

Successfully Implementing Dock Scheduling Systems



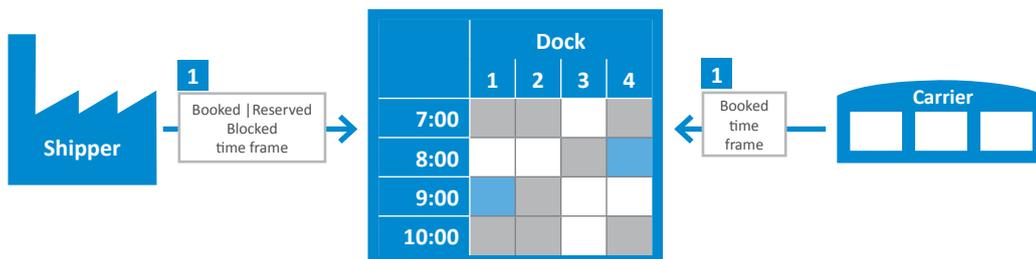
Seven tips for a successful roll-out

Implementing an Efficient Dock Scheduling System: Keys to Success

Loading and unloading docks are central points of contact between shippers and their carriers as well as between suppliers, manufacturers and their customers. Delays and conflicts at these locations arise daily. Carriers and freight forwarders complain about detention and idling, while shippers are confronted with fluctuating and unpredictable carrier traffic and congestion. Exasperating this situation are stricter and ever-changing regulations for shippers and carriers alike, such as FMCSA's Hours of Service (HOS), which places limitations on a driver, regarding drive time and required breaks¹. Dock scheduling systems help to alleviate these issues that are inherent in loading dock operations, while improving the overall logistics process for a company.

Lack of communication causes bottlenecks at loading docks

One of the main issues causing delays and detention at docks is lack of communication and visibility of schedules between shippers and their carriers. Personnel at loading docks lack advance notice as to when trucks will arrive for loading and unloading. At the same time, carriers lack information as to when they can anticipate pickup or delivery for rapid processing. Dock scheduling resolves communication barriers and creates a streamlined process for all involved. With scheduling, carriers book a time frame that is favorable for them via an electronic schedule, utilizing a web-based platform. During that time frame, the freight carrier can anticipate pick-up or delivery within a shorter waiting period.



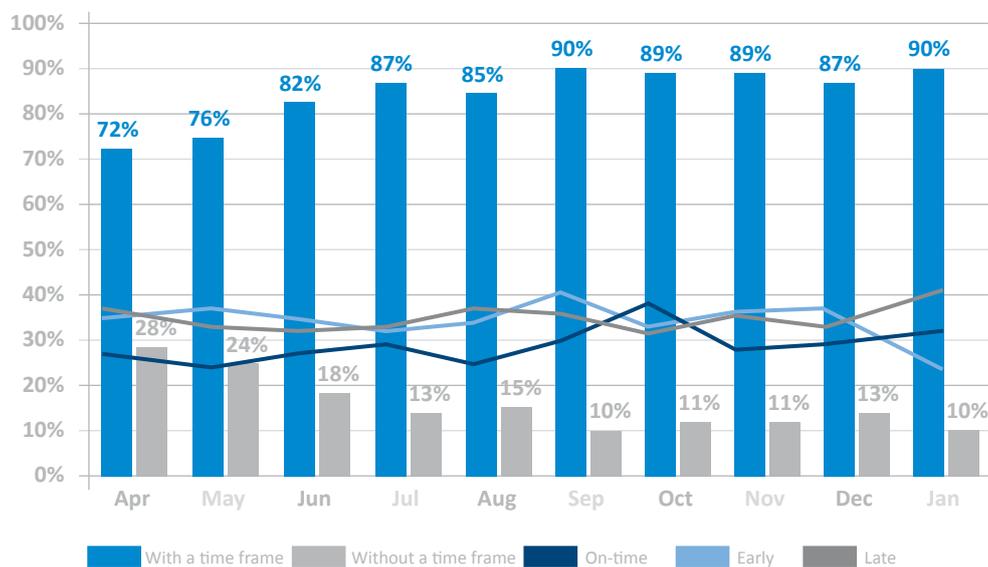
Time frame booking example

Dock scheduling provides companies optimal capacity utilization of the shipping and receiving process, throughout the day or within a working week, resulting in several advantages:

¹ FMCSA Part 395: Hours of Service regulations (<https://www.fmcsa.dot.gov/regulations/title49/section/395.1>)

Advantages of dock scheduling systems²

- ✓ 40% reduction in detention
- ✓ Corresponding reduction in demurrage claims
- ✓ 30% reduction in processing time
- ✓ 20% increase in loading performance
- ✓ 50% reduction in the picking area
- ✓ Fewer traffic jams on location, improving traffic safety
- ✓ Streamlined shipping and receiving process
- ✓ Improved personnel and resource planning



Time frame booking's impact on punctuality³

Dock scheduling systems should be strategically planned, successfully implemented and consistently executed.

