

CASE STUDY - SHIPPING AND LOGISTICS

Candy.com Drives Growth of Shipping Business with Boomi's Bulletproof EDI

Third-party logistics provider Candy.com saves more than 200 hours per week in manual processing while delivering mistake-free, next-day shipping guided by revolutionary EDI management platform from Boomi

When a large retailer needs to ship candy to its stores ASAP. Or a company wants to replenish its break room supplies — pronto. Where do they turn? To Candy.com.

And it's <u>Dell Boomi EDI</u> that makes sure those orders are processed, paid for, and out the door on time. No slip ups. No missed deliveries. Just happy customers.

More to Candy.com Than Candy

Many people assume that Candy.com is just an online website for buying candy. But behind that website is one of the most sophisticated shipping and logistics operations in the country. In fact, less than five percent of its business comes from consumer online sales

Candy.com is a super power in white label shipping, supplying large retailers all over the country. When the company ships products for one of its customers, the package arrives with the customer's — not Candy.com's — shipping label and return address.

Most notably, more than 50 percent of all chocolate sold in the United States and shipped during the summer months comes from Candy.com's temperature and humidity controlled Braintree, Mass., warehouse.

More than 90 percent of the company's sales are from its 24 major trading partners in the U.S. And EDI is vital to keeping those partnerships humming like a well-oiled machine.

"If you shop at some your largest retailers and order candy or snacks, there's a good chance we're doing the shipping," says Gary Cifatte, Candy.com's chief technology officer.

Customer Profile



Market: Shipping and Logistics

Headquarters: Braintree, Mass.

Founded: 2009

Customers: Direct consumers, large

retailers and corporations

Employees: 100

Business Goals:

Accommodate rapid growth, maintain reputation for error-free, same-day shipping, and deliver industry-leading service.

Challenges:

Bring EDI in house, boost speed of order entry, improve data accuracy, and automate manual processes.

How Boomi Helped:

Provided a modern, low-code, cloud-based EDI platform that Candy.com could quickly put into production while radically streamlining management of its B2B trading partner network.

Results:

Saved 200 to 250 hours in manual order entry, processing and financial reconciliation; reduced order entry time from as much as a day to six seconds; increased data accuracy; ended EDI finger-pointing with trading partners.

EDI Makes the Candy.com World Go 'Round

Before Candy.com began using the Boomi integration platform to help manage its shipping logistics, it used a third-party provider for EDI communications. Cifatte worked for that company and Candy.com was his account for three years.

When the company took Cifatte off the account, Candy.com hired him. It needed the expertise Cifatte had developed managing Candy.com's EDI network. The company's rapid growth demanded faster response and more control that it could only gain by bringing this essential part of its business operations in-house.

"For Candy.com, EDI is a 'do or die' part of the company's success," says Cifatte. "And there's really no margin for error because EDI supports overnight shipping for our customers."

With Cifatte on board, the journey began to bring EDI in house. His first order of business? Find an EDI platform that he and his team could quickly get into production to automate manual processes.

Finding an EDI Partner

Cifatte and his team considered several EDI management platforms. During its search, a supplier for Candy.com recommended Boomi as the one that could meet all of the company's requirements, including its most pressing need: an EDI management platform it could put into production quickly.

Boomi's extensive EDI domain knowledge and deployment experience were a big plus, Cifatte says. And he liked Boomi's approach to building the partnership — a full week of general training for the Candy.com team and then custom training applied to the first integration.

Combined with Boomi's rapid "configure not code" development environment and its extensive customer support, Cifatte was convinced Boomi was the right choice.

"Boomi is a partner, not a vendor," Cifatte says. "Boomi cares about our success. When I have a problem, it's Boomi's problem too. If something goes wrong, they're as annoyed as we are that it doesn't work."

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Candy.com signed with Boom in the fall of 2015 and within six months went live with six of its top trading partners. This was an ambitious timeline for moving all of the company's EDI communications to an entirely new system.

Certainly, migrating from Candy.com's third-party EDI support service was a big deal. But during an intense 36-hour switchover, the transition went flawlessly — not a single interruption in service or dropped order. Boomi's data mapping, reporting and visibility were a great benefit in ensuring success, Cifatte says.

"For anyone who really knows EDI and understands its demands and complexity, switching over to a new system is no small task, and the risk to the business is something that keeps you awake at night," he adds.

