

REALIZE GREATER VALUE from your IT investment



Supporting Growth at Purolator

Innovapost recently helped Purolator to advance its business plans with a nation-wide mobility deployment.

Project Highlights

Customer:

Purolator

Challenge:

Replace 6,000+ scanners and scanner network infrastructure

Project Duration:

24 months
(conception to rollout completion)

Products & Technologies Deployed:

Symbol scanners Sybase
iAnywhere, .NET

In 2005, Purolator – Canada’s largest overnight courier company – wasn’t resting on its laurels. Based on the company’s strong financial performance and commitment to continued growth, the senior executive team introduced an investment strategy to secure the company’s position as a market leader. Jim McDade, a Senior Vice President and the CIO at Purolator, explains: “The senior executive team is focused on driving the business forward and making it better for our customers, employees, and everyone involved. In the fall of 2005, we went to our Board with a five-year investment strategy that included a combination of new facilities, new tools for employees and updating much of our information systems to enhance the customer experience.” A significant part of Purolator’s infrastructure renewal was carried out by Innovapost, which designed, developed and deployed the replacement of Purolator’s package scanners and the scanner network.

The Business of Scanning

The scanners that Purolator couriers and dock workers use to process packages are instrumental in the company’s day to day operations. “We pick up and deliver approximately 1.1 million packages a day and on average each of those packages is scanned six times,” McDade explains.

While high-functioning scanners are important to achieve consistent customer service, Purolator envisioned the scanners playing a more strategic role in the company’s growth.

“We wanted the next generation scanner to act like a PC,” McDade says. “As our business grows and becomes more targeted at specific customer needs, we wanted a scanner and an architecture that was easy to update with custom applications.”

In 2005, however, Purolator’s scanner infrastructure was experiencing some challenges. The existing DOS-based

INNOVAPOST CUSTOMER EXPERIENCE

About Purolator

Canada's largest overnight courier company

Revenues

\$1.4B (2007)

Employees

12,500+

Destinations

Pick up and deliver approximately 1.1 million packages per day to 35,000 destinations in more than 220 countries

Locations

143 operations, 3 main hubs, 14 regional hubs, and Canada's largest dedicated air express fleet

Customers

Purolator delivers services and solutions critical to Canada's busiest urban centres

www.purolator.com

scanners were difficult to update and to track. More critically, the devices themselves had become obsolete and so the inventory of scanners was dwindling.

The scanners were also problematic from an operational perspective. If a scanner had a technical glitch, the courier would have to phone a support team to troubleshoot the problem or deliver another scanner. "The frequency of these types of problems increased and our repair bills on the old scanners doubled in the last two years of their use," McDade notes.

Another drawback was that the back-end dispatch system was a proprietary, legacy system and its vendor had reduced its support to customers in North America.

So, although Purolator had originally been a pioneer of realtime scanning in Canada and the old Symbol scanners had served the company well, it was time to introduce new technology.

Scoping the Project

Purolator turned to Innovapost, its IT provider. "I have only a very small Information Systems department of 20 people," McDade explains. "My focus is working with my colleagues to move the company forward, not on managing a

large staff. We work very well with Innovapost and treat them as part of our team."

One of the key requirements that Purolator set out for the next-generation scanner was connectivity and McDade wanted the user interface to be transparent in all situations. "Sometimes our drivers are in a connected area and the data can be uploaded immediately. Other times they may not have connectivity. We wanted them to have the same user experience in either situation."

Another challenge for the project team is explained by Jill Houston, Director of Application Development at Innovapost: "We needed to replace enough of the scanners immediately so that Purolator could get through the Christmas rush." The project was fast-tracked with an initial pilot at Purolator's hub in Toronto, where batch scanning (where all scans are run together once per night) was used rather than realtime scanning, where each package is scanned upon receipt. Through this pilot, the team obtained early feedback on new .NET-enabled Symbol scanners and freed up more of the old scanners for drivers to use over the holiday rush.

Scanner System Highlights

Current use

- 3,500 motorized parcel delivery agents
- 2,600 dock personnel

Benefits

- Replaced legacy scanners and middleware with new, higher-performance technology
- Enabled significant new business due to customizable device architecture
- Increased device reliability through automated nightly updates
- Ability to track location and status of each device
- Near real-time information exchange
- Lighter device with familiar Windows interface

Critical Asset Management

Although various representative end-users had been consulted during planning, the Toronto pilot enabled the deployment team to observe how the devices would actually be used in the field and updated their training plans on what they learned.

The pilot was soon extended to realtime scanning sites along with a train-the-trainer program. Within six months, all 6,100 new scanners were deployed along with new Sybase iAnywhere middleware, which remotely manages the devices. When employees dock their scanners in the evening, required software updates are automatically downloaded.

Today, Purolator is able to see the location and status of all its scanners. In addition, the new scanners help Purolator keep up with demand. "Everyday we get 30,000 or so calls for package pickups that we don't know about in advance," McDade says. "The system pushes that data through to the correct device right away, and knowing what scanner is on what route is critical to our efficiency in that situation."

Enabling New Business Opportunities

The decision to invest in the scanners as a strategic asset has already started to pay off for Purolator, as McDade explains. "We added a very large customer last year

whose packages we deliver to rural areas in Canada. This required us to change our scanner to read their barcodes on packages. We could not have attempted anything like that with the old scanner." Innovapost was able to develop and deploy the custom application while the new scanners were being rolled out.

As for future applications, the possibilities are almost boundless. For example, the devices are equipped with cameras, opening the door to photographing packages for service assurance.

McDade acknowledges the instrumental role that Innovapost has played in this significant step forward for Purolator: "We have been very fortunate to have Innovapost as our IT department for a number of reasons. One of the key reasons is that we are able to leverage the skills and experience of their people who have implemented similar projects, such as their mobility rollout at Canada Post. The wisdom of having deployed an entire device and infrastructure is invaluable – they know what the end result looks like."

He continues, "We have achieved and in fact done better than our business case for the scanner project. We can now leverage new capabilities that we didn't have before. I believe our business case will be even more enhanced as we go forward."

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