1 Determine whether dock scheduling benefits your company

- n Detention prior to loading and unloading, heavy traffic on location and high demurrage claims indicate a need for dock scheduling.
- n Companies who work with several freight carriers benefit from dock scheduling as it reduces internal and external coordination efforts and improves communication.
- n Dock scheduling is worthwhile if the picking area is small, space is limited and lead time is necessary.
- n Dock scheduling increases dock utilization and loading efficiency, allowing more trucks to be loaded in a shorter period of time.

² Transporeon (2014): Internal survey, Ulm

³ Internal details from the Transporeon Customer Waelzholz

Carefully selecting a dock scheduling vendor

When selecting a vendor, consider several aspects before implementation. In addition to the features of the system, it is important to research what your carriers and shippers are utilizing. The system should not only support your own process, but be compatible with the carrier and shippers' system and process. It is also important that the dock scheduling vendor have sufficient project management and implementation experience.

2 Implementing a dock scheduling system with the ideal vendor

- n Choose a system with a proven track record with both shippers and carriers alike.
- n Take into account the vendors international experience – a vendor with a strong international presence has solved a wide variety of dock scheduling requirements.
- n Choose a system that can be easily integrated to your transportation sourcing, freight assignment and reporting systems.
- n Some systems are part of a comprehensive logistics platform, providing additional, customizable functional modules.
- n In addition to freight booking features, systems may offer other features to streamline your process such as: transmitting information to and from freight carriers, checklists for securing freight and SMS notifications to the driver indicating a free loading dock.

Cloud-based solutions offer real-time visibility to all Logistics partners

When researching a dock scheduling system, cloud-based solutions should be strongly considered. All partners who are integrated on the cloud-based system have access to a real-time overview of all shipments. Carriers may schedule with their shippers who operate with the same cloud-based system without having to log into different systems. A shipper-specific system, on the other hand, is unable to provide integrated communication. In addition, cloud-based systems are continuously under development to provide updates, utilizing best practices, without the need for complex system updates.

Sufficient shipping capacity is necessary

Lack of loading and unloading resources at the dock is a frequent carrier complaint. In their opinion, it increases the possibility confusion and delays. However, shippers are looking to contain cost and are not willing to increase labor. The implementation of an effective dock scheduling system allows for smooth, timely and efficient dock operations with the existing, or even reduced number of dock resources.

3 Review personnel and equipment on your docks

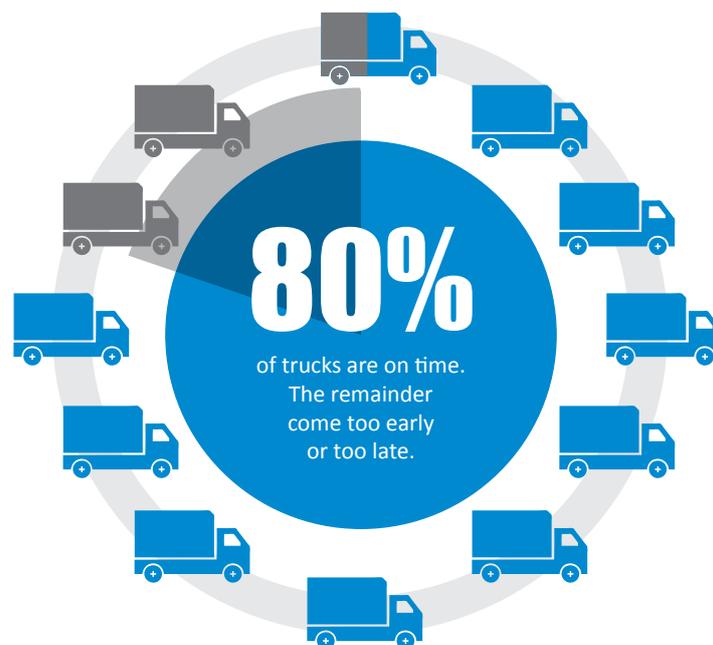
- n Determine if, on average, there is sufficient personnel staffed for loading and unloading of all trucks.
- n Carefully calculate how many time slots you can offer per day. In doing this, take into account all resources, such as personnel, forklift trucks and other necessary equipment.
- n Do not set all time frames as available for booking. Reserve approximately 5% for unforeseen events, such as delayed trucks, your most important customer's order or an unscheduled customer pick-up.
- n Adjust your capacity to meet demand, ie: add additional shifts prior to holidays/busy seasons.

