



Client



#### Industry

**Customer Services** 

#### **Products**

Progress® OpenEdge®

#### Summary/Integrations

Stocking more than 60,000 items and doing business in 110 countries, distribution logistics is a prime concern for Atlas Copco PTD. It relies on OLS Customs, a logistics solution from Progress OpenEdge partner Organi, to provide superior services to keep customers fully informed of shipment status.

# Challenge

Stocking more than 60,000 items, including tools, parts and accessories—and serving customers in more than 110 countries— distribution logistics is a prime concern for Stockholm-based Atlas Copco Power Tools Distribution (PTD). Its warehouse in Hoeselt, Belgium is a key hub of the operation, processing 8,000 order lines each day—for a total of 2,800 shipments.

In a continuous quest to maintain and expand its competitive edge, identify ways to make operations more profitable and offer customers real added value, PTD makes substantial investments in automating its processes, including customs declarations, shipping information, truck registration and proof of delivery.

"We invest in ensuring dependable delivery lead times for our end customers," said Steven Van Riel, PTD IT Manager. "Our goal is to feed all of the information we receive back to them as quickly as possible, something that is very common in B2C environments, but much less so in B2B."

One area that poses a specific set of challenges for PTD is electronic declaration systems for customs formalities. PTD's existing solution was expensive and did not have bonded warehouse functions, which can result in import duties and value-added taxes paid twice on shipments leaving the EU.

## Solution

After a due diligence process, PTD selected OLS Customs, a Progress® OpenEdge® based solution that automates PLDA and NCTS declarations. OLS Customs was developed by Progress Partner Organi, a leading Belgium based provider of total IT solutions, encompassing hardware, software and services. PTD implemented the solution in phases, beginning with customs declarations for PLDA and NCTS.

"Of course, price/quality ratio was a critical factor in our decision," Van Riel said. "But we were also persuaded by the fact that Organi assured us that it could develop everything we needed—even if it didn't exist at the time. Other providers were not so flexible when it came to meeting our needs."

That flexibility is due in large part to the fact that OLS Customs is built on OpenEdge, the leading platform for simplifying and streamlining the development, integration and management of global enterprise business applications for fast time to market.

## Results

Organi first developed a customized 'Intelligent Stock Allocation' module for PTD, which optimizes stock from a tax point of view. Depending on the destination of the goods—inside or outside the EU—the module automatically selects the most beneficial stock lines so that as little import duty and VAT as possible is paid.

"We are considering applications for returns to our depot, additional integration with SAP and so on. And because the system is so flexible, there is a great deal of potential."

Frank Pauwels, Transport and Shipping Manager, PTD

"Thanks to financially beneficial solutions such as Intelligent Stock Allocation and Globalization, the system ultimately pays for itself."

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Another important asset of OLS Customs is Audit Trail. This module records all customs movements into and out of the bonded warehouse. The aim is to provide proof—when requested to do so by customs—that import duties and VAT have been paid correctly for goods shipped from bonded stock. PTD is also no longer required to make daily declarations to customs. The system generates a report each month providing a detailed overview of all movements. This process, Globalization, initiates a single payment of import duties that corresponds with movements for the previous month.

"We are very happy with OLS Customs," says Frank
Pauwels, Transport and Shipping Manager at PTD.

"The system is flexible, easy to use and financially
advantageous. Thanks to financially beneficial solutions
such as Intelligent Stock Allocation and Globalization, the
system ultimately pays for itself."

But that is only the beginning for PTD. Pauwels and his team are investigating an "entry in the record" solution, where PTD can clear goods at the time they enter the country, rather than in the warehouse.

"That capability would save us a huge amount of time," he said. "In addition, we are considering applications for returns to our depot, additional integration with SAP and so on. And because the system is so flexible, there is a great deal of potential."

Replacing a critical system involves risks and adjustments—in regards to both the technical aspects of the project and the people who work with it.

"We definitely made the right choice with Organi," Van Riel said. "Of course, things could still be improved here and there. In fact, that's one of our principles—there's always a better way. Having said that, everything is now working smoothly and stably, the way we want it."

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Steven Van Riel, IT Manager, PTD

## **About Organi**

As an independent IT company specializing in total solutions—software, hardware and services, Organi has been working since 1977 on behalf of medium sized companies seeking growth and efficiency. Organi focuses on automating all administrative processes in four market segments, bailiffs, accountancy practices, trading companies and logistics service providers. The continuous development of high quality applications based on the latest technology makes Organi one of the leading Progress partners in the Benelux.



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