

The Company:



An Electronic Product Solutions Company.

Jabil Inc. provides a range of electronic solutions from electronics design, to production and repair, which is where the Jabil After-Market Services (AMS) division is focused. With a workforce of 12,500 employees located at eleven sites around the world, Jabil AMS provides end-to-end reverse supply chain solutions to the major electronics markets.

The Challenge:

Managing Escalating Volume And International Requirements With A Lean And Centralized Operation.

Jabil's needs to be responsive, adaptable and accountable to multiple OEM companies like Cisco Systems, Hewlett Packard and Nokia whose end customers are based in all corners of the world. Add to that a rapid expansion into Asian and Eastern European markets and one can see how logistics is an important element in Jabil's overall supply chain operations. "Being able to quickly provide logistics services within and to a larger set of countries around the world is in high demand from our customers," says Erik Carlson, Senior Director of IT for Jabil AMS.

Jabil needed a single, global transportation system that could flexibly support their new transportation business model, international demands, as well as keep up with the existing and new customer programs.

"The ability to streamline processes and transition employees into more value-added activities by implementing Precision's Parcel Shipping has thus far helped Jabil control costs in the unpredictable logistics environment."

Erik Carlson, Senior Director of IT.

Highlights

COMPANY

Company Name .. Jabil After-Market Services
Industry..... Electronics
Products Manufacturing services for Electronic repairs

SOLUTIONS

ERP and WMS Click Commerce Repair & Returns, WMX
TMS..... PRECISION Parcel Shipping (G)
Languages..... English
Number of Sites... Seven
Time to Benefit 8 Months

RESULTS

- Increase in shipment volume (x3)
- Control processing costs as volumes increase (estimated \$1.8M USD/year higher cost if using previous solution at current volumes)
- Automation of carrier, country and service-level offerings
- Efficient and lean logistics operation
- Centralized and scalable system for continued growth

The Solution: Centralized System Supports Business Globally.

Jabil AMS chose Precision Software for its agile transportation system that could be centrally located, globally deployed in a rapid timeframe and that could integrate to its existing Repair, WMS and Customs systems. The solution is implemented in a web browser and black box combination to support Jabil's growing volume parcel shipping needs, as well as providing user-friendly options to handle last-minute changes, voids and end-of-day processing.

Because PRECISION's Parcel Shipping solution is currently approved and certified with over 40 parcel carrier integrations worldwide, Jabil is able to process shipments using USPS, UPS, FedEx and DHL/Airborne as well as automate some unique carrier offerings and shipment processing options to further meet their international operational requirements.

The Benefits: Significant Savings, Efficiency Gains = Competitive Advantage.

Jabil AMS saw a clear return on their investment within months. Most notable was cutting the processing time per shipment -- from 90 seconds on average per shipment to 10 seconds per shipment. "The savings realized by implementing Precision's Parcel Shipping is in the \$7K/day range," says Carlson, which translates roughly to a \$1.8M USD annual savings in shipment processing costs over prior solutions.

By shipping in "black box" mode, Jabil AMS has been able to realize volumes of 30,000 packages per day -- triple their original shipping volume capabilities.

According to Carlson, the implementation of PRECISION Parcel Shipping -- Global Edition has "allowed Jabil to keep direct labor in the shipping area efficient and lean, while supporting a centralized solution that can be rapidly deployed to take on new customer programs and activity."

"The labor related time savings realized by implementing Precision is in the \$7K/day range. If we had tried to scale our existing approach to shipping it would have cost us about \$1.8M USD more per year in shipment processing costs."

Erik Carlson, Senior Director of IT.

The integrated and highly configurable nature of the solution provides Jabil with a platform to swiftly adapt to changing business conditions while maintaining a competitive edge in the demanding EMS and AMS markets. "PRECISION Parcel Shipping is a solution that has so far met our transportation business requirements and is a key to winning new business," says Carlson.

The Future: Looks Bright for Further Expansion Into Critical Markets.

Precision Software offers Jabil the dexterity it needs to expand their business while still maintaining a single, global instance for visibility and control. "On the whole, we anticipate increased volumes," says Carlson, "and on a more granular level, believe that shipping into Canada and Mexico will become more critical, while Brazil presents a very large market with rigorous parcel requirements."

Carlson is also looking to Precision Software to help with Jabil's Denied Party screening needs. The robust Global Trade Management capabilities of PRECISION's platform are fully integrated with Parcel Shipping which means that Jabil can choose to deploy this functionality without the hassles of additional integration time. "The ability to streamline processes and transition employees into more value-added activities by implementing PRECISION Parcel Shipping has thus far helped Jabil AMS control costs in the unpredictable logistics environment," Carlson concludes. And as Jabil's international supply chain needs change and grow, so do the opportunities for additional cost-saving initiatives with Precision.

A World Trading With Precision.
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