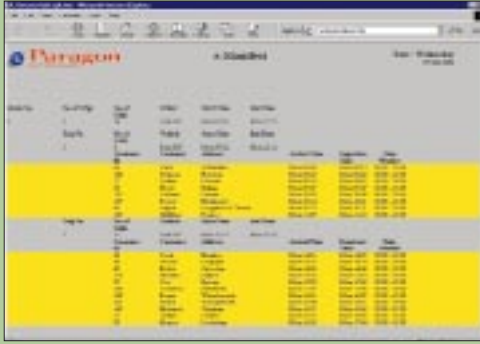


Paragon reports on the Web



Paragon data can now be exported to clients' web pages or intranet sites

- Keen to ensure Paragon users capitalise on the instant availability of information on the Internet, the development team has enabled data contained within the system to be exported to clients' web pages or intranet sites. Reports and statistics from depots or transport offices can now be easily viewed on screen at head office, with staff at remote depots able to instantly access next-day workloads – doing away with time-consuming phone calls and faxes.
- Paragon has signed a new Supply and Licence Agreement with the Ordnance Survey

making it easier to supply clients with better and more detailed roadmap data based on OS information whenever required. Updating the original contract, the new agreement gives clients access to the very latest data, and continues to confirm their legal right to use it.

- City detail maps are available with Paragon, covering Birmingham, Bournemouth, Bradford, Bristol, Cardiff, Edinburgh, Glasgow, Leeds, Leicester, Liverpool, London, Manchester, Middlesboro', Newcastle, Nottingham, Plymouth, Portsmouth, Sheffield, Southampton and Sunderland.

Demand drives Recruitment

In the first half of this year, Paragon achieved sales 60% ahead of budget and sold systems to 50% more clients than in the same period last year. It also embarked on a Continental sales campaign and continued to expand its joint projects with supply chain solution providers. Not surprisingly, it has also been busy recruiting people to support, and bring new perspectives, to all these activities.

The company is now made up of 41 carefully selected people whose skills indicate Paragon's priorities. It says a lot about these priorities, not to mention the volume of new implementations, that 12 of the 41 are support staff. New to the team are specialists in the animal feed and third party logistics sectors, plus two top graduates from the UK's leading transport and logistics degree course, one of whom is French. French speakers have also been recruited into business development and sales, where additional staff have developed expertise in new areas, such as haulage and passenger collection. Such has been the effectiveness of the sales team



Paragon boosts its team to support growth

that a further recruitment drive will soon be under way to meet market demand for the system.

With much of this demand coming from overseas, Paragon has demonstrated its commitment to international clients by appointing a mapping specialist to ensure the supply of the most appropriate, up-to-date maps wherever an operation is based. The development team has grown too to 15 with the programming team now 50% larger. Clients will also be getting to know another new joiner, Susan Bentley, who will be responsible for despatching the team's new software releases.

next step...call Paragon

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Paragon welcomes

- **ASDA**, recently acquired by US giant, Wal-Mart, which has recently demonstrated its continued commitment to Paragon by purchasing another licence for its growing home delivery operation.
- **GENERAL MOTORS** in Hungary, where P&O Trans European has installed Paragon to plan the inbound logistics operation at another Opel plant, bringing to 11 the number of GM sites where Paragon interfaces with its Materials Global Optimisation (MGO) system to ensure transport planning ties in with lean manufacturing objectives.
- **RYDER INTEGRATED LOGISTICS** in Poland, which has purchased an additional Paragon system to enhance the efficiency of the operation it manages for Philip Morris distributing to wholesalers from a network of nationwide depots.
- **WINCANTON** whose Industrial and Commercial Division has recently purchased Paragon, for use on their contract to collect milk from farms on behalf of their sister company, Unigate Dairy Group, throughout the South of England and Wales. The package will be used to optimise vehicle routing schedules in order to reduce milk collection costs within the Unigate Group.
- **CYGNUS**, which has decided to improve the productivity of the lost luggage delivery operations it manages from Edinburgh and Glasgow airports by linking Paragon with a bespoke booking system to plan more efficient routes and schedules for its 30 self-employed van drivers.

