

A Digitech Systems Case Study



Case Study Facts:

CLIENT: Vulcan Materials Company

DIGITECH SYSTEMS RESELLER:
Datamation Imaging Services

PROBLEM:
Struggling to manage more than 200,000 delivery tickets per month

SOLUTION:
ImageSilo

RECOGNIZED BENEFIT: "We've changed the way we manage and track deliveries for the better! All the delivery tickets are now managed electronically, and customers can even look up their own information. ImageSilo is saving us time and money while also allowing us to improve our customer service."

-David J. Munro,
Credit and Collections Manager



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Vulcan Materials Company saves more than \$128,000 annually using ImageSilo®

Vulcan Materials Company is one of the world's largest producers of construction aggregates. In 2004, they shipped more than 243 million tons of crushed stone, gravel, and sand, but their proof of delivery (POD) ticketing system was costing them thousands of dollars in labor, paper filing and storage costs each year.

After implementing ImageSilo, a Software as a Service (SaaS) Enterprise Content Management (ECM) system, they are recognizing significant process and labor efficiencies. Last year, the system saved Vulcan Materials more than \$128,000 by streamlining their POD ticketing system and providing electronic access to tickets for both staff and customers.

The Situation

Vulcan Materials Company (www.vulcanmaterials.com) was founded in 1916 in Birmingham, Alabama. They began trading on the NYSE in 1956 and today are one of the key companies included in the Standard and Poors 500 Index (S&P 500). In 2009, the company reported revenues of \$2.5 billion, and they employ approximately 8,400 employees. They are one of the top five producers of construction aggregates in the United States, with over 317 production facilities in 21 states and Mexico. Vulcan Materials was named to *Fortune* magazine's list of Most Admired Companies for eight out of the past 11 years. Truck, rail and water distribution locations shipped more than 151 million tons of product in 2009.

At the Midwest distribution headquarters, materials shipments generated more than 200,000 paper POD tickets each month. These tickets were shipped semi-weekly from 30 locations to headquarters to be sorted and filed by hand in a 200 square-foot storage space. Vulcan Materials kept records for seven months onsite, and then re-boxed and shipped them to an offsite storage vendor. With a monthly shipment of about 15 boxes and a retention period of three years, their records storage costs were averaging \$21,600 per year.

Locating a given ticket within this complicated process was often difficult and time consuming. Each customer service representative fielded 20 to 25 calls per day. For each call, it took approximately 10 minutes to locate the requested ticket and pull it from storage. Vulcan Materials had one full-time employee entirely devoted to locating requested data.

The paper-based system was costing Vulcan Materials in other ways as well. Temporary labor called in to help with audits for collections and cases cost approximately \$1,600 annually. And, the accounting department was forced to write off receivables for deliveries for which they were unable to locate POD tickets.

Vulcan wanted to reduce the amount of time it took to field their customer requests and cut the overall costs related to storing and managing information.

Key Benefits

- 498% ROI and full project payback within three months (as verified by independent industry analysts at Nucleus Research)
- Reduces time to locate tickets from 10 minutes to less than 30 seconds
- Saves more than \$15,000 previously lost to delivery disputes
- Saves \$128,000 annually in labor and offsite storage
- Provides customers secure, unlimited access to their own records
- More than 70 internal users were trained in just a couple hours

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SOLUTION: ImageSilo

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BENEFIT: "We've changed the way we manage and track deliveries for the better! All the delivery tickets are now managed electronically, and customers can even look up their own information.

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The Solution

Datamation Imaging Services, a Digitech Systems Reseller, implemented ImageSilo at the Midwest headquarters in January 2005. The initial selection of ImageSilo was made due to the lower cost and extremely rapid deployment and training offered. As a SaaS solution, ImageSilo provides users access to their data over the internet, allowing companies to reap the benefits of ECM without the upfront capital outlay required to purchase hardware and install it in-house. More than 70 users were trained—each taking only minutes—and Vulcan Materials started retrieving data from the system right away.

To process the 200,000 tickets generated per month, Vulcan Materials partnered with Datamation to provide scanning services. Datamation utilizes Digitech Systems' capture technology to scan and index the tickets and then upload them to the ImageSilo system. To date, Vulcan Materials has almost 2.6 million POD tickets stored and indexed for rapid retrieval in the system.

Recognized Benefits

The implementation of electronic ticket management at Vulcan Materials has saved the company time and money. With ImageSilo, customer service representatives have reduced the time it takes to locate tickets from 10 minutes to less than 30 seconds. They are no longer searching paper records or calling for retrieval of files from their offsite vendor. Now, representatives pull up data immediately without ever leaving their desks. They have become so much more efficient that the company has released one full-time employee, saving more than \$40,000 annually.

They have eliminated the need to write-off receivables due to an inability to locate POD tickets that verified shipment delivery. Due to improper handling and misfiled documents, accounting had previously been forced to write-off almost \$15,000 of revenue each year. "Although this wasn't happening frequently, we were concerned about the amount of money we were losing each year. With ImageSilo, all the delivery information is catalogued and retrievable almost from the moment the shipment leaves our yard," said David J. Muno, Credit and Collections Manager.

Independent analyst firm, Nucleus Research, verified a certified ROI study that revealed the ImageSilo project offered additional savings, providing a 498% ROI and full project payback within three months of implementation.

"With a return like this, we are better able to focus our time and energy on serving our customers and meeting corporate goals. ImageSilo has made us a better company."

-David J. Muno, Credit and Collections Manager

Customers now look up their own tickets in the ImageSilo system, resulting in fewer disputes. The sales team loves the technology and uses it as a differentiator to establish new accounts. One Vulcan Materials customer commented, "The ImageSilo system allows our office staff to pull in delivery tickets from last week and match them against the Vulcan invoices we receive, which speeds up our processing. The system works great!"

About Datamation

Since its founding in 1995, Datamation Imaging Services has provided document management consulting and imaging services for numerous clients in the Chicago area. Datamation has helped hundreds of businesses implement cost-effective, time-efficient document imaging solutions. They offer an array of imaging options and are a leading reseller of Kodak scanners. Datamation has been a Digitech Systems and ImageSilo reseller since 2000. They have also been recognized as a top performer and member of Digitech Systems' Circle of Excellence for the past six years.

To learn more about Datamation, visit www.datamation.info or call 630-321-0601.