



Inland Academy: TMS — How Does a Shipper Determine What They Need?

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Session Objective

- 1 Primary Objective** — Educate shippers on how to maximize the probability of a successful LogTech selection and implementation
- 2 Secondary Objective** — Provide LogTech vendors insight into the process, thereby enabling them to position their solutions to prospects in a manner that aligns with the evaluation criteria

Agenda



Introductions



Challenges and Pitfalls



Approach Overview

Desired Future State
Benefits Analysis
Readiness Evaluation
Vendor Identification



Bonus Coverage – Advise for LogTech Vendors

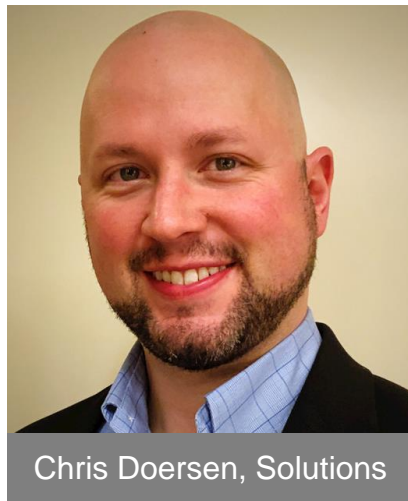




JBF Consulting



JBF Consulting at-a-Glance



- ❖ Founded in 2003
- ❖ Highly Specialized in Transportation & Logistics
- ❖ US-Based with Global Deployment Experience



- ❖ 2024 Headcount: 28
- ❖ Median TMS Experience: 20 years
- ❖ Average Client Freight Spend: ~\$400m
- ❖ Client Freight Spend Range: \$50m - \$2b



- ❖ Logistics Systems Integration
- ❖ Logistics Business Integration
- ❖ Unbiased Advisory – No Vendor Commissions



Gartner

SDC SUPPLY & DEMAND CHAIN
EXECUTIVE

LOGISTICS
VIEWPOINTS
READ-THINK-SHARE

Logistics
Tech Outlook

TRANSPORT DIVE

JBF Clients

We build lasting relationships and solutions with smart people from forward thinking shippers and 3PLs worldwide



JBF Clients

Desired End State / Log Tech selection clients





Challenges

➤ Why is this Difficult?

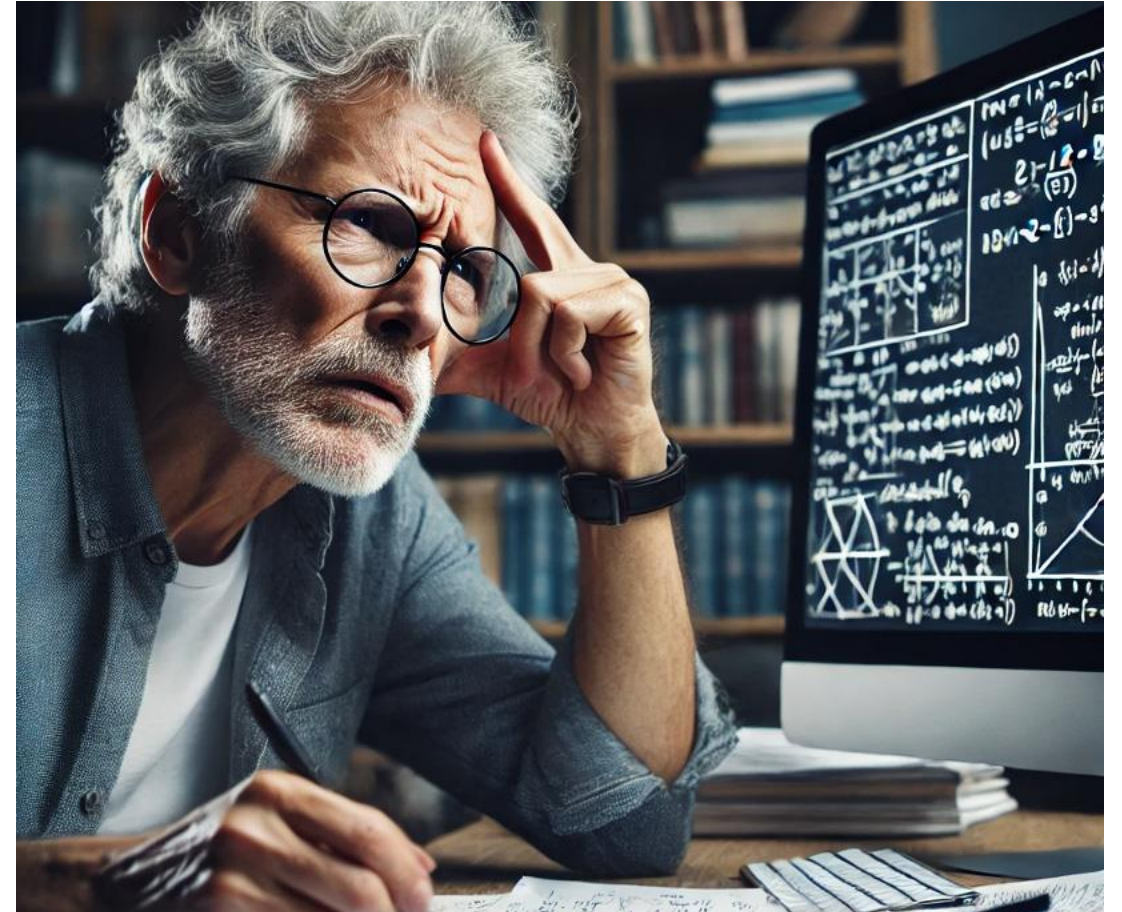
Exploding number of logtech vendors, all trying to sell to you



