



DIRECTIONS

From the Leaders in Transportation Optimization and Execution

Issue: Fall 09

Toyota Material Handling lifts transportation efficiency with Paragon

America's leading forklift truck seller, Toyota Material Handling USA (TMHU), is continuing the US trend to look to Paragon software for optimized transportation planning. Used daily by TMHU to plan efficient delivery routes to over 1,000 customers in North America, Paragon adds even more value by reducing planning tasks from several hours to minutes and allowing more detailed shipping information to be visible throughout the organization.

"The greatest advantage of the Paragon system is that it can perform the complex task of optimizing routes in seconds," says Michael J. Gunn, National Distribution, IT Dealer Relations and Support Manager, Toyota Material Handling. "It also enables our shipping decisions to be clearly understood by others in the

organization. We are no longer reliant on one person's expertise. The system has allowed us to extend our capabilities by enabling others in the team to build optimal loads."

The company chose Paragon partly because of its ability to interface seamlessly with its SAP enterprise resource planning system, eradicating duplicate data entry or manual keying. "We have been using Paragon exclusively for 15 months, and it is relatively easy to use and easy to update. We would recommend the product to others," says Gunn.

The company relies on the Paragon solution to control the routes and help direct each load to its destination. There are no fixed routes, as the number of routes and deliveries are determined by customer orders. "We use Paragon several



"We have been using Paragon exclusively for 15 months, and... would recommend the product to others."
Michael Gunn, Toyota Material Handling

times a day to schedule and route our outbound deliveries to customers. We rely on its optimization engine to determine the best route for our forklifts," concludes Gunn.



KN Drinks Logistics rolls out Paragon software

Following a major pilot in three UK regional distribution centers, KN Drinks Logistics, a wholly-owned subsidiary of Kuehne + Nagel, is rolling out Paragon's enhanced routing and scheduling optimization solution, as the company seeks to improve its radial distribution planning operations in the brewing and drinks sector.

"Transportation planning for our national client base is both a large and highly complex process," says KN Drinks Logistics Regional Planning Manager, Andrew Marshall. "We process up to 6,000 orders per day through our 20 depot national network. We operate five different vehicle types and one, two and three-man crews in meeting the tight delivery windows and restricted access constraints of much of our 30,000+ strong delivery account base."

Early operational results have been impressive, with significant improvements across a range of key performance indicators, including reductions in miles per ton and average distance traveled. In addition, KN Drinks Logistics has seen a real reduction in vehicle movements which is also having a positive impact on its carbon footprint.

"Paragon's willingness and determination to work closely with our team has had a major impact on the success of the project," adds Allan Jagger, KN Drinks Logistics Business Systems Manager. "We are already achieving the outstanding results anticipated at the outset and now have an excellent planning tool that enables us to produce more efficient plans much more quickly".

National Food Corporation hatches optimal routing plans



"Paragon has revolutionized our planning and routing processes."

Kevin Bookey, National Food Corporation

Major egg producer and processor, National Food Corporation, has revolutionized the way it plans and coordinates its delivery routes to customers throughout North and Midwest America and the Pacific Rim. Using Paragon's routing and scheduling software, one person is able to plan up to 50 complex routes per day to complete over 11,000 deliveries per week. This high efficiency also enables the company to provide third party logistics services for several clients, including some very recognizable names in retail.

"Paragon has revolutionized our planning and routing processes. Before we implemented the system, all of our planning was performed manually. Customers' orders came into the office and then based on the experience and knowledge of our local DC managers, the deliveries were planned and routed geographically", says Kevin Bookey, Transportation Manager, National Food Corporation.

"Now with Paragon, our static routes are updated constantly with the most efficient route to service the customer. On our more fluid routes, such as the Puget Sound and Portland areas, Paragon matches resources with the work load to keep us running efficiently. This way we are sure to reduce overall costs knowing that we are optimizing our routes each day," he says.

National Food Corporation has a huge area to cover, but, with the Paragon system making light work of managing the planning process, the company can focus on servicing its clients wherever they are based. "Depending on the day we run anywhere from 30 to 50 routes per day and make on average 11,000 plus deliveries per week. Each DC sends a spreadsheet containing customer and shipping orders to our planner. This is loaded into Paragon. The optimized routes are then sent to each DC manager who distributes them to the drivers," says Bookey.

