

Paper Cuts\$



By Barry Parker

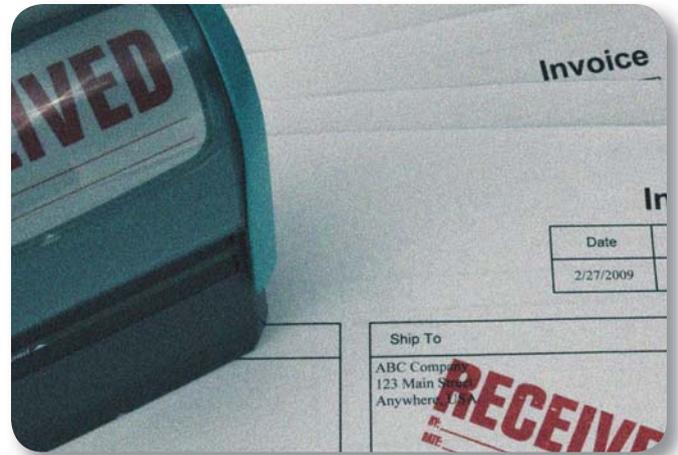
Freight payment vendors expand customer assistance and company growth through information technology

The freight payment business has taken off, becoming much more than its name implies. In the days of regulated trucking, payment companies – often tied to banks – were responsible for pushing shippers' payments to carriers in a timely manner. Advances in information technology have enabled these funding channels to expand their roles. Industry leaders such as Nolan & Cunnings, CT Logistics and nVision Global now provide fundamental customer assistance in supply chain optimization.

For a retailer or a manufacturer, freight is a necessary but non-core activity, and outsourcing traffic and shipping tasks can

produce considerable savings. Investment in a specialized "payment vendor" provides measurable return over handling these tasks in-house. Thirty years after deregulation – with freight spending in recent years estimated at 8 to 10 percent of U.S. gross domestic product – the absolute dollar cost savings derived from outsourcing of payments and ancillary functions is substantial.

For some vendors, assisting clients begins with the tendering and soliciting of bids for specific loads. Other vendors work with their customers through the post-shipment process, auditing bills with an eye on recovery of earlier overcharges. But the core of the business still



centers on freight payments.

A shipper's freight bills are transmitted to the payment vendor who will validate freight charges and extras, known as "accessorials," and then collect

funds on approved invoices from the shipper. Payments are made to the carriers once funds are in hand.

Investments have been made in staffing and technology to ensure the smooth movement

nVision Global: Our Worldwide Web Gets Wider Every Day

One of the fastest-growing global freight audit, payment and logistics management solutions providers is nVision Global Technology Solutions. With locations in the Americas, Europe and Asia, our staff is fluent in more than 25 languages and we process and pay freight invoices from more than 190 countries worldwide.

nVision Global began as a North American regional service provider and has quickly grown into a leading global provider of freight audit and payment solutions. Our success has come from a single business philosophy: to view our customers as partners in business.

Our customers have come to rely upon our prompt, accurate and Sarbanes-Oxley-compliant freight payment services and logistics management solutions to help them manage their overall supply chain costs. We provide modern technology, flexible processes and unparalleled customer service. Our leading-edge information-management analytical tools include global mapping, graphing, benchmarking, modeling and network optimization analysis.

nVision is equipped to provide a true single-source global solution with the flexibility to meet your current needs and the foresight

to anticipate future desires. nVision Global's products and services provide consistent savings that go directly to your bottom line! ■



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of money and shipment information. Vendors are noting the growing shift from paper bills toward electronic transactions, and recognizing the importance of expertise in managing complex billings or resolving exceptions.

Allan Miner, president of Cleveland-based CT Logistics, described a process of continual investment and upgrades. His company, for example, recently added an online bill of lading generator.

Before a freight bill is paid, it must be recorded, imaged and audited for compliance with applicable rules. Bills then are checked for rating and clerical errors, which may include duplication. The data

derived from such validation processes has analytical value in its own right, enabling shippers to carefully track their transportation spending.

Solid business intelligence – a vital byproduct of payment vendor use – adds further to the return on investment. Data captured from invoices help customers to manage, optimize and streamline their global supply chains, said Keith Snavey, nVision Global's senior vice president for global sales and marketing. Increasingly, key performance indicators are an integral part of this management process. nVision Global's product suite includes a series of pre-defined key performance indicators that can



also be customized as needed for the customer, Snavey said.

