

Kuehne + Nagel

Kuehne + Nagel implements Lexmark solutions; cuts paper storage and electronically indexes two million documents per year

Challenge

In its Southaven facility, Kuehne + Nagel provides contract logistics services for dozens of clients, one of which is Lexmark. In addition to inbound receiving and outbound shipping, Southaven provides value-added services, such as customized Lexmark printers for specific customer orders, and ensures that hardware configurations for federal government and military accounts comply with special standards.

Keeping track of shipments and service jobs generates more than two million printed pages every year, encompassing pick tickets, bills of lading, packing lists, commercial invoices and more. "All of that paperwork has to be physically stored by day and by carrier, in case a claim is made or an audit is requested," said IT Project Manager Jonathan Keathley. "We store all of this paperwork in Bankers Boxes® stacked on pallets."

According to Len Sokaloski, general manager of the Southaven distribution center, it was very time consuming to manage the mountain of documents. A variety of inbound and outbound document sets were collated and filed for receipts and shipments each day. "Before you know it, it added up to more than two million documents per year."

Aware that it was awash in an ocean of paper, the world's largest sea freight forwarder began a search for a workflow modernization solution that could abolish much of its printing by storing electronic counterparts of its documents in a searchable online database instead.

Kuehne + Nagel was already a long-time, established Lexmark customer and had standardized on Lexmark printing and multifunction printing technology through its U.S. operations. In fact, Kuehne + Nagel had also chosen Lexmark as its managed print services (MPS) provider and, today, Lexmark continues to provide asset lifecycle, proactive consumables management, break/fix and help desk management, training and maintenance services for Kuehne + Nagel throughout the U.S.

With a standardized and optimized output infrastructure of Lexmark printers and multifunction products (MFPs) already in place, Kuehne + Nagel didn't have to look far for an expert in streamlining paperbound workflows. "Through our relationship with Lexmark, we were able to identify a solution for inbound and outbound documents for paperless indexing," said Keathley.



KUEHNE+NAGEL

Meet Kuehne + Nagel

Founded in 1890, Kuehne + Nagel is the world's top sea freight forwarder, and a global leader in air freight and contract logistics. The company operates 1,000 locations in more than 100 countries. Among its United States operations is a sprawling 865,000 square-foot distribution center, in Southaven, Mississippi, just south of Memphis, Tennessee.

Products in use:

- ▶ Lexmark Managed Print Services
- ▶ Lexmark printers and multifunction products
- ▶ Lexmark Logistics Document Management solution
- ▶ Electronic Forms and Workflow solution from Lexmark



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IT Project Manager
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Solution

Working in a collaborative partnership with Lexmark, Kuehne + Nagel analyzed its operations to identify opportunities for reducing printing, implementing paperless workflows and imaging incoming paper documents for electronic filing. Following that analysis, the company installed the Lexmark Logistics Document Management solution.

Kuehne + Nagel uses the solution to design electronic counterparts of its paper forms, submitting those e-forms for approval internally and to its customers. Inbound documents are scanned on Lexmark MFPs, have a unique identifying barcode added, and are indexed in Kuehne + Nagel's document repository. Outbound documents generated by the new workflow are also barcoded and indexed. After bills of lading are printed and signed by route drivers, the documents are scanned and indexed, ensuring that each driver's acceptance can be verified in just seconds.

Document retrieval is now just seconds away. Kuehne + Nagel staffers now resolve customer claims immediately over the phone, a huge improvement compared with manual retrieval of documents from storage. “With Lexmark, we’ve been able to increase productivity,” said Keathley.

Kuehne + Nagel also takes advantage of the Electronic Forms and Workflow solution from Lexmark to create digital authorization forms to monitor inventory. The solution keeps track of digital approvals and signatures, and simplifies claims, investigations and auditing.

Meanwhile, the same Lexmark MFPs that enable sophisticated software solutions also deliver on-demand printing, even on complex media so Kuehne + Nagel can print labels, setup sheets and user guides in-house for greater flexibility and even more cost savings.

Results

Kuehne + Nagel's Southaven facility slashed bill-of-lading printing by 50%. The new workflow is also an ideal solution, especially in the event of an audit.

“We’re now able to instantly retrieve any document and view it onscreen,” said Keathley. More than two million documents are being barcoded and indexed electronically every year at the Southaven facility, helping the company also advance its “green” environmental initiative.

Though reducing paper consumption was an easily quantifiable factor in selecting the Lexmark solution, it is perhaps the speed with which Kuehne + Nagel now responds to inquiries that is most beneficial. “Our turnaround time on document retrieval has improved significantly—from hours to minutes,” said Sokaloski. “And it's not only Kuehne + Nagel that has access to these documents. Our customers do as well.”

Solutions from Lexmark are also increasing productivity in other areas of the warehouse as well, including inventory monitoring. “Through the use of eForms, we eliminated the paper-intensive processes throughout the warehouse,” said Keathley.

These results and savings are in addition to the more than \$1 million annual cost savings achieved through the MPS engagement. The MPS engagement also reduced printed output by 1.1 million pages annually for the corporation.

Already one of the world's most-respected companies, Kuehne + Nagel found a new way to improve service levels and productivity by turning to a solution from one of its own longtime customers, Lexmark. "Working with Lexmark has helped us to overcome obstacles and create a productive solution that enhances our warehouse environment and streamlines operations," said Keathley.

Read and watch more stories of success from our global customers at www.lexmark.com/success