

Datatrac® is the leading provider of network enablement and logistics management systems for the transportation industry.

For the industry-leading distribution logistics solution, look to Datatrac and learn how its nationwide network of couriers and truckers can help you:

- Reduce shipping transportation costs by 25% to 30%
- Reduce delivery times while improving fulfillment accuracy
- Become more efficient and reduce your environmental impact
- Gain real time visibility into the location of goods in your supply chain



Using Datatrac's web-based, B2B information exchange hub, shippers, couriers, truckers and forwarders can:

- Settle financial charges
- Electronically exchange order information & shipment event details
- Streamline operations
- Enable a higher standard of service for shippers previously limited to integrated carriers such as UPS & FedEx.

At the core of Datatrac's complete transportation logistics solution is a robust back office system built to handle all operational and accounting functions. To tailor the technology to the needs of the carrier, Datatrac offers module engineered for expanded operational requirements:

- Routed and dynamic distribution
- Warehouse management interface
- Logistics partner integration
- Mobility solutions for real-time position visibility, data collection, signature capture, barcode scanning and RFID



Pharma Corporation and Datatrac® Cutting the Cost of the Last Mile

Background and Current Situation

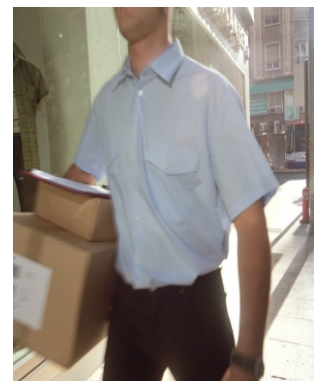
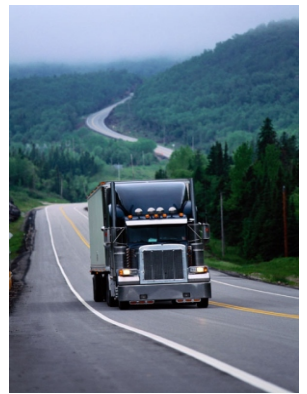
In 2000, Pharma Corporation, a nationwide pharmaceutical distribution company and Datatrac customer, began the process of outsourcing the “Last Mile” of distribution from their 30 U.S. distribution centers to 30,000 unique daily delivery points. This outsourcing was largely enabled by developing an electronic proof of delivery (EPOD) system, which carriers could utilize to meet Pharma’s electronic data interchange (EDI) requirements.

In 2001 Datatrac integrated with Pharma’s EPOD system. This integration allowed Datatrac’s carriers, who elected to work with Pharma, to deliver electronic data to Pharma. To date, approximately 33% of Pharma’s carriers use the Datatrac system. The current total cost reduction realized by Pharma from using EPOD and Datatrac’s solution is estimated to be in excess of \$40,000,000. Current annual savings are estimated to be \$12 million. Approximately half of those improvements (\$6 million) come from the reduction in overage, shortage and damage claims. The remainder is attributed to reduced labor cost in moving goods through the supply chain.

Eliminating the need for collecting, imaging and filing regulatory documentation was another key benefit of the program. At a cost of 13 to 16 cents per document multiplied by 30,000 stops a day, total daily savings amounted to \$3,900 to \$4,800 (or \$975,000 to \$1,250,000 annually). Other cost saving factors included the reduction in leased printers, ink, paper stock, and associated hardware. Most importantly of all, Pharma is growing their business because the Datatrac’s technology and network give them the competitive edge to maximize the efficiency in the last mile of their supply chain.

Looking to the Future

Once the Datatrac solution rolls out to the remaining Pharma distribution centers and carriers, it is projected to save over *\$45 million per year*. In just a few short years, Pharma will recognize a return on investment of more than *20 to 1*.



CUTTING THE COST OF THE LAST MILE

Phone: 800.827.2677 Fax: 678-250-2401
www.datatrac.com