Directions

FROM **PARAGON SOFTWARE SYSTEMS PLC**
LEADERS IN COMPUTERISED VEHICLE ROUTING AND SCHEDULING

Tesco Direct at home with Paragon

With the announcement that Paragon is to be installed in over 100 Tesco stores to underpin the roll-out of its internet-based shopping service, the capability of the system to provide effective dynamic scheduling solutions for innovative home delivery operations with the most exacting requirements is confirmed.

'Home shopping is hugely important to Tesco,' says Paragon's Managing Director Dr David Holmes. 'The whole supermarket sector is going to become white hot with the arrival of Wal-Mart and escalating service and price pressure and it is crucial that Tesco succeeds in the innovative ventures it embarks upon.' The fact that Tesco Direct is relying so heavily on Paragon demonstrates the system's flexibility and robustness and also that the company has the depth of resources in support and development that it needs and expects.



Paragon is supporting Tesco's roll-out of its internet-based home shopping service - Tesco Direct

'One of our objectives as a company is to do everything better, more simply and for less and this is where Paragon supports us, by helping to reduce costs of delivery to our customers.'

Paul Lancaster,
Project Manager, Tesco Direct

These resources were in evidence throughout the two-year trial period, with Paragon being called upon to prove not only the system's operational accuracy in a highly-automated environment, but also the development team's ability to accommodate very specific time window requirements. While the system clearly passed the test, Paragon's people did too. 'We were impressed with the commitment shown by everyone at Paragon involved in the development discussion stages,' says Paul Lancaster, Tesco Direct's Project Manager. And now that the 100-store roll-out is under way, Paragon will again be providing strategic support as Tesco makes decisions about the distribution, service and logistics implications of further growth in the service.

Tesco is confident of this growth. 'Retailing is about convenience for customers,' says Gary Sargeant, Head of Tesco Direct. 'Everyone is very busy nowadays and people want to choose how and when they shop.' Tesco Direct enables customers with access to the Internet to shop whenever they like from the home or office and identify a two-hour delivery window. Orders are allocated to local stores, where data is transferred to Paragon, which then calculates home delivery routes and schedules before transmitting information back to other Tesco systems to generate picking lists and delivery manifests.

Tesco is not alone in using Paragon to support its home delivery operation. Many others, including Scottish Power, Iceland Appliances, Northern Electric, Alders, Hotpoint, Asda and Silentnight, have already benefited from Paragon's expertise in this rapidly-developing specialist area.

Strategic Supply Chain Reaction

In a unique collaboration Paragon and RADICAL, a leading provider of strategic logistics modelling products, have interfaced their systems to create a complete supply chain planning solution for strategic planners in the UK and all the international markets in which the two companies are active.

With mutual respect developing over the many years customers have used their products side by side, and in direct response to users' requests,



the two companies have developed an interface between Paragon and CAST-dpm, RADICAL's strategic supply chain modelling tool for highly complex distribution operations. Enabling the direct data transfer of CAST-dpm's 'best case' strategic designs to Paragon for the detailed assessment of transport infrastructure and costs, the module eliminates the delays, costs and potential for error of manual data manipulation. It also allows data to be passed back to CAST-dpm from Paragon, speeding data-gathering for strategic reviews and adding credibility to strategic modelling results.

'The CAST-dpm/Paragon module was clearly the swiftest and most accurate way of determining the best strategic solution for our newly diversified operation.'

Simon Cox,
Head of Development,
Express Dairies Distribution

- Paragon - full of Eastern Promise for GM and Exel Logistics – see Page Two for the full story
- Paragon's driver manifests and reports now available on the web – see Back Page for details
- Paragon's Integrated Fleets system selected over APS systems – see Page Three for details

Introducing New European Partners

With a growing presence in Europe already determining its own skills and focus, Paragon has now added partners in France and Germany to the growing list of reasons it can offer UK-based and European clients with Continental operations the best of both worlds: in-house expertise and local sales and support.

After a careful review of logistics players, Paragon has decided to work closely with Datatronic and Kratzer Automation. Datatronic is one of France's leading suppliers of innovative warehouse management systems to companies such as Leclerc, Promodes/Carrefour, Prisunic/Monoprix, Renault and L'Oréal. With French versions of Paragon's system and marketing material already available, the partnership is poised to make an impact at the heart of the French market. Kratzer Automation is convinced that Paragon represents a similarly strong system solution for the German market. This Munich-based provider of vehicle-to-base communications has a good understanding of the capabilities of currently-available vehicle routing and scheduling systems and is keen to offer Paragon to its client base, which includes trans-o-flex, ABX Bahntrans and Hofmann, to help them manage their operations more efficiently.

