



Central National Gottesman Inc. ORACLE

# CASE STUDY

Top Paper Exporter Tenders Loads 7x Faster Via Transfix API Integration

## THE CHALLENGE

If you've ever leafed through an Ikea catalog, turned the pages of a Harry Potter book, or peeked into a Tiffany & Co. box, then you've interacted with a CNG product. For over 135 years, Central National Gottesman Inc., headquartered in Purchase, New York, has been a leading global supplier of wood and metal products – anything ranging from plywoods to tissue papers, charcoal, PPE, aluminum cans, and wide formats – the giant billboard ads you see on the highway.

Today, CNG has offices in 52 cities across North America and brings in \$8 billion of annual revenue. Its logistics operation operates third-party warehouses and staffs a team of 11 people – a team that has seen 50% growth in the past three years. When you look at CNG's annual freight volumes, it makes sense; every year, it moves 70,000 ocean containers, 15,000 drayage loads, and 30,000 truckloads. However, CNG operates under a project-byproject approach – rarely participating in a traditional RFP.

## **THE SOLUTION**

#### THE NEED TO TURN A FRESH PAGE

Up until six years ago, CNG utilized a manual process of phone calls to secure truckload capacity and tender loads. Naturally, as the number of transactions and size of the company grew, its use of technology evolved. CNG was one of the first adopters of Oracle's Cloud-based TMS, which provided a flexible framework for CNG's dynamic transportation needs.

However, CNG's needs continued to evolve as supply chain bottlenecks ensued. As a top 100 exporter and a shipper that depends heavily on imports, pandemicrelated port shutdowns and congestion acutely impacted CNG's business, leading to irregular volumes and driver shortages. Because commodities industry companies like CNG work within a razor thin margin, the demurrage charges for two out of every three shipments were beginning to hurt the bottom line. CNG's logistics team was working overtime to try and secure a broad and reliable network of transportation providers. All of this led them to rethink instant tendering.

"In recent years, the main challenge has been managing the supply chain under these circumstances," said Anna Lee Yee, Manager, logistics network and operations. "But this season allowed us to really understand how much relationships matter. There were many trucking companies that struggled. They didn't have drivers. We couldn't get anyone on the phone."

### DIGITIZING WORKFLOWS WITHOUT SACRIFICING RELATIONSHIPS

CNG chose Transfix as its next technology partner to implement instant rate inquiries and tendering into its Oracle TMS workflow. Since their partnership began six months ago, Transfix has executed 378 full-truckloads on 89 unique lanes, using its EDI integration for tenders requests and confirmations, track and trace, and also invoices. Transfix's API integration is used for instant rate inquiries.

## **CNG'S JOURNEY TOWARDS INTELLIGENT FREIGHT**

### **PRE-2016**

Secured trucking capacity using manual methods: tendering one load took at least half an hour.

### <mark>ך 2020-2021</mark>

COVID-19 spurred supply chain bottlenecks such as port shutdowns and congestion. This led to irregular volumes, driver shortages, and demurrage charges for two out of every three shipments, ultimately hurting CNG's bottom line.

### ) 2022

Within six months, Transfix executed 313 full truckloads on 89 unique lanes, using the EDI integration for tenders requests and confirmations, track and trace, and also invoices. **Tendering times reduced from 30+** to 4 minutes.

2016 Adopted Oracle's Cloud-based Transportation Management

System.

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Selected Transfix as new technology partner to implement instant rate inquiries and tendering into Oracle TMS workflow through API/EDI integration. "Both implementations allow us to give Transfix access to any load from any division at any point of time," Yee added. "We simply cannot rely any longer on only one person reaching out to one person. Having to go through a whole list is very time consuming."

"The conversations that we will have with a service provider with this kind of connectivity are more intelligent and help us grow."

Transfix began identifying patterns in CNG's supply chain and proactively aligned reliable carriers in its network to drive cost efficiency.

"Responsiveness has been key in the past couple years because nobody could see one another," said Yee. "Even though Transfix's technology is there, our industry is very relationship-oriented."

"Sometimes, because my Account Manager, Conner, reach out to us that day, it just turns out that he was right there at the right moment that translates into business."

#### 7X FASTER: NO MORE WAITING BY THE PHONE

Today, once an order comes from the ERP system through the TMS, it takes the logistics team four minutes to tender a load from beginning to end – more than 7 times faster than before. Before, Yee said, it could take a half an hour – or however long it took their department to get someone on the phone.

While CNG does work with a few traditional asset-based carriers, Yee said that she often sees more service failures with these providers. Often, CNG's account is managed by up to 20 different sales reps, which makes it challenging to keep track of CNG's unique transportation needs. Yee notes that one of the major tech-forward providers might be able to handle significant volumes, but its service is impersonal and her team never knows if something is late. "We did a good job in terms of taking Transfix into our portfolio," Yee continued. "It sets us apart. Many other providers reach out to us the same way and make promises. But when you start talking about these types of integrations, that's where you start to see the gap. They either don't know how to implement the integration, or it's not really the type of API that we're looking for. With Transfix, it has been very seamless. They understand how our business operates."



7x Faster than Previous Systems

378 Full Truckloads in Six Months

143 Unique Transfix Lanes



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> -Anna Lee Yee, Manager, Logistics Network and Operations



#### ABOUT CNG

Central National-Gottesman Inc. (CNG) is one of the world's largest distributors of pulp, paper, packaging, tissue, newsprint and plywood. The company employs over 3,000 staff in more than 150 locations in 48 cities across North America and in 26 countries around the world, including 43 warehouses and 53 retail stores. CNG has been family owned since it was founded in 1886, spanning 5 generations of family leadership and ownership.



#### **ABOUT TRANSFIX**

Transfix drives modern supply chain impact at scale with its Intelligent Freight Platform™. By combining enterprise-grade, machine-learning technology with intuitive software and dedicated supply chain experts, Transfix is enabling organizations to deliver with high performance and high reliability, drive longterm strategy and capacity planning, take empty miles off the road, and optimize their networks, at scale. Today, Transfix connects shippers to carriers with real-time, many-to-many freight matching and the visibility they need to make their supply chains more efficient and environmentally responsible. Learn more at **transfix.io** 

