IDS Logistics

Country:	
Malaysia	
Industry:	
Transportation	
B2BE Solutions:	
EDI	

Business Objective

IDS were looking for a solution where their customers systems were integrated with the IDS systems seamlessly providing a full end to end integrated logistics solution.

Business Benefits

The EDI solution provided by B2BE provided a stable and reliable document exchange and customer integrated environment which is both auditable and fully visible.

IDS provide a stable and reliable document exchange for its customers

IDS Group manages and coordinates the movement and distribution of goods from factories to stores to optimise supply chain costs and performance. To provide customised local, regional and international logistics solutions to their global business partners, IDS has developed extensive logistics infrastructure in Hong Kong, the Mainland of China, Macau, Taiwan, Thailand, Malaysia, Singapore, Philippines, Indonesia, Brunei, USA and UK. Currently, IDS have a comprehensive network of over 120 strategically located distribution centres and depots covering a gross floor area of over 1,000,000 sq. meters.

IDS expertise extend across a wide variety of industries and segments, including FMCG, healthcare, footwear and apparel, wine and spirits and retail logistics. As an Asian-based multinational with a long-standing presence and successful track record of business operations, IDS always continues to establish technological advancement to improve and grow their businesses in not only the Asian markets but internationally.

IDS operate state-of-the-art distribution centres including the ASRS (Automated Storage and Retrieval System) facility in Singapore which is one of the most advanced and largest logistics hubs of its kind in Asia. In every IDS distribution centre, the highly sophisticated Infor EXceed warehouse management system which is also integrated into their Oracle EnterpriseOne ERP system provides the same consistent robust application platform and visibility to customers around the world.

The value chain logistics model, industry leading expertise and infrastructure, extensive networks and teams of professionals committed in service and operational excellence uniquely place IDS at the forefront of its sector providing fully integrated, innovative logistics solutions. As a result, IDS has experienced explosive expansion in the logistics business with an annual compound organic growth rate of over 35% in the last five years.

The Challenge

The IDS growth story highlights the importance of not only having highly integrated internal systems but also the need to provide solutions to customers where their systems are integrated with the IDS systems seamlessly providing a full end to end integrated logistics solution. This provided IDS with a unique system integration challenge because there was a large disparity between customer's systems and unique documents within the logistics industry including; Shipment Order, Stock Allocation Confirmation, Despatch Advice, Delivery Confirmation, Stock Update, to name but a few.

IDS needed to find an organisa-tion that could effectively meet the above challenge. Any solution implemented would be measured based on a series of key perfor-mance indicators:

- Firstly, the B2B electronic data exchange solution had to be flexible and capable of accommodating the technical requirements of the customers, from data format, various EDI standards to different connection protocol.

- Secondly, the responsive-ness and reliability of the B2B electronic data exchange platform was paramount and the system needed to provide virtual instantaneous messaging that was fully auditable and reliable.

- Finally, from the cost saving perspective, rapid establish-ment of business data exchange links between the two companies' systems was essential so that IDS could start to realise the benefits of outsourcing the integration of customers as quickly as possible. IDS also wanted to be able to leverage its investment in the EDI solution by using the same platform again and again in future customer integration requirements.

The Solution

IDS, after evaluating the local market, identified B2BE as an ideal partner for their B2B solution requirements and who were uniquely positioned to offer the most comprehensive integration platform and Trading Partner enablement services through the B2BE EDI. B2BE were also able to offer multi-language solutions to IDS across a number of geographic markets.

B2BE provides to IDS a managed middleware solution to facilitate the distribution of documents securely and in a timely manner using a range of predefined protocols. B2BE are tasked with providing a solution where the IDS customer could connect to B2BE in any way which may include but not limited to; AS2, HTTPs, FTP and SFTP as well as SMTP. B2BE could also supply the less technically capable customers with a software application which handles the secure connection between the customer's network and B2BE's.

"Embarking on the full electronic process with B2BE to manage our EDI services have exceeded our expectations in providing us with reliable, well supported processing of EDI messages with our customers under all conditions. We are very pleased that we chose B2BE and look forward for more collaboration with B2BE on an ongoing basis."

said Mr. Richard Gardner, Group Head of IT at Luceco.

B2BE are also tasked with providing IDS and its customers an 'Any to Any' environment. B2BE would handle any file format in the predefined document set to enable full back-end to back-end integration. This meant that IDS would receive the same format and send the same format regardless of the customer's requirements to and from their EXceed Warehouse Management System. Likewise, the IDS customer could send and receive any format, whether they support industry based standards or simply wish to use native file formats associated with their ERP systems. To date B2BE have handled a range of formats from SAP iDOC's, XML, ANSI X12 and ASCII based flat files.

