Parcel/Carrier Integration with SAP

Darrell Birkholz
Honeywell ACS

Nathan Baes
CONTAX Inc
Learning Points

- Understand which options exist in the marketplace for parcel/LTL integration
- Uncover how to standardize your shipping process worldwide to dramatically increase productivity on the shipping floor.
- Discover how integration can lead to lower shipping charges and reduction in exception charges.
Honeywell Automation and Control Solutions

- Headquartered in Minneapolis Minnesota
- 7 Strategic Business Units
  - Honeywell Environmental Combustion and Controls (ECC)
  - Honeywell Building Solutions (HBS)
  - Honeywell Life Safety (HLS)
  - Honeywell Process Solutions (HPS)
  - Honeywell Scanning and Mobility (HSM)
  - Honeywell Security Group (HSG)
  - Honeywell Sensing and Control (S&C)
Honeywell ACS Common Process/System

- **CP/S Vision**
  Our vision is to design, develop and deliver common best practice business processes and enable SAP systems to drive profitable growth and functional excellence across all ACS businesses.

- **Why CP/S**
  After the ACS-wide implementation of CP/S, our businesses will have common, global business processes -- from finance and IT, to order management, projects and services and integrated supply chain operations -- operating on one global technology platform, SAP.
Honeywell ACS Common Process/System

- Approximately 460 SAP project sites globally
- When finished over 31,000 SAP users
- First SAP deployment in Europe 2007
- First SAP deployment in North America 2009
- By the End of 2011 – 50% Complete
Honeywell ACS: PRE CP/S Logistics Landscape for NA

- **Warehousing**
  - Small Manually controlled – Typically Shelving
  - Medium – Bin Locations, System inventory, Manually Controlled
  - Large – Bin Location Control, RF put way, pick and pack,
  - 3PL distribution Centers (unique WMS)

- **Shipping Systems**
  - Majority Stand alone Small Parcel systems (UPS, Fed EX, DHL)
    - Some ERP system Integration, Mostly manual
  - A few integrated systems (small parcel)
  - LTL, FTL, HWA typically managed manually
Honeywell ACS – CPS FFI Solution Needs

- One Common System for all Sites
  - Low, Medium, High Volume sites
  - Same Solution for Small Parcel, LTL, FTL, HWA
  - Easily On Boarded

- System Features
  - SAP User Interface
    - Leverage SAP security functionality
  - Carrier Flexibility
  - Customizable
    - A Common System that adapts to differing business needs
  - Experience and Reliability
Honeywell ACS – SAP/ConnectShip

- First three sites went live 1\textsuperscript{st} week in January 2011
  - 2 Canadian sites, 1 US site
  - At the end of 1 week they were near pre SAP shipping levels
  - Packing and Shipping operations were combined into one operation streamlining the shipping processes creating productivity gains
  - Enhancements (2D serial number Capture with IM) created significant productivity gains that will be leveraged at future sites
- Next two sites went live 1\textsuperscript{st} week in April
- Three more sites in July
- Five more sites in Oct
- Approximately 10 more at year end
Company Overview – CONTAX, Inc.

- For over 15 years CONTAX Inc. has provided Information Technology and Business Process consulting services to some of the largest and most respected organizations in the world. CONTAX is an SAP Gold Partner, and focuses exclusively on providing SAP consulting services.
- CONTAX Inc. has offices in Chicago, Toronto and Montreal to service our client needs.
Integration Options

- Shipping Clients provided by the Carriers
- Bolt-on Non-SAP solutions
- Carrier Web APIs
- Black Box Manifesting Tools with SAP interfaces
Bolt-on Non-SAP solutions

- **Pros**
  - Multiple vendors
  - Speed
  - Common thin client (web browser)
  - Easy failover

- **Cons**
  - Users do not stay in SAP
  - Batch process integration
  - Integration platform is not always ERP ready
  - Support for business rules is outside of SAP
  - Data extraction from SAP
Carrier Web APIs

**Pros**
- Synchronous communication
- Processing in SAP
- No other product to worry about
- Speed
- All rules and results are in SAP

**Cons**
- Multiple SAP interfaces (UPS, FEDEX, DHL, USPS, etc)
- Each request leaves corporate secure network
- Special services support
- 1000 weight consolidation
- Outside connectivity down, you do not ship
Black Box Manifesting Tools with SAP interfaces

- **Pros**
  - Synchronous communication
  - Processing in SAP
  - All rules and results are in SAP
  - Single SAP interface
  - Speed
  - Easy failover
  - Special services support

- **Cons**
  - Additional system to support
  - SAP is down, you do not ship
Things to Avoid

- Rewriting SAP
- Duplicating SAP functionality
- Development before requirements
- Any solutions delivered without SAP expertise
- Any solutions developed without logistics (parcel/LTL) expertise
- Making decisions on the shipping floor
- Anyone who uses rate shopping as a main component of ROI without empirical evidence
System Architecture
Video Demonstration

- Place holder for a recorded demonstration
Key Learning Points

- Understand which options exist in the marketplace for parcel/LTL integration
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Thank you for participating.

Please remember to complete and return your evaluation form following this session.

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