Logistics SME Integrates with BizTalk Server

Overview
Country: Hong Kong, China
Industry: Transportation & Logistics

Customer Profile
Founded in Hong Kong in 1988, Fairate Express Ltd. is a medium-sized international air and ocean freight forwarder and consolidator with 100 staff handling 15,000 metric tones of air cargo and 11,000 TEUs of ocean freight per year.

Business Situation
In a business that depends on electronic data interchange (EDI), Fairate wanted to achieve faster response and smoother integration with customer systems.

Solution
Fairate deployed Microsoft® BizTalk® Server to take advantage of best-of-breed integration capabilities in conjunction with DigiLogistics' Chainaity software to automate data processing.

Benefits
- Better integration with customer and partner systems
- Security and ease of deployment
- 30% reduction in man-hours for document processing
- 30% of documents now instantly generated and dispatched
- Enhanced customer relationships

> "We have numerous partners using a variety of data formats but we didn't want a lot of different technologies. With BizTalk® Server, we have a single product that 'talks' everyone's language."
>
> Ernest Wong, Ocean Freight Manager, Fairate Express Ltd.

Hong Kong-based Fairate Express Ltd. is a long-established and growing freight forwarder and consolidator. It wanted to enhance its ability to serve its international customer base by automating business process management, achieving faster turnaround of critical logistics documents, and integrating with its customers' different electronic data interchange (EDI) systems and XML-based processes.

A solution based on Microsoft® BizTalk Server was ideal for its strength in integration and support for standards. Deployed with DigiLogistics' Chainaity software, the BizTalk Server-based infrastructure has allowed Fairate to rapidly process key logistics documents with minimal human intervention. With better integration with customer and partner systems, it can now instantly generate and share 30% of key logistics documents – the preparation and dispatch of which could previously have taken hours to complete. In addition, it has cut 30% of the man-hours involved in document preparation.

Situation

Fairate Express Ltd. has grown rapidly since 1988, when it was founded in Hong Kong with a staff of seven. Today the company is a 100-person international air and ocean freight forwarder and consolidator.

"With a 17-year history in the logistics sector, Fairate has witnessed dramatic changes in the way our industry communicates. Data that was once handwritten and sent by post or fax is now automatically generated and instantaneously shared. What's more, the nature of our business today means that this data needs to be continuously updated by different parties in different locations around the world. The sheer volume of information that flows through the logistics chain is incredible," reflects Ernest Wong, Ocean Freight Manger, Fairate Express Ltd.

From its Hong Kong office, Fairate logs around 2,000 pages of critical logistics documents on a usual day. Previously, it needed to operate seven fax machines on a 24-hour-a-day basis to process this mountain of paper.

It is only in the last three years that the majority of Fairate's customers in Japan, its major market, have made the transition from fax to email-but since then, the move to Electronic Data Interchange (EDI) has been extremely rapid.

Fairate deployed a DOS-based internal EDI system eight years ago. But it lacked both the features and capacity to support the growing company's needs. It was replaced in 1998 by a system based on Microsoft's Windows® and FoxPro® technologies.

However, with continuing business growth and the advent of XML bringing new possibilities for process automation and e-commerce, Fairate needed a new infrastructure that would allow it to better integrate with the systems used by its trading partners. At the same time, it wanted to improve operational efficiency and customer service.

Specifically, the new infrastructure would have to overcome two key challenges:

• **Response time:** Information that used to be updated to customers within days, such as Arrival Notices for shipments by sea, now needs to be received immediately. Fairate thus wanted to automatically generate and dispatch crucial logistics documents without any manual input.

• **Integration:** Customers and partners use diverse IT systems, document formats, and data processing standards but Fairate needs to be able to seamlessly exchange data with them all.

Solution

Fairate deployed Chainaity, a logistics solution developed by Hong Kong's DigiLogistics.com Limited on Microsoft BizTalk Server and SQL Server™ technologies. The software automates data processing and relies on the best-of-breed integration technologies in BizTalk Server to drive the exchange of information.

"We have numerous partners using a variety of data formats but we didn't want a lot of different technologies. With BizTalk Server, we have a single product that 'talks' everyone's language," says Wong.

In addition to deploying Microsoft BizTalk Server, Fairate strengthened its Microsoft infrastructure as part of its EDI/XML enhancement, adding five Windows 2000 Servers and 15 Windows XP Professional desktops to a network that already included Microsoft SQL Server and Exchange Server.

Benefits

Automated data preparation
The Microsoft-based EDI system now automatically generates all four of the key types of logistics document that Fairate uses on a daily basis: Shipping Order, Bill of Lading, Purchase Order, and Advance Shipment Notice.

Using BizTalk Server, Fairate has cut 30% of the man-hours involved in document preparation.

Faster response time
"We intend to process all of our key logistics documents with minimal human intervention and the fastest possible response time. With BizTalk Server, we can already instantly generate and deliver 30% of our key logistics documents, with a target of 70% as we improve our workflow processes," Wong reports.

This fast response time represents a dramatic improvement from a customer point of view. For example, an Advance Shipment notice for an air-freight shipment would have previously been sent to the customer within five hours. Now it is automatically generated and sent immediately after the plane's departure.

Improved customer service
Microsoft's BizTalk Server technology was the ideal solution for Fairate because of its strength in integration and support for standards. Security and ease of deployment were also important to the Fairate IT team.

"A successful IT system is crucial to success as a logistics service provider. With BizTalk Server, we have improved our ability to cater

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For More Information

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For more information about Fairate Express products and services, call (852) 2308-9111 or visit the Web site at: www.fairate.com

For more information about DigiLogistic.com products and services, call (852) 3173 8932 or visit the Web site at: www.digilogistics.com

to different customer needs and further enhanced our customer relationships by processing documents more quickly and efficiently. This directly helps us to gain customer confidence and win new business and also frees our people to focus on providing more value-added service," Wong concludes.

Microsoft Windows Server System™

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