



TEMS VS. TMS

More Control Before AND After the Dock Door

There is some confusion between the concepts of Transportation Management Systems (TMS) and **Transportation Expense Management Systems (TEMS)**. The key determining factor between a TEMS and a TMS would have to be this: *The Value a TEMS system provides.*

Supply chain and logistics departments need information that will help them plan, optimize and consolidate the shipping processes on a day-to-day operational basis. In other words, managing transportation decisions before a shipment has occurred.

Finance and accounting have the task of monitoring and assessing the decisions made by all the other departments, including supply chain and logistics, after the invoices have been received. The actual data that arrives on the shipping invoices - including all the fuel surcharges, wait times, beyond charges and more - plays a primary role in determining the quality of transportation decisions.

Supply chain and logistics managers have many factors to consider in selecting their transportation options. Cost is a factor, as are capacity, reliability and "quality of service". In some industries, the ability to guarantee a specific timing

for a delivery can far outweigh costs. Traditional TMS software provides the tools to support these day-to-day transportation decisions and most supply chain managers who have fully embraced TMS often find themselves wondering what they did without these tools.

But what happens after a shipment is sent out? How do you know you are being charged the negotiated price on every shipment? What happens if there are duplicate invoices or unexpected surcharges?

There are a different set of business problems associated with the finance and accounting department when it comes to transportation logistics. Where some TMS deployments lack real muscle is assessing the aftermath - in the processing and analysis of the actual financial results of transportation decisions.

That's where a Transportation Expense Management System (TEMS) is essential. Unlike its Transportation Management Systems (TMS) counterpart, TEMS provides complete management of not only the supply chain and logistics information but also financial and accounting management.

"Over & Above" Funcionality Offered by AccuFreight TEMS	TMS	TEMS
Capture Bills of Lading	Yes	Yes
Carrier Rate Management	Yes	Yes
Shipment Pre-Costing	Yes	Yes
Web-Based Access to Secured Freight Data - From Any Computer		Yes
Freight Payment Tracking from BOL to Cheque Requisition		Yes
Automated Freight Bill Auditing		Yes
Customized Analysis of Actual Freight Expenses - per customer, per carrier or per any criteria relevant		Yes
Built-In Sarbanes / Oxley Expense Management Compliance		Yes
Monitor Internal Business Rule Non-Compliance		Yes
Monitor Carrier Performance Based on "Extra Charge" Analysis		Yes
Monitor Carrier Performance Based on Fuel Surcharges		Yes

TEMS – REPORT CARD

Think of TMS as the tool your company uses to get the right shipment out the door in the most optimal way. **TEMS** looks at the financial data generated by that activity and provides you with the analysis you need to monitor and adjust transportation processes and business rules. Or, in another way, TMS manages the day-to-day activity - TEMS provides the report card to identify areas of excellence and areas for improvement.



TEMS VS. TMS

The Power of TEMS

There are three key areas where TEMS adds strength to the traditional transportation management system:

1. Saving you money - Optimizing Payment Processes

TEMS takes invoice and BOL data from a variety of sources (EDI, e-mail, paper) and automatically audits the rates and "extra charges" against a shipper's contracted rates. TEMS will report on invoicing "exceptions" and offer the shipper several options for correcting these errors and increases the payment turnaround time. This speeds up the payment process allowing you to take advantage of prompt-pay discounts and ultimately save money.

2. Operating Consistency - Enforcing Operating Rules

You have shipping and carrier policies in place for a reason – to take advantage of negotiated rates, and preferred vendors or determine the proper usage of LTL vs. TL shipments – but are these policies followed throughout your locations? With easy access to historical data, TEMS provides the information necessary to make sure your shipping departments are following protocol and maximizing the best shipping methods for the job.

3. Informed Shipping Decisions - Easy Analytics

- How much does it cost monthly to ship to Customer X?
- Does this cost go down when we use Carrier Y?
- Are some carriers charging more for fuel surcharges on the same lane for the same shipments?
- Can we measure the financial advantage of moving courier-based shipments to LTL?

When confronted with these kinds of questions, many transportation managers simply do not have access to actual shipping data that would provide concrete answers. Invoices sit in filing cabinets or in AP systems that lack the analytics required to generate answers based on actual financial data.

It shouldn't be a guessing game. You need to know how much is spent monthly on transportation. With TEMS, once audited payment information is entered into the system, an easy-to-read, detailed report allows you to analyze shipping costs based on actual historical data rather than projections.

TEMS ANALYTICS Made My Team More Efficient!

"The team at Trans-Lucent Markets has been very professional and accommodating. AccuFreight's Accounts Payable (AP) allows us to audit and approve invoices for payment of our freight expenditures. The Freight Intelligence System (FIS) provides us the capability to analyze freight, accessorial charges and distribution centre expenditures. The prompt accessibility and analytical capabilities of these systems has made my team more efficient and effective.



Rozmina M.
Manager, Customer Service
Coca-Cola (Canada) Ltd

Trans-Lucent Markets Inc. (TLM) was formed in 2003 out of a desire to turn the vast amount of financial data available on shipments into valuable information for all sectors of the transportation industry. TLM's mandate is to provide **visibility, access and control** by providing best-in-class Transportation Expense Management Systems (TEMS).

Trans-Lucent Markets Inc.

Shelina Lalani, President
slalani@trans-lucent

147 Wyndham St. N., Suite 207
Guelph, Ontario, Canada N1H 4E9
PH: 519-826-7505 or 1-866-295-3930

www.trans-lucent.com