist™, i2’s strategic network design and modeling tool.

### **i2’s Contribution**

Through the use of i2’s tools, UTi was soon offering a range of new logistics services to its customers. i2 solutions enable UTi to evaluate different distribution solutions, simulate alternative distribution networks, and optimize supply chains.

Many of UTi’s customers have benefited from the use of i2 technology. Sirre cited the example of an electronics company, which had started small and grown gradually throughout Europe.

*“We plan to increase the scale of our operations affected by i2 optimization products.” Sirre said.*

“Its distribution was based on multiple warehouses in Europe with very little European integration,” he said. “However, it had reached the size where it made sense to assess opportunities related to integral European distribution planning. We used Supply Chain Strategist to establish the best location for a centralized warehouse and to explore opportunities for reducing supply chain costs by closing down local warehouses. The i2 product allowed us to find the right balance between service levels and cost.”

i2 solutions are similarly being used to assist an automotive customer that ships sizable volumes of large and heavy components to an assembly plant in South Africa.

“The components have to be precisely arranged in containers to maximize cost efficiency,” Sirre said. “We are using the load configuration capabilities of the i2 Transportation and Distribution Management solution to calculate weights and volumes to perfectly fill a container.”

“Using i2 tools, we are able to help our customers be more competitive,” he added.

### **UTi’s Results**

UTi serves a large and diverse base of global and local companies and is succeeding in selling its new services to these customers, at the same time it is attracting new customers. The company’s service offering is enhanced with the use of i2 solutions, and UTi’s customers are benefiting from reduced costs, improved lead times, and enhanced customer service levels.

A specialty chemicals customer recently outsourced its business to UTi.

“We felt confident that, by using the i2 tools, we would be able to operate the company’s distribution more efficiently,” Sirre said. “We used Transportation Modeler to create a simulation of the company’s European distribution business and have improved service levels while delivering considerable cost reductions. We win, our customers win, and their customers win.”

While UTi implemented i2 solutions to enable the company to introduce new services for customers, it has recently also deployed those solutions in its traditional business.

"The art of our profession is to consolidate cargo," Sirre said. "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."

UTi recognizes the benefits of its choice to work with i2.

"Overall, the decision to utilize i2's solutions has been a great success for both UTi and its customers," Sirre said.



The Supply Chain Results Company™

One i2 Place  
11701 Luna Road  
Dallas, Texas 75234, USA  
Phone 1.877.926.9286  
Email [info@i2.com](mailto:info@i2.com)  
Web [www.i2.com](http://www.i2.com)