



University of Wisconsin-Madison

***UW E-Business Consortium***

*"Helping Industry Gain Competitive Advantage Through E-Commerce and E-Business"*

www.uwebc.org

# Best Practices for Transportation Management of Imports

Project Sponsor

American Girl

Authors

Jason Anderson

Matt Cameron

ChingYi Lin

Mike Gibbons

Daniel Volk

December 2006

Project Report  
(Abridged Version)

## **Executive Summary**

Inbound transportation processes of imports are becoming increasingly complex. Companies are now challenged with coordinating multiple overseas suppliers, people, processes, and information to ensure materials are delivered on time to fulfill customer demands. Further, transportation costs are on the rise. A Transportation Management System (TMS) has the potential to simplify, automate, create greater visibility and ultimately cut costs out of the entire process. Our team's goal in this project was to research and compile leading practices for transportation of goods from other countries to their final destination. We tried to do our best to develop recommendations to help American Girl improve its transportation management of imports and to identify TMS solutions that have the potential of meeting American Girl's needs.

In our two-pronged approach to this project, we interviewed seven companies (members of the UW E-Business Consortium (UWEBEC)) to gain insights into their successful practices for transportation of imports, and simultaneously gathered information on leading TMS vendors to create a basic comparison of key findings. To generate our questionnaires and vendor Requests for Information (RFI) we first consulted with American Girl's management team to examine their current transportation processes, technology and any existing pain points. Armed with this information our team began its research.

The UWEBEC member companies were able to provide valuable insight into effective approaches to managing the import of goods from overseas. Companies tend to use a variety of systems to manage their inbound pipeline, ranging from simple spreadsheets to high-end software solutions. All companies stressed the importance of using a system that complements existing processes while being able to accommodate future growth. Many interviewees noted the difficulty in managing Electronic Data Interchanges (EDI) and recommended outsourcing this component. Implementing TMS was perhaps the single most important consideration. Company leaders cited a lack of planning, resources, training and communication as key barriers. Recommendations were to engage all departments and people while using a phased-in pilot approach. In most instances, management leaders believe TMS' long-term efficiencies far outweigh its short-term implementation challenges.

Through our vendor RFIs we researched four TMS solutions that are compatible with American Girl's processes. Based on ten key capabilities (of particular relevance to American Girl), our analysis suggests that JDA and RedPrairie are perhaps the most suitable solutions. American Girl would benefit from either system but should make an internal business case and further analysis before selecting a vendor.

## Acknowledgments

Our team would like to thank the following people for their support on this project:

**Renee Anderson**, director, inventory management & logistics of American Girl, for providing general inventory and logistic information

**Jeff Freeman**, SVP corporate operations of American Girl, for providing the guideline and presentation.

**Mark Guenther**, materials planning manager of American Girl, for providing guidance and material management process information

**Kevin Harried**, inventory control manager of American Girl, for providing support and guidance to the team

**Dr. Raj Veeramani**, of the University of Wisconsin-Madison, for providing advice and guidance for this project and also giving us the opportunity to gain real world experience

Thank you,

Jason Anderson  
Matt Cameron  
ChingYi Lin  
Mike Gibbons  
Daniel Volk

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