- Inconsistent jargon makes apples to apples comparisons difficult
- Rampant FUD / FOMO
- Logtech desperation leads to deception

Logtech vendor pricing for subscription and implementation is often not transparent

Publicly available logtech analysis reports are just a starting point





How Shippers (*Should*) Select Logistics Technologies

Step 1 – Defining What We Need

Process

Step 1



Categorized & Prioritized Set of Business Requirements



Conceptual Designs



Step 2 – Benefits Identification

Process

Step 1



Categorized & Prioritized Set of Business Requirements



Conceptual Designs



Step 2



Benefits Identification



Step 3 – Readiness Assessment

Process

Step 1



Categorized & Prioritized Set of Business Requirements



Conceptual Designs



Step 2



Benefits Identification



Step 3



Readiness Assessment



Step 4 – Vendor ID / Selection

Process

Step 1



Categorized & Prioritized Set of Business Requirements

Conceptual Designs



Step 2



Benefits Identification



Step 3



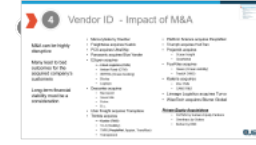
Readiness Assessment



Step 4



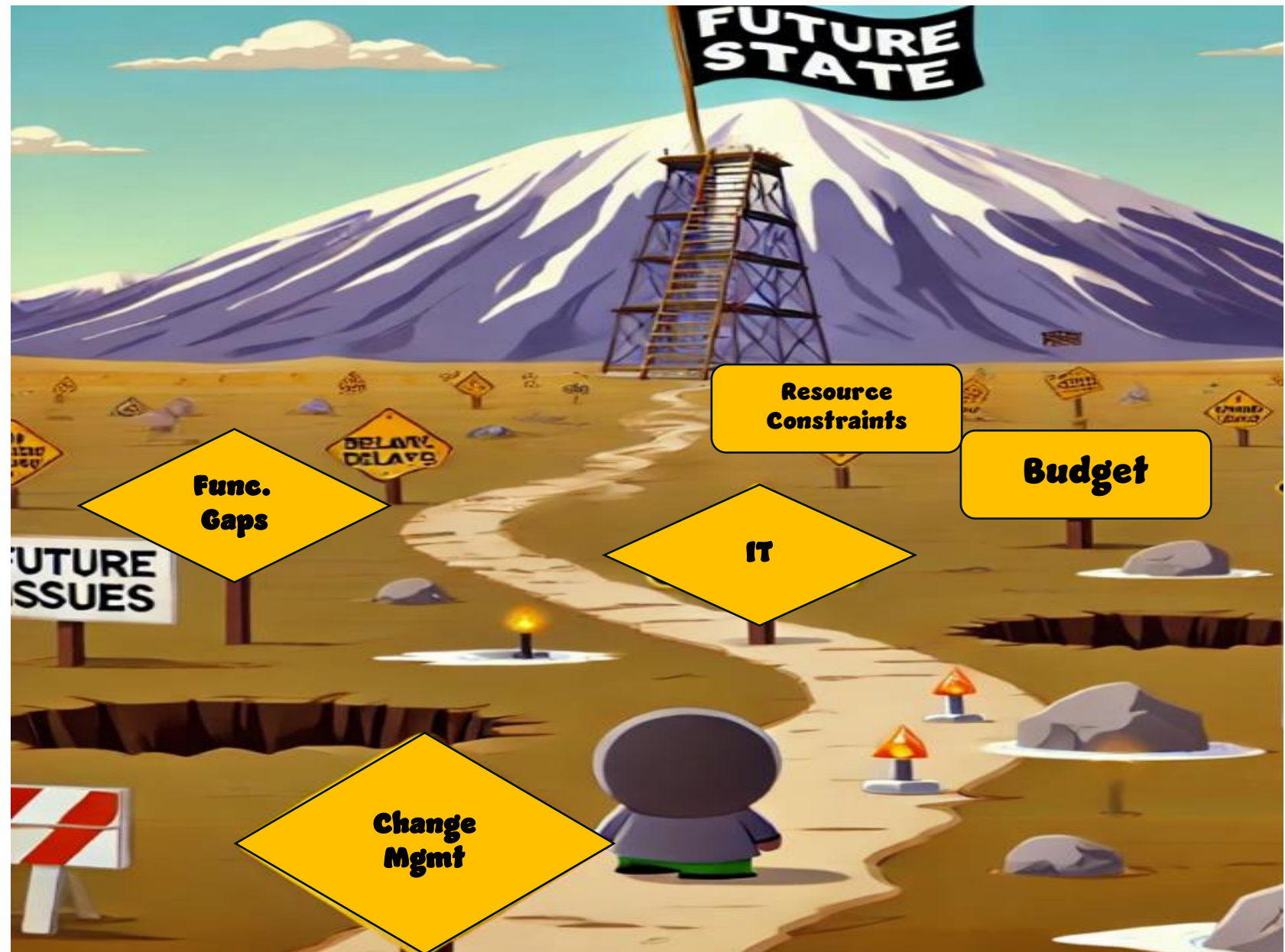
Vendor ID/Selection



What Log-Tech Vendors should know

- **Companies evaluating enterprise software will quantify scores as it is how the RFP responses are judged. However, it also done to...**
 - Placate procurement
 - Help to ensure the process is fair
 - Create internal alignment as to WHY a particular vendor was selected or NOT selected
- **Vendors should**
 - Ask for scoring approach and weightings
 - Provide expansive and easy to understand responses highlighting your expertise
 - Stay engage / ask questions to ensure understanding
 - Differentiate!
 - Quality Control your work
 - Ask for a post-mortem if not downselected
- **Vendors should not**
 - Assume the RFP response is not going to be read
 - Use internal jargon (e.g. module names) without defining
 - Cut & paste from past RFPs
 - Attempt to circumvent the process

The journey is fraught with peril, but putting in the upfront work will help to ensure a successful, impactful outcome





Thank You!

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Requirements



- Categorized by process area
- Prioritized
- Identified as current capability or “to be” capability
- Developed with the future in mind
 - Vendor RFP
 - Business benefits (Difficulty obtaining quantified)
 - Project scoping
 - Implementation test scripting

