

STORAGE AND PER DIEM APPLICATION DEVELOPMENT



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PROBLEM

This Fortune 500 Railroad Company provides containers for customers to use to transport goods and materials from one location to another via rail. Containers will be delivered to a customer's location, filled and then a company driver will take the container to a railhead, where it will be transported via rail to its destination terminal. A company driver will pick up the container from the destination railhead and deliver it to the customer's destination location.

There are 2 options for the company truck driver when the container is originally delivered to the customer's location in order for the container to be filled. The driver can wait while the container is loaded, or he can simply drop the container and go. Per Diem charges are a daily fee that is charged for use of the container after the container has been dropped at the customer location for loading. Generally, customers are allotted 2 free days, and then there is a daily charge until the customer notifies Fortune 500 Company that the container is ready to be picked up.

When a loaded container is delivered to the destination railhead, 2 separate clocks start. The Per Diem clock starts again, with the customer having 2 days to schedule delivery, empty the container and return it to the rail yard. After the initial 2 days, there is a daily charge on the container. If the container is not picked up within the 2 days, a storage charge begins. This is basically a rental charge on the parking spot the container is in.

Fortune 500 company needed an efficient, cost effective way to accurately calculate both of these charges, as well as a way to communicate those charges to customers. Customers needed to be able to receive a bill that correctly showed the charges, when they began, when they stopped, and the amount owed.

The system that this Fortune 500 Company was using was cumbersome. Individuals calculated the charges by hand. Bills were not always accurate, and they were not always sent in a timely manner, which meant that this company was sometimes not able to collect the charges.

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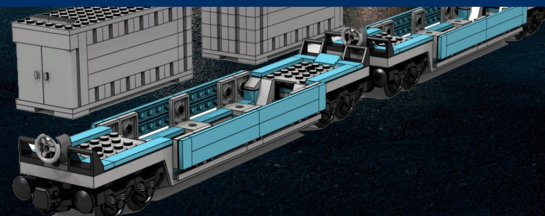
GUILFORDGROUP
business driven software solutions



CLIENT

Guilford Group provides service to a Fortune 500 Railroad Company. This company is one of the leading transportation companies in the United States. With revenue of over \$11 billion in 2012, it provides transportation services for goods of all kind by rail, intermodal containers and by truck. They are headquartered in Jacksonville, FL, and operate over 21,000 of track, 70 ports and nationwide transportation services.

This company's intermodal division provides rail-based intermodal service solutions across their network which covers the eastern United States and key interchanges with all major North American railroads to extend its market reach. They have 39 intermodal terminals throughout this region which serves 66% of the U.S. Population.



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SOLUTION

Guilford Group created an application to address all of these issues in 2 separate phases. The first phase addressed automating the calculation of charges. Standardized rules were defined and entered to track when charges start and when they stop. A simple user interface was designed for ease of use. This initial phase also included a communication email element to the client. The client would receive 2 daily emails, one on containers that were being charged Per Diem, and another for containers that were being charged storage charges. This first phase had a budget of \$60,000 and took 3 months to complete. It utilized 3 team members.

The second phase of the project was a refinement of the first phase. During the first phase of development, Guilford Group worked primarily with management staff, and technical staff who were on the management side. When the system was actually used, there were refinements suggested by the actual users. The biggest refinement was in the communication portion of the application.

Initially, customers were receiving several emails daily on the status of the containers they were using. Customers were being overloaded with emails. The second phase of the project combined the emails into one daily email for each customer. This suited customers' needs better. This second phase had a budget of \$20,000 and took 2 months to complete.

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The development and utilization of the Storage and Per Diem application reduced billing errors and produced billing in a timely manner. This Fortune 500 Company was able to collect more of the charges, and they collected them faster. It also reduced or eliminated 2 positions. They had a return on their investment in this project of over \$100,000 in the first year.

The Guilford Group had the knowledge and expertise to achieve the efficiencies that this company needed. By combining their experience in the transportation industry, with their technical knowledge of mobile applications, Guilford Group was able to take the possibilities that this Fortune 500 Company saw and brought them to reality.