

# LANSA Case Study

## ITT-TDS saves money with LANSA

ITT-TDS is the transportation and logistic services arm of ITT Industries, a global industrial manufacturing company with 1998 sales of US\$4.5 billion. ITT-TDS now provides better service and achieves significant efficiencies at the same time, with a LANSA for the Web extension to its existing Freight Payment system. Rippe and Kingston, a LANSA business partner specializing in eBusiness solutions, assisted ITT-TDS through their AS/400 eBusiness competency centers.



Tom Restaino, Manager, Information Technology/Operations at ITT-TDS, says, "We used to get many lengthy phone calls a day regarding freight bills. Now customers and carriers can do their own inquiries at any time they want. We expect that at least one of our full time customer service staff can now spend time on other business practices."

### 1.6 million shipments a year

Tom explains "ITT-TDS is a provider of transportation and logistics related services, both for ITT Industries companies and as a third party provider for other business relationships. For the most part we contract with other transportation carriers. We manage about 1.6 million shipments a year across the world."

"We negotiate the best rates for our customers and provide centralized payment to the transportation provider, so that they also get some economies of scale and don't receive hundreds of payments from different customers."

"Because we can centralize that volume, we process a lot of our bills electronically through EDI. We achieved a \$4.3 million audit reduction in freight during 1998 for our clients."

"The carriers used to call up and spend a lot of hours on the phone with our customer services staff trying to get the answers to standard questions like 'what is being paid', 'why is it not yet paid' and 'when is it going to be paid'. This would average around 150 lengthy calls a week from our carriers. We used to get many calls from our customers as well.

We were looking for a solution to give both our carriers and customers direct access to the freight bills."

Thomas Davidson, VP Consulting Services of Rippe & Kingston Systems, Inc. adds, "Since ITT-TDS's business is managing information, freight information that is, you can achieve enormous efficiencies by streamlining the information process."

*"We achieved a 4.3 million dollar audit reduction in freight in 1998."*

"To be competitive in the freight management world, ITT-TDS needed to keep their cost of processing bills as low as possible, while at the same time increase their service levels. Tom Restaino quickly concluded that the Internet was the best option."

### LANSA — the first choice Web solution

"When we decided to offer Web access to the existing LANSA Freight Payment system, LANSA for the Web was our first choice," says Tom. "We have developed all of our applications for the past 9 years in LANSA and are very pleased with its productivity and easy maintainability."

"LANSA gives secure access to our existing application. Since LANSA for the Web uses the same repository concept and 4GL, we can use our existing LANSA skills for a Web application."

"Rippe and Kingston helped us to evaluate and build the first phase of the Web extension. It turned out to be a lot easier than having to use RPG, CGI, HTML, and so on."

Thomas adds "Using our eBusiness Competency Center, it took us 8 weeks to develop a working prototype of ITT's eBusiness self service Web site. We also designed and implemented ITT's Internet Infrastructure. This included a firewall with a DMZ for added security and a Secure Socket Layer implementation."

### The Benefits

Tom continues "The Web application is an extension to our existing LANSA based Freight Payment system. It is a service to our clients who we pay freight bills for, as well as to our carriers who we are paying the freight bills to. They can now determine what has been paid or when something is going to be paid. Carriers can also look up how much their next payment is going to be. The reduced number of incoming phone calls means savings in our customer service department."

"We are also using the system to replace a lot of outgoing fax traffic. Each week we used to fax information to carriers about their account status. Replacing this with a Web inquiry will probably save us one thousand dollars per month, in telephone costs alone, not including the labor saved."



Tom Restaino continues, "We have also tried to make the Web site what we call a one-stop shop. We maintain links on our Web site to other sites that may be of importance to our customers, for example information about US Custom Regulations, or a direct link to the tracking and tracing of freight with a specific carrier."

"The information on our Web site is completely dynamic and maintained in an AS/400 database. So if someone calls up and says, 'please add XYZ carrier to the list', we just update the database and it is available on our Web site in a matter of seconds."

"So we also save money in the IT department because the LANSA based Web site is so easy to maintain. Practically all the information is kept in AS/400 databases so we don't need to edit our Web site or recompile any programs, to change the content."

"But it is not just about saving money. It is about giving a better service. Both our customers and carriers can now get the answers to their questions directly from our real time system, using secured Web access, at a time it suits them."

*"We save money in the IT department because the LANSA based Web site is so easy to maintain."*

### *Recent enhancements*

"Recent enhancements provide our customers an online payment approval process."

"We have rules from our customers about whether a bill should be automatically paid or whether we should seek their approval first."

"If approval is required we will send out automatic email messages during the night to the customers. They will approve specific bills online and if they want, view or print an image copy of a freight bill."

"Our staff will be freed from answering standard questions, thus having more time to focus on other business matters," concludes Tom.



### *Company and System Information*

- ITT Industries Inc. is a leading global industrial manufacturing company with 1998 global sales of \$4.5 billion. With headquarters in White Plains, New York, the company employs approximately 33,000 around the world.
- ITT-TDS is a provider of transportation and logistics related services for ITT Industries internally and as a third party provider for ITT Purchasing Alliance Partners and other business relationships. ITT-TDS employs 40 people and processes 1.6 million freight bills a year. ITT-TDS is located at Palm Coast, Florida.

For more information on ITT Industries visit: [www.ittind.com](http://www.ittind.com)

For more information on ITT-TDS Industries visit: [www.itt-tds.com](http://www.itt-tds.com)

- The production AS/400 is a model 620 (2179); the Web server is a model 170 (2292).
- Other software including financials from Software Plus, EDI translation software from Harbinger, a Freight Rating engine from Logility and Visual Info, IBM® online AS/400® image enabler are all integrated with the LANSA core system.