



Fire Life Safety Company Gets a More Secure Supply Chain

Three innovative UPS solutions work seamlessly to help Mircom Advanced Life Safety Solutions lower costs and expand their global customer base.

When you manufacture products that people's lives depend on, you don't take chances. So when Mircom Advanced Life Safety Solutions needed to improve the way it receives freight, manages inventory, and ships to global customers, the company turned to the name they trust most: UPS.

Mircom designs, develops and manufactures advanced life-safety systems for fire detection, alarm and control applications. "We're proud to say we're one of the fastest growing participants in the North American market for fire life safety products," says Mark Falbo, Vice-President of Corporate Development. Headquartered in the Greater Toronto Area, Mircom's supply chain stretches around the world, into South America, Latin America, the Middle East and

Asia. The United States is their most active international market.

As both a major importer and exporter, Mircom's supply chain needed to run efficiently. The three main challenges they faced were:

- Problems associated with expediting orders quickly and cost-effectively to customers in the United States.
- Poor visibility into critical incoming freight shipments.
- Lack of shipping automation and cost control across their many branch locations.

Fortunately, UPS has the solutions.

Challenge

Reaching U.S.-based customers from a Canadian location

Solution

UPS Trade Direct Cross Border

Results

Significant cost savings

Faster time-in-transit

Increased customer satisfaction



Making the U.S. Border Appear Seamless

As a Canadian company, Mircom did not want U.S. customers to worry about customs issues and border delays. Their original approach was to work with a U.S.-based warehousing service which would receive incoming freight, maintain an inventory of Mircom products, and act as the origin address for deliveries to U.S. customers.

However, there were serious problems. Maintaining two separate inventories — one in Canada, the other in the United States — was an administrative nightmare. “We had difficulty maintaining optimum inventory in any one location,” says Falbo. “Goods that should have been in Canada were in Buffalo and vice-versa.” In addition, staff at the U.S. warehouse were outsourced and turnover was high. Instances of incorrect parts being shipped was an ongoing headache.

“We were glad when our UPS account executive introduced UPS Trade Direct™ Cross Border (TDCB) to us in 2002,” says Falbo. “It was definitely the right idea at the right time.”

UPS Trade Direct Cross Border is a complete, fully-customized solution. It provides freight consolidation,

air, ocean and ground transportation, customs clearance and direct delivery to addresses within the destination country, all through a single source. It is like having the benefits of a U.S. location — but none of the hard costs.

Since TDCB was implemented two years ago, “U.S. customers have gained confidence in Mircom’s ability to expedite products in an accurate and timely fashion and any trepidation related to our location in Canada has been eliminated.”

UPS guarantees daily express services across the border — as a result, products expedited to Mircom customers get there, fast.

Costs are also down for Mircom due to savings generated through consolidated shipments, consolidated customs entry, and access to domestic U.S. shipping rates.

“Trade Direct Cross Border allowed us to return all inventory to our head office,” says Falbo, “thereby eliminating inventory problems. And because of the trained UPS staff at the U.S. facility, the issue of incorrect parts being shipped is a thing of the past.”



“...any trepidation related to our location in Canada has been eliminated.”

Here's how TDCB works for Mircom:

- 1 At their Canadian facility, Mircom staff prepare individual shipments for their U.S. customers.
- 2 UPS transports these individual shipments as one larger consolidated shipment to the U.S. border.
- 3 At the border, the consolidated shipment clears customs as a single entry, this reduces overall customs brokerage fees.
- 4 Once States-side, the consolidated shipment is transported to the UPS facility in New York.
- 5 Trained UPS staff then breaks down the consolidated shipment into individual shipments (which are already prepared for delivery).
- 6 UPS delivers each shipment to Mircom customers throughout the United States.

Gaining Visibility into Freight Shipments

On the supply side, Mircom also needed a better way to track and manage freight.

“Managing incoming parts, returns and raw materials used to be a slow, time-consuming task for us,” says Geoff Falbo, Returns Materials Manager for Mircom. “For example, when we needed to know what freight had arrived at the U.S. side of the border, we would be sent a fax!”

This awkward, manual process made it difficult for Mircom to monitor the flow of incoming freight, confirm that the right parts were on the way to meet production quotas, and manage returns.

The solution? UPS Flex® Global View.

Going beyond shipment tracking, UPS Flex Global View provides enhanced visibility of freight through the entire supply chain — including inventory and customs clearance — covering rail, road, air and ocean — all in one detailed view.

“I can access all the information I need, anywhere along the supply chain, anytime.”

These days, from any laptop or desktop computer, Mircom staff can:

- Use their own purchase order numbers to check the real-time status of inventory, freight and customs clearance.
- Set up automatic e-mail alerts for such events as delays and shortages, so there are no surprises.
- Generate detailed reports on the worldwide movement of freight, so they can make more informed decisions.

“It’s great,” says Geoff Falbo. “I can access all the information I need, anywhere along the supply chain, anytime. No more waiting for faxes!”

UPS Flex Global View has already helped avoid one potentially significant problem. “Just recently,” says Falbo, “a supplier insisted that critical parts were in transit. But Flex Global View showed me, before the freight even arrived, that they were actually shipping the wrong parts. I was able to correct the problem, immediately.

Challenge

Lack of real-time visibility into freight shipments

Solution

UPS Flex Global View

Results

Greater predictability

Advanced warning of delays





Challenge

Lack of cost control because of multiple locations

Solution

UPS CampusShip

Results

Centralized cost control

Faster, easier shipping for everyone

Automated shipping across multiple branches

Although Mircom maintains inventory at its location in Ontario, the company has multiple branch offices throughout Canada and regional sales offices in the United States. In the past, it was difficult to control costs and take advantage of the time-saving benefits of automated shipping tools. Not anymore, thanks to UPS CampusShip™.

In the same league as such advanced shipping solutions as UPS Connect® software and UPS Internet Shipping, UPS CampusShip is specifically designed for companies that prepare shipments from multiple locations. A Web-based solution, users can prepare and print UPS shipping labels, track shipments, call for a pickup, and store customer addresses — anytime, anywhere from any Internet-connected computer.

Each branch now has a faster, easier way to ship, while Mircom headquarters gained centralized control of costs and detailed reporting for expense allocation and other accounting tasks.

The benefits of a healthier supply chain

Today, these three UPS solutions continue to enable Mircom to reach more global customers, faster and more cost-effectively. “UPS solutions are a strategic advantage for us,” says Mark Falbo. “Mircom and UPS have forged an even stronger relationship for all of Mircom’s cross-border efforts.”



UPS.com®

1-800-PICK-UPS®

