



MESSENGER COURIER WORLD MAGAZINE

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# Customer-Driven Solutions Revolutionize the Courier Industry

By Angela Cavallari Walker

**I**t used to be so simple...or at least simpler. Courier companies have gone through a lot of changes over the past three decades. One key to survival in such a dynamic field depends upon implementing new technologies as fast as they evolve. The need for time-sensitive delivery continues to offer a tremendous challenge, but it creates rich opportunities, too. Couriers are constantly adapting their business models to compete with consolidators and win business from shippers. Along the way, technology has been a game-changer that has leveled the playing field for courier companies to compete in new markets.

## Market Evolution

When Mark McDonald and business partner Mark Helmke first purchased Wisconsin-based Dunham Express, they knew that many challenges awaited them. McDonald, now the CEO, describes the early days of this 59-year-old courier company as a mom-and-pop environment. "The office was a mess. There were papers stacked all over the place," says McDonald.

Dunham Express got its start in 1951 as a mail delivery service and later morphed into a more traditional courier role,



taking on bank courier work and on-demand courier services. As the financial industry became more and more automated, traditional courier services were needed less. "Technology phased out the bank and letter courier service. So few check payments come through the mail anymore," says McDonald.

Until 1997, Dunham Express was still operating predominately as an on-demand courier service. Drawing on more than 40 years of combined industry experience, Dunham's owners saw an opportunity to serve an entirely new market: route distribution.

"Our evolution was driven by the change in our customers' business

needs," says McDonald. At that time, it was difficult to offer visibility into a shipper's deliveries. Recognizing that the right technology could bridge the gap and open new markets, Dunham took a hard look at existing products and found them all lacking. Realizing that business and technology working together could evolve into something new and innovative, Dunham began working with Datatrac to develop what they needed to survive in the changing courier market.

## Technology Revolution

Datatrac got its start in 1977 as a custom software development company catering to the manufacturing industry. The

company shifted its focus to the courier industry a short time later and has been leading innovation in this space ever since that change.

The first software developed was Unix-based and offered a text interface that quickly gained popularity to become the standard in the industry. "A lot of people got their first introduction to courier technology through our original 'green screen' offering," says John Tucker, VP of Product Management and Marketing for Datatrac. The term green screen refers to the monochrome computer displays that preceded color monitors and were ubiquitous until the 1980s.

Working closely with Dunham, the Datatrac team began building the next wave of technology that would alter the way shippers and couriers interact. When completed, a comprehensive route distribution module was added to their complete solution set. With full auditing capabilities and intuitive mobile components to enable POD and real-time visibility, the new product allowed carriers to compete for and win business from major shippers. Until that time, this work had been dominated by major consolidators who were leveraging their massive technology budgets to push independent carriers out of the market.

"Our niche lies in meeting the more stringent service requirements that larger delivery companies cannot meet," says McDonald. Because Datatrac operates the only complete, EDI value-added network in the industry, shippers could easily integrate with Dunham. Leveraging the real-time technology behind the scenes, those shippers now had the same level of visibility into their freight operations as they might have experienced when using their own delivery personnel.

Over time, major shippers in pharmaceutical, retail, laboratory and other types of medical transport recognized the cost savings of outsourcing distribution shipments. As a direct result of their technology commitment, Dunham saw their business model shift to cater to these companies' needs. Their work

with Datatrac had created a technology that fundamentally changed the way Dunham does business. Ultimately, it turned out to be the precursor of another tech shift that would bring even more change.

## Anytime, Anywhere Solutions

As the Internet grew in subsequent years, more business functions were shifted to make use of this new and powerful tool. Datatrac and other tech companies continued evolving their web-based technology during that time. Customers could take orders via the internet, log in to their back office system via the web and provide tracking information to on-demand custom-



ers. Clearly, the business was no longer bound to couriers' offices and docks.

As the web evolved into its second generation, business applications inevitably began making use of the newer technology. It was no longer acceptable to be confined to a particular platform, a certain operating system or even a specific location. "Companies needed complete flexibility in their interaction with carriers," says Tucker.

Out of that need evolved **Datatrac Web**: a secure web-based solution that requires only an internet connection and browser to provide full access to critical operational data. "As we've done in the past, we set out to create a solution

that would fundamentally change the way courier companies do business," says Garland Duvall, CEO and CTO for Datatrac. The Atlanta-based company first debuted Datatrac Web at their September 2008 user conference, but the broader industry got its first peek this past May at the MCAA Annual Meeting.

Datatrac credits the early success of its newest offering with the effort that went into building a product around the needs of their clients. That's why all of the company's products are designed and built solely by Datatrac. "Our customers provide their real world experience to guide the development of our products," says Tucker. "It's how we've built our technology since the very first courier back office system was developed almost 30 years ago."

Texas-based courier company and longtime Datatrac customer, Corporate Couriers was one of the first clients to utilize Datatrac Web. For its President and Founder, Kirk Godby, Datatrac Web gave his business many new advantages. "You are no longer limited to your own work space. You have everything you could want to run your system...from anywhere," says Godby.

Corporate Couriers first implemented Datatrac's system in 1995 after spending three months researching the best software for their growing business. For courier companies like Godby's, accurate, real-time data is the backbone of his business. "Bad decisions could cost you a client. You need the ability to see where the truck and products are at all times," says Godby.

Datatrac Web is already improving the efficiency of his dispatching operations with its Google Maps integrated interface. According to Godby, travel is also a big part of managing his business. With locations in both Dallas and Ft. Worth, he can access operational data from either location—no matter where he may be. "There is so much flexibility built into web technology offerings. Why not take full advantage of this?" says Godby.

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Meanwhile, Dunham's distribution clients now place their distribution shipping orders, print barcodes and track their shipments from pickup to delivery—from any internet-enabled PC. And this web-based capability doesn't stop at strengthening the relationship with existing customers. "This web solution has been a value to us in winning new clients," says McDonald.

### Looking Ahead

"Shippers are now looking for consolidated dashboards that provide a single point where they can review all of their logistics network operations," says Duvall. Datatrac's technology offerings are now enabling companies to work directly with shippers to develop the essential tools they need to improve their operational efficiency. As in the past,

they are working together to bridge a gap that could lead to new opportunities on all sides.

**Both carriers and shippers are beginning to work together in new ways to meet the needs of the supply chain.**

Where will this revolution lead? Careful observation of current trends leads Duvall to conclude, "Ultimately, web-based distribution technology will fundamentally change not only the courier's business, but the shipper's business as well". Office locations may become largely irrelevant and a distributed work environment could become the norm. Employees will be able to accomplish more and find the training curve much less

steep than it used to be.

Both carriers and shippers are beginning to work together in new ways to meet the needs of the supply chain. "There's no question that technology will continue to be the focus for forging stronger relationships between these business partners," says Duvall. "And, we'll be right there working with them to make sure they have the technical tools they need to succeed." **MCA**

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