B2BE also have to ensure that all connections are robust and there is a full audit trail associated with both the connection and document movement. B2BE to this end would work with the IDS customers to test and re-test connectivity to ensure they were sufficiently robust. B2BE also provide both IDS and their customers with full document audit trails so at any stage throughout the document delivery life cycle B2BE are able to ascertain where the document is.

B2BE also provide IDS and their customers value added services where documents can pass through validation and enrichment processes. This enables full back-end integration and a seamless distribution solution.

The Results

According to Ms Szeto, B2BE's solutions and services have proved to be a perfect match for IDS' requirements from both a business and technical perspective. The solution provides a stable and reliable document exchange environment which is both auditable and fully visible.
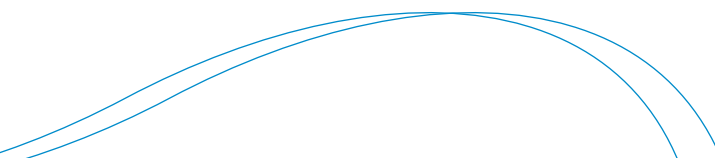
Throughout the project the B2BE Consultants and technical teams have liaised closely with IDS and its customers to ensure that the vast number of business documents forming the integration project were set up and tested meeting the strict time frames set by IDS which in turn were based on their customer's requirements.

> **"Based on our past experience of troublesome EDI implementations and the complexity of changing the EDI layouts in accommodating the business needs during the initial project phase with our customers, some of our team members were quite worried"** said the Operations Manager, Szeto Yee Man. **"In retrospect, though, it became clear that all implementations managed by B2BE had gone more smoothly than any other parts of the project. All credit to B2BE in supporting us with such an excellent solution and most importantly they share a common commitment with us in delivering results for the customer!"**

Szeto Yee Man, Operations Manager, IDS Logistics International Ltd.

By having the B2BE team involved in managing the customer enablement aspect of the project, IDS were able to re-deploy their own resources to facilitate other projects or enable them to focus on the internal testing aspect of the integration project. B2BE's experience in this also assisted IDS with consulting on file layouts, structures and protocols to ensure documents were mapped and transmitted correctly and efficiently and would integrate seamlessly into the IDS infrastructure and systems. Likewise, the B2BE 'Any to Any' environment also ensured that the IDS customer didn't need to go to extraordinary lengths to complete the project from both a time and effort or technical perspective. B2BE simply tapped into their existing systems and technical capabilities!

IDS provides customers with very demanding service levels to ensure all distribution is timely and meets expectations. As part of the B2B solution B2BE has also been governed by the service delivery requirements and has a range of key performance indicators associated with the delivery of electronic documents. B2BE has been able to ensure that through the B2BE Transaction Delivery Network these key performance indicators have been met and exceeded through both systems based monitoring and a dedicated support team who constantly monitor IDS and their customer's systems and document flow to ensure an error free environment.

B2BE has already connected a number of its major customers from markets including; Australia, Malaysia and Singapore. B2BE in conjunction with IDS and their customers have developed more than 20 types of business documents to enable the integration of logistics based business documents which have been in a number of different formats and layouts including; SAP iDOC's, XML, X12 and ASCII based flat file.

Ms Szeto is confident that IDS will be able to reuse the EDI message types developed by B2BE for other customer electronic requirements that involve establishing links with its warehouse management system to create seamless and fully integrated warehouse management systems. In more general terms, IDS and B2BE have a proven technological solution that can be used to integrate the IDS systems with those of its customers to ensure IDS remains at the forefront in the provision of logistics, warehousing and distribution solutions.

Future Plans

IDS has indicated that its fully integrated services is a unique selling point (USP) and the intention to incorporate B2B connection services as part of the IDS services for new contracts.

Ms Szeto anticipates that IDS' chance of winning new contracts will be given an additional boost because prospective customers can be assured that IDS will meet with whatever integration requirements the customer may have to facilitate a fully integrated end to end logistics solution enhancing the IDS service delivery levels.

By leveraging on B2BE's dedicated Consultants and our experience within the B2B project management arena, IDS is confident that the integration requirements that were a challenge now simply form part of the services IDS provide to new and existing clients in the delivery of the IDS logistics services.