



Implementation & Results for a Leading Floor Manufacturing Company – Case Study

1. Introduction

Recently, this Leading Floor Manufacturing Company implemented LoadProof – the centralized enterprise photo documentation system. This document describes the benefits of effective photo documentation that helps in avoiding freight claims and chargebacks.

This Leading floor manufacturing company was established more than a century ago in New Jersey (USA). They are in the industry for almost 100 years and continuing to follow their quality, and customer satisfaction. Residential and commercial sheet vinyl, luxury vinyl, laminate and hardwood, as well as commercial carpet, rubber are the products manufactured by them.

2. Leading Floor Manufacturing Company – Macro Picture

This company has a warehouse in Tennessee that ships delicate goods all over the United States. As a manufacturer they provide flooring products for both industrial and residential applications. They have the responsibility of delivering the product on time because they are involved in providing flooring products for construction purposes.



They provide materials to complete the floor laying work for another company that is already constructing a building. While shipping their products, they always follow their retailers routing guide, which includes all instruction on how the product should be packaged, labeled, palletized, stretch wrapped, loaded, and finally delivered.

Even after following the routing guide instruction, they are still getting chargebacks and capturing photos using the digital camera which was not helpful to prove they did their job right.

3. Leading Floor Manufacturing Company – Micro Picture

The main objective of this project is to accomplish:

- They were in need of a well-organised photo documentation system to record every shipment and its condition when leaving the warehouse.
- To store photos in one centralized location where they could be easily uploaded, shared and retrieved when they get claims and to reduce the usage of a digital camera.
- They wanted a solution like a mobile app to save photos in a centralized location along with contextual data like BOL, a Packing slip, Load verification sheet, etc.
- Improving visibility across the supply chain process to increase trust and reputation in the business.

4. What is the Problem?

Being a manufacturer of fragile products, they also had all the challenges a typical manufacturer would have in their supply chain. This company is one of the largest residential and commercial flooring manufacturers in the US selling to contractors who build large commercial properties like office buildings, hospitals and schools. They are also wholesale buyers of hardwood, resilient, and laminate flooring products.



While shipping them handle fragile products with the utmost care by bubble wrapping them, adding an extra layer in packing, and shrink wrapping the box. Even after handling products with care they still get freight claims. When a customer comes back with freight claims they need solid evidence to prove they did their job right.

Their warehouse personnel were already using a digital camera and storing it in the PC's file folder, Google drive, etc. It was not easy for them to upload photos in the file folder in an organized way. This file storing process doesn't help in retrieving photos and made it difficult to retrieve. At the time of freight claims they have to, manually search for that particular photo. In case, if any damaged products are delivered, the only possible solution for them is either replacing goods or paying the cost for the damage.

By doing this, they were not only losing money but also losing their reputation. There was this absolute need for them to find a solution as soon as possible.

5. What is the Solution?

The leading floor manufacturing company's logistics supervisor and their team were looking for ways to reduce their freight claims. Typically, they deliver products to clients in good condition, but would still receive damage claims. Because of that, they were looking for a way to reduce claims.

Once they started to use LoadProof to take pictures of shipments before delivery, they noticed the difference the system offered. When customers or freight carriers came back with a damage claim, they could easily make a point that it wasn't their fault by going back to LoadProof and showing related photos to dispute chargebacks. They were able to save a lot of money and damage claims with LoadProof.

6. What are the capabilities this leading Floor Manufacturing Company obtained with LoadProof?

LoadProof is a Centralized Enterprise Photo Documentation System for the leading floor manufacturing company. It also improved their supply chain visibility and creates trust with their customers.

6.1 Super-fast Photo Capture

After downloading the LoadProof app from the app store, the personnel of this floor manufacturing company were able to take photos using their mobile devices in just a few seconds and then upload those photos to the cloud, also tagging the photos with appropriate contextual data elements.

While uploading photos, they were able to add notes, and are also able to tag the photos with the following meta-data:

1. User that captured the photos.
2. Date when the photos are captured.
3. Time when the photos are captured.
4. GPS coordinates of the location where the photos are captured.
5. Device that was used to capture the photos.
6. Android OS version that was running in the device that was used to capture photos.

