



CARGUS

Novensys implementation sustains operational evolution of the Cargus business

Our client's situation

With a history of 17 years in the Romanian market and with a market share of 35% in internal courier services and 10% in external courier services, respectively, Cargus is one of the main players on the private domestic courier market in Romania. The company developed one of the most extensive courier networks at national level, with over 90 offices and dispatch centers countrywide, served by a car fleet of over 600 vehicles and by more than 1.800 employees and partners. The Cargus offer, consisting of a broad range of courier, transportation and logistics services, with dedicated solutions for specific customer needs, enabled the company to gain a leading position on the local market counting every day over 20.000 dispatches. The brand awareness and the quality of the offered services, as well as the constant growth of the business, fastened the company's position on the local courier market (with an estimated value of 200 million Euro in 2007 and with an annual growth rate of 30 to 40 percent), a market reaching a high level of competition when it was entered by the giants from the international courier industry. According to analysts, with Romania joining the European Union and with the liberation of postal services (which could increase the value of the internal dispatch market to 500 million Euro within the next two years), an acceleration in merges and acquisitions of local companies has been recorded.

This estimation was also confirmed by the company Cargus, when it was purchased at the beginning of 2008 by the company DHL, one of the main players on the international courier market. According to DHL representatives (a company whose main stakeholder the world giant Deutsche Post World Net is), this acquisition is part of the consolidation strategy of the company's position on the courier market on Romania, where DHL is now operating for 17 years, having a car fleet of some 250 vehicles, an own network of dispatch centers and service centers in over 25 cities across the country. The business volume achieved by DHL in 2007 through its courier activity in Romania reached 28 million Euro. After purchasing Cargus, the Romanian company became the domestic dispatch division of DHL.

"Cargus recorded outstanding performance on the Romanian market thanks to a proactive approach to the business, which resembles the DHL business culture. We expect DHL and Cargus to become leaders on the Romanian domestic dispatch market, both from a market position point of view and from the quality of the offered services", stated Gian Sharp, General Manager of DHL International Romania, when officially announcing the acquisition.

The superior level of services offered by Cargus and the proactive approach to the business quoted by the General Manager of DHL International Romania were fastened with the implementation of a complex operations management solution in

2006. Without a solution for the automation of order receipt and delivery activities, without a tool to enable centralized management of the huge volume of documents and, most of all, without a traceability application for dispatch tracing that would indicate the field situation in real time a courier company can not function in a coherent and competitive manner. Therefore, the main reasons for Cargus' decision to implement a complex information management solution were:

- decrease in time and costs of operations;
- automation of receipt and delivery processes;
- improved service quality for increased customer satisfaction;
- increase in courier productivity by ensuring real time access to required information on dispatches, but also through better control over their activity.

The Novensys solution

For Cargus, all these desired objectives were covered by the Track & Trace solution, supplied and implemented by the company Novensys, one of the main suppliers of information management tools for this specific industry.

"The stability in the volume of data was the main problem we wanted to solve. This we achieved by implementing the integrated solution «Novensys for Track & Trace», that proved to be the best choice of our company's needs. This was proved by the superior efficiency of the application", stated Florin Vlad, Business Development & Projects Coordination Manager.

Novensys for Track & Trace is a vertical application designed for the courier industry with superior traceability and management features, covering all functional areas of the operational chain, ensuring simple integration with other applications within the company and with the specific hardware infrastructure of logistics and transportation activities. The solution addresses the needs of courier companies operating at national level, offering an application suite for head offices and dispatch centers aiming to optimize their activity and offering the possibility to create a homogeneous information system, based on integrated solutions that communicate efficiently.

For the company Cargus Novensys for Track & Trace offered already in its first steps of the implementation process the advantages of the centralized integration of Front Office and Back Office operations, significantly contributing to increasing efficiency throughout the whole operational chain, through:

- increased data availability with a superior level of accuracy;
- elimination of system redundancies;
- the possibility to perform fast and complex analyses, as well as complex reporting;
- better response times in obtaining analyses and statistics.

Customer benefits

The Novensys application implemented at Cargus resulted in a series of direct operational gains that were visible already in the first steps of the implementation process through the increased efficiency in activities.

“From receipt to delivery, the solution provides all the required information. We gained insight into a series of performance indicators that help us in constantly increasing the efficiency of activities at center and courier level. Before, we were speaking of efficiency at a global level, but now we realize that there were a lot of gaps (differences) which we were able to correct by means of the module for Track & Trace of the Novensys solution, a module that allows for superior control over dispatches. And by means of later developments, such as the integration with the call-center module for real time data acquisition from the mobile computers of the couriers, we hope to gain a better experience in matters of operations”, says Florin Vlad, Business Development & Projects Coordination Manager.