The current owners of Nolan & Cummings – which had its origins as a processor of damage claims on perishable goods in the 1920s – purchased the company's name and assets, including tariff files, in the early 1950s. Since then,

partially fueled by technological advances, the company's business has grown in multiple directions, said Jonathan Vigliarolo, general manager. Though its data team can handle bills coming in via electronic data interchange, Extensible Markup Language (XML) and spreadsheets,

CT Logistics: Committed to Quality Business Solutions

Confidence

With more than 87 years of experience and a wide in-depth selection of freight cost allocation and reporting solutions tailored to meet your company's specific needs, CT Logistics gives you the confidence to trust our expertise; we are one of the largest U.S. providers of freight payment services as well as comprehensive transportation management solutions.

It is our desire to work with you by customizing your business intelligence data – so that you can focus on your firm's core competencies – and ensuring a quality, efficient, effective and robust supply chain management system for your global operational needs.

Trust

All size firms, including Fortune 100 corporations across the country and around the globe, have relied on CT Logistics to assist them in making solid, informed decisions regarding their freight bill audit and payment needs. Our team

of professionals has been instrumental in assisting all of our clients by leveraging expertise and technology to maximize return on the client's investment, and by providing the unique flexibility required to meet the challenges presented daily in a fast-paced, changing market environment.

Leadership

CT Logistics is a leader in the freight payment and transportation management services industry. With FreightRater™, the industry's No. 1 choice for freight management and TMS software, and our customized solutions for your global freight payment systems, our AuditPay and TranSaver solutions will exceed your expectations. We take your requirements and create solutions that will keep your company focused and in control of the ever-changing global business needs to maintain a competitive advantage, and a step ahead of your competition to ensure your lead in the marketplace.



Confidence, Trust and Leadership ... Traditions Since 1923

All of these attributes have become woven into our corporate philosophy, which is now an important foundation and tradition that our clients have relied on for more than 87 years. But just as important is the future that the CT Logistics' team will help you build. Our services and software are constantly evolving to provide you with the latest leading-edge applications and systems that will enable you to better manage and reduce supply chain costs while adding more visibility and control to your organization.

Visit www.ctlogistics.com for more information about our products and services, or call 216-267-2000, ext. 2190, to speak with one of our knowledgeable CT Logistics representatives regarding your company's shipping, freight management, logistics and supply chain challenges. ■



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to offer CT's FreightRater system as Software as a Service (SaaS), rather than purchasing it under a license," Miner said, regarding the company's version of Cloud Computing. "The clients get a monthly variable fixed fee, thus better pricing, because we are using less servers than before when we had to add a new server every time we added a new client to the SaaS model."

from their laptop or desktop, Miner said.

Sensitive to the needs of smaller carriers as well as its Fortune 500 clients, CT Logistics recently fine-tuned its online freight bill entry application. Smaller carriers who are not EDI-capable and without the resources or business case for investing in EDI can enter freight bills through the CT Logistics Web portal, Miner said. Clients benefit

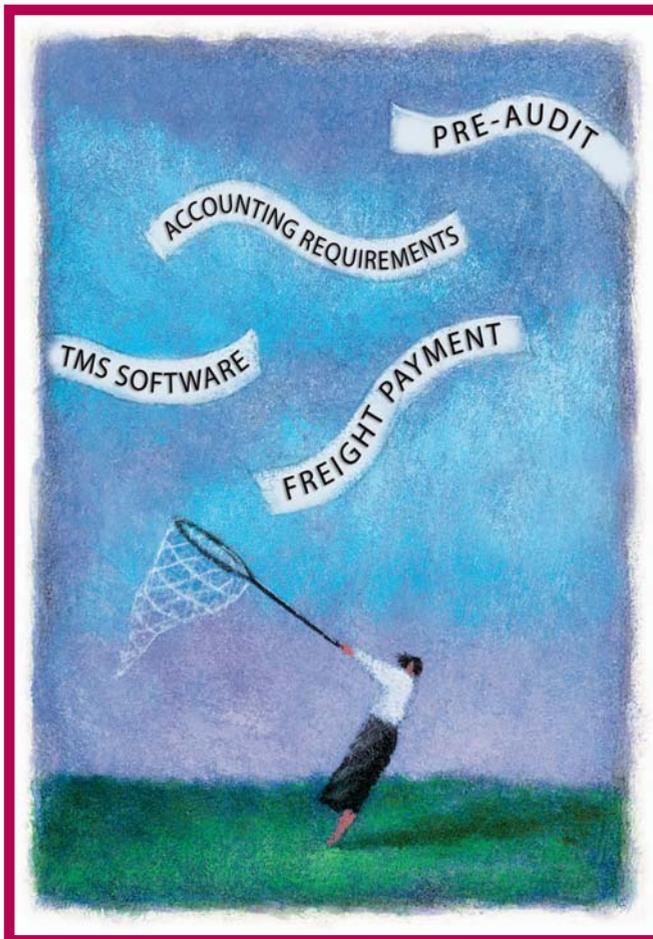
from a lower fee structure, and everyone saves paper, postage and handling costs.

