



# ROI CASE STUDIES

## HIGHLIGHTS

**Goal:** For ICO to more effectively manage transporting vehicles, more efficiently communicate with its customers via EDI, reduce costs, and improve operational efficiency

**Solution:** Information Builders' iWay and WebFOCUS

**Results:** ICO has improved operational efficiency, produced more timely and useful reports, improved communications with customers, reduced costs, and increased revenue. iWay and WebFOCUS have become central tools for running ICO's entire operations. As a result of the deployment, ICO will gain a three-year net benefit of €2,978,015. The project has a six-month payback and a return on investment of 424 percent.

## CUSTOMER PROFILE

### ICO (International Car Operators)

<http://www.icoterminals.com>  
ICO is one of the leading companies in the material-handling industry, specializing in loading and unloading cargo ships.

**Headquarters:** Zeebrugge, Belgium

**Industry:** Transportation/Logistics

**Employees:** 300 internal, plus 500 dock labor

## ICO Automates B2B Collaborations, Increases EDI Use, Improves Operational Efficiencies, and Gains Nearly €3,000,000 in Benefits with an ROI of 424% Using Information Builders' iWay and WebFOCUS

ICO (International Car Operators), a world-leading company that specializes in loading and unloading ships, handles roll-on/roll-off cargo operations, and is a leader in international vehicle transport, processing approximately 1,600,000 vehicles every year.

Managing its operations is an extremely complex process, requiring sophisticated logistics, data-collection, tracking, and reporting capabilities, and constant communications with customers. To make its operations more effective, ICO was looking for a platform to supplement its own infrastructure that would gather data from multiple sources, improve reporting and operational efficiency, increase the use of Electronic Data Interchange (EDI) for communicating with customers, and allow customers to track information about their vehicles.

ICO found that Information Builders' iWay and WebFOCUS were the ideal tools for its needs. ICO chose iWay for its ability to facilitate the smooth integration of data coming from multiple platforms, and to help dramatically increase the use of EDI. ICO chose WebFOCUS for its ability to easily manage multiple sources of information and simultaneously serve a large number of users, for both operational and reporting needs.

### Benefits

Objective	Benefits Achieved
Improve operational efficiency	iWay and WebFOCUS have become central to all key operational aspects of running ICO's terminals and managing the vehicle transportation process, reducing operational costs by a projected €3,500,000 over three years.
Increase the use of EDI	With iWay, ICO has dramatically increased its use of EDI as a way to communicate with its customers, and now exchanges more than 10 million EDI messages with customers annually.
Improve communications with customers	With WebFOCUS, ICO sends out automated daily reports to customers, detailing the current status of all their vehicles being shipped.



### The Challenge: Increase Supply Chain Efficiencies, Improve Operational Reporting, and Reduce Costs

ICO's terminals are Europe's second-largest vehicle transportation hubs. Vehicles bound for export are sent to these terminals, where they are then sent to their destination by rail, road, or sea. ICO also provides several other services at these terminals, including ensuring that all cars have the requested options and accessories.

Carrying out logistics as efficiently as possible is the foundation for success in the vehicle transportation industry. One way efficiencies can be realized is in automating the data-gathering processes on vehicles so that they can be tracked across the supply chain. This means automating the gathering of data like color, make, model of car, and VIN (Vehicle Identification Number) for each vehicle. Another obvious way efficiencies are realized is putting a system in place that knows where each vehicle is within the supply chain. Is the car still on the ship? Did the car clear customs?

For ICO, another important capability in maintaining a competitive edge is adding services for customers. For example, ICO recently implemented a service that ensures each vehicle is properly finished with accessories and features, etc.

