



Apex Office Supply

GIS Transforms Company's Way of Doing Business

Problem

Apex Office Supply needed an effective method to deliver products, satisfy customers, save money, and solve problems in the workforce.

Goals

- Better manage people and other resources.
- Deliver products on time to customers.
- Load trucks more efficiently.
- Support specialized delivery jobs.
- Ensure safety of drivers.

Results

- Fuel cost savings: 4.3 percent
- Labor savings: 18 percent
- Drive-time savings: 7.4 percent
- Managed change by gaining trust of drivers
- Successfully captured and implemented driver knowledge for more streamlined and adaptable business processes

"ArcLogistics Route has redefined how our business processes work. We are more efficient than ever."

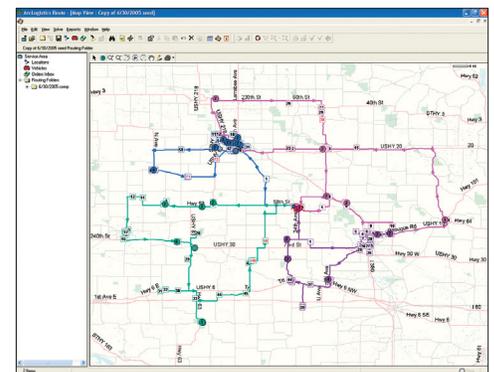
Kurt Karr
Owner
Apex Office Supply



Apex Office Supply is a small office supply company that thinks big about getting value from its geographic information system (GIS). Based in Vinton, Iowa, the company serves approximately 300,000 people in east central Iowa, bringing services and products to 1,500 active customers in two major cities, Waterloo and Cedar Rapids. With a delivery radius of approximately 50 miles, five ever-changing routes, and an average of 200 deliveries a day, the company knew it had to make the best use of its fleet to stay ahead of local and national competitors.

The Challenge

When Apex Office Supply first began in 1986, it was easy to process orders by hand. The driver manifest was printed after the orders were entered into the system, then it was up to the drivers and delivery manager to decide how to schedule delivery. This process took time, and orders were not always delivered in the most efficient manner. Drivers had fixed routes, so a new request would slow down the entire delivery process or drivers would be unable to complete assigned workloads.



ESRI's ArcLogistics Route™ displays delivery truck routes and stops through a mapping interface.

In addition, the limited flexibility in scheduling meant that there was little opportunity to address personal appointments and unforeseen events that occurred during their delivery times. A continuing concern was that there wasn't enough time allotted for deliveries, which was a problem for customer service and driver safety. "We used to have a real problem with drivers speeding," says Kurt Karr, owner, Apex Office Supply.

Even though the company had been using a GPS to track vehicles, it had its difficulties. Many drivers felt they were being constantly watched. The data wasn't real time; instead, it was downloaded when the trucks came back to the office. If there was a question, such as why a driver spent more than a normal amount of time at one location, the question couldn't be asked until the next day, and the tone of the conversation was often confrontational. Apex Office Supply realized it needed not only a more effective method to deliver products that satisfied customers in the best economic fashion but also solve problems, such as speeding and driver-management relations, in the workforce.

The Solution

Karr knew he needed a software program to help him plan his delivery routes and that choosing the right package would help him overcome some of the other issues within the business. Says Karr, "I knew about ESRI and its GIS products by reputation. I did some reading on its logistics package, ArcLogistics™ Route, and thought it was the right choice for our company." The software is a complete solution for complex routing and scheduling problems, whether you have a small fleet operation or work in a large multiuser environment.

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ESRI Software Used

ArcLogistics Route

Apex Office Supply asked Pathfinder Logistics, a logistics solutions company based in Springfield, Pennsylvania, to come to Iowa for a week and perform the installation of the software. "That's all it took," says Jason Hicok, director of information technology, Apex Office Supply. "One week with a Pathfinder Logistics analyst and we knew what we were doing with the product. The software package fits in well with our standard business systems and offers customer services that we had never before considered."

Apex applied the same standard office procedures to process delivery orders each day, but now they have a software system that can adapt to their needs. It flexibly handles scheduled and catalog deliveries; special projects; and after-hour, high-priority deliveries.

Apex now has a solution that routes deliveries overnight, then prints invoices and driving instructions. The next morning, drivers pick up the invoices that are organized by order of delivery, which improves the efficiency of loading the trucks. "ArcLogistics Route has redefined how our business processes work," says Karr. "We are more efficient than ever."

Results

ESRI® ArcLogistics Route successfully captured and implemented the company's vision together with drivers' knowledge and experience. The drivers were at first skeptical but now have come to rely on the routing software. Karr explains that when ArcLogistics Route was first implemented, the drivers were invited to try the software. "Instead of forcing them to follow the new manifest, we let them experiment on the computer with attempts to compete with the system. They would make changes, then look to the system for the cost differences. They rarely won."

Before implementing the software, the drivers would count packages. "Now they load according to the manifest generated by the software, thereby saving time. They have no issues with ArcLogistics Route, and they trust it," says Karr. ArcLogistics Route has become a valued solution.

Because the software is so adaptable, Apex has been able to respond to customer requests easily, even scheduling delivery to a church on a Sunday. The software retains this specialized delivery information, giving Apex an advantage for customer service and market specialization that larger supply delivery companies cannot match.

The consequences of the routing software implementation have been extremely positive. Drivers no longer speed, because they have confidence the system has allowed them enough time. Deliveries are more efficient. Drivers have more personal flexibility and can rely on decisions they do not need to make themselves.

For example, a heavy item such as a large desk or fireproof filing cabinet has to be delivered. ArcLogistics Route schedules another driver in the vicinity to help with unloading. This improves safety for the drivers and cuts down on liability since they do not ask for help from their customers.

Cost savings from the system have been significant. The company has decreased fuel usage by 4.3 percent, reduced labor hours by 18 percent, and cut drive time by an average of 7.4 percent. This, in turn, has allowed the company to promote drivers to managerial positions, giving them increased pay and control of their careers. The end result is a more streamlined and adaptable business that effectively responds to its customers' needs and supports Apex Office Supply employees.



Driver Manifest

For More Information



ESRI
380 New York Street
Redlands, CA 92373-8100
Phone: 800-447-9778
Fax: 909-793-5953
Web: www.esri.com

Pathfinder
LOGISTICS SOLUTIONS, INC.

Pathfinder Logistics
1489 Baltimore Pike,
Suite 206
Springfield, PA 19086
Phone: 610-541-0811
Fax: 610-541-0812
Web: www.pathfinderlogistics.com

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