Flexibility is valued in the advanced information architecture at work behind the scenes at Nolan & Cunnings. "We offer a hosted transportation management system that connects with their enterprise resource planning system. The TMS also can interconnect with customers'

Vigliarolo estimates that some 30 percent of bills are still presented on paper via regular mail or express carrier. "We don't force our customers to convert over to EDI. Even some of our largest customers send paper bills," he said.

Technology continues to drive the business. "It's possible for us

Smart mobile devices also play a role. Clients with smart phones can conduct their business anywhere they can access the Internet, reading reports on transportation spending by lane, routing carriers by cost or lane, and handling other services traditionally performed



Net Difference

CT Logistics helps capture the details for winning profitability.

In today's volatile market you need every tool available to stay ahead of the game. At CT Logistics, we have been creating and refining money-saving innovations for over 87 years. Our customers include small, medium and Fortune 100 companies who plan, track, audit, and account for freight transactions worth billions each year. Our FreightRater™ software is exclusive, our solutions are customizable, and our reputation is unsurpassed. Call **216-267-2000, x2190** today, and see why we're your best bet for Pre-Audit, Post-Audit, Freight Payment and proven TMS software solutions.

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warehouse management systems," Vigliarolo said.

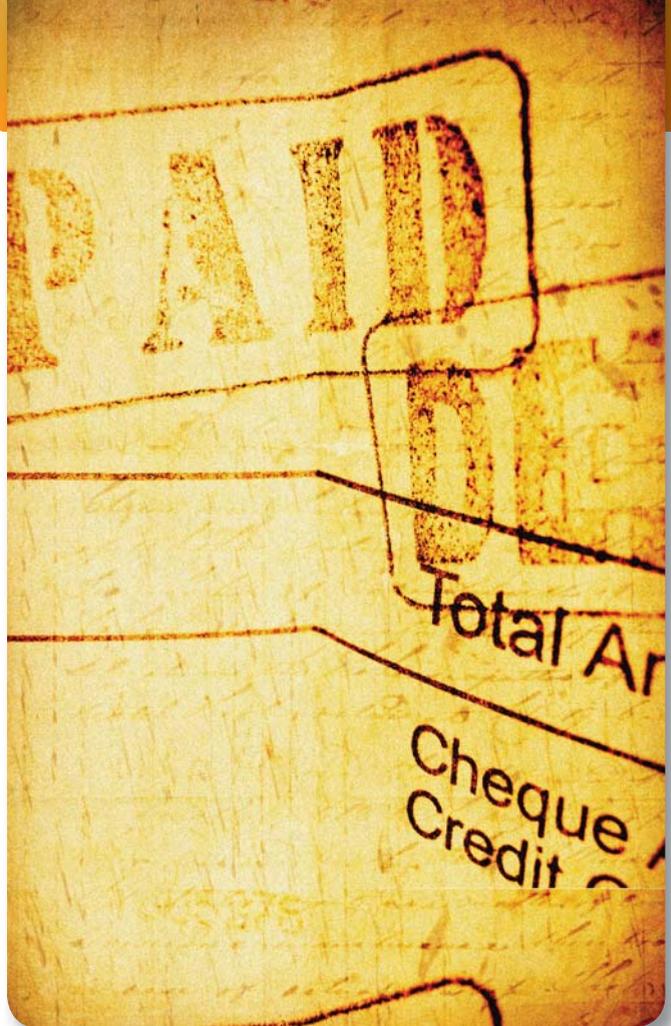
The business is following its customer base across borders. Shippers, which might be U.S.-based multinationals with a business presence across continents, have needs that must be met globally. "Multinationals are looking for a single global, all-inclusive provider that can provide freight audit, payment and logistics information management services on a global scale. It's a unique sweet spot, for sure," Snavelly said. In mid-2009, nVision Global acquired a company in Costa Rica that it has since turned into a full-service processing center to expand its global reach.

The European market differs greatly from the company's

U.S. home base because of unique processing and payment requirements such as language, currency and various taxes, including the value-added tax. nVision's acquisition of Norway-based Traconi A/S, a specialist in online bid and load tendering services, provided it with a new service, accessible through the i-Procurement module, Snavelly said.

Multinationals looking for a true, global, single-source freight audit and payment provider are fueling nVision's growth, Snavelly said.