The photos are captured in multiple resolutions based on the plan; the different resolutions that are available are low resolution, medium resolution, and high resolution. This Company uses high resolution photos to capture photos of documents such as Gemba Walks, missing labels, and packing slips.

6.2 Super-Fast Photo Retrieval

So now the photos are uploaded to the LoadProof system, users can easily log on to the LoadProof portal through the browser and look up photos from wherever they need to. Users logon to the portal by providing their credentials, which includes a user id and password. Then

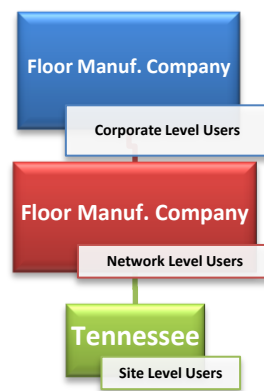
users are able to input one or more of the contextual data that had tagged the photos with and then perform a super-fast search. Now users can retrieve the photos they need, drill down further and look at the photos individually, zoom in, zoom out, save them locally if they need to (not recommended often) and also examine any Gemba walk notes that was entered and also look at the date stamp, time stamp, GPS coordinates etc. if there is a need to validate any of these data set for each photo.

6.3 Super-Fast Photo Sharing

After retrieving photos users can share the photos with anybody else, usually with their own team in case of Gemba walks, customers, vendors, partners, carriers, cross-dock facilities, insurance companies, claims processors, Retailers, consolidation facilities, etc. in multiple ways as listed below,

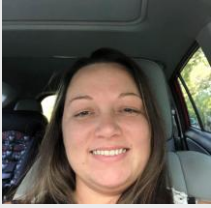
1. By generating one PDF document for the entire load.
2. By sending the entire load to a customer by inputting an email address.
3. By setting up a customer as a user within LoadProof.
4. By generating a LoadProof URL for each photos and then sharing that URL in an email.
5. By generating multiple LoadProof URLs for all photos and then sharing those URLs in an email.

6.4 Supports Enterprise Supply Chain Network Architecture



1. This Floor Manufacturing company has corporate level users set up that have visibility to look at photos across all the sites

Craiglyn Mullins, Logistics Coordinator



“LoadProof helped with our claims – as long as they’re doing their part on the dock and taking their pictures then we have to go back and it dropped a lot of claims. Before we had LoadProof we wouldn’t have a way to look at this. It saves us a lot of money and it’s helping us a lot.”

- a) These users could be photo taker users or photo viewer users or both.
 - b) These users could also be Admin users or Non admin users.
2. They also has Network level users that have visibility to look at the pictures at the Supply Chain Network level
 - a) These users could be picture taker users or picture viewer users or both.
 - b) These users could also be Admin users or Non admin users.
 3. They has site level users that have visibility to look at the pictures at the site level
 - a) These users could be picture taker users or picture viewer users or both.
 - b) These users could also be Admin users or Non admin users.

6.5 Integrations with other Systems

1. LoadProof supports integration with other systems.
2. LoadProof is already integrated with Mercury Gate, MyEzClaims System. MyEzClaims is a Freight Claims Processing system that helps shippers processes their Freight claims with multiple carriers faster and easier.
3. LoadProof can be integrated by setting up a field to look up from any other system using a hyperlink so that LoadProof data can be pulled into a browser directly by clicking a link in the external system.

7. What are the Benefits?

The results were fantastic, and the operations manager mentions in his testimonial that they were able to streamline processes in the warehouse to reduce man-hours spent. They also mentioned that it enabled their warehouse team to be accountable for all their efforts.

