Matson Logistics

Industry
- Transportation

Solution
- OpenText B2B Managed Services

Leading logistics provider accelerates global information exchange

Matson Logistics uses OpenText B2B Managed Services to transform its transportation network

“The EDI support costs have been cut by 24% since moving to OpenText. We used to have a huge EDI team, but we were able to reduce the number of resources that were focused on EDI. Most of our IT EDI B2B support is now handled by OpenText, which was a huge cost savings for us.”

Siva Raja
Senior Manager for IT Services
Matson Logistics

Results
- Reduced EDI support costs by 24%
- Reduced ASN fines by 12%
- Decreased onboarding time by five weeks
- Redeployed staff to strategic IT functions
As one of the top logistics providers in North America, Matson Logistics offers domestic and international rail intermodal services, long haul and regional highway brokerage and supply chain services, as well as third-party logistics services that include warehousing, distribution and international freight forwarding. Matson Logistics sought a B2B platform with world-class EDI capabilities to securely exchange business documents, such as purchase orders and invoices, in a standard electronic format with its network of business partners. With OpenText B2B Managed Services, Matson Logistics achieved cost savings and operational efficiencies, and enhanced service delivery to its customers.

"EDI plays a critical role in the shipping and logistics business," said Siva Raja, senior manager for IT services at Matson Logistics. "We have to make sure the cargo clears customs, gets on the ship and is delivered on time so the customers can keep up their promises to the consumer. The electronic documents that are transmitted to customs authorities are automated through EDI and B2B transactions. Providing consistent transactions reduces the financial impact to our customers in the supply chain."

OpenText B2B Managed Services is the ideal solution to manage the company’s B2B network needs, including onboarding and enabling trading partners, mapping, translation, document tracking and monitoring. Matson Logistics consolidated its EDI operations from four different service providers to a single platform and handed off the day-to-day responsibilities to OpenText.

“We wanted to be involved but leave the daily grind, support and set up of trading partners to OpenText, which has enabled Matson to provide a very stable, reliable and scalable world-class B2B service to our community," said Raja. “OpenText is a leader in Gartner’s Magic Quadrant in the B2B space and, partnering with such a leader, enables Matson to focus on internal road maps and projects.”

“The EDI support costs have been cut by 24 percent since moving to OpenText," explained Raja. “We used to have a huge EDI team, but we were able to reduce the number of resources that were focused on EDI. Most of our IT EDI B2B support is now handled by OpenText, which was a huge cost savings for us. We were able to train and redeploy our EDI support resources to higher value-added areas.”

Along the way, the company discovered additional savings from licensing fees and data charges. “We no longer have to have our own translation framework and pay license and maintenance fees. That is a huge savings. The kilo-character charges that Matson was paying monthly to the value-added networks have also gone, and we have reduced almost 40% by moving all of our transaction volume to OpenText.”

With OpenText, Matson Logistics can better meet its service level obligations and avoid paying fees and fines related to delays and non-compliance. “OpenText B2B Managed Services really helped us to deliver on our service-level agreements with our internal customers as well as with our trading partners," said Raja. “We have had a reduction in Advance Ship Notice (ASN) fees alone of 12 percent since we migrated all our ASNs to OpenText.”
In addition, the new solution has relieved one of the company’s major headaches. “We have over 300 trading partners, and we exchange around 10 million transactions with those partners. One of the key challenges we had was the trading partner onboarding time. By moving to OpenText, we’ve cut down the onboarding time by almost five weeks,” Raja explained.

The outsourced solution also supplies Matson Logistics with reliability and flexibility as the business grows. “We are able to scale up as our volumes increase, and OpenText is able to keep up with that volume growth,” said Raja. “With 24/7 support and continuous monitoring of systems, OpenText provides us with a very reliable B2B platform that we can trust. It has made our trading partners trust our B2B capabilities as well.”

Nearly all purchase orders and more than half of Matson Logistics’ invoices are now routed through the OpenText network, decreasing manual exception handling. Both internal resources and trading partners have gained visibility using TeamBook, a collaboration tool that allows Matson Logistics and OpenText to work closely together.

“Before OpenText, Matson did not have an EDI visibility platform. We were spending hours tracking down documents for our customers. Now, we can track and trace documents and identify issues very easily. And since reprocessing is done within a very short period of time, we are able to keep up with our business service level agreements,” said Raja.

“We consider OpenText a strategic partner who is key to our offerings to our trading partners and our customers. We want to provide a world-class IT service and world-class B2B services, and OpenText is critical to that,” Raja concluded.

About OpenText
OpenText, The Information Company, enables organizations to gain insight through market leading information management solutions, on-premises or in the cloud. For more information about OpenText (NASDAQ: OTEX, TSX: OTEX) visit opentext.com.

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