Paragon Dispatches Rivals

One of the UK's leading warehouse management system suppliers, LIS Warehouse Systems, has decided to develop a standard interface between Paragon and Dispatcher-CS following recent requests for bespoke links from two major clients. The decision not only recognises software synergy and business benefits but also anticipates growing demand for integrated warehouse management and transport planning systems.

When recent clients decided to implement Paragon alongside Dispatcher-CS, an innovative, world-class warehouse management system in international use across all industry sectors, LIS became convinced that creating a generic link would help them meet the needs of other clients. 'Companies are increasingly looking for fast-track, one-stop solutions securing improvements in productivity, accuracy and control across both warehouse and transport planning functions,' says LIS Sales and Marketing Director Fraser Dawson. 'Through our work with Paragon we could see that the system has the functions, flexibility and 'good fit' we wanted to strengthen our offer to clients looking for streamlined transport management systems.'

Fulfilling Eastern

Two Thailand-based projects demonstrate how Paragon is being called upon by long-standing clients to support their major business expansion plans in the Asia/Pacific region.

Following Paragon installations at Opel plants in Hungary and Austria earlier this year, General Motors has now extended its relationship with Paragon beyond Europe to Asia. To Rayong Province, south east of Bangkok, to be exact. It is here that the business logistics service unit of APL Logistics, GM Thailand's lead logistics provider, will be using Paragon to support General Motors' global efficiency standards at a major new manufacturing plant producing new Zafira MPVs.

Used to plan the inbound logistics operation, Paragon will be interfaced with General Motors' Materials Global Optimisation (MGO) system, which determines parts requirements based on minimum stock holdings and precise production schedules. Already in use strategically to plan routes based on forecast volumes for collections from local suppliers, Paragon will be employed operationally to calculate weekly routes

maximising vehicle utilisation once production is under way. As annual production builds to 40,000 a year and local parts sourcing is developed, Paragon will continue to play a leading role in the optimisation of the operation.

General Motors is not alone in making an important strategic move to the region. Ford Mazda has already taken up a close to GM Thailand's new plant in Thailand, for example, and there is every expectation the area will become a centre of manufacturing excellence. With many major European organisations establishing a presence in the region, from Malaysia to Thailand and China to Singapore, it's not surprising Thailand is fast emerging as a market with significant potential – particularly for third party distribution contractors.

Keen to capitalise on a market previously untouched by European suppliers, APL Logistics (Far East) has established an ambitious regional expansion objective. Objectives which, with the support of Paragon, are already being achieved. Within six months, using Paragon as a strategic modelling tool for new operations in conjunction with CAST-dpm (see

Helping third party contractors get more

Two logistics companies keen to move up a gear in terms of current operational efficiency and future business development, have chosen Paragon to act as a catalyst for the changes demanded by these corporate objectives.

Implemented by Worldfleet to replace the manual system previously used for its retail and home delivery contracts, Paragon enables the former to move from 3-day fixed routes to live schedules and the latter to introduce more discipline into its daily plans. Worldfleet is confident that the system will result in fewer overnight routes, more balanced weekly pick schedules and a reduction in the number of vehicles needed each day, but it also expects a broader impact. 'Paragon will help us change both

the way the operation is run,' says Ian Dunbar, Director & General Manager of Worldfleet, 'and the kind of contracts we can take on in the future.'