"Domestically, all efforts are made to migrate as much paper to an electronic environment as possible," he said. "The challenge in Europe and Asia is to culturally break them of their desire for hard-copy invoices."



Providing Experience, Flexibility and Service to the Shipping Community for 90 Years

Established in 1920, Nolan & Cunnings is a pioneer in the freight audit and payment industry. Originally a local Detroit-based clearinghouse for fruit and vegetable claims, N & C now provides a variety of logistics and supply chain services to more than 2,000 client locations throughout North America, South America, Europe and Asia.

FLEXIBILITY: A privately held corporation, Nolan & Cunnings has built its reputation by focusing on customer service first. The flexibility of N & C's systems allows customers to get what they need, when they need it, and in the format they require. Our list of long-term clients (including many who have been with us for more than 20 years) attests to the success of our client-centered approach.

AVAILABILITY: Day or night, with just a few clicks of a mouse, N & C clients

can view their entire supply chain through the Nolan & Cunnings Web site. This "on-demand" information resource includes data and reports relating to carrier utilization, mode usage and freight-lane analysis, as well as accounting and client-specific key performance indicators — all available no matter what the client's time zone or operating schedule.

TECHNOLOGY: With an eye toward the future, N & C has continued to meet its clients' evolving needs by increasing its own technology-based solutions. From Web-based routing guides, supply chain design and a hosted TMS application (N & C TMS Now!) to freight optimization, enterprise simulation and individualized green

transportation designs, Nolan & Cunnings offers a suite of services second to none in the industry today.

COST SAVINGS: Nolan & Cunnings' traditional freight audit and validation process typically yields at least 5 percent in annual cost avoidance. In addition, clients who use N & C's request for proposal services or hosted TMS application can realize additional savings of at least 10 to 15 percent of their annual transportation costs. ■

For more information about Nolan & Cunnings and its services, contact the N & C sales and service team at 586-751-4670, ext. 4 or email sales@nandc.com.



Nolan & Cunnings
Freight Transportation Consultants

However, he noted an increased popularity in Europe and Asia for TIFF and PDF file freight bills as well as proprietary e-invoicing formats. Nevertheless, when invoicing is done electronically, nVision's preference is submission conforming to either ANSIX12 or an EDIFACT standard, though Excel spreadsheets are routinely accepted. Another tool, i-Entry, enables carriers to enter freight bills through a Web interface.

Business beyond the U.S. is also driving growth for CT Logistics, which has an office in the United Kingdom and handles billions of dollars in global freight a year, Miner said.

"We are handling business

that does not even touch North American shores. We are expanding more overseas; Europe, Asia and South America are growth areas for us, he said. "Abroad, they prefer paper freight bills and electronic payments, which tends to be opposite of the States, where bills are handled electronically with payment done by check."

Also branching into this space is Nolan & Cunnings, which offers larger clients the TMS-ERP linkage to create and process electronic load tenders. "Our strategy of helping our clients with negotiation and contracting and helping reduce their overall costs has served us well," Vigliarolo said.

The company facilitates

bookings but is not a party to contracts with carriers, he explained, because their clients value an unbiased assessment when arranging bookings. Its client base includes industrial companies and – not surprisingly with its Detroit location – a number of suppliers to the automotive industry.

Certain clients prefer the "one-stop shopping" approach of dealing with one trusted provider, with known prices, Miner said. "We manage it all for them," he said. CT Logistics follows rigorous protocols dictated by its ISO 9001:2008 certification.

Some vendors specialize in post-audit recoveries, where

revenue is derived as a percentage on corrected billings after the fact. Nolan & Cunnings, however, exited the post-audit side of the business in the 1980s, Vigliarolo said, in part because low recovery rates did not justify providing resources to this function.

"We encourage our customers to be post-audited. It's a learning tool for us," he said. Happily, the results indicate that Nolan & Cunnings is doing an excellent job with validations prior to the shipments. "We've never lost a customer due to the results of a post-shipment audit," he said. ■

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Nolan & Cunnings — Customized 4PL Solutions

Since 1920, Nolan & Cunnings has provided our customers a one-stop shop for complete transportation management and business intelligence needs. Serving clients ranging in size from one door to the Fortune 500, Nolan & Cunnings is big enough to do the job, small enough to care!

Available Services:

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 - o Every Charge
 - o Every Invoice
 - o Domestic & International
- Hosted TMS Application
 - o Enterprise Wide Visibility
 - o Door-to-Door Traceability
 - o Centralized System of Record
 - o Real-time ERP and WMS Integration
- Supply Chain Engineering
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