



Alpega and **Barry  
Callebaut**: a recipe  
for success

**BARRY**  **CALLEBAUT**

 **alpega**  
Shaping Transport Collaboration

# How Alpega\* TMS drives accuracy and profitability in even the most demanding transportation environment

Barry Callebaut is one of the largest high-quality chocolate manufacturers in the world. In Europe alone, they deliver over 25,000 shipments, totaling more than 500,000 metric tons every year from their factories to customers all over the continent. That's a lot of chocolate.

Willy Raemdonck oversees the supply chain as European Logistics Manager. To help co-ordinate the shipments, he has a staff of 5 planners in their Belgium HQ, as well as 18 regular drivers in his own fleet, plus a large network of contracted carriers and Logistics Service Providers. And he has Alpega cloud-based TMS.

*\*formerly referenced as Transwide, now part of Alpega*



“After a few years and with our business growing significantly, we needed a better communication platform between Barry Callebaut and our carriers.”

“The evolution of the business saw us expand all over Europe with one shipping point in the UK, one in Germany, one in Poland, two in France, one in Spain, two in Italy and one in Belgium - and with a growing number of carriers, the scope and the logistics got a lot more complicated.”





## Carrier communications made easy

Alpega TMS is a cloud-based platform and, crucially, it provides one point of connectivity between shippers' in-house Enterprise Resource Planning (ERP) system and the carrier network they are using to move their loads. Over the years, it has become integral to Barry Callebaut's.

"Within Barry Callebaut we are all working in our own SAP, but our carriers all had their own systems," Raemdonck continues. "We did not have a standard interface between SAP and our carrier network, so the ideal solution for us was Alpega."

"If you are a carrier and you want to do business with us, you need to connect to Alpega."





Barry Callebaut does not have a standard shipping instruction. Their end product is liquid chocolate. The transportation of it creates a fragile, unpredictable ecosystem which is not suited to long journeys and rough handling. The product is moved in state-of-the-art stainless steel containers which have to meet scrupulous food safety and hygiene standards.

A huge amount of planning and expense goes into the logistics of moving products from A to B - especially when the end clients are often major players in the confectionary world like Kellogg's, Unilever and Mars.

“If you want to do business with those guys, you have to make sure you are the best in class, otherwise it will never fly.”





"You can only be the best-in-class if you have the best people, supported by the best systems"

Alpega enabled Barry Callebaut to drive customer success by delivering complex shipping instructions quickly and easily to carriers who may be unfamiliar with a particular client's specifications. Alpega does not just enable good transportation practice, it ensures that transportation fulfills its role in the commercial position towards the customer – it's about customer success.

"Every customer in our SAP has a unique set of requirements," Raemdonck continues. "Different pumps, compressors, even the language of the driver. Every single element in the chain needs to be covered. If we arrive at the customer under-prepared or without the right equipment, for us, it is a nightmare. But with Alpega, the information is shared directly from our SAP master client file straight to the carriers' on-board computers."



