DB Schenker, Region Europe Central

Axway B2Bi governs the flow of data for DB Schenker’s Region Europe Central, to streamline delivery of goods and services

Corporate Headquarters
Essen, Germany

Region Europe Central Headquarters
Frankfurt / Kelsterbach, Germany

Industry
Transportation and Logistics

Challenge
Provide a centrally hosted, flexible and scalable EDI integration service for external and internal business partners, and migrate more than 50 local implementations to the centralized platform

Axway 5 Suite Solution
Axway B2Bi
Axway Sentinel

Results
- Enhanced customer satisfaction through simplified, standardized procedures and delivery of services customers demand
- Reduced TCO by eliminating duplication of cost and effort required to run multiple EDI integration platforms
- Improved stability, availability and flexibility through an advanced platform designed for easy integration of EDI interfaces
- Data flow governance, including monitoring of EDI data flows, enforcement of mandated security procedures and prevention of malware incursions

Growing and Global
DB Schenker – a force to be reckoned with

A powerhouse in the road transportation industry, DB Schenker Logistics enables the global exchange of goods through its leading role in land transport, worldwide air and ocean freight, contract logistics and supply chain management. With 64,200 employees at 2,000 locations around the globe, DB Schenker Logistics generated revenues of over €15.39 billion in 2012.

As a specialist in European land transport – both by road and by rail – DB Schenker connects all the important economic regions in over forty European countries via a dense network of regularly scheduled services. In fact, DB Schenker is number one in European land transport.

A dominant force in the European automobile market, DB Schenker transports almost all new cars shipped to dealers in Europe, as well as delivering parts to automobile manufacturers and providing services for them.

Within Europe, DB Schenker’s Region Europe Central includes Germany, Belgium, The Netherlands and Switzerland, with over 100 locations and some 15,800 employees. In Germany alone, over 60 offices of Schenker Deutschland AG are involved in the logistics business, using EDI integration services.

The Mission
Reduce costs and improve service for customers

To enable the company to continue growing while reducing operational costs and providing better service to customers, DB Schenker Logistics embarked on a
worldwide IT-landscape cleanup project. In accordance with best practices in the IT industry, each system was examined to determine whether it was aligned with the needs of the business.

A clear candidate for overhaul within Region Europe Central was the multitude of EDI integration systems then in use. Each of Germany's 92 offices had its own system, running on a variety of software and offering disparate capabilities. Each system was maintained locally by the logistics staff in the branch, creating a tremendous duplication of cost and effort.

This decentralized architecture also created a host of other problems:

- New customers were sometimes turned away because the relevant branch could not connect them.
- Existing customers had to use different protocols to connect to different branches of DB Schenker’s Region Europe Central.
- The Region had no visibility over the entire EDI integration process, since all customer connections were local.

To remedy this situation, DB Schenker’s Region Europe Central needed a centralized solution architecture for EDI integration, which would fit into the worldwide Domain Integration Strategy of DB Schenker Logistics. This new architecture would enable:

- Governance capabilities to implement the security rules and monitoring mandated by DB Schenker, as well as by its parent company Deutsche Bahn, the German Railways
- Flexibility enabling all customers to connect to the platform using whatever protocols they preferred
- Scalability to support DB Schenker’s Region Europe Central’s continued growth

Perhaps the biggest test for DB Schenker’s Region Europe Central was the customer challenge. More than just implementing a platform, the solution involved changing the entire way the Region works with its customers for EDI implementation. The challenge was to improve customer satisfaction, while moving from a very local support service to centralized processes.

**Axway – the Logical Choice**

A long-term partnership with DB Schenker Logistics

As a longtime, global partner of DB Schenker Logistics, Axway was the logical choice for DB Schenker’s Region Europe Central. “Our headquarters in Essen has been using Axway solutions for a long time, starting with AMTrix in 1997,” said Uwe Schumacher, Vice President Customer Integration & Solutions at Schenker Deutschland AG.

“We’ll reduce our total cost of ownership (TCO) with Axway B2BI by having a single EDI integration platform, rather than many.”

Uwe Schumacher
Vice President
Customer Integration & Solutions
Schenker Deutschland AG
“There was a clear advantage for us to choose Axway,” said Schumacher, citing the following reasons:

- **Financial:** “Our headquarters has a major license contract with Axway,” said Schumacher, “making this a very cost-effective choice for us. Equally important,” he continued, “is that we’ll reduce our total cost of ownership (TCO) with Axway B2Bi by having a single, regional EDI integration platform, rather than many.”

