



AMCS Case Study

Loomis Denmark

Loomis Denmark is one of the leading cash handling companies on the Danish market. Originally, Loomis Denmark rarely optimised their drivers' routes, because a significant amount of time was needed in order to plan these manually. In 2005, however, the company invested in the route optimisation system AMCS Route Planner, and now Loomis Denmark has increased the profitability of their cash distribution immensely.

Loomis Denmark in brief

Loomis Denmark is part of the Loomis Group, a multinational cash handling company operating in eleven countries in Western Europe and in several states in the USA. The company deals with everything from collecting notes to sorting, counting and delivering money.

As a leading Danish cash handling company, Loomis Denmark distributes and collects cash to and from ATMs, banks and retailers. The company has two main sorting centres, in Eastern and Western Denmark respectively, from where 40 trucks handle the distribution.

IT manager at Loomis Denmark, Sune Henriksen, explains, "The main reason for us to implement a route planning system was that we experienced significant losses on our money distribution. Since this is the core of our business, we needed to turn around the situation.

"Moreover, we had just won a cash handling deal with Denmark's largest retailer. As a result of this, we had an urgent task of merging these new stops into our existing routes. "After having looked at many different distribution planning systems over the years, we chose to carry out a pilot implementation of AMCS Route Planner."

Smooth implementation

AMCS Route Planner was implemented in 2005, and Loomis Denmark purchased the system shortly after the pilot period. "The implementation went rather smoothly, and the operational managers quickly got the hang of the system," notes Sune Henriksen.

"Before AMCS Route Planner was implemented, route planning involved a group of 8-10 planners and drivers who spent 160 hours creating the master plan manually. Afterwards, we spent another 160 hours entering the routes into our main system. This high time consumption resulted in the plans being optimised only rarely. Therefore, our routes were, and remained, very inefficient.

"The main challenge for us was that the drivers had to get used to the idea that the plans could only be optimised by the system and the operational managers, not by the drivers themselves. The drivers were not too satisfied, but then we started to involve them in the verification of the initial routes by showing the routes in the digital maps. In this regard, the map feature is really good, because it is easier to evaluate input from the drivers when you have it visually in front of you."



Much improved profitability

Sune Henriksen continues, "In connection with the implementation of AMCS Route Planner, we divided each of our two regions into four rural districts and one main city district. We now visit our customers in the main cities Copenhagen and Aarhus every day, whereas customers in the rural areas are only visited every second day.

"This restructuring was essential in order to increase the profitability of the cash distribution. We have actually managed to cut the distribution costs and the number of trucks significantly.

"As a very interesting side effect of implementing AMCS Route Planner, we are now able to quickly evaluate the profitability of every new customer. Through the automatic insertion of orders, we can see the costs and earnings of each stop. This means that the sales and logistics departments now have a shared tool to secure the profitability of each route and all new customers.

"After a period of continuously inserting new customers into the master routes and removing terminated customers from them, we optimise the master plans from scratch, including the entire customer pool. Because of the automatic planning functionality, we can now perform this optimisation much more frequently and therefore keep our routes cost-effective at all times."

Highly satisfied

"We are highly satisfied with the results we have obtained with AMCS Route Planner", concludes Sune Henriksen. "Because of the enormous amount of time saved in planning and the large reductions in distribution costs, we have achieved a very rapid return on investment."

Major benefits from implementing the system:

- ▶ A significant reduction in the number of vehicles and drivers
- ▶ A 99,9% service fulfilment rate after having re-planned the master routes
- ▶ Time spent on planning reduced from approximately 300 hours to 8 hours in total
- ▶ Master planning frequency increased by 20-30 times
- ▶ Better internal coordination and easier cost-benefit analysis of customers

More information

To find out what an advanced optimisation system can do for your organisation, please visit our website or contact sales. We will be pleased to help you discover which efficiency gains your company can achieve with an AMCS system..

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The investment has been really good, and the service we receive from AMCS is excellent. By far the best thing, though, is that the system just works! In fact, we are almost surprised how well it works, and we highly recommend it to the rest of the Loomis organisation.”