Growing Fast in a Mature Market

Candy.com's sales have been growing at a rate of 50 to 70 percent annually over the last three years. That's very fast in any market, especially for packaged goods shipping that's more than a century old. Cifatte credits this rapid growth to the company's ability to help its partners consistently outperform their competitors.





Candy.com exploits its well-established supplier relationships to offer trading partners preferred prices, which it packages with the fastest, most reliable shipping in the industry — a combination that's hard for its competition to match.

And Boomi plays a significant role in keeping Candy.com's supplier and partner relationships operating smoothly. Boomi has standardized the way EDI works for the company. It's taken the complexity out of data mapping, transformation and validation.

For example, Boomi easily manages the data input and output parameters for integration to Candy.com's ERP system. Something as simple as translating "California" or "Massachusetts" from a purchase order to "CA" or "MA" for the ERP system happens automatically.

These and hundreds of other seemingly minor details could cause an order to fail or require extensive, "death by a thousand cuts" of highly inefficient manual rework. Plus, if a communication link fails during a transaction, Boomi automatically resends the EDI message until it successfully reaches a partner.

"Boomi gives my team more visibility and control over critical data," says Cifatte. "Thanks to Boomi, we have extreme confidence in our EDI process. Boomi also gives us more visibility and control over critical data — fast, fluid and accurate."

Before revamping its EDI system with Boomi, for example, Candy.com employees manually entered orders coming in via email and other methods outside of the EDI system.

The process clearly wasn't scalable and was threatening Candy.com's ability to support its rapid growth, which during the past two years had increased 100-fold to thousands of orders a day. Using the manual process, it could take as long as a day for an order to appear in the company's enterprise resource planning system.

Don't Let the Chocolate Melt... Or Freeze

An automated and dependable EDI logistics operation is especially critical to Candy.com's chocolate shipping operations, perhaps its most important line of business.

Other logistics companies focused on shipping durable goods like books, computers, or office supplies can't easily accommodate food quality and safety requirements. Candy.com takes care of that for its partners so they can guarantee the quality of their products.

The company uses an algorithm and weather data that allows it to pack the chocolate — or other perishable items — precisely for where it's going, hot or cold. That might include ice packs or temperature retaining insulation.



So, when an order comes in via EDI, there's no margin for error. Even a slight delay could result in spoiled product. But Boomi ensures that all the critical data associated with a chocolate shipment is seamlessly integrated into an order, ensuring the right chocolate gets shipped to the right place at the right time, with all the care required to guarantee flawless quality.

Boomi Turns EDI Into a Competitive Advantage

By automating processes and cutting manual rework, Boomi saved Candy.com the equivalent of six full-time employees. Also, a manual process to close out items required two individuals working five hours a night to add tracking information between systems. Automating the process with Boomi recouped that time.

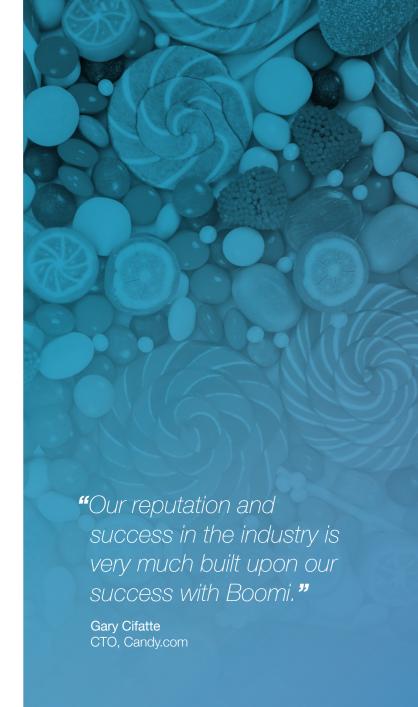
Boomi also helped Candy.com free up 40-plus hours out of the work required for financial reconciliation each week.

But beyond such dramatic reductions in time and labor costs, the error-free speed and efficiency of the company's Boomi-driven EDI system is helping Candy.com expand its reputation as the industry's most responsive and reliable shipping partner.

For example, once Candy.com started using Boomi, the time it took for an order to appear in its enterprise resource planning system dropped from as long as a day to under a minute. And with some fine-tuning, Candy.com is now able to move orders into its ERP system within six seconds.

That kind of speed has had a profound influence on how responsive Candy.com can be for its customers.

"Our reputation and success in the industry is very much built upon our success with Boomi," Cifatte says. "With Boomi our EDI is now lightning fast and bulletproof."





Learn more about Boomi's cloud-native EDI management platform: boomi.com/edi



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