

Allied Electronics Automates Trade Compliance as Global Sales Grow

The Company

Allied Electronics & Automation® is a high service level authorized distributor of industrial automation products, electronic components and electromechanical products.

Originally established as the radio parts distribution arm of Columbia Radio Corporation in 1928, Allied Electronics has grown to become a major electronics distributor with an extensive international profile. As a subsidiary of Electrocomponents plc (LSE: ECM), Allied has expanded on its local, personal focus and added a global presence to its customer orientation. Add to this a record of excellent service, combined with 99.9% order and shipping accuracy, and you have a powerful supply chain that meets customer demands.

The Challenge

Allied Electronics made a concerted effort to focus on trade compliance, citing increased regulatory complexity and policing of regulations, competitors developing new capabilities, higher customer and supplier expectations and the shifting sanction/embargo environment. The Allied Director of Quality & Compliance stated that “Allied is fully committed to trade compliance and, as a company with a large volume and high tempo customer service business model, required a robust and scalable automated solution to support the business as it grows and expands internationally.”

The Solution

The export management system from Amber Road®, now part of e2open®, was selected over the SAP® Global Trade Services application. Adding more robust trade compliance capabilities, the enterprise-wide platform automates the necessary export compliance checks and transactional functions including country controls, restricted party screening (RPS), license determination and tracking, document generation, and filing.

The Benefits

With the new system, the company has made huge strides in trade compliance automation. Overall, executives point out the cultural and business process transformations that have made a dramatic difference in the company's ability to grow its sales globally.

Prior to implementing the system, export screening was only performed on about 10% of the outgoing shipments via manual processes. Today, 100% of all international and about 90% of the domestic shipments are screened.



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Director of Quality & Compliance

Allied Electronics & Automation

Products can be shipped to customers faster without the delays from manual screening, improving the company’s “on-time promise” service level agreement. A reduction from three days to same-day service has been realized, also adding to man-hour savings on the distribution center (DC) floor and headcount re-allocation to handle the increased volumes of shipments.

Some of the products Allied sells fall under the jurisdiction of the International Traffic in Arms Regulations (ITAR). With the ability to identify and manage these highly controlled products through proper automated processes, along with the automation of screening, the company is now able to sell products domestically and internationally that fall into these categories with complete confidence of compliance. This has facilitated the expansion of the company’s product portfolio by adding additional products. This also gives suppliers and customers the ability to work with a single provider, making it an important feature in this competitive space and a revenue generator for the company.

Allied Electronics & Automation can now confidently conduct its cross-border trade operations quickly, efficiently and in total compliance.

About e2open

At e2open, we’re creating a more connected, intelligent supply chain. It starts with sensing and responding to real-time demand, supply and delivery constraints. Bringing together data from customers, distribution channels, suppliers, contract manufacturers and logistics partners, our collaborative and agile supply chain platform enables companies to use data in real time, with artificial intelligence and machine learning to drive smarter decisions. All this complex information is delivered in a single view that encompasses your demand, supply and logistics ecosystems. E2open is changing everything.

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