One of the reasons ICO turned to Information Builders is because it realized that the integration features of iWay could automate many of the manual data-gathering processes it had in place for vehicles, while the reporting capabilities of WebFOCUS would enable it to quickly implement new services for its customers. ICO was looking for a platform to supplement its own infrastructure that would:

- **Automate the data-gathering process for vehicles and increase the use of EDI for communicating with customers.** When customers ship vehicles using ICO, they send along important information about every vehicle, including identifying information such as VINs. When that information is sent manually rather than electronically, ICO must retype all the information, leading to increased costs—an estimated additional 33,000 hours for processing 500,000 cars—and potential errors. This manual process has an error rate of between 8 percent and 10 percent. ICO was looking for a solution that would increase the use of EDI, so that the information would be automatically sent directly into ICO's system.
- **Improve operational efficiencies and gather and report from multiple data sources.** Reports are central to ICO's operations, and consist of comprehensive information related to all of the services it provides. When a ship leaves port with several hundred cars on board, for example, ICO needs to have a report with every piece of information about every car on board, including the model, chassis number, destination, and more. One challenge was that multiple applications could cause the need for multiple reports from different sources, and in many instances the data was not synchronized. For example, in Antwerp and Zeebrugge there were different terminal applications with different back ends. ICO was looking to reduce complexity so that it could read information from these different terminal sources and combine this information with central financial information in one report.



“We have seen dramatic operational savings using WebFOCUS and iWay. They have helped us reduce costs, improve our efficiency, and helped us develop closer relations with our customers.”

Alain Guillemyn  
IT Manager  
ICO

- **Allow customers to track information.** Customers were looking not just for efficient shipping from ICO, but also for reports that would allow them to track the progress of their vehicles. ICO wanted a system that would allow it to automatically send tracking information to its customers.

### ICO Chooses iWay and WebFOCUS

ICO found that Information Builders' iWay and WebFOCUS were the ideal tools for its needs. ICO chose WebFOCUS for its ability to easily manage multiple sources of information and simultaneously serve a large number of users, for both operational and reporting needs. ICO chose iWay for its ability to facilitate the smooth integration of data coming from multiple platforms, and to help dramatically increase the use of EDI.

"iWay and WebFOCUS perfectly answered our business requirements," says Alain Guillemyn, ICO's IT manager. "They were precisely what we needed for operational and statistical reporting, business intelligence, communicating with customers, and operations."

iWay offers a complete suite of pre-built components to help integrate disparate systems, without the need to write code. This accelerates integration projects, reduces maintenance costs, and eliminates risk. iWay Software works on any platform, with any pre-existing infrastructure software, to allow everything to work together.

ICO's customers use different EDI data formats from one another, and manually writing connectors for each of these customers would be time-consuming and expensive for ICO. EDI represents the majority of communication/collaboration between ICO and its logistics partners and car manufacturers. EDI is the medium of communication used for the status of automobiles during the life cycle within ICO. EDI messages pertaining to "arrival notification," "on terminal," and "ready-for transport" are exchanged between ICO and its logistics partners. iWay uses data mapping to work with each EDI message type to import the proper information into ICO's database, without any special programming required.

"We could not function without iWay," Guillemyn says. "With iWay, we are usually able to create an EDI data pathway for a customer in a single day. Without iWay this would entail writing a dedicated and expensive program that reads the data, maps it with translation tables and processes it into the database."

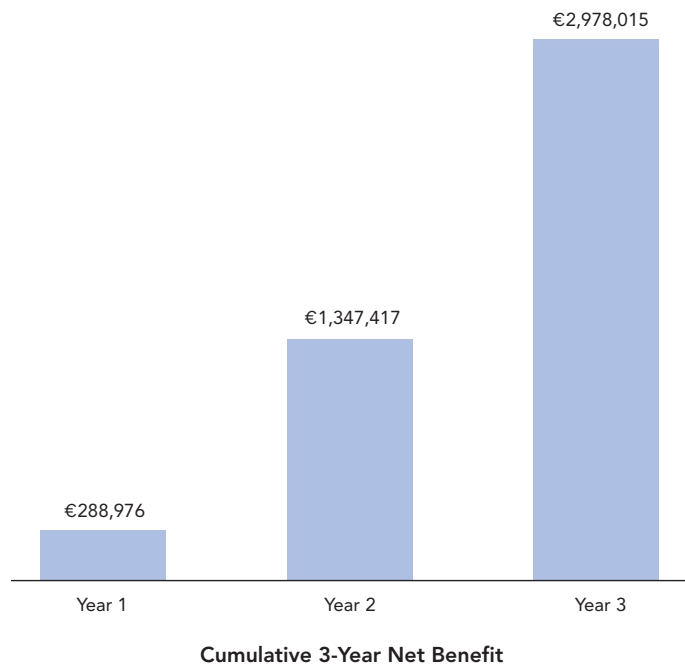
WebFOCUS offers ICO a comprehensive Web-based reporting solution. Using an intuitive drag-and-drop developer environment, WebFOCUS empowers developers to quickly create and deploy compelling applications. Users can then easily create richly formatted reports from enterprise data in real time using a set of robust reporting tools. These reports can be used internally, as well as shared with customers.