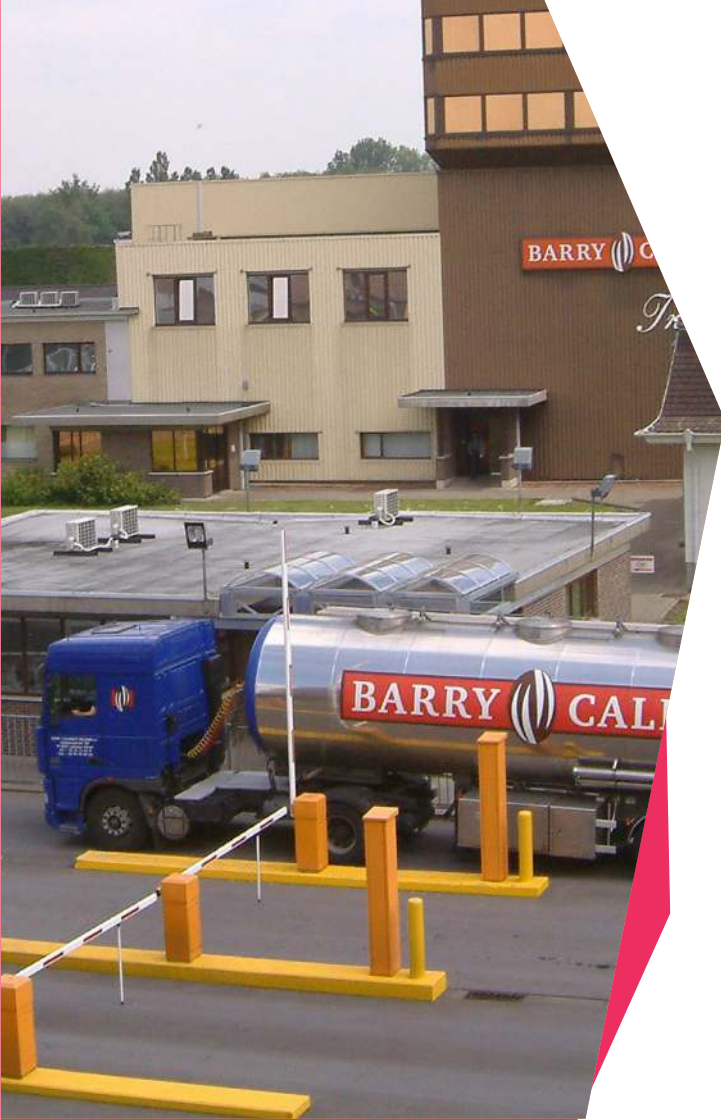


## Improved invoice processing time and accuracy drives increased cash-flow

One of Barry Callebaut's biggest challenges is with "distributed weight". The transfer of liquid chocolate is a delicate process. Some of the product inevitably remains stuck to the sides of the containers, so discrepancies arise between the weight of the original load in the truck and the weight of product that ends up with the customer. In the past, they had to wait until the signed CMR with the unloaded weight was returned and manually entered into SAP. Now it is instantly transferred via Alpega, meaning customers can be invoiced accurately minutes after delivery.

"We expect the carrier to record the unloaded weight immediately," Raemdonck says. "This can be done on his on-board computer at the weighing station, and it goes directly onto Alpega [TMS]. So we know at the moment of unloading exactly what weight of product has been delivered. This has significantly improved invoice processing time and accuracy, and also increased our cash-flow."





## Additional cost claim workflow improves accuracy and creates significant cost savings

The costing model for Barry Callebaut's vast network of external carriers is also far from straightforward. Planned costs for transportation are always inflated by accessorial costs that carriers accrue during the execution of the shipment. Accounting for these extra costs became such an administrative burden, that Barry Callebaut willingly put themselves forward to be the first Alpega customer to deploy the Freight Cost Management solution.



Raemdonck says it has revolutionized the way the business handles the additional cost elements that inevitably stack up on every shipment. **“Alpega’s Freight Cost Management has been very, very helpful for us. It supports us perfectly.** In the transportation of liquid chocolate you can have multiple price elements: loading during the weekend, extra stops, cleaning charges and so on. This can significantly change the final invoice. In the past, we did not have the capability to effectively track this. With Alpega, the carrier can claim all additional costs related to that shipment and upload documents to back up each claim. We can then simply accept or reject the charges and all information is sent directly to SAP.”




It has also helped with transparency and builds trust into the relationship between the shipper and the carrier.

“The best thing is that the cost claim is only open for five days,” Raemdonck continues. “That means the carrier knows he has to claim everything while it is still fresh in his mind, whereas in the past we relied on the submission of receipts, sometimes three to four weeks after the order, so we had no way of checking the validity of the additional charges.”

The Freight Cost Management module has not only improved efficiency, it also delivered significant cost savings. Raemdonck says the company saved between 1% and 1.5% on its transportation costs. Over the course of 25,000 annual shipments, the savings run into the hundreds of thousands of euros.





Most importantly, Alpega has reduced pressure on Raemdonck's planning team. Before the Freight Cost Management solution was deployed, keeping track of the additional costs on every order was a considerable administrative drain on resources. Raemdonck suggests that he has saved half a full-time salary simply because the streamlined freight claim process has negated the need for extra recruitment.

"Alpega's freight cost management is a step towards pre-billing," he says. "It significantly reduces the discretions and the mistakes that we have already reduced to a minimum. Thanks to Alpega, we now not only have quicker invoicing, we have better accruals and a more accurate view on the cost-to-serve of our customers."



## Speed and reliability combined creates a competitive advantage

Willy Raemdonck has seen a lot of changes over the last two decades, but the one constant has been Barry Callebaut's policy of putting the customer first in everything they do.

It's a good job the processes are efficient because business is booming. Raemdonck thinks that over the last couple of years, customers have become more demanding – and increasingly tough lead times leave very little margin for error.

“If, let's say, the standard throughput from order entry to ‘chocolate ready’ is four days, we are seeing today that up to 25% of our customers are requesting a turnaround time of under three days. So, we need fast communications between Barry Callebaut and all our stakeholders. We need good and stable systems where the data exchanged with the carrier is extremely reliable. It's no use being the quickest if the quality is not there. We want our customers to perceive Barry Callebaut as accurate and professional in everything we do.

That is what we stand for. And Alpega helps us achieve it.”



## ABOUT ALPEGA

The Alpega Group is a global logistics software company providing end-to-end cloud-based transportation management solutions (TMS). Alpega enables shippers, carriers and logistics service providers the ability to collaboratively manage all transportation workflows for increased visibility, capacity and reduced freight spend.

Alpega is present in 80 countries worldwide and employs over 650 people with 31 different nationalities. Our user community, with over 200,000 members, connects online every day to manage critical transportation processes.



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