7.1 Measurable Hard Benefits

1. Now there is one centralized place to get the photos from, retrieval of photos is super easy, their personnel retrieve the photos in seconds instead of spending hours and hours looking for those photos. All the time related to this activity is saved now.
2. With the centralized sharing of photos is super easy, all the personnel of this leading medical equipment manufacturing company have to do is put in the email address and push a button, the person on the other end gets the photo within minutes and there are no more back and forth conversations wasting time. All the time related to this activity is saved now.
3. Their operators started doing a much better job, when everyone knows the quality of the work we are doing is documented. They were able to better serve their customers.
4. They were setting up their both internal DCs as users within LoadProof, basically it is a self-service model, which helps tremendously because now, instead of calling their other DC personnel they can look and download the pictures whenever they need, life is so much better, everything related to the photos is super easy. All the time related to this activity is saved now.
5. Before, their team members and retailers would come back for a damage claim and quality issues. Their DC units wouldn't have anything to show that they did their job right. So all they can do is pay for the damages. But now with LoadProof, they can show the photos and say, hey we did send this item along with the photo of the PO and trailer inspection form. By this way they were able to prove that it is not their fault.
6. With picture documentation they were able to capture the shipping conditions such as addition of load bar, air bags between the pallets and also the condition of the seals they fix in the outside door of the trailer. With these additions they were able to prove that they did their job right. It also made them much easier to have that conversation in a rejected load scenario and as they can push back on the customer as we they have proof.

7.2 Intangible Soft Benefits

1. Now there is one centralized place to get the photos from, retrieval of pictures is super easy, their personnel retrieve the photos in seconds instead of spending hours and hours looking for those pictures. All the time related to this activity is saved now.
2. Everybody in the distribution center feels good about the centralized photo documentation system. There is no more uneasy feeling in the stomach when a retail customer reports damage and submits a damage claim. Nobody is losing sleep over quality issues, damage claims, and rejected loads.
3. The visibility to the steps they do to ensure the product is shipped in excellent condition to all parties, customers, carriers, internal stake holders such as the sales team, customer support team, support technicians, etc., makes them feel much better, if there is any complaint, and they can immediately pull the photos and show them. The improved visibility has enhanced transparency in their operations, so the trust with their partners has improved significantly, their reputation in the industrial products supply has improved as well.
4. Inbound Quality Process – They have also started to take photos in their inbound loads for Quality Audits, with photos now we are able to push back on the vendors, and also they understand the issues faster and better as photos are worth thousand words, these results in getting the quality issues addressed faster and better.
5. Ability to set up multiple facilities and multiple personnel at the facility level and at the corporate level is very helpful. It has eliminated unnecessary calls quite a bit; nobody has to wait for the other person to inspect loads.
6. It made everyone in their supply chain to be accountable for whatever actions they do. This resulted in better discipline and work culture in their supply chain as a whole.

8. What are the Cost Savings?

The savings are summarized below under different sections as appropriate.

8.1 Savings due to implementing a Centralized Enterprise Documentation System for Photos & Videos

# of Hours saved per facility per week	24.5
# of Facilities	1
Hourly rate of employees that manage these pictures	\$40
Total Savings in a year per facility	$24.5 \times \$40 \times 54 =$ \$52,920
Total Savings per Year within the entire Supply Chain Network	\$52,920

8.2 Savings due to Freight claims submitted by customers

Average # of shipments in one facility in one year => 830 shipments per month x 12 months	9960
# of Facilities	1
Hourly rate of employees that manage these photos	\$40
Estimated # of shipments (1% of total shipments) that results in retail chargebacks within the supply chain network	100
Hours saved with faster processing of retail chargebacks within supply chain network (12 hours saved per freight claim)	$100 \times 12 = 1200$
Total dollars saved = $1,200 \times \$40/\text{hour}$	\$48,000
Total Savings/Year within entire Supply Chain Network due to faster Freight Claims Process	\$48,000

The total savings with reduced retail chargebacks is \$48,000

Industry Numbers: Average number of load rejects is approximately 1% of the number of shipments. For this Leading Tiles Manufacturing Company is around 1% which results in a savings of \$48,000 with reduced retail chargebacks.

8.3 Total Savings per Year

Savings due to Centralized Picture Documentation System	\$52,920
Savings due to Reduced Retail Chargebacks	\$48,000
Total Savings	\$100,920

8.5 How much did it cost to implement LoadProof?

Total Recurring Cost per year = \$8,988

One-time Cost = \$3,000

Total savings is \$100,920 for a spend of \$8,988, which means, this customer made their money back in 4 weeks.

Even if the savings due to providing an organized system for photos alone is measured, that is still \$48,000, and the customer would make that investment in less than 6.5 months.

About Smart Gladiator - LoadProof

LoadProof was created as a photo documentation repository to allow operators to take images of any damaged, fragile merchandise. The Smart Gladiator - LoadProof software is designed to allow companies to have an index-able database in the cloud for all of their photos.