Hagopian cleans up over \$250,000 savings with Paragon software

Hagopian Cleaning Services is making substantial operational savings thanks to Paragon's fleet management software. The software optimizes routing and scheduling for the cleaning and restoration business and so far has provided a cumulative saving to date of \$250,000 in salary and benefits as well as an annual fuel cost reduction in the region of \$7,500 for its fleet of 27 vans.

"Paragon's logistics software has provided savings from day one of going live. We immediately saved money on our wage bill by redeploying our planner elsewhere within the business. Then came the vehicle miles savings through accurate, fully optimized routing. This reduces our fleet mileage by up to 10 per cent a year," says Ken Snow, President, Hagopian Cleaning Services.

With Paragon, the company can quickly and accurately forward plan and manage 200 work orders a day, producing efficient daily routes

for each van and team. "The investment in the software is helping us to perform what we term The Miracle Every Day so that we are able to deliver on our promises consistently," says Ken Snow.

Following lengthy research of routing systems, Hagopian selected Paragon because of its flexibility, ease of use and knowledgeable support and service. "We looked at several systems and chose Paragon because it offered greater flexibility and would provide seamless



"Paragon's logistics software has provided savings from day one of going live."

Ken Snow, Hagopian

integration with our Microsoft Dynamics NAV order entry system. It is very easy to use and due to its intuitiveness we can quickly train new users. The level of support we receive from Paragon is also excellent," says Ken Snow.



Rowers celebrate success after crossing the Indian Ocean

Paragon has welcomed Team MSS ashore following a record breaking 102 day voyage across the Indian Ocean. Rowers Guy Watts and Andrew Delaney were the first 'pairs' team to cross the Indian Ocean Rowing Race finish line, earning them the honour of being the first pair ever to cross the Indian Ocean using a rowing boat. The routing and scheduling software company sponsored the team's worthy endeavour to raise money for the male cancer charity – Orchid.

"We are proud of what Guy and Andrew have done both in terms of personal achievement and in raising money and awareness for a worthwhile cause," says William Salter, Paragon Software Systems' President and CEO.

Spirit vaporizes the problem of complex routing with Paragon software

Paragon's innovative home delivery system has completely transformed transportation management for Spirit Delivery & Distribution Services, Inc. The system has simplified complex routing and scheduling, enabling the entire operation to be planned quickly and accurately by a total of five planners. Not only is Spirit benefiting from reduced operational costs, customers are also gaining from better delivery performance.

Spirit uses Paragon to make over one million deliveries a year throughout the US for a range of companies, including some of the nation's famous retail brands. Its nationwide operations incorporate 24 strategically located warehousing and distribution centers, including 5 super-

regional centers in Philadelphia, Atlanta, Chicago, San Francisco and Jacksonville.

"Paragon has allowed us to streamline our planning operations considerably and maximize the use of our fleet of 225 trucks and drivers.



The system provides accurate information that can be utilized across the business giving full visibility of loads and scheduled arrival times. With this intelligence we can constantly evolve our quality of service through improving efficiencies across the business," says James Betz.

Red Ball Oxygen aims for distribution logistics boost

Red Ball Oxygen Company, Inc. has selected a fully-integrated logistics software system from Paragon Software Systems, Inc. The industrial and specialty gas company's decision to implement a comprehensive routing and scheduling optimization solution demonstrates Red Ball Oxygen's commitment to improving efficiencies and enhancing customer service, while reducing distribution costs by 15 per cent.

"We are committed to making substantial investments in new technology that will help us to better serve our customers and contain costs," says Bob Ewing, President, Red Ball Oxygen Company. "To achieve our aims we knew that we needed a powerful logistics software solution and Paragon was the obvious choice. We now have a transportation management system that will assist us in achieving our goals, both strategically and tactically."

The new system will replace manual planning and will optimize the use of Red Ball Oxygen DCs, trucks and drivers, which jointly complete more than 140,000 deliveries per year. The system will also cater for Red Ball Oxygen's anticipated growth in its truck fleet. "After reviewing the market, it was clear that Paragon provides the most comprehensive set of software tools to give us the flexibility that will address our requirements going forward. The system will enable us to seize all opportunities to evolve our efficiencies and service offerings," concludes Bob Ewing.



