

Industry Solution

Descartes for Foodservice

For organizations servicing the foodservice industry, driving productivity through efficient distribution is critical for success. Whether supplying restaurants or cafeterias in schools and hospitals, customers rely on foodservice providers for accurate and timely delivery of goods. With demanding delivery schedules and low margins to contend with, the key to generating repeat business lies with streamlined delivery operations using engineered plans to increase on-time performance, minimize delays and boost efficiency.



Challenges on the Road

Customer Demand: In the foodservice industry, timing is critical. Customers expect to receive deliveries on time at the lowest possible cost, and are quick to switch to competitors if the service provided is not at a consistently high standard. Relationships often hinge on foodservice suppliers meeting established time windows, even when order volumes change and/or grow.

Need for Flexibility: Adaptability is key for foodservice suppliers, especially with multiple stops and set routes scheduled for any given day. Any delays or exceptions, such as a truck breakdown or traffic tie-ups, mean having to reschedule or move around daily orders, which can often lead to delays in customer service and missed calls. Suppliers need to be able to recalculate estimated time of arrivals (ETA) based on changes that occur throughout the day.

Low Margins: Foodservice has always been a low margin industry. Suppliers therefore need to find ways to achieve greater efficiency in their delivery operations while reducing costs, without compromising customer service. The Need to Scale – Whether routes are fixed or dynamic, planning is essential in meeting customer needs. While manual routing may work for smaller foodservice organizations, as a business scales in size an optimized plan is critical if drivers are to be held accountable to meeting narrow time windows, and customers held accountable to service times.

Real-time Visibility: Few operations have visibility into their fleet activities once their drivers are on the road. With each foodservice truck making anywhere from 10 to 18 stops per day, tracking deliveries with any true accuracy requires extensive financial and human resources.

As a result of these and other factors, there are incredible demands placed on foodservice providers today to improve delivery service without sacrificing margins. Operational success demands insight into delivery operations and a streamlined approach to managing fleet resources.

Descartes provides an on-demand logistics management solution that is offered on a pay-as-you-go basis. The Descartes solution uses real-time data to provide visibility into delivery cycles to help you improve route scheduling, optimization and customer service for a greater impact on your bottom line results.

Descartes Delivers. As a provider of on-demand, subscription based solutions, Descartes delivers an affordable, flexible, and easy to deploy solution that helps foodservice operations reduce costs while improving delivery accuracy and customer service.

Designed and developed from the ground up for deployment over the Internet, Descartes solutions are delivered through a universally accessible Web-based interface. Descartes is implemented seamlessly, leveraging your existing data and systems to manage the entire logistics process from the point of order through to business analysis, ultimately helping you improve your operations.

Our Logistics Solutions Include:

- Fixed route sequencing/route optimization
- Territory planning
- Dispatch management
- Order notification and confirmation
- Real-time tracking and field data capture
- Real-time ETA
- Business analysis and reporting to track performance benchmarks

The Descartes solution offers a number of benefits that range from cost savings that impact your bottom line, to customer benefits that keep your customers coming back time and again.

Cost Advantages

Monitoring on the Road Delivery Performance: With Descartes, you can create a plan and track it in real time to optimize efficiencies, reduce miles driven and increase stops per paid hour. Descartes' analytical functions can help managers assess planned versus actual drive and service times to increase driver productivity and accountability, measure on time percentages, determine schedule adjustments and maximize resources on the road.

Benchmarking Driver and Customer Performance: By comparing driver and customer performance to an engineered plan it is easy to determine where exceptions are recurring and which issues are causing delays. The information can be used to adjust delivery schedules and optimize performance.

Optimal Route Sequencing: With the ability to plan for changes that occur throughout the day, the number of trucks used each day is fully optimized based on customer needs.

Using a sequencing algorithm, Descartes ensures that each run in a fixed route is sequenced for optimal truck capacity and delivery performance.

Lower Operating and Financial Risk: As a hosted solution, Descartes eliminates the capital costs associated with inhouse systems.

Service Advantages

Working to Engineered Plans: The ability to create an engineered plan allows for planned ETAs to meet customer requirements.

Proactive Customer Notification: Automated customer callouts can be used in advance of scheduled deliveries to notify customers of ETAs. This enables customers to plan for the appropriate resources and schedule their labor needs around planned delivery windows.

Proactive Exception Management: Now your customer service groups and dispatch managers can be more proactive in their responses to exceptions. Through real-time field data capture, information such as wrong product picks, damages or returns can be dealt with immediately, providing an even greater differentiator in the service provided.

Real-time Visibility: With real-time visibility into delivery operations, you can maximize the opportunity to up-sell customers at the time of delivery. It is easy to coordinate trucks and sales staff to arrive at the same time and capitalize on situations where up-sell opportunities exist.

Measurable Benefits

In addition to qualitative improvements in productivity, driver accountability and customer service, Descartes' customers have experienced:

- Up to 30% improvement in on-time delivery
- Up to 33% increased vehicle utilization
- Up to 50% more cases and stops per route
- Up to 20% increase in DC space usage
- Up to 15% reduction in labor costs within the DC

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Descartes (TSX: DSG) (NASDAQ: DSGX) is the global leader in logistics technology. If logistics is critical to your business, Descartes connects the people and technology to put your organization in motion. We extend the command of logistics operations, helping the world's largest and most connected logistics community to quickly reduce costs, improve service and comply with customs and transportation regulations.

Descartes' Logistics Technology Platform uniquely combines the power of The Global Logistics Network, the world's most extensive multimodal network, with the industry's broadest array of modular and interoperable web and wireless logistics applications. At our core, Descartes' team of industry-leading logistics experts is dedicated to delivering innovative solutions while working closely with our customers to help ensure their success.

Descartes is headquartered in Waterloo, Ontario, Canada and has offices and partners around the world.

Learn more at www.descartes.com.