

Celadon Tributes TRANSFLO Document Imaging as the Foundation to Improve Business Processes Across the Entire Enterprise

THE CHALLENGE

In the late 1990s, Celadon knew that it needed a solution to lower DSO (Days Sales Outstanding) and improve the driver pay process. In the late 1990's, the company went live with a document imaging system.

"It didn't go too well," recalled Mike Gabbei, Celadon's Chief Information Officer, who had joined the company two years earlier. "We ended up pulling the plug on it."

Despite the unfortunate end of the project, the departments involved – driver payroll and billing – caught a glimpse of what a good document management system might actually deliver. Despite the extra work they had endured while that first system failed, the potential benefits had become obvious. Three months after they pulled the plug, employees were asking when another imaging system would be considered.

Pegasus TransTech had been invited to the table late in the game the first time around, Mike explained. "We were pretty far along in the decision process. But nine months after that initial decision, Pegasus was at the top of our list," he said.

THE SOLUTION

Celadon selected TRANSFLO from Pegasus TransTech and went operational in December of 2000. Perhaps the earliest impact was on the group that took a day to sort through incoming paperwork, make copies, and then deliver documents to various departments. With TRANSFLO, the lengthy process was dramatically shortened. The paperwork was simply scanned as it came in, then indexed and pushed to various departments. "That by itself eliminated two days of DSO," Mike said.

TRANSFLO enabled a major change in Celadon's customer service and in its own receivable collection efforts. Now when a customer needs a copy of a document, "Everything is at your finger tips," Mike said. A digital image can be found and sent by email in a matter of minutes, if not seconds.

The process provides the same quick access for Celadon's receivables department, especially when looking into unpaid invoices. In the old process they would call the customer, the customer would say the contract was incorrect or it was never received. Celadon would then have to get back to the customer, in most cases not until the next day, to research the matter. This would entail sifting through filing cabinets, re-emailing or faxing the invoice once again. Now Celadon can simply pull up the contract and get paid immediately. Or if the contract and invoice do not match, they can instruct the customer by phone to short pay, and then Celadon will write the rest off. Mike said, "That capability probably strips three days off of DSO".

Celadon's back office systems took another major step forward in 2002 when Pegasus TransTech launched TRANSFLO Express truck stop scanning. Prior to 2002, the drivers still had to get the paperwork in to Celadon before they could scan and index it. TRANSFLO Express enables drivers to scan their paperwork at a truck stop or at a terminal.

Mike explained that TRANSFLO Express benefited Celadon in many ways. It reduced overall costs for the delivery of paperwork, reduced DSO, and eliminated the expense of a courier service.



About Celadon

Celadon Chairman and CEO Steve Russell founded truckload carrier Celadon Group in 1985 to serve his first customer, Chrysler Corporation. From the beginning, Celadon specialized in moves between the U.S. and Mexico.

Celadon is still noted for its international service between the U.S. and its largest trading partners, Canada and Mexico. With 150,000 border crossings annually, Celadon is the largest provider of international truckload service in North America.

The company has vastly expanded its marketing footprint, serving a spectrum of corporate customers. They include Fortune 500 shippers such as General Electric, Philip Morris, Wal-Mart, Chrysler Group, Procter & Gamble, DuPont, and Target among others.

The company operates a fleet of some 3,300 tractors and 10,000 trailers with 4,000 employees. Celadon companies include Celadon Dedicated Services, Celadon Brokerage Services, and TruckersB2B, a pool purchasing service. Celadon Group stock trades on the New York Stock Exchange as CGI.

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~Mike Gabbei, CIO of Celadon

Customer Success Story



THE OUTCOME

These days, Mike refers to the initial 2000 investment in TRANSFLO as “the foundation”. They took that document imaging foundation and rolled it out across their entire enterprise. In the accounts payable group, medical group, contracts group, shop group and the benefits group.

Celadon took TRANSFLO a step further with Rendition Print. This solution enables the retrieval and matching of related documents, most notably perhaps, invoices and supporting paperwork.

“In the old days we had to manually marry these up,” Mike noted. “Now it’s all done electronically.” The invoice and its supporting documents are joined electronically, then printed, folded, and stuffed in envelopes for the mail. And in many cases, the customer doesn’t even require actual paperwork. The documents are sent electronically by email or EDI (Electronic Data Interchange).

According to Mike, the benefits of TRANSFLO for Celadon were obvious, but one particular instance stands out. In 2002, Burlington Motor Carriers, a major truckload carrier, closed its doors. Celadon acquired many of Burlington’s assets, include equipment, drivers, and customers.

“When we acquired Burlington, we brought on an additional \$50 million in revenue. We were able to support that additional business revenue with our existing back office staff using our existing imaging infrastructure,” he recalled.

“We added zero people,” Mike said.

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~Mike Gabbei, CIO of Celadon

More Information on TRANSFLO® 2010 Software Solution

TRANSFLO 2010 is the latest version of the industry-leading document imaging solution that efficiently processes, stores and quickly retrieves critical business documents — proof of delivery, bills of lading, packing lists, receipts, employment applications, accident reports and much more.

TRANSFLO 2010 integrates seamlessly with other software systems, including TRANSFLO Express®, Pegasus TransTech’s popular truck stop scanning solution.

The new TRANSFLO 2010 improves on the industry’s best with additional power, scalability and intelligent business tools.

TRANSFLO 2010 provides a “low-touch, no-touch” document imaging solution. TRANSFLO 2010 includes robust new tools that provide more management reports to enable intelligent business analysis for measuring and improving productivity.