"To achieve our aims we knew that we needed a powerful logistics software solution and Paragon was the obvious choice."

Bob Ewing,
Red Ball Oxygen Company, Inc.

Carbon Minimizer cuts vehicle emissions and fuel costs



New functionality developed by Paragon's in-house team to help customers reduce fuel costs and carbon emissions is to be made available to all users as part of the latest software upgrade. The Carbon Minimizer tool takes Paragon's commitment to providing software solutions that cut costs and improve efficiency one step further, enabling transportation operators to manage the environmental impact of their truck routes as part of the planning process.

Carbon Minimizer enables both fuel use and carbon emissions to be reduced without affecting customer service. "The Paragon algorithm has been extended to include truck weight and speed variations and the impact these factors have on fuel consumption and carbon emissions," explains Software Development Director Richard Street.

The result is that companies using Paragon can review the carbon and fuel related KPIs of their operations and apply an additional optimization step to further reduce them. For companies using Paragon strategically decisions can be made based on expected carbon footprint, as well as cost criteria.

Paragon Welcomes



Bakers Best, Inc:

Bakers Best, the Boston and Metro West catering specialist, has selected Paragon's routing and scheduling optimization technology to plan deliveries of freshly prepared meals to customers located throughout the Boston Metro area. "The Paragon software will help us plan delivery routes much more quickly and improve the utilization of our delivery team," explained Stacy Chiaramonte of Bakers Best.



Dreams:

Dreams, the bed specialist, has chosen Paragon's home delivery optimization software to help streamline its delivery operation which sees 96 vehicles operating out of 9 DCs delivering to over 7,000 customers every week. Dreams viewed several software solutions before opting for Paragon. "The wide range of software functionality available combined with its proven track record and experienced support team made Paragon the obvious choice for our operation," commented Stephen Broomhead, Distribution Director, Dreams.



Fresh Direct:

Fresh Direct, the fresh fruit and vegetable supplier, has selected Paragon's Multi Depot optimization software to plan the movements of its diverse fleet which varies in size from 1.2 ton local delivery or rapid response vehicles right through to 44 ton tractor and trailer units for customer central distribution requirements. The fleet makes in excess of 10,000 weekly deliveries to both multiple and independent catering customers. "We selected Paragon based on the software's proven success in the food distribution sector and its ability to easily handle the planning needs of our rapidly growing operation," said Nick Allen, Fresh Direct.



Macfarlane Group:

Macfarlane Group, the packaging solution specialist, has purchased Paragon's routing and scheduling software to improve planning efficiency throughout its operation. With 93 vehicles delivering to 17,000 customers, Macfarlane Group needed a reliable solution capable of dealing with the size and scale of its operation.



SRCL:

SRCL, the healthcare waste services company, has introduced Paragon's latest strategic planning technology to streamline its fixed route operation. With a diverse business involving the disposal of a wide range of healthcare waste, SRCL needed a solution that could be relied upon to build the best possible fixed routes. "Bringing Paragon into our operation has enabled us to centralize our fixed route planning process which will have a positive impact on overall fleet efficiency," comments Laurence Mullikin, SRCL's Fleet Manager.



TDG Home Décor:

TDG, the supply chain management specialist, has selected Paragon software for use on its Home Décor contract delivering wardrobe furniture, doors, fittings, mirrors, tracks, headboards and other items to fabricators, leading name DIY outlets and furniture retailers. The software will be used daily to plan truck routes based on live order volumes and strategically to model a wide range of logistics solutions.



Microsoft and Windows 2000

Paragon is continuing its policy of encouraging customers to make use of up to date hardware and operating systems, while at the same time retaining flexibility of choice for users by supporting older operating systems for as long as possible.

"As of the end of 2009 we will no longer be able to support users still running Windows 2000 or Windows 2000 Server," comments Richard Street, Software Development Director. "Therefore we advise customers using these or older operating platforms to upgrade soon."

Any Paragon users who have concerns regarding this change should contact their designated support team contact asap.

To find out more please call Paragon on 972-934-6755

email: sales@paragonrouting.com • us.paragonrouting.com

Paragon Software Systems, Inc., 14001 N Dallas Parkway, Suite 1200, Dallas TX 75240