SMC³ Case Study









Powering small and mid-sized entrepreneurs

Key challenges: Successfully build and employ a new business model, while diversifying LTL freight franchisee portfolio

- Build and maintain a complex, relationshipand data-dependent business
- Successfully develop and employ a new business model
- Ensure partner, franchisee, and customer success
- Diversify into providing franchisees and their customers with LTL freight
- Continue to develop and provide value-added services

LTL best practices

- Provide franchisees' customers with a portfolio of robust LTL products
- Ensure a steady stream of timely, accurate and actionable LTL carrier data

Financial, strategic, and operational benefits

- Simplify customers' freight management and business processes
- Save customers money and time
- Automate data delivery
- Ensure data is readily available via the SMC³ data center and XL platform

About Worldwide Express

Worldwide Express has handled millions of package and freight shipments for more than 30,000 smallto mid-sized businesses. With 150+ franchises across the country, it is one of the largest authorized resellers of UPS[®] express shipping, as well as a trusted freight partner to 55+ carriers.



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"Worldwide Express...is unlike any other freight brokerage service that I have used. The benefits of using their services are priceless. They will continue to handle all my LTL trucking business."

M. Beinke, Shop Manager, Pro Pack Solutions, Inc. (Worldwide Express customer)



Solution: SMC³ logistics intelligence products

- Provide business-essential LTL data
- Simplify the customer's user experience
- Ensure partner, franchisee and customer satisfaction

"We consider SMC³ to be one of our most missioncritical partners."

---Tom Madine, President & CEO Worldwide Express

Providing a unique, one-stop solution

Air express and ground shipping is a \$65 billion industry in the United States, and Worldwide Express is taking full advantage of related niche business opportunities. The company is quickly becoming a powerful brand throughout the lower 48 states, and has positioned itself to support small- to mid-sized U.S. shippers' transportation needs via its franchisee program and easy-to-use online shipping tools.

In 2008, the former re-seller of DHL small-package services made a strategic decision to diversify into providing both small-parcel and less-than-truckload (LTL) freight services. It formed strategic partnerships with UPS, a core network of reliable LTL partner carriers and a committed franchisee network that is "just as passionate about building the business as we are in Dallas," explained Tom Madine, Worldwide Express CEO and president. "Our average customer—whether they are purchasing small parcel or LTL services—is not large enough to be on the sales radar of most carriers. This portion of the market has definitely been underserved."

To meet the needs of its small-to mid-sized customers, Worldwide developed a unique "self-service" model—the one-stop "transportation equivalent" of Orbitz or Expedia. Local franchisees acquire and are the point of contact for their local customers, who are then their own "agents," tendering their shipments via the Worldwide Express website. Customer support requirements are managed by franchisees.

Viewing LTL data from a strategic, time-savings, and productivity point of view

LTL freight represents 40 to 45 percent of Worldwide Express total revenue. As a result, reliable, timely carrier data is critical to the success of all parties involved in an LTL shipment—from Worldwide to its franchisees and their customers. This fact guided Worldwide, as it conducted strategic and operational planning prior to rolling out its new services and transportation management system (TMS) to customers in 2008.

Worldwide's larger customer-service goals in choosing its SMC³ product portfolio were to provide customers with more flexibility and options than they would have if procuring LTL on their own and give them more control over their carriers and carrier engagements. "We knew that we would need both RateWare XL and CarrierConnect XL as the engine that allowed our TMS to populate price quotes back to the customer," explained Madine.



From a strategic standpoint, the optimized SMC³ LTL data that Worldwide provides to its franchisees lays an important foundation for franchisees' ability to compete in the marketplace. From a financial standpoint, it provides a robust portfolio of carriers that franchisees' customers can choose from. "As you can imagine, given the dozens of carriers to choose from and the many different decision points a customer might have, our SMC³ product portfolio allows franchisees to offer their customers the best mix of reliability, service and price without having to do a tremendous amount of analysis on the customer's end. It's a two-second exercise for the customer to send a shipment out. We can move a very high volume of shipments with limited interactions between our customers and franchisees on a day-to-day basis. We move over 4,000 LTL shipments every day. Without RateWare XL, we would not be able to acquire the customers that generate those shipments and tendering the shipments would be virtually impossible."

"Time savings is the linchpin of our business. We move 4,000 LTL shipments daily—that's about one million annually. Without RateWare XL, we would not be able to acquire the customers that generate those shipments and tendering the shipments would be virtually impossible."

-Tom Madine, President & CEO, Worldwide Express

Time and productivity savings are two linchpins of Worldwide's LTL offering. As Madine noted, "LTL data supports productivity at the customer level, not only making freight management processes simpler and more efficient and ultimately saving money for the owner, but also helping the warehouse manager do his or her job. We try to provide some benefit to each touch-point in the relationship."



Looking to the future

Worldwide is continuing to expand to meet its customers' changing needs and requirements: It plans to provide U.S.-to-Canada outbound freight services and expanded truckload offerings, and is now providing customers with specialized services like ecommerce support. Wherever it ventures, Worldwide is happy to be in it for the long haul with SMC³.

Worldwide Express Quick Facts

Industry Global logistics company and authorized UPS[®] express shipping reseller

Revenue \$550 million

System-wide Employees 700

Headquarters Dallas, TX

Website http://www.wwex.com

SMC³ Products

CzarLite RateWare XL Bid\$ense Bid\$ense XL