With two schedulers producing routes for its 80-vehicle operation based

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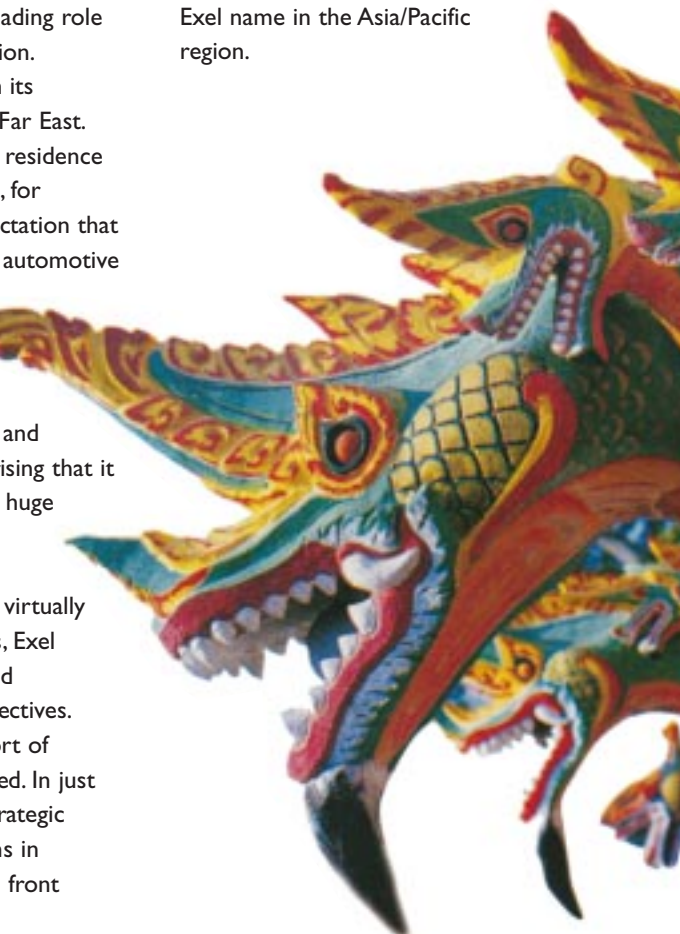
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page), Exel has won a significant number of contracts, notably in Thailand where one major deal alone with Johnson & Johnson is expected to firmly establish the Exel name in the Asia/Pacific region.



Glenfield near Leicester, Widdowsons was also looking for a system that would upgrade its working practices so that the fleet could be used more efficiently. In this case by allowing the whole distribution function to be viewed as one. Using Paragon, linked to Roadrunner, for the live scheduling of mixed-load vehicles making around 75 trips and up to 250 deliveries a day will result in more vehicle double-shifting, a reduction in planning time and tighter adherence to the time constraints required by the majority of customers. Improving service levels and releasing spare capacity in this way will enable Widdowsons to compete for more dedicated contracts to add to those it already operates for Mattel, R K Timber, Nestlé, The Alba Group and Caterpillar.

Crème de la Crème

In competition against suppliers offering what are now termed **Advanced Planning and Scheduling Systems**, **Paragon Integrated Fleets** is now being selected as a **realistic and cost effective alternative solution**.

At Dairy Crest's state-of-the-art Nuneaton National Distribution Centre, Exel Logistics was tasked with sourcing a system to plan both collections from creameries and deliveries of dairy produce to supermarket distribution centres. With some products also being taken direct to customers from creameries, Paragon Integrated Fleets will be used to deliver efficiency excellence for a complex temperature-controlled primary distribution operation.

And watch this space for confirmation, expected soon, of another major 3rd party logistics operator selecting Paragon for a national primary distribution operation instead of the APS option.

Catering for success

Within five minutes of installing data from catering product supplier Cearn's & Brown on its 50-vehicle Park Royal operation, Paragon had produced results showing how fixed routes could be planned more effectively. Now live at the flagship regional depot at Park Royal, Paragon will be implemented at a further four regional depots by the end of the year, supporting each site's early move to live daily scheduling and the company's strategic intent to centrally plan these regional operations.

Free Support over the Millennium

A message to Paragon clients from Support Director, Phil Ingham:

As you all know we can see no way that our software can cause you a problem as a result of the change of year. Paragon's operation does not involve processing the date and in addition we have carried out successful Y2k compliance tests. However you may have problems with your other systems and wish to contact us to satisfy yourself that any problems that you have are not Paragon related. For this reason we are offering an additional hotline service on the 1st, 2nd and 3rd of January between 09.00 and 17.00, for which there is no additional charge.

In addition we have told clients who have made enquiries that we are prepared to provide cover at other times if it is needed and asked them to let us know their needs by the end of November. If you need support outside the above hours and have not discussed your requirements with us then please call the Paragon Hotline now.

Goodbye Diskettes

Paragon has decided that the time has come to say goodbye to diskettes even though some people seem attached to them. Loading new software from CD rather than a stack of diskettes is both much easier and more reliable. From Release 1.7 onwards new software will only be provided on CD and the time has come to bid the diskette farewell.