- **Operational:** “We can use Axway processes that are already implemented at DB Schenker Logistics’ global, headquarters-governed integration platform, such as the data mapper,” he said. “This was a big advantage; we didn’t have to re-invent the wheel.”

- **Technical:** “The Axway B2Bi solution gives us a broad technical basis to handle all the types of integrations we can expect for customer on-boarding projects,” said Schumacher. “This is a huge advantage, and wasn’t possible with the local installations.”

- **Security:** “Axway Sentinel will give us visibility over the entire system, and enable us to reduce the risk of failure during operations,” said Schumacher.


**Deploying the Axway Solution**

Adding new customers and migrating existing relationships

To ensure a smooth and secure transition to the Axway solution, implementation has been structured as a multi-phase process. The first phase was the successful deployment of Axway B2Bi and Axway Sentinel in the DB Schenker data center in Frankfurt for Region Europe Central. The Axway solution went live in July 2012. Since then, more than 1,150 new customers have been connected to the Axway platform, and that number is growing rapidly.

The next phase – enhancement of the solution architecture of Axway B2Bi – is now well underway. This enhancement is designed to establish standard connections to DB Schenker Logistics’ globally deployed Enterprise Service Bus (ESB) to connect to the company’s target Transport Management Systems and Common Services.

The third phase – the migration of existing systems – has also begun. This migration involves moving all of the decentralized EDI connections from local platforms to the central platform, a complex process requiring Axway to handle all use cases implemented by the local branches over the past 15-20 years.

DB Schenker’s Region Europe Central has over 6,000 B2Bi customers, including 2,000 that are directly connected to the Region and others that use Web EDI solutions or partner services.

When fully implemented, the Axway 5 Suite solution will handle an array of critical business processes for DB Schenker’s Region Europe Central:

- Receiving transport data from customers, including purchase orders, delivery notes and container data. Customers send data from their ERP systems via Axway B2Bi to the DB Schenker Transport Management Systems and other ERP systems.
- Sending customers status information from trucking and tracing systems.
- Sending customer e-invoices directly to their SAP systems, a service highly valued by customers.
**Generating messages for customers when there is movement in DB Schenker's Region Europe Central warehouses. This level of notification will be achieved by connecting the company's Warehouse Management System to Axway B2Bi.**

In a word, “Axway B2Bi enables us to carry out our core business, which is to organize transport from A to B,” said Schumacher. “Axway B2Bi will become one of the most critical platforms in our organization.”

**Benefits from the Axway 5 Suite Solution**

**Now, and in the future**

With the migration process underway, initial benefits of the Axway solution are already evident, with more to come. “Our goal is to have a single, stable solution used for all EDI integrations,” said Schumacher, “and not 50 solutions, which is what we have today.” Key benefits of the Axway solution include:

- **Enhanced customer satisfaction:** Through simplified, standardized procedures, customers can use their preferred process to connect to DB Schenker’s Region Europe Central, whatever the branch involved.

- **Delivery of services that customers demand**, such as transmission of e-invoices to customer SAP systems, eliminating the manual entry of invoice details.

- **Reduced operational costs and TCO**, by eliminating the duplication of cost and effort involved in running multiple EDI integration systems.

- **Improved stability and availability:** “There has been no downtime in over one year with Axway B2Bi, which was launched in July 2012,” said Schumacher. “The interfaces we created are all stable, and the system is very reliable. We are satisfied with the product.”

- **Enhanced flexibility:** Easy integration of new EDI mappings and protocols will support DB Schenker’s Region Europe Central as its customer base expands and customer needs evolve.

- **Data flow governance:** Axway Sentinel is being used to monitor EDI data flows, implement mandated security rules and procedures, and prevent malware incursions. In the future, governance functions will likely be extended to SLA management and data analytics.

**A Team Effort**

Solid support from Axway, with solid results

With the migration process picking up steam, close coordination between Axway and DB Schenker’s Region Europe Central is essential. “We collaborate very closely with Axway,” said Schumacher. “I have all the support I could possibly imagine from Axway.” This level of support will remain vital throughout the migration process, which is to be completed by end 2015.

“We needed a centrally hosted, fully fledged EDI integration service for external and internal business partners for the Region,” Schumacher concluded, “and that’s what we have with Axway B2Bi.”