

Handhelds remove logistics labour



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A HAZARDOUS chemicals distributor is using powerful automation for transport, financial and planning operations.

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International Energy Services is Australia's leading transporter of oil, gas and bitumen for the petroleum, liquefied gas and aviation industries.

The automation platform controls transport scheduling, financial management and general logistics.

The company was established in January 2005 after a management buyout led by Champ Private Equity from troubled industrial conglomerate Ion Limited.

The reinvigorated company is pursuing an aggressive growth strategy.

IES chose to run its entire distribution operations on the Freight2020 Logistics Management Solution, which uses the Progress OpenEdge 10 Application Server, Relational Database Management System and Client Networking.

Freight2020, from Progress partner CMS Transport Systems, was installed in 2005 to replace IES's legacy DOS-based system.

IES group process development manager Brett Wilson says the Progress-based system provides more functions and is robust, easy to use and a scalable platform for growth.

"The advantage of the Freight2020 system is that it holds all this information in a central location," Wilson says.

The advanced business rules capabilities enforce the highest level of compliance with occupational health and safety and environmental standards, while enabling the provision of improved customer service. "The health and safety module allows us to directly examine employee data, payroll data. Even if a vehicle is involved in an accident, all of our asset data is held in the module," Wilson says.

"We're adding modules to try to remove the standalone spreadsheets and systems in the business," he says.

IES is the parent company of energy distributor Cootes Transport Group, Kiernan Transport Group and Watt Wah Petroleum Haulage (Singapore).

All three companies now use the Freight2020 logistics management system for their core operations and financials.

IES has about 105 Freight2020 users spread across 18 sites throughout Australia and Singapore, managing revenues of more than \$350 million.

The Freight2020 system also links in with IES's complex billing system.

The system automatically calculates the impact of all the various factors to produce an invoice cost, and includes a range of checks and measures within the system.

Earlier this year Cootes Transport Group introduced handheld computers to enable drivers delivering LPG to receive and transmit data back to the central system and confirm delivery in real time.

Once drivers complete a delivery they input the details into the handheld and send it back to Freight2020 for invoicing.

"If a driver is doing an interstate trip from Melbourne to Sydney they complete their manifest and, as soon as they have done that it gets sent back to Freight2020, so there is no lag time waiting for it to be entered into the system," Wilson says.

The aim is to make the operation totally paperless, with a high level of automation, he says. "Previously, the drivers have been writing out everything on paper and there was no validation of it."

Wilson says the initiative has reduced administrative input and potential errors.

"The data that is coming back into our system is now spot-on, and our customers are receiving quality information," he says.

The handheld capability means the data is updated in real time and invoices transmitted to customers via EDI for even greater efficiency gains.

The handheld also is able to include site maps and give drivers information about where to enter and load, as well as warning about potential hazards such as low overhangs.

In addition, they can enforce safety considerations on the road, such as ensuring that drivers take regular breaks on long hauls.

IES has invested about \$1million in Freight2020 and the handheld computer project for a fleet of 360 vehicles.

The PDAs are currently used by LPG drivers, and Cootes will extend the units across its fuel operation by the end of this year.

Wilson says the handheld rollout at Kiernan will probably be fully under way in the first quarter of next year.

Assessments will be conducted to judge whether Watt Wah would also benefit from the technology.

THE PROBLEM

The company needed to replace a DOS-based system with a powerful automation platform to handle expansion plans.

THE PROCESS

It installed the Freight2020 Logistics Management Solution, which uses the Progress OpenEdge 10 Application Server, RDBMS and Client Networking.

THE RESULT

Efficiency and profitability are improved, while complying with occupational health and safety and environmental standards. The system also provides a scalable platform for growth.