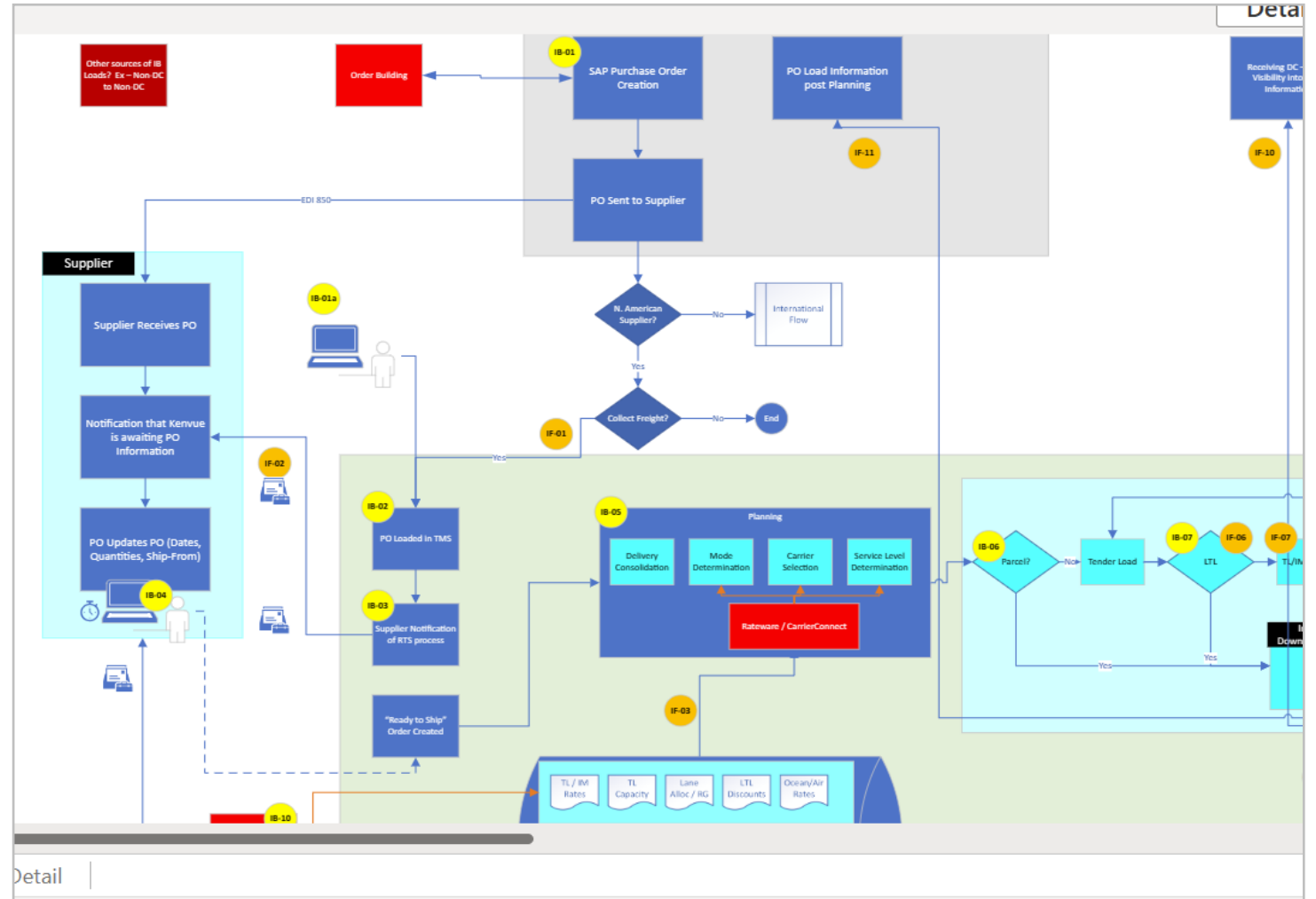
Req#	Requirement	Notes	Change Score	Revie...	Review...	Priority	Process	
1	R-0001	OB - Need to be able to create and manage static routes	Master route formation that will be used for basis of daily planning.	2	<input checked="" type="checkbox"/>		Must Have	Transportation Moc
2	R-0002	Load configurations to assign pallet positions - Trailer Building	Automated pallet position assignment after planning. Capability needs to support tri-temp trailers	1	<input checked="" type="checkbox"/>		Must Have	Pallet / Load Buildi
3	R-0003	OB - Optimal delivery day determination	Currently done manually in spreadsheets (manually examine store volume to determine frequency then feed into static route planning)	2	<input checked="" type="checkbox"/>		Must Have	Transportation Moc
4	R-0004	Better backhaul management	Ability to support backhaul creation in the routing system to better optimize route building	2	<input checked="" type="checkbox"/>		Nice to Hav	Inbound Domestic
5	R-0005	crossdock management	The inbound solution must be able to make a cost based decision regarding shuttling product through a X-dock or going directly to the final destination	0	<input checked="" type="checkbox"/>		Must Have	Inbound Domestic

1 Conceptual Designs

- Identify to-be state flows
- Capture integration objects / cadence
- Identify benefit areas

