

CASE STUDY



SAP & ERP Integration

A leading consumer electronics manufacturer modernized its supply chain with a