### The Bottom Line for ICO

With iWay and WebFOCUS, ICO has improved operational efficiency and produced more timely and useful reports, improved communications with customers, reduced costs, and increased revenue. iWay and WebFOCUS have become central tools for running ICO's entire operations. As a result of the deployment, ICO will gain a three-year net benefit of €2,978,015. The project has a six-month payback, and a return on investment of 424 percent. (Note: These results calculate the benefits of WebFOCUS in concert with a Terminal Operation System [TOS] compared to a purely manual system with no use of WebFOCUS, a TOS, or EDI.)

Using iWay, EDI has become the central way in which ICO gets information from customers about the vehicles they are shipping. This reduces costs, increases efficiency, and reduces errors. Previous to the use of iWay, customers sent information about their vehicles to ICO manually, and ICO would have to retype all the information about each vehicle, including the color, make, and model of the car, and other data such as the 17-digit VIN. Other information exchanged between ICO and its customers, such as about vehicle inspection and repair, was handled manually as well. Thousands of these manual messages were exchanged every day, leading to inefficiencies and potential errors. Workloads at the terminal gates have been reduced, and there are fewer input errors.





“iWay and WebFOCUS have become a key part of our operational infrastructure. Without them, we would not be able to run our business; our terminals would have to shut down.”

Alain Guillemin  
IT Manager  
ICO

With iWay, ICO has developed collaborations with customers for transmitting all this information electronically using EDI. More than 10 million messages annually are now handled via EDI. In many ways iWay has become a business enabler because the number of messages processed before iWay was 200,000 to 300,000, which limited the amount of cars ICO could move. iWay has dramatically reduced the need for manual input, and increased efficiency and accuracy. iWay reduces the time it takes to process each car by four minutes, leading to a reduction of 100,000 hours of employee time by the third year.

“Using iWay for EDI has made an enormous difference in how we run our terminals—it has dramatically improved our efficiency, and is an enormous cost-reducer,” Guillemin says. “iWay makes it easy for our customers to communicate with us. It gathers information from many different EDI formats and enters it automatically into our system.”

Once the data is in its tracking system, ICO uses WebFOCUS for key operational aspects of running the terminals and managing the vehicle transportation process. WebFOCUS is used to track every step of the process of loading and unloading vehicles onto and off ships, and to make sure that every vehicle is handled in the appropriate way. This reduces time wasted on non-productive manual efforts that would otherwise be required to handle each car. As a result of the combined increased efficiencies of iWay and WebFOCUS, ICO will see a projected, cumulative three-year reduction of €3,500,000 in operational costs.

WebFOCUS also improves communications with customers. “With WebFOCUS, every day we send our customers reports with all the information they need about their vehicles, including where their vehicles are, whether the vehicles are at the terminal ready for transport, and so on,” Guillemin explains.

In addition, ICO uses WebFOCUS to create custom reports providing key information for cross-selling and up-selling current customers and gaining new customers. As a result, ICO will see a cumulative, projected three-year increase of €180,000 in operating income. ICO also uses WebFOCUS to gather information from multiple data sources, and consolidate all reporting in a single tool. Overall, Guillemin says that WebFOCUS and iWay have become mission critical for ICO.

