

smartmoves

@ Kyocera Mita



In 2000 corporate giant Kyocera acquired the global copier manufacturer Mita Corporation.

The Australian divisions were merged into Kyocera Mita Australia giving this new entity an opportunity to be the leading Australian supplier of laser printer and copier solutions.



John Fraser, Logistics and Operations Manager, Kyocera Mita Australia

Retaining control of freight logistics was the key to restructuring

John Fraser, Operation and Logistics Manager, Kyocera Mita had a problem. Supply chain logistics was a troubled area for the recently merged company; it was fragmented, inefficient and full of problems. Mr Fraser's challenge was how to consolidate so many disparate entities.

When Mr Fraser joined in 2003 he faced some formidable hurdles. There was a costly infrastructure of duplicated warehouses and staff in multiple locations. Each had a dock based incumbent freight management system which were antiquated islands of automation that provided no central access or control. Critical to success of the restructure plan was finding a freight management system that had the flexibility to give him control of all freight logistics once the plan took effect.

Mr Fraser thoroughly analysed all available freight management systems. It soon became clear he needed a web based

system and Moveitnet was the only system that had the flexibility, connectivity and functionality to fulfil his needs. It now became a question of timing and priority.

"The first phase of the plan was to reduce infrastructure and personnel costs by outsourcing warehouse and freight activities to NYK our main 3PL (Third Party Logistics) provider. This took time as we had to exhaust lease obligations on multiple existing warehouses.

All incoming stock now goes to NYK's main DC in Wetherill Park, Sydney. Some goods are delivered directly from Wetherill Park which also feeds a network of NYK owned state DC's and Kyocera Mita branches. The state DC's feed distributors and dealers who in turn feed goods to end users throughout Australia; So that even our simplified distribution structure was never going to be easy to manage.

"Our infrastructure was unwieldy, our freight management system outdated and our costs high."

- John Fraser

**“Moveitnet is essential;
it’s the middleware
that binds it all
together”**

- John Fraser



Once all our incoming stock was with NYK, my priority was to have all shipments visible in a freight management system that we controlled centrally. That was, something that our previous freight management system simply couldn't do", said Mr Fraser.

The flexibility to manage freight information between different platforms and systems

Moveitnet is a dedicated freight management system with the flexibility to work across and interface with other platforms and systems, monitoring, managing and interacting with every activity from any location anywhere in the distribution chain.

"I needed a freight management system that was flexible; could grow and change with our needs. Most importantly, it had to give me visibility of all activities across a complex distribution chain that used many different solutions to move freight to and from many locations. That can only be done over the Internet and that's one of the main reasons why I chose Moveitnet," he said.

As a fully hosted web based system Moveitnet has a minimal impact on the workload of existing IT departments. It is optimised for the Australian freight logistics environment and its integrated

processes enabled Kyocera Mita to control the shipment of freight to their customers.

Because it is web based and has clearly defined mapping tools it can easily interface with many different ERP (Enterprise Resource Planning) and WMS (Warehouse Management System) software systems including those used by their 3PL providers.

"The incumbent Freight Management System couldn't give us the level of information or flexibility that we required. The technology was outdated, it operated basically as a box in each physical location, which made reliability, maintenance and software updates a constant challenge.

Moveitnet however is a full Software as a Service offering. Being web based, it doesn't require involvement from our IT people, it has modern code, it doesn't require onsite infrastructure and maintenance and it's ideal middleware able to integrate with us and our 3PL's proprietary systems", said Mr Fraser.

Complete visibility of the supply chain

By 2006 the supply chain was in much better shape, the fixed infrastructure costs were gone with warehouse and transport contracted out to different providers, giving Kyocera Mita more

freight logistics flexibility. The focus for Mr Fraser was ensuring that he retained centralised visibility and control, of all activities, from all users.

"Kyocera Mita uses ERA as its primary system to control the importing and warehousing of stock. For freight logistics management ERA has a two way interface with Moveitnet. So basically when we pack an order out from ERA, Moveitnet prints the labels and we do any consolidating to reduce freight costs at that time. When the order is dispatched it's interfaced into the NYK system, Opal.

