

# Suppliers' TMS Offer Flexibility, Visibility to Meet Unique Intermodal Requirements

Transportation management systems, or TMS, offered by suppliers provide a variety of choices for intermodal operators who want the certainty that the technology meets the particular needs to manage shipments every step of the way.

Seven providers who spoke with *Intermodal Insights* explained how their systems addressed points such as complexity, visibility, flexibility and suitability for intermodal providers and customers who compete with truckload service.

## 'Increased Level of Complexity'

"Intermodal shipments involve an increased level of complexity, especially with regard to maintaining visibility to all legs of the shipment," said Jim Perdue, intermodal product manager at MercuryGate International in Cary, North Carolina. "Making it as easy for the user to manage intermodal as it is to manage their truck freight moves is the true challenge for any TMS intermodal solution."

Ray West, senior vice president and general manager at TMW Systems, Mayfield Heights, Ohio, stressed that the inherent complexity of intermodal moves is more than just two dray moves and a rail component. Chassis, container and yard aspects to the moves as well as per diem and other charges add to the complexity of the process that must be completed in a condensed time frame to ensure excellent service.



West

Chris Zimmerman, chief operating officer at Houston-based GTG Technology Group, made a related point.

"Freight visibility when dealing with multi-modal transportation tends to be the most challenging aspect of any TMS," said Zimmerman. He said TMS solutions must offer shipment visibility via direct information communication, EDI or GPS. Accounting and document collection must tie in with financial activities.

Profit Tools CEO Brian Widell said the distinguishing characteristic of a good intermodal TMS is the ability to oversee all aspects of equipment management in an environment where the complica-



tions of chassis monitoring and payment methods require more effective information flow than truckload.

Flexibility is an especially important attribute, all 3PLs told *Intermodal Insights*.

Tom Heine, CEO at New Jersey-based Aljex Software, said "because the intermodal market is smaller and there are less people doing it, some of the economies of scale that work for brokerage are a little harder to pull off. Most of our customers are 3PLs who do a lot of freight brokerage. To us, the challenge is: how do we come up with a TMS that is great for freight brokerage and intermodal, when they are really two different businesses."



Widell

Dispatching intermodal is much different from truckload, he noted, because even though one or two segments go smoothly, the freight can be held up at another point. "Then what do you do?" Heine asked, answering that a resilient dispatch portion of the intermodal TMS must be responsive.

Some others who were asked about TMS and intermodal chose colorful descriptions.

## 'Phone on Each Ear'

"We have literally seen dispatchers going from having a phone on each ear all day long to just planning things out in the computer now, and letting our [mobile] app communicate with the driver," said Sean Van Dyck, vice president at PCS Software, Shenandoah, Texas.

Jon Sarley, a consultant to New York-based Softmodal, used this comparison: "Intermodal shipping is like a sandwich that only works when all of the ingredients come together," he said. "The drayage, railroad and per diem payables are the bread, meat and cheese, but there are often chassis related expenses, linehaul surcharges and fuel surcharges sprinkled in as the condiments."

Sarley noted, "You can manage your intermodal shipments either with good technology or based on the institutional memory of a few in-house intermodal experts. Only one of those approaches is scalable."

Additional features also are important parts of TMS.

"Great intermodal software isn't just about features," Sarley said. "It should also have an intuitive interface that makes intermodal shipping an approachable option that anyone in your company can market and execute."

*Intermodal Insights* asked all of the suppliers how much progress has been made in closing up the information gaps or "black holes" that once were an intermodal issue. There was broad agreement that freight visibility is much improved.

Intermodal has "really caught up," Heine said, in the ability to track freight, moving the freight visibility far beyond the era of shipments that were delayed, sometimes for days, as customers weren't sure where their freight was.

Perdue said the prior perception "is beginning to change due to an increased focus on visibility from intermodal providers, and technology is available to assist brokers, freight forwarders, beneficial cargo owners, trucking companies or 3PLs that either use intermodal or execute its use on behalf of their customers."

West credited a combination of low-cost telematics and increased supply of shipment data from railroads as reasons for



Sarley

the improved freight visibility.

As much as coordinated freight visibility, management and back-office functions have advanced, suppliers see multiple areas to further improve TMS.

Heine said dynamic pricing for ramp agents is a particular focus because the rates differ from location to location and change quickly.

"It's just enough of a problem that people don't do it," he said. "Maintaining those rates is very time consuming. Agents have tariffs that they work every which way and can change anytime. Customers need an easier way to maintain and use those rating systems."

West identified two areas of opportunity for TMS improvement. One is the evolution of more advanced electronic payment standards and systems beyond EDI, such as bitcoin. The other is further advancements in chassis billing through TMS.

Zimmerman believes wider use of smart device apps is needed, as well as more data access and integration to support steps such as automated load planning.

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"There is a tremendous amount of driver time that is essentially consumed with activities other than moving freight to the customer," he said, such as pickup and return of chassis and traffic delays. "That is a tremendous drain on the efficiency of the industry. Technology providers have a significant role to play in improving that."

He said that focusing on drivers is especially important because of a constrained pool of drivers and the need to match them with increasing numbers of appointment systems at ports and the focus on reloading equipment.

Perdue said MercuryGate is focused on increasing customers' ability to better manage free time for equipment as well as tracking and tracing of rail equipment.

PCS' Van Dyck said "street turns" continue to be an area of opportunity for TMS providers seeking to enhance productivity and efficiency.