

## Customer Success Story

# Stephenson's Rental Services

## Setting the Standard for On-Time Delivery with Descartes

More than 50 years in the rental business, privately-owned Stephenson's Rental Services has over 200 employees located in 21 locations in the Toronto region. Stephenson's roster of 30,000+ customers includes home builders, and general and commercial contractors providing demolition, electrical or mechanical services. Industry leaders such as PCL, Murray Demolition and Daniels Corporation are among the companies that rely on Stephenson's for rental tools and heavy industrial equipment.

Stephenson's delivery vehicles are dispatched from one of five central hubs in the Greater Toronto Area (GTA). Stephenson's delivery planning process started with an Excel spreadsheet and evolved over time to a homegrown, manually administered dispatch planner that provided limited functionality. Since the system provided no visibility into the delivery cycles and vehicle activities on the road, Stephenson's was not able to access critical delivery information in real time. Nor were they able to effectively route orders as they came in throughout the day.

According to Tom Newell, Vice President of Operations at Stephenson's, "If asked by a customer for an estimated time of arrival (ETA), our dispatchers could not predict how long it would take. If one vehicle was responsible for four drops, there was no way of knowing when it would get to the last site. As a result, productivity was low and we had to outsource some of our deliveries to ensure that we could meet the tight delivery windows we promised our customers."

Stephenson's had a lower than expected on-time delivery percentage along with fairly substantial outsourcing costs. In addition, its delivery operations were not scalable, which meant adding manpower to manage deliveries as the fleet grew.

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Tom Newell,  
*Vice President of Operations at Stephenson's*

## Descartes: Delivering Results and a Competitive Advantage

To address the need for visibility into its delivery operations Stephenson's began evaluating a variety of solutions, including software used by taxis. Stephenson's found that GPS (global positioning system) systems had prohibitive hardware startup costs and only provided a partial solution.

The Descartes Visibility and Routing Solution, however, provided Stephenson's with two key elements it required: real-time visibility and the flexibility to plan on demand or as orders come in for the future. "One attractive piece about Descartes was its pay-as-you-go model. There were no upfront costs and it provided a simple way to map our routes across our existing network. Descartes offered an out of the box solution that had us up and running in a week," Newell explains.

The Descartes Visibility and Routing Solution provided Stephenson's with an easy and affordable way to track and monitor its delivery fleets. This on-demand logistics management solution, which combines sophisticated planning and tracking functionality with the simplicity of a Web-based solution, provides dispatchers, managers and support agents with a real-time view of driver movement and order status across fleets of vehicles.

### On Demand Logistics Meets On Demand Solution

Stephenson's fits squarely in the 'on-demand' delivery market (deliveries are made within a short time window after an order is placed), and orders place by its dynamic customer base have to be routed on the fly. "Unlike traditional retailers offering delivery services, our routes are not planned the day before scheduled deliveries," explains Newell. "In addition, our drivers not only have to pick up rental equipment from our central hubs and then deliver it to a client's site, they also have to pick it up again and return it."

According to Newell, Stephenson's was operational with Descartes within a matter of days. "On the Monday our drivers did training, by Tuesday we were up and running, and by Wednesday we had no other backup system. Once we got that first week under our belt, everything just rolled into play."

### Driving a 15% Improvement in On-Time Delivery

Using Descartes' Visibility and Routing Solution, Stephenson's Rental can now track and monitor its fleet of delivery vehicles in real time, and is now setting the standard for "on time" delivery performance and achieving significant gains in productivity via engineered plans and real-time performance measurements.

As Newell says, "We were up and running within a week, and achieved every goal we set as soon as we switched over to their solution. The results were instantaneous. Descartes allows us to be even better at what we do, enabling us to use narrow delivery windows and secure customers that our competitors cannot."

Since deploying the solution, it has seen a 15% improvement in on-time delivery, enabling the company to deliver equipment within very narrow time windows. "While our competition can promise same day deliveries, our mandate is to put product on a customer's site within two hours of an order being placed," comments Newell. The solution has also delivered a 15% improvement in productivity and 20% reduction in outsourced delivery costs."

Since initial implementation, Stephenson's has added two more distribution hubs to its operations as well as a number of new delivery vehicles. "Descartes has given us the ability to scale, centralize our dispatch operations and maximize our resources," Newell says. "Without Descartes, we would not have achieved any visibility for the new vehicles, and would not have been able to integrate them into our operational structure."

## Summary

### Challenge:

With a manual dispatch and inefficient routing system in place, Stephenson's had no easy way of scheduling deliveries throughout the day to meet customer needs. Stephenson's also had no visibility into its delivery cycles and, at times, had to outsource some of its deliveries to ensure that it could meet tight delivery windows.

### Solution:

Since deploying the Descartes Visibility and Routing Solution, Stephenson's dispatch and routing processes are automated and enable on schedule delivery. With improved visibility, the company has seen an increase of 15% in on time delivery, enabling the company to deliver equipment on demand within very narrow time windows and boost its customer service.

### ROI=9%:

Within a week of Descartes' solution implementation Stephenson's saw: 15% improvement in on-time delivery; 15% improvement in productivity; 20% reduction in outsourced delivery costs; the ability to scale.