



CASE STUDY

IMPROVING CONTROL AND ACCOUNTABILITY OF FREIGHT MANAGEMENT

Sensata Technologies Gains Visibility and Control Over Global Logistics Operations with Kuebix TMS

OBJECTIVE

Reduce costs, identify improvement opportunities, gain visibility, traceability and control of global logistics operations.

CHALLENGES

International shipping is complex and requires a high level of flexibility and scalability.

RESULTS

- \$2.2 million cost avoidance within one year
- Visibility to freight spend down to the SKU level
- Time savings with integrations and collaboration tools
- Improved customer satisfaction

Where Sensata Technologies' TMS Journey Began

Sensata's supply chain is complex. As a company, they ship over 1.1 billion units globally each year from 12 international locations using a variety of modes. That means coordinating thousands of orders using heavyweight air carriers, ocean, ferry, train, as well as LTL, parcel and hand carry carriers for expedited shipments. Sensata knew that there had to be a more effective way to manage transportation operations with the help of technology.

Their goals were to reduce costs, identify areas needing improvement, and gain visibility, traceability and control of global logistics operations. Sensata knew that any piece of technology that they implemented needed to be able to flex with the company's needs due to the complicated nature of shipping product internationally. After an in-depth analysis of different transportation management systems (TMS), Sensata chose Kuebix TMS as their transportation management platform.

Implementing any new piece of technology can be a huge project, so Sensata began with a pilot and the goal of gradually expanding their use of Kuebix TMS. The pilot started in 2016 in the Aguascalientes facility in Mexico as well as the Fort Worth facility in Texas. The pilot was highly successful and resulted in the launch of Kuebix across all of their Central European sites in 2017.



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Janelle Ballerstedt
Global Logistics TMS Manager
Sensata Technologies

Since launching on a grand scale, Kuebix’s modular features have flexed alongside Sensata’s business needs to add functionality. As a complex international shipper it was critical that Kuebix be scalable to bring on hundreds of Sensata employees globally.

How Sensata is Using Kuebix TMS Today

Currently, Sensata is using Kuebix for all modes of transportation in the original locations as well as in two additional sites in the USA, two in Bulgaria, one in Malaysia, and in their Antrim facility in Ireland.

By implementing Kuebix TMS, the company reports being able to streamline a number of processes which were previously costing them significant time and money. Within one year of launch, Sensata saw a \$2.2 million cost-avoidance savings because of Kuebix TMS.

Now, the company has complete visibility to all their logistics operations. With Kuebix, they’ve been able to understand, down to the part number, what is happening and why certain actions are being performed in regards to freight spend.

Sensata is also leveraging Kuebix’s Reports and Dashboards functionality to make strategic decisions about their carriers

and shipping processes. The visibility Kuebix has given Sensata has resulted in significant savings during rating and booking, especially for expedited shipments.

Before Kuebix, the only visibility that Sensata had was to the delivery date requested by the customer. They were unable to see rates by time of day. With Kuebix’s expedite approval process in place, however, Sensata is now able to see all of the shipping options before a shipment is booked.

This means that if a rate to have a shipment delivered at 8:30 AM is \$500, but the rate to deliver at 10:00 AM is \$250, Sensata can now see the cheaper option and assess whether delivering slightly later is worth the significant cost savings.

Sensata uses Kuebix to rate, book, track and trace standard orders internationally with ease. Order information is automatically populated from their ERP system into Kuebix so that all the information needed for shipping is accurate and instant. This gives them a high level of visibility and accountability into their freight operations.

Kuebix TMS is also integrated directly with carriers, making it easy for Sensata’s warehouse employees to view real-time,



accurate rate information instead of rate estimates. Right now, hundreds of warehouse and customer service employees at Sensata are using Kuebix portals, which are customized to show exactly what each person needs to most efficiently do their job.

Originally, Sensata leveraged the expertise of Kuebix's Managed Services Team to manage many of their shipments. The Kuebix team found and booked rates and changed time slots to optimize savings. Once Sensata had been successfully using the technology for a while and their teams were comfortable with the new processes, the companies worked together to transition these functions in-house to Sensata's Control Center in Malaysia.

Kuebix's flexible managed service programs are unique in the industry and one of the reasons Sensata choose Kuebix to be their TMS partner.

The Bottom Line

By leveraging Kuebix TMS, Sensata now has much more control and accountability of their freight management processes. Everything is done through a centralized location, which creates much more efficient processes through their network.

With the system, real-time costs and real-time delivery information data is now easily accessible, leading to significant cost savings for the company. Logistics professionals at Sensata can make better strategic decisions and negotiate better rates with carriers as well.

Overall, customer service has drastically improved since implementation due to the increased visibility and collaboration Kuebix provides.



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