

Dynamic Routing Reduces Overtime, Improves Customer Service

This distributor received payback on its dynamic routing solution in 10 months and has decreased driver overtime by 15%.

Integrated Solutions, March 2009

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The Eastern Bag and Paper Group distributes commercial paper products, as well as cleaning supplies, healthcare products, and food service products, throughout the northeastern United States. From its four locations, the company's fleet of 75 trucks covers 65 routes daily to serve more than 9,000 customers, ranging from small shops to large companies. In addition, Eastern Bag has a division, Distributor Supply Corporation, that delivers these same products to redistributors.

"Because we don't manufacture anything at Eastern Bag, our reputation depends on our customer service," says Antonio Brown, corporate transportation manager at Eastern Bag and Paper Group. "Therefore, it is important for our drivers to make deliveries in a timely manner." Until recently, the company used a combination of separate paper-based routing, GPS navigation, and cell phone communication components to accomplish a task that presented various inefficiencies.

Customer service representatives at the company took orders until four o'clock daily, at which time dispatch workers scheduled the next day's routes for each driver. The following morning, the drivers picked up clipboards with schedules and routes to follow. The drivers used their cell phones to call in and keep dispatch informed of their progress throughout the day and used a separate truck-mounted GPS unit for navigation to each customer site. With this system, routing was a time-consuming manual process, and dispatch had little visibility into drivers' progress throughout the day. For example, if a driver was running late because a delivery took longer than expected and they forgot to call dispatch, dispatch was unaware that the remainder of deliveries throughout the day had been compromised. Therefore, the next customer expecting the driver wasn't alerted of the delay, and the remainder of the appointments couldn't be rerouted.

Integrated Solution Increases Visibility And Streamlines Deliveries

To alleviate these problems, Eastern Bag began looking for a solution that would integrate the functionality of its routing, navigation, and communication components. The company looked closely at the capabilities of three different solutions before deciding on Roadnet and MobileCast from UPS Logistics Technologies. Roadnet is dynamic routing software that enables dispatch workers to optimize routes based on

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customer requirements and productivity (including decreasing left turns and creating 'what if' scenarios), and MobileCast provides dispatch with real-time visibility into driver activities. Drivers access the solution via Nextel i355 cell phones, which have GPS functionality embedded in them. In addition to Roadnet and MobileCast, Eastern Bag chose to deploy Roadnet Info Center, which enables other Eastern Bag employees (such as customer service representatives and managers) to view real-time driver activity. "We chose UPS Logistics Technologies for its features that are used not only by their customers, but by them," says Brown. "We felt that with the nature of UPS' business, we could rely on them for a solid routing solution."

Eastern Bag's internal IT staff purchased and installed a server at the company's headquarters, and UPS Logistics Technologies spent two days on-site loading and configuring the Roadnet and MobileCast software. Next, Eastern Bag and UPS Logistics Technologies spent three days training the drivers, dispatch workers, and customer service representatives from all four locations to use the solution. Drivers and dispatch workers were walked through various scenarios using test deliveries, and customer service representatives were shown how to access driver activity information on the Roadnet Info Center.

Today, drivers' routes are sent directly to their Nextel i355 when they log in each morning. The driver pushes a button upon arrival and departure of each site so that dispatch is aware of the driver's progress. The ability to gather this information in real time allows dispatch workers to reroute as necessary if a driver is unexpectedly held up. Also, since Eastern Bag's customer service representatives can access driver activity information via the Roadnet Info Center, they are able to communicate informed, accurate delivery windows to customers and proactively warn customers of potential delays. Further, using Roadnet Info Center data, Eastern Bag has added delivery tracker functionality on its website for customers to log on using their account number and view the status of their delivery (documentation regarding how to use this function was distributed to drivers to provide to customers).

"We experienced payback on the UPS Logistics Technologies solution within 10 months of deployment," says Brown. "And driver overtime has been reduced by 15% as a result of the closer watch we have on driver activity." In addition, the amount of time it takes dispatch workers to prepare routes for the next day has been reduced by 50% due to the elimination of paper routing preparation. Eastern Bag is in the process of upgrading its drivers' cell phones to the Nextel i365 and plans to take advantage of a new version of UPS Logistics Technologies maps by paying a one-time upgrade fee for the solution.