

Customer

Breg, Inc.
2611 Commerce Way
Vista, CA 92081



Company overview

Breg, Inc. (www.breg.com) is a pioneer in the development of premium orthopedic, reconstructive and postoperative products. With a solid commitment to customer-driven innovation, Breg has established itself as an industry leader by continually delivering world-class solutions that address the critical needs of its customers. Acquired by Orthofix International (NASDAQ: OFIX) in 2003, Breg products are distributed through a global network of more than 100 distributors in 36 countries.

Situation

Breg processes over 1,000 shipments per day via UPS and FedEx from distribution centers in Vista CA, McKinney TX, and Verona Italy. Over 30% of Breg's shipments are international.

Breg used a variety of different shipping systems supplied by third party software providers, UPS, and FedEx. Each system required a different process for recording shipments and a separate interface into Breg's Oracle E-Business Suite to access consignee ship-to name and address and return shipment confirmation detail. None of the systems had the ability to access line item detail necessary to automatically classify tariffs and generate international export documentation. As a consequence, US Customs compliance requirements were manually processed and managed.

Situation Summary

- Multiple interfaces into Oracle
- Inefficient international processing
- Dimensional weight rating penalties
- Lack of cost visibility and control
- Inability to track shipments

Many of Breg's products were packed and shipped in large, low-density shipping containers. Breg shipping personnel were forced to determine which containers would be subject to the new dimensional rating requirements introduced by UPS and FedEx. They manually calculated the dimensional weight of each shipment by multiplying the container's length by its width by its height and dividing by 194. If the shipper calculations were incorrect, Breg faced unexpected charge-backs and penalties.

With transportation detail "locked up" in disparate shipping systems, Breg lacked the ability to manage and control costs. Accounts payable struggled to reconcile carrier bills against orders and cost centers because it lacked a unified view of all transportation activity.

Similarly, customer service lacked one place to look for complete, detailed, and up-to-date orders status. Customer service agents frequently interrupted shipping personnel for tracking information. Lack of visibility resulted in call backs and delays in closing inquiries, frustrating employees and customers.

Breg is a subsidiary of a public company subject to Sarbanes Oxley financial reporting requirements. Separate interfaces to disparate shipping systems in Breg's multiple facilities made transportation cost accounting and reporting controls more complex.

Breg knew it was time to unify information, people, and processes. They turned to Agile for help.

Capabilities Required

Breg identified the following key system requirements:

1. One interface to Oracle E-Business Suite
2. One enterprise-class platform to automate shipment and international export processing across all facilities
3. One centralized database to store all shipping transactions for improved cost visibility and control
4. Ability to automate dimensional weight rating processes to reduce unexpected carrier charge-backs
5. Enable customer service and accounting to "drill down" on orders -> shipment -> line item -> delivery status

Solution

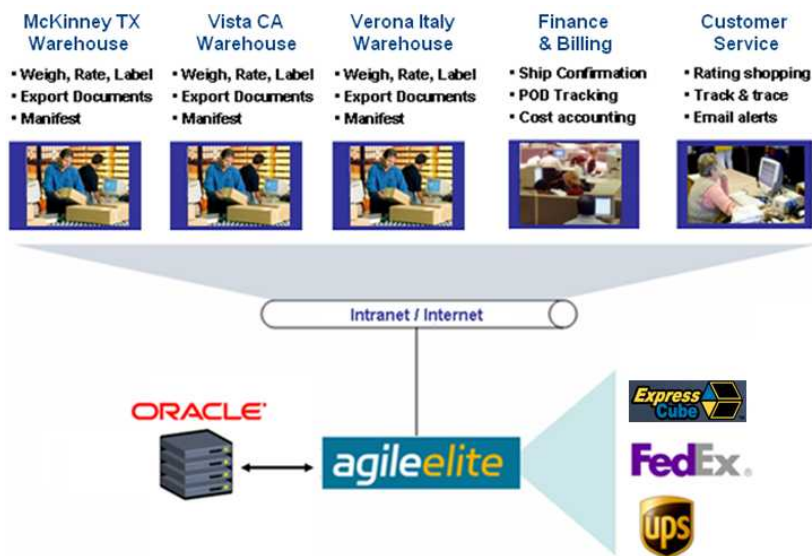
Agile-Network, a nationwide provider of integrated logistics systems, implemented AgileElite, a suite of enterprise logistics visibility and control solutions that met or exceeded all of Breg's requirements and expectations.

Agile installed AgileElite on a server at Breg's corporate data center. AgileElite supports a real-time XML Gateway connector to Breg's Oracle E-Business Suite, designed to capture delivery information and return ship confirm messages. Authorized employees from any Breg facility can use an Internet browser to access AgileElite solutions. Using AgileElite's Composer tools, Agile adapted role-specific, browser-based user interfaces for Breg personnel within shipping, customer service, and accounting, streamlining processes and reducing training time. AgileElite's central administration and enterprise architecture provides IT with the scalability, resilience, and security.

Breg is now able to enforce a simple, consistent and streamlined shipping process for all facilities. AgileElite's multi-carrier shipping solution, AgileShip, is interfaced with an ExpressCube scale that uses a combination of passive sensors and mathematical algorithms to quickly weigh and dimension cartons without moving parts. Breg shippers place the carton on the ExpressCube scale, enter the order number into AgileShip which accesses the order detail from Oracle E-Business Suite, calculates carrier charges, and prints a carrier compliant label.

Key Benefits

- One platform, multiple locations
- One connection to Oracle OMS
- Consolidated international & shipment processing
- Automated dimensional weighing
- Eliminated delays in US Customs
- Transportation cost control
- Improved efficiency, reduced errors
- Improved customer service
- Enterprise visibility & control
- Sarbanes Oxley accountability



If the shipment is bound for an international destination, AgileExport verifies tariffs codes and prints international export forms, including Commercial Invoices, Certificates of Origin, NAFTA, and Shipper's Export Documents. All forms are stored in digitized form in a central database in accordance with US Customs filing requirements.

"We can now manage all enterprise transportation execution from a single platform in our data center," reports Steve Romeo, Breg's IT Director. "With one interface into our Oracle E-Business Suite we have better control over information flows. We have improved our ability to service logistics information requirements throughout the organization. Customer service gets detailed, up-to-date order and delivery status, accounting has quick access to Proofs of Delivery, and finance can reconcile carrier bills and control transportation costs."

Result

According to Romeo, "AgileElite has empowered Breg management with the speed, stability, accuracy and controls we need to manage enterprise logistics information processes. The result? We've streamlined the shipping process, improved customer service, and reduced risks associated with SOX and international compliance. We expect to roll the solution out to other Breg/Orthofix locations."

For more information:

Agile-Network

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Visit our website at:

www.agile-network.com

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