

Signify

Achieving supply chain efficiencies and simplifying IT with Descartes Transportation Manager™

As the world leader in lighting solutions for professionals and consumers, Signify and its logistics partners are moving high volumes of products around the globe. Orchestrating the direct end-customer deliveries from the company's European operations by using the Descartes Transportation Manager solution has helped Signify to decrease costs with 4PL partners, achieve a higher level of control with less time needed by order desk staff, reduce the number of IT systems in use and increase the overall visibility into transportation moves.

Challenge

Many of Signify's lighting projects are made-to-order for commercial customers, such as street lights for cities, stadium lighting for sports facilities, lighting for office buildings and more. Usually these products are fully manufactured at one site and, until 2013, were generally handled by a 4PL partner. This not only created extra work in moving items around, but there was also little visibility into where the shipments were at a given moment. In some instances, however, Signify did ship to the end customer directly from a manufacturing facility-and it was the flexibility and cost-savings inherent in having this level of control over delivery that fueled the desire for Signify to find technology that enabled greater oversight over transportation. In addition, there was a high desire to standardize the way Signify exchanges EDI messages from distribution centres (DC) towards carriers from its DC's and factories.



“ The Descartes Transportation Manager solution has enabled us to ship to end-customers without the use of a 4PL, our primary goal initially. The combination of insight for the order desk, increased service to customers and the simplified IT landscape are the extra benefits we continue to realize in our daily operations. ”

– Joost Burghoorn,
Transport Director
at Signify



ABOUT SIGNIFY

Signify (Euronext: LIGHT) is the world leader in lighting solutions for professionals, consumers and light connected with the internet. Our portfolio of Philips products, InterAct connected lighting systems and data-enabled services provide value for companies and transform lives within homes, buildings and cities. More information about Signify can be found at www.signify.com.

Solution

Since 2013 Signify has been working with Descartes Systems Group to enhance the transportation process of made-to-order lighting products. Using the Descartes transportation management solution, Signify is able to fully monitor deliveries to its large and growing customer base.

“With an average of 40,000 to 50,000 shipments per month throughout Europe, a sound overview of transportation movements from the moment goods leave the manufacturing facilities until their delivery is essential. Only then will our order desk representatives across various European operations in different countries and the customer service staff within our five distribution centers in Europe be able to actively keep track of shipments,” says Joost Burghoorn, Transport Director at Signify, Market Group Europe.

In the past, Signify had no visibility into the point of delivery, working with 40 unique logistic service providers in the region, all with their own specializations such as parcel, full load and specialty transport for odd-sized shipments. Burghoorn explains, “The moment a shipment left the manufacturing facility, we faced a black box and it was difficult and extremely time-consuming to trace the shipment’s whereabouts. Since we implemented Descartes’ TMS solution and onboarded all of our carriers, either via integrated EDI or using the TMID portal, we have been able to close the information gap. We reduced 80-90% of the steps that were previously needed, thanks to the information that is extracted from the back office and available via the website. The solution has changed the way people perform their jobs - it takes less time to track a shipment and they are able to provide more information proactively.”

“The gains don’t stop there,” continues Burghoorn. “The reporting capabilities are instrumental in our daily operations. We can calculate the costs anticipated with shipments and allocate these to the lowest level of SKU, and also provide the order desk with an overview of shipments coming into the country for delivery on a daily basis. Additionally, we are evaluating other functionality such as dispute management, express shipments and proactive ETA notifications to facilitate e-commerce operations.”

Results



Reduced complexity

With the Descartes solution in place, Signify gained the visibility required to enable shipping directly to the end customer for made-to-order projects. The flexibility increased with the ability to assign the appropriate carrier and send a standardized EDI message to the selected carrier, resulting in more direct shipments from the factories. The number of movements in Europe, costs and time for delivery have all been reduced, while the order desk has full visibility into the shipments underway.



Standardized IT landscape

Hundreds of order desk employees and other staff in the DCs are all working with one system to plan and coordinate shipments. This enhances the transparency of transportation operations, and also greatly reduces IT maintenance compared to the multitude of different systems previously used.



Reporting to support the business

The comprehensive reporting capabilities of the Descartes solution enable Signify to pre-inform DCs about deliveries to their area, calculate and allocate costs to SKUs and perform analysis on future shipments.



Optimized daily operations

Shipment information is available in real-time, which improved service levels to customers. Order desk staff can track shipments faster and provide more details in a shorter timeframe to customers.