ID	Process Name	ID2	Interface Name	Source	Destination
IB-01	PO Creation	IF-01	PO to TMS	SAP	TMS
IB-01a	PO Creation - Manual	IF-02	RTS Process Notification	TMS	Supplier
IB-02	PO Load into TMS	IF-03	LTL Tariff and Transit Time	TMS	SMC/Rateware
IB-03	Supplier Notification	IF-04	Distance Engine	TMS	ALK/PC Miller
IB-04	Supplier "Ready to Ship"	IF-05	Benchmark data	TMS	Freightwaves/Sonar
IB-05	Transport Planning	IF-06	LTL Tender	TMS	LTL Carrier
IB-06	Carrier Booking - Parcel	IF-07	TL/IM Tender	TMS	TL/IM Carrier
IB-07	Carrier Booking - LTL	IF-08	Spot Integration	TMS	Loadboard
IB-08	Carrier Booking - TL/IM Contract	IF-09	Supplier Shipment Notification	TMS	Supplier
IB-09	Carrier Booking - TL/IM Spot	IF-10	DC Notification	TMS	WMS
IB-10	Rates Procurement	IF-11	SAP Notification	TMS	SAP

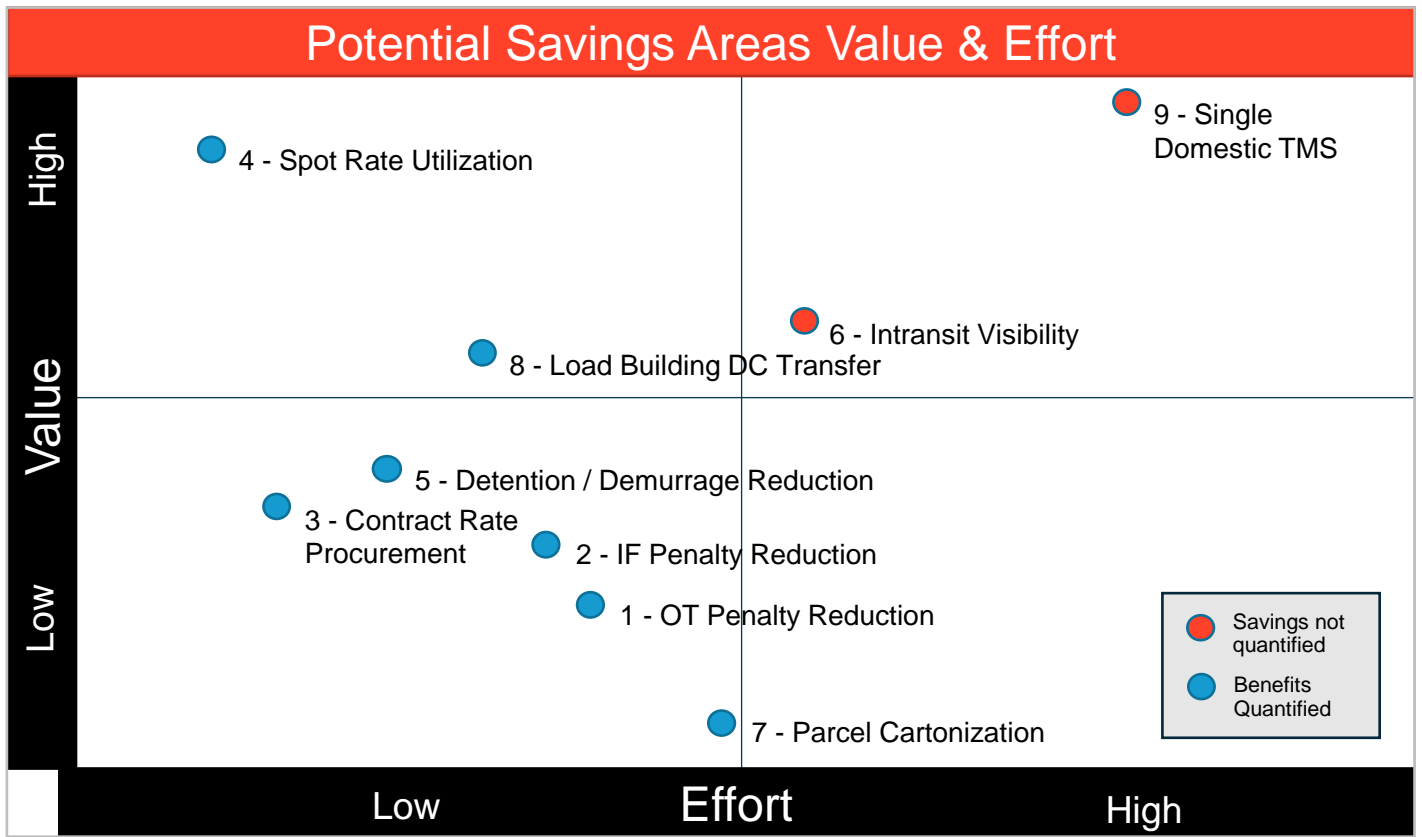
- External System (Outside of TMS or SAP)
- Process Identifier
- Interface Identifier