The flexibility of the Novensys for Track & Trace solution was also the optimal response to the growth in the volume of business for the Cargus company. In the opinion of the Cargus representative, this was ensured through the actual characteristics of the application: *“First of all we are speaking of scalability – the application perfectly fits our activity, resulting in the ideal environment for using a standard work system. Then comes reliability – we did not have any downtime from the implementation until now, and, last but not least, the easy of use – the application can easily be operated by untrained staff members because it requires only little training. These come as an addition to the convenient price compared to that of the solutions supplied by other companies and to the short implementation period. This last aspect was possible thanks to the fast response to our requests and the professional competencies of the Novensys team, enabling an excellent collaboration and very good user training for the end users of the application.”*

The return on investment is according to Mr. Florin Vlad connected to the business growth: *“We will achieve a return depending on market and activity growth. But I must point out that the implementation of this application is an investment that enables the development mainly from the operational point of view.”*

Thus, the integrated solution for Track & Trace implemented by Novensys for the company Cargus simplified field operations and made them more efficient through:

- automation of order repartition by the call-center, where the orders are recorded;
- the implementation of a data transmission module for couriers, that simplified field operations and made them more efficient;
- product configuration according to types of services and the possibility to process orders of many types;
- automatic operation of warehouse notes and receipt notes collected from customers;
- real time identification of the location of a parcel within the distribution chain.

At company level, the Novensys solution contributed to the increase in efficiency of parcel management, from receipt all the way to delivery at the desired destination, to the reduction of time and costs associated with data processing through decentralization of data processing and to the decrease of system redundancy. These gains resulted in an increase in the quality of services and thus generated superior customer satisfaction.

The advantages of the hardware integration

All these gains at operational level achieved through the Novensys for Track & Trace application were possible thanks to the cutting-edge mobile computers PPT8800 supplied by the implementing company. The hardware and software solutions portfolio of Novensys eliminates the problems resulting from the need for developing a specific hardware infrastructure and its integration with existing applications. According to Mr. Florin Vlad, the scanning and processing speed of information was a key factor in the increased efficiency of the application that enables multiple aggregation levels (parcel, shipping note, bag, container, MAWB).

This was ensured by equipping the staff members with Motorola MC9090-G mobile computers and LS2208 scanners, enabling increased mobility and employee productivity. The MC9090-G mobile computer allows for flexible connectivity to business applications, being equipped with the latest mobile technology to ensure data capture and real time access to mission critical information. Being already considered a standard for reliability and usability in industry, the MC9090-G features superior capabilities for wireless LAN connections, offering through PAN support for wireless printing, headsets, etc. The ergonomic design of the pistol-grip ensures high user comfort, while providing superior scanning and error reduction performance. The mobile computer MC9090-G from Symbol Motorola is running Windows Mobile 5.0 or Windows CE operating systems, enabling access to mission critical information in the key points of the operational chain while offering advanced. real time data capture capabilities in scan intensive environments.

The main benefits of this mobile computer include:

- Integrated 802.11 a/b/g WLAN radio maximizing the productivity of field workers and making the device compatible with any WLAN worldwide;
- Increased reliability: the mobile computer passed industry's most demanding drop and tumble tests, greatly decreasing downtime and maintenance and reparation costs;
- The communication option for Bluetooth v1.2, that enables connection to headsets, synchronization and wireless printing;
- Increased autonomy and long battery life;
- Modular keyboard, solid control panel and an easily readable display.

The LS2208 scanner ensures scanning speed and accuracy for increased productivity and time-efficient operations. Thanks to its reliable architecture the Motorola scanner becomes easy to integrate in existing infrastructures and easy to use due to its ergonomic design. Built to last in difficult work environments, the scanner withstands shocks and scratches while ensuring accurate scanning and reducing the TCO. LS2208 is a bidirectional scanner, operating with a frequency of 50 Hz and 100 scans per second, supporting multiple interfaces (RS232, Keyboard Wedge, Wand, IBM 468X/9X, USB, Synapse and Undecoded). The universal cable and the support provided for any problem that might occur with the device make your investment future-proof while ensuring the compatibility with emerging technologies.



An investment enabling development at operational level

"The implementation of this application is an investment enabling the development of the business mainly at operational level. From receipt to delivery, the solution provides all the required information. We gained insight into a series of performance indicators that help us in constantly increasing the efficiency of activities at center and courier level. Before, we were speaking of efficiency at a global level, but now we realize that there were a lot of gaps (differences) which we were able to correct by means of the module for Track & Trace of the Novensys solution, a module that allows for superior control over dispatches", says Florin Vlad, Business Development & Projects Coordination Manager.

Novensys for Track & Trace

Novensys for Track & Trace is a vertical application specially designed for the courier industry, with superior traceability and management features covering all functional areas of the chain of operations, ensuring easy integration with other information systems within the company and with specific hardware infrastructure used in transportation and logistics activities. Novensys for Track & Trace addresses the needs of courier companies operating at national level, offering an application suite for head offices and dispatch centers aiming to optimize their activity. The application developed by Novensys ensures a growth in operational efficiency through parcel management from receipt to delivery at the desired location; decrease in time and costs of data processing through the decentralization of information processing; flexibility at services level; a reduction in the system's redundancy and an increase in the quality of services. The solution offers the possibility to create a homogeneous information system, based on integrated solutions that communicate efficiently.