NYK sub contracts its transport to Allied Express who also interface with Opal using a two way connection. Delivery information and other relevant data sent from Allied Express back to NYK is linked to ERA via Moveitnet. Moveitnet also provides links between ERA and other 3PL's we use for air freight and courier deliveries and to state branch offices", said Mr Fraser.

With Moveitnet as the logistics management middleware all activities relating to dispatch and delivery of freight could be managed remotely by Mr Fraser at Kyocera Mita.

There was very little time spent implementing Moveitnet because it is a SaaS system so very straight forward, the focus for Mr Fraser at this time was



educating the 3PL users to correctly map information back to Moveitnet, which he describes as being an ongoing process.

"I've created specific reports using Moveitnet's My Reports tool, to look at all the data from different sources and systems and drill down to look at costs. Having all this information at my finger tips allows me to see how to do things better. I'll ask the 3PL's to review their processes and specify the data we need back to us. Moveitnet has plenty of functionality it's just a question of getting the data into it correctly.

Moveitnet is a very important part of the process for reconciling invoices. I have very specific requirements and prefer to do the analysis myself even though it has very good analytic tools. This is one of the great features of Moveitnet if we don't need the full bells and whistles we don't have to pay for it", he said.

A Software as a Service approach made the most sense.

Moveitnet brought a lot of advantages to Kyocera Mita because it is a Software as a Service solution.

"We needed a web based solution to bind all these different and diverse systems and locations together. Moveitnet is feature rich and evolving and it's maintained by people who are expert in freight management and IT. The Moveitnet Software as a Service

model is cost effective; we pay for what we use, and we don't have to add to our IT department to maintain it", said Mr Fraser.

Real Customer Service benefits equated to huge savings

One of the main problem areas before the restructure was customer service issues. It took the introduction of Moveitnet to properly address these issues as Mr Fraser explained.

"It's gone from 'customer lack of service', back to customer service. We have reduced our administration staff by 50 % plus the intangible savings have been immense. For example gone are the days when people would phone the warehouse to sort a problem. Now authorised people anywhere can log onto Moveitnet and get answers for themselves".

"Moveitnet is a very important component in managing our various activities and sub contractors. Excessive follow ups was one of the main things we wanted to resolve and if things are managed correctly you don't have the queries – with Moveitnet we have the answers at our own finger tips so that all of our freight management problems are a thing of the past.", he said.

Moveit is focused solely on freight management processes. Their IT team has enormous experience in building on their knowledge to develop solutions for their customers. This research and development



"Accurate and timely data is key for us, that's the beauty of having the Moveit system."

- John Fraser

“We have gone from a dog’s breakfast, to a system that gives us visibility and control across all our 3PL and carriers activities in our freight logistic operations.”

- John Fraser



is often driven by customers seeking specific functionality that would suit the wider customer base.

“Our relationship with Moveit is great. I guess I push the envelope sometimes, because I’m dealing with experienced people. They know the business. Any needs I might have will come as no surprise to them. If there is a significant demand for it they will probably do something about it. Reverse logistics is a good example of Moveit implementing change that met our needs and improved their system overall”, he said.

As with all organisations Kyocera Mita regularly reviews its relationships with its carriers to see if competitors can offer a better and cheaper service. As Mr Fraser explains;

“We market test all the time because I’ve got the data. If someone wants to knock on the door and offer a service I can give them a starting point. The beauty of Moveitnet is I can instantly compare their price against our current costs”.

“Moveitnet works very well on the loading dock but if you have someone who understands it or puts the effort

in, it really accelerates the benefit in Customer Service, Accounts and Logistics Management. The key to maximise its enormous potential is to drive it from a senior level.

Logistics and Operations management can be about incrementally improving processes; it’s like climbing a hill except you never get to the top. Moveitnet gives me the ability to get to the source of problems and also gives me a big picture view as well. Without Moveitnet’s flexibility to look at all activities across our freight logistic operations we could not have managed it as successfully as we do now”, said Mr Fraser.



To find out more about how easy it is for you to connect to Moveitnet, visit: www.moveitnet.com or call us on 1 300 884 294.