

## Millions of savings with Softlogs on board

*Softlogs has helped us gain control over all our business processes, including the use of freight calculation and correct freight accruals on our accounts. Freight is now included into all our profitability analyses and is an integral part of all our control functions, says Stig Robert Gustavsen, Logistics Manager at Tools.*



*We have over 200 transport companies that provide services for us at a daily basis. With Softlogs as part of the team, we are saving millions, says Stig Robert Gustavsen, Logistics Manager at Tools.*

### Influences our Business Strategy

Softlogs is not only a software supplier, but also a very close partner, who affects our entire business strategy in both Sweden, Finland and Norway. The knowledge Softlogs possess has made us an even better tool company for our customers, says Gustavsen. For the accounting department the Softlogs system has been very helpful. The processes in account coding and cost allocation have been automated. In addition, we no longer miss accrued freight expenses, which was previously a problem.

### Broad experience

As Logistics Director, Gustavsen is responsible for Tools' operations in Sweden, Finland, and Norway. Since the merger of Swedol and Tools the workload has doubled. This has led him to turn over logistics in Sweden to another employee and Gustavsen is now concentrating exclusively on Finland and Norway.

Softlogs was elected as a partner before Gustavsen took up the position as Logistics Director last autumn. We got in touch with Softlogs in January/February in 2019, signed contracts with them in June and immediately started with data collection.

### Millions in savings

When asked how much Tools has saved by using Softlogs, Gustavsen replies. "We have over two hundred transport companies that perform services for us daily. We've saved millions with Softlogs as part of the team. One of the features in their solution is invoice control. Some time ago, Softlogs discovered that a customer number of a carrier was entered in the system with the wrong discount structure. The error was discovered early and more than 700,000 could be credited. Now we have simpler processes, have greater control and feel confident that the invoices from our carriers are correct, he emphasizes.

### Exciting and challenging journey

—How has the journey with Softlogs been until today? – It has been exciting and challenging. When I became logistics manager at Tools, we had twenty warehouses spread all over Norway. Now they are reduced to five and we are closing another three before Christmas. This leaves the central warehouse at Rosenholm and a regional warehouse in Stavanger. Accurate reports and profitability analyzes give us better business control. Softlogs has streamlined our freight and transport operations and gives us tremendous control of what an item costs to transport from A to B. Shortly we will use the price calculator at our website. In this way, customers do not need to log into any external system to calculate freight costs.

## From invoice control to financial control

In addition to invoice control, Softlogs performs freight allocation and freight accruals with full automation.

– For us, it was crucial to gain control over our business processes. I came from a company that struggled with freight accruals. For six years before Softlogs, we had discussed what we could do to get better control of Month-end closing. We knew what we had shipped, but did not receive an invoice and did not know what we would have to pay. At Tools, we have gained control over the business processes and have a well-functioning freight accrual system in place, says Gustavsen. He is a trained analyst and has a penchant for dashboards and reports. – I no longer need to do deep dive into Excel sheets with more than 20,000 lines. Softlogs gives me an overview of everything. With their trend analysis, I get what I need on an overall level.

### Improved management level business reporting

Many suppliers offer invoice control. – Softlog's strength is that they have a broader and better customer adapted solution which includes integrating our processes of invoice control, account coding, accrued liabilities, price calculation, profitability analysis, and more. As a result of the close cooperation with Softlogs, we have improved business reporting and control at management level. Every year we carry out millions of freight operations and by using the freight calculator our booking managers get increased control over the goods transportation," says Gustavsen.

### Business processes must be structured

We have an unstructured carrier portfolio with over two hundred carriers we need to improve our internal processes and get our warehouses and stores to use Softlogs, says Gustavsen. He believes that Softlogs is extremely solutions-oriented when it comes to Tool's internal challenges.

They have a strong Business Intelligence solution at the bottom that means that we are always at the forefront of development.



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### Simplifies our business

Tools has been using Softlogs for almost a year. Gustavsen believes that the system simplifies Tools' operations. – The more I have used the system, the more I am convinced that it gives us large scale benefits. Among other things, we have discussed profitability with the use of our own cars. We use everything from external carriers that drive Tools cars to small local partners who are responsible for daily small deliveries. The cost of using small partners is probably not economically justified, but this is the dilemma between sales and logistics. Sales is about delivering the goods on time. The faster the goods reach the customer, the more expensive the freight will be. With Softlogs we can pre-calculate the freight price so that we can reduce this with X percent.

### A submersion into freight costs

We now implement BI reports so that we can thoroughly examine freight costs in relation to revenue. The goal is not to make money from freight but to charge correctly for transportation. It is extremely important for us to give accurate freight prices to our customers so that we are always competitive. We should not over-charge our customers but have control over how much we should invoice them. Softlogs is very helpful with this, Gustavsen emphasizes.

### Broad logistics experience

Gustavsen comes from the city Halden in Østfold which has long industrial traditions. For twenty-two years he has worked in various manufacturing companies. – The only thing I lacked experiences with were logistical challenges within the retail section. I got it in Tools.