

# Volvo Sees Significant Cost Savings and Visibility with e2open®

## One of the Most Respected Car Brands

Headquartered in Göteborg, Sweden, and under the ownership of the Zhejiang Geely Holding (Geely Holding) of China since 2010, Volvo Cars is one of the most respected car brands in the world. The company was founded in 1927 and has approximately 29,000 employees worldwide. In 2015, Volvo sold more than half a million vehicles in 100 different countries.

## The Need for Visibility and Efficiency Improvements

Volvo needed to improve visibility and business efficiencies across global operations. The company looked to design and deploy a new transportation management system (TMS) that could serve as the backbone of its vehicle distribution network by planning, optimizing and tracking shipments of all finished vehicles from its four global factories — production plants in Sweden, Belgium and two in China — to 2,300 dealerships worldwide. Volvo recently expanded its footprint to include a new factory in the U.S., which will also use the technology, including rail capabilities. Volvo established a list of goals for a TMS:

- Bring consistency and efficiency to time-consuming, costly business processes
- Increase visibility across global operations
- Improve agility and the ability to respond quickly to changing business dynamics

## Why e2open?

Volvo approached eight companies seeking a sophisticated global TMS that could be ready to go in 150 days. After a competitive RFP process, Volvo chose e2open to tackle the challenge of setting up a TMS that could integrate with 26 existing IT systems and handle 35,000 routes to market, 120 new EDI messages and 30 existing carriers.

“We immediately noticed that there are very few complete software packages on the market,” said Volvo’s VP of Supply Chain. “The logistics of finished cars is obviously not just about the transport. There is a whole process around it in which capacity planning and visibility play a big role.”

The cloud-based architecture of e2open Transportation Management allowed Volvo to meet its aggressive timeline and have a new TMS fully deployed within five months without experiencing any disruption to its supply chain.

“With a traditional system, months would need to be spent just on discussing the architectural guidelines,” said Volvo’s VP of Supply Chain. “Most of those types of challenges during a new software implementation are covered by the SaaS model. I don’t think any other system could have gone live in less than five months.”

“We monitor the number of issues that dealerships report to the service desk; a year after the go-live, there were no more than five per week. That proves that the system works and that the dealerships have confidence in it.”

**VP, Supply Chain**

Volvo

## Fast Deployment, Significant Results

Following the extremely fast global deployment, Volvo gained better visibility into its logistics, achieving improved efficiency and significant cost savings. Performance increased while service issues decreased.

Since then, Volvo has experienced cost savings that were five times greater than expected. In addition, Transportation Management has delivered a significant improvement in performance, with dealerships reporting just a fraction of the issues compared to when Volvo was using a logistics service provider to handle its transportation needs.

## About e2open

E2open is the connected supply chain software platform that enables the world's largest companies to transform the way they make, move, and sell goods and services. With the broadest cloud-native global platform purpose-built for modern supply chains, e2open connects more than 400,000 manufacturing, logistics, channel, and distribution partners as one multi-enterprise network tracking over 12 billion transactions annually. Our SaaS platform anticipates disruptions and opportunities to help companies improve efficiency, reduce waste, and operate sustainably. Moving as one.™ Learn More:

[www.e2open.com](http://www.e2open.com)

E2open and the e2open logo are registered trademarks of e2open, LLC. Moving as one. is a trademark of e2open, LLC. All other trademarks, registered trademarks, or service marks are the property of their respective owners.