“Without WebFOCUS or iWay, our terminals come to a standstill,” he concludes. “It is absolutely vital to the running of our business.”



The following chart provides a detailed, three-year analysis.

Project Summary				
ROI	424%			
Payback Period (in months)	6			
Cumulative Net Value	€2,978,015			
Net Present Value	€2,262,424			

Project Costs	Year 1	Year 2	Year 3	TOTAL
Infrastructure Costs	€10,000	€10,000	€10,000	€30,000
Maintenance	€33,226	€33,226	€38,422	€104,874
Licenses	€166,131	€0	€25,980	€192,111
Development Costs	€125,000	€125,000	€125,000	€375,000
<b>Total Project Costs</b>	<b>€334,357</b>	<b>€168,226</b>	<b>€199,402</b>	<b>€701,985</b>

Benefits	Year 1	Year 2	Year 3	TOTAL
Increase in Operating Income	€40,000	€60,000	€80,000	€180,000
Operational Cost Avoidance	€583,333	€1,166,667	€1,750,000	€3,500,000
<b>Total Benefits</b>	<b>€623,333</b>	<b>€1,226,667</b>	<b>€1,830,000</b>	<b>€3,680,000</b>

Financial Analysis	Year 1	Year 2	Year 3
Net Value	€288,976	€1,058,441	€1,630,598
Cumulative Net Value	€288,976	€1,347,417	€2,978,015

**Return on Investment (ROI)** is the percentage return expected over a specified period of time. ROI is the total benefit divided by the total costs. This ROI metric is good for assessing the multiplier provided by the benefits relative to the total investment and costs.

**Net Present Value (NPV)** represents the cumulative present value of the expected return of a project over a specified period of time minus the initial costs of the project. This figure provides visibility on the actual value of a project, taking into consideration the time value of money—the ongoing benefit of a project in today's money. NPV tells you the magnitude of the project and if the project generates a profit.

**Payback Period** (or breakeven) is the timeframe it takes for the project to yield a positive cumulative cash flow. Payback period is a key measurement of risk but does not take into account cash flows after the payback period.

**ROI, NPV and Payback** should be used in conjunction to understand the rate, size and timing of the return.

**Net Value** (or Net Benefit) is the benefit delivered to the organization for the investment made in the project. Net Value is calculated by taking the total benefit minus the project costs.



#### About ICO (International Car Operators)

ICO, a world-leading stevedoring company, handles roll-on/roll-off cargo operations, and is a leader in international vehicle transport, processing approximately 1,600,000 vehicles every year. It is a 100% daughter company of Nippon Yusen Kabushiki Kaisha (NYK), one of the world's leading transportation companies. The NYK Group operates approximately 700 major ocean vessels, as well as fleets of planes, trains, and trucks.

#### About Information Builders

Information Builders' award-winning combination of business intelligence and enterprise integration software has been providing innovative solutions to more than 12,000 customers for the past 35 years. WebFOCUS is the world's most widely utilized business intelligence platform. It provides the security, scalability, and flexibility needed at every level of global extended enterprises. Its simplicity helps create executive, analytical, and operational applications that reach dozens to millions of users.

Information Builders' iWay Software suite provides state-of-the-art, multi-purpose, pre-built integration components that address all SOA, application, data and information management requirements. Its integration adapters have been adopted by the leading software platform providers. Information Builders also offers solutions in the performance management, business activity monitoring, and enterprise search markets. The company's comprehensive enterprise product offerings give Information Builders' customers the ability to grow and innovate according to their needs.

Information Builders' customers include most of the Fortune 100 and U.S. federal government agencies. Headquartered in New York City with 90 offices worldwide, the company employs 1,450 people and has more than 350 business partners.

#### About Case Study Forum

Case Study Forum is the leader in the writing and production of ROI-focused Case Studies. In addition to a customer success story, each ROI Case Study provides insight into the business impact—the revenue, productivity and cost savings the customer achieved as a result of the investment made in the solution or service. For more information, please contact Case Study Forum at 508-380-8886, or visit [www.CaseStudyForum.com](http://www.CaseStudyForum.com).

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