Establish and adhere to policies and procedures

Having an understanding and being sensitive to a freight carriers' needs during system implementation is critical. It is important to remember that they will expect a timely and reliable system transition, along with a significant reduction in idling and wait times. Establishing policies and procedures will assist during implementation, setting clear expectations for all parties involved.

4 Establishing policies and procedures

- n Define when trucks are considered on time and when they are considered late and communicate this to your freight carrier.
- n Define what happens in case of a delay – ie: whether the truck is scheduled at the next available time slot or will they be handled at a later time, after all other trucks have loaded/unloaded.
- n Emphasize that trucks without a booked time will not be unloaded or loaded. You should, however, grant your freight carriers a transitional period of two weeks after the implementation before firmly applying this policy.
- n After implementation, you can expect roughly 80% of trucks will be on time. The rest will arrive too early or too late, which will balance out your schedule.



5 Utilize dock scheduling flexibility

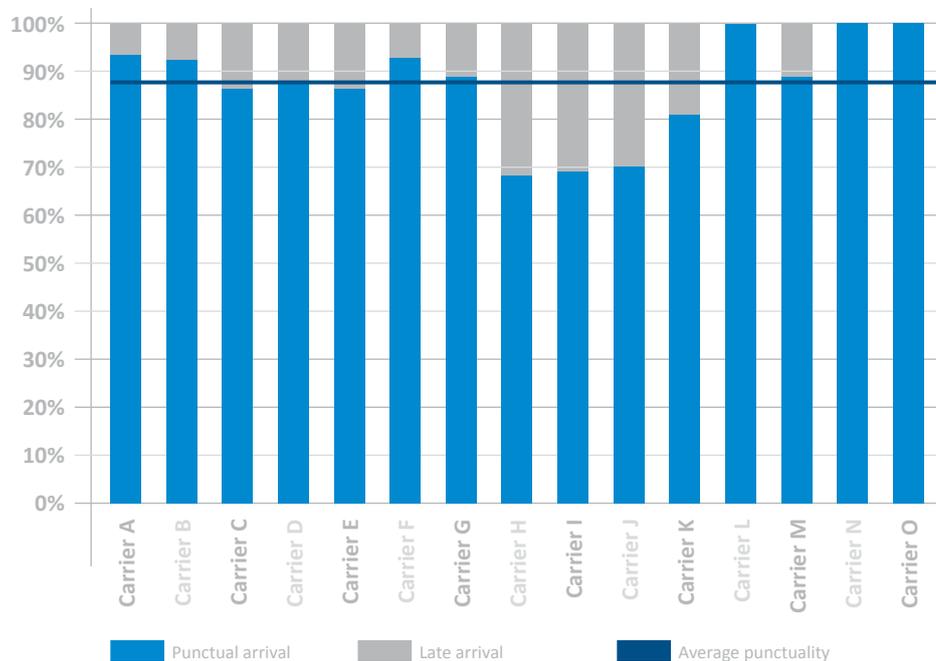
- n Gradually release a day's schedule, so unplanned loads are also accommodated.
- n Set booking time frames as late as possible, depending on your logistics process. This provides flexibility to your freight carriers and allows reaction time for transportation department.

6 Your employees should be familiar with the system

- n Employees should know their way around the system and be aware of the policies established (see item 4).
- n Specify who has what access rights to the system, ie: whether employees at the dock can only access booking schedules or can they also make adjustments in the system.
- n Some dock scheduling systems set a sequence for loading and unloading from booked time frames and truck arrival times. This relieves entry gate and dock employees of that function.

Operational reporting provides added value

Operational reporting is becoming increasingly important for a company's logistics function. Collecting data can be cumbersome, but required to properly measure results. IT-based processes, such as dock scheduling systems, improve upon this substantially. In many cases, they can generate manual or automated reports from the system as well as offer tracking and tracing features for monitoring shipments.



Sample operational report:

Clear representation of on-time and late arrivals of inbound transport service providers

7 Utilize the dock scheduling for reporting or combine a tracking and tracing feature

- n Determine key performance indicators with your freight carriers and provide them with consistent data highlighting punctuality of trucks, as well as detention and idling times.
- n With some vendors' systems, dock scheduling can be combined with a tracking and tracing option. These features extend to applications where the driver can send status messages via a smart phone or provide updates via GPS positioning.
- n The actual arrival time of the truck can be compared in real-time with the booked time frame, detecting delays early on.