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Benefits

- Benefits & Effort need to be quantified and aligned with corporate strategy
 - Hard \$ savings
 - Soft benefits
- They are used in business case development used to "sell" the program to leadership
- Are input into the Program Charter (SMART Objectives)



Project	Bus. Unit	Avg Benefits	Avg Estimated	Effort / Complex	Complexity (1: Very Low, 5 = Very High)				Description
					Technical	Implementation	Change Mgmt	Total	
2023 - Focus on new TMS implementation									
1			\$219,617	MEDIUM	3	6	8	17	Date Logic Complexity, Appt Changes by Carrier
2			\$288,064	MEDIUM	6	5	5	16	TL Load building outside normal optimization
3			\$324,751	MEDIUM	4	3	7	14	One time large savings with then continued savings thru mini-bids
4			\$1,353,129	MEDIUM	5	4	3	12	Procurement changes & operational training
5			\$387,442	MEDIUM	5	5	4	14	Review existing YM functionality, operational changes
6			\$0	MEDIUM	5	7	7	19	EDI Lat/Lng receipt, TMS utilization for ETA
7			\$21,250	MEDIUM	8	7	3	18	Optimal packaging leads to more effective rates, carton utilization analysis
8			\$607,101	MEDIUM	7	6	2	15	Optimize order quantity/size to maximize trailer utilization
9			\$0	HIGH	8	8	8	24	Administrative savings, same processes, training, etc.
			\$3,201,353						

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Readiness



- Enterprise implementations are hard!
- Shippers should look across 4 areas before moving forward
- ROI must lead to a significant benefit for the business that exceeds that of competing corporate initiatives

We evaluate “Readiness” across 4 lenses

DATA <i>Needs</i>	ORGANIZATION <i>Structure</i>	RESOURCE <i>Bandwidth</i>	COST
Is the required data: <ul style="list-style-type: none">• Complete• Accurate• Timely• Available	Can today’s organization support: <ul style="list-style-type: none">• Future business process• Data governance• System maintenance• Partner Management	What is the impact of our: <ul style="list-style-type: none">• IT Bandwidth• Business / operations• Predecessor Projects	Do we have alignment on: <ul style="list-style-type: none">• Subscription costs• Implementation Cots• 3rd Party Solution Costs

4

Vendor ID

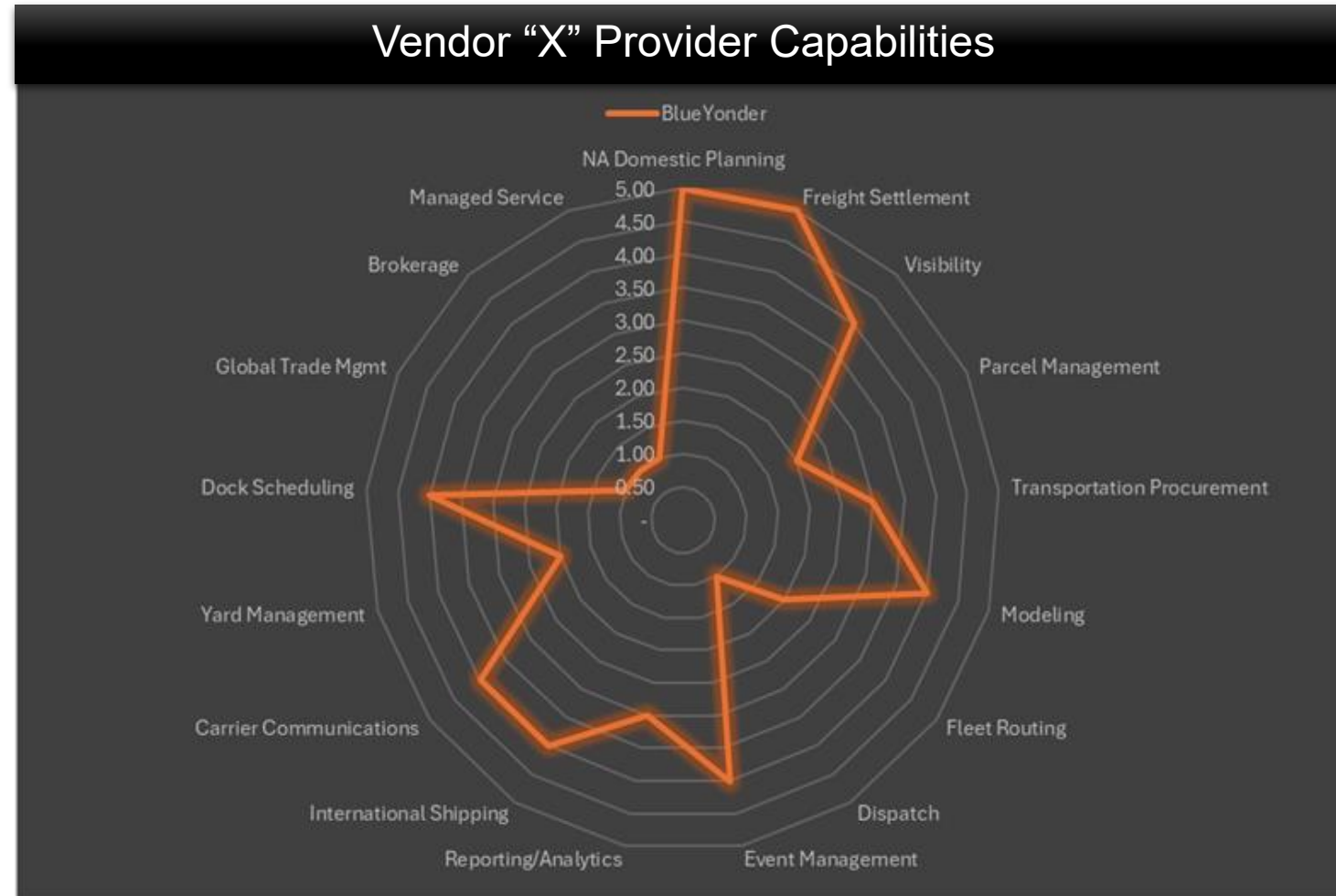
Vendor Identification is driven by:

- Client Requirements
- Benefits analysis
- Readiness
- Budget

These are mapped against vendors':

- Functional capabilities
- Pricing
- Historical Service
- Vision and how it aligns with our clients' needs

Include high level financial risk assessment given Log-Tech M&A activity





Vendor ID - Impact of M&A



M&A can be highly disruptive

Many lead to bad outcomes for the acquired company's customers

Long-term financial viability must be a consideration

- MercuryGate by Koerber
 - Freightwise acquires Kuebix
 - PCS acquires UltraShip
 - Panasonic acquires Blue Yonder
 - E2open acquires
 - ~~Cloud Logistics (TMS)~~
 - Amber Road (GTM)
 - INTTRA (Ocean booking)
 - BluJay
 - Logistyx
 - Descartes acquires
 - Macropoint
 - Green Mile
 - Portrix
 - Et.c..
 - Uber Freight acquires Transplace
 - Trimble acquires
 - ~~Kuebix (TMS)~~
 - 10-4 (Visibility)
 - TMW (~~PeopleNet~~, Appian, TransMan)
 - Transporeon
 - Platform Science acquires PeopleNet
 - Triumph acquires HubTran
 - Project44 acquires
 - Ocean Insight
 - ClearMetal
 - FourKites acquires
 - Haven (Ocean visibility)
 - TrackX (YMS)
 - Kaleris acquires
 - Pinc YMS
 - CAMS R&S
 - Lineage Logistics acquires Turvo
 - WiseTech acquires Blume Global
- Private Equity Acquisitions**
- 3GTMS by Sumeru Equity Partners
 - Omnitracs by Solera
 - Korber by KKR

Supply Chain Design



Multi-Modal TMS- Enterprise



Brokerage TMS



Visibility



Transportation Procurement



SMB Focused TMS



Parcel



Digital Freight Marketplaces



Yard Management



Freight Forwarder TMS



Last Mile/Private Fleet

