



Remote Fulfillment



Key Results

- More than 80% reduction in logistics staff
- Lower manufacturing cost through offshoring
- Better fulfillment service to Asia-Pacific customer base
- 20% shipping savings

Case Study: A California-based high-tech equipment maker wanted to move production and distribution functions to Asia. The move promised to save millions in manufacturing and shipping costs. But integrating with the ERP and ensuring reliability and compliance from the remote site would be a challenge.

When Asyst Technologies came to Morgan in 2003, the company was hostage to its ERP system. Morgan set Asyst's fulfillment processes free with a combination of web services-based shipping applications and transportation / customs management expertise.

The Challenge

Like many manufacturers, Asyst saw compelling value in offshoring its production to Asia. The move would save in labor costs; it would decrease shipment costs to Asyst's Pacific Rim customer base. And, it would make enable faster order cycles.

Asyst's ERP system, however, wouldn't allow remote transactions. And, management was worried about control of a process occurring fifteen time zones away. How could they enforce order accuracy, credit checks and customs compliance on shipments that were occurring in the middle of the night for California corporate staff?

Morgan's Solution

Working with Asyst staff, contractors and vendors, Morgan designed a process to dynamically compare purchase- and sales-order information with the advance shipping notification (ASN) message from Asyst's Asian contract manufacturer. Only shipments that match across all three documents are cleared to send; in these cases, a message is returned to the ERP system to enable revenue recognition.

Morgan also created on-demand customs documentation, using data from Asyst's ERP, the contract manufacturer's ASN and Morgan's own ChainLinq transportation management system.

The shipping documents incorporate business intelligence, so that each customer and geographic region can have its own rules for output. So, for instance, a customer that wanted to see a detailed bill of materials can have that print on the packing slip automatically. Or, for



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countries that required special inspections or compliance statements, the appropriate language can be included.

Morgan's customs documents print directly to the dock location at its Singapore subsidiary, D.W. Morgan, Pte. Ltd. If a document is lost or needs to be reprinted, it can be accessed anytime via a secure web browser .

The Morgan ChainLinq system also keeps a transactions log, making information and documentation available for financial audits, as well as duty drawback, customs, Sarbanes-Oxley and country-of-origin mandates.

To complete the solution, Morgan personnel assumed responsibility for all shipping, receiving and distribution operations at Asyst's California headquarters and in Singapore. So, end-to-end accountability is assured to the client.

As a result of Morgan's ability to provide expertise in supply chain consulting, technology and transportation management, Asyst gained dramatic efficiencies in its operations. Benefits of the system included:

- Elimination of the errors and delays associated with manual processes

- Automated compliance with all business process rules on a customer- and country-specific basis.

• Background checking of order accuracy and credit compliance on all remotely fulfilled orders.

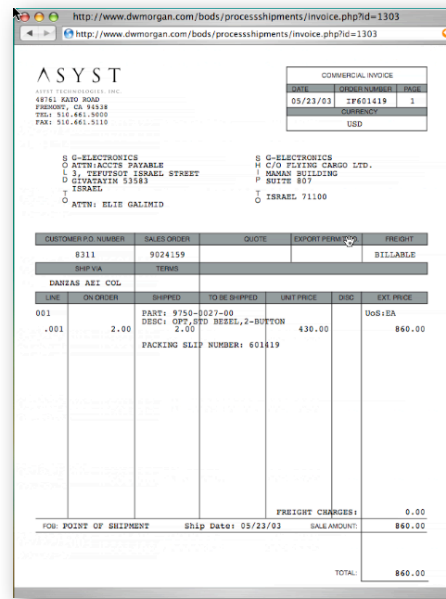
• Reduction of distribution costs

• Reduction of manufacturing costs

• Faster delivery cycles to Asyst customers throughout the Pacific Rim

• Automated compliance with financial and import / export mandates

• ERP-exact replica shipping and customs documentation, available via secure web interface on an on-demand basis.



ERP-exact replica documentation is available instantly via a secure web interface.

About D.W. Morgan Company

Morgan pioneered "whole-process management" for its Fortune 1000 clients, overseeing every link in their supply chain—from procurement of raw goods to distribution, and coordination of service and end-of-life requirements.

As a result of its innovation, Morgan is able to improve efficiency dramatically and reduce costs for its clients. Morgan has won widespread acclaim, including two Cisco Systems "Supplier of the Year" awards, a Computerworld / Smithsonian laureate award and inclusion in *Supply And Demand Chain Executive* magazine's "Top 100 Supply Chains."