

"DSO was reduced by 8 days and we're saving \$121,000 every year. McLeod Document Imaging made this happen."

Dan Waltz

Assistant VP of Finance
Tennessee Steel Haulers, Inc.



TENNESSEE STEEL HAULERS

Based in Nashville, TN, Tennessee Steel Haulers, Inc. was founded as a flatbed trucking company in 1977 and today operates as an irregular route common and contract carrier and as a general commodities broker. In 2006, the carrier had gross revenues of more than \$80 million. Today, the company fields 500 trucks and hauls in excess of 6,500 truckload shipments per month.

Needs

"We were struggling with accounts receivable issues," explains Dan Waltz, Assistant Vice President of Finance for Tennessee Steel Haulers. "Processing paperwork and invoicing was slow at best, and there were accountability issues with our agent network and the manual submission of paperwork."

The company was spending 40 hours per week just copying and filing, and paperwork was often not filed correctly or missing. The collection process it was using—pulling paperwork from file cabinets, faxing it and then following up with a phone call to the customer—was very time consuming and inefficient. "We realized we were losing money," Waltz states, "because we didn't have the ability to effectively collect on freight bills. To put it in perspective, 24% of our Accounts Receivable was over 60 days old and days sales outstanding (DSO) stood at 42 days. At the same time, our business was growing so the volume of work was increasing as well."

"With LoadMaster Document Imaging, we're clearly saving money. Streamlining our accounts receivable and collection processes, reducing administrative costs and minimizing printing, photocopying and mailing costs for freight bills and supporting documents while processing a larger number of loads, have all contributed to those savings – and to improving our bottom line."

Dan Waltz, Assistant VP of Finance
Tennessee Steel Haulers, Inc.

Solution

In early 2004, having previously installed the McLeod LoadMaster® enterprise solution to manage its dispatch and accounting operations, Tennessee Steel Haulers made the decision to integrate LoadMaster Document Imaging. The system enables the carrier to fax or email imaged documents directly from desktops to customers while they are still on the phone to resolve the issue and without concern for losing or misplacing paperwork. McLeod Document Imaging with Rendition Billing has also sped up the ability to bill customers, which accelerated cash flow, and reduced printing, copying and fax costs. At the same time, it allowed Tennessee Steel Haulers to continue to grow without adding new administrative personnel.

Results

The efficiency gained by using LoadMaster Document Imaging has resulted in annual savings for Tennessee Steel Haulers in excess of \$121,000. The amount includes savings realized by not having to add an additional four collectors and paperwork processors to handle growth of over 50% in freight volume. Instead of spending 60 hours per week filing and copying, less than half that is spent scanning, indexing and printing. Savings also include printing (versus photocopying) and mailing costs for an estimated 90,000 freight bills and 260,000 supporting documents generated annually. Collections on freight bills, many of which are now submitted electronically with Rendition Billing, have improved greatly. DSO is now at 34 days and accounts receivable over 60 days old is just 6%, bringing in cash to the carrier much faster.

McLeod Software's LoadMaster Document Imaging typically delivers a 30% to 50% efficiency savings across departments that must file and retrieve documents. Want to improve administrative costs and cash flow? Then join the largest install base of over 200 imaging customers actively enjoying the benefits of our document imaging and workflow suite of products. Call McLeod Software today.

For more information, contact us toll free at 877-362-5363 or visit us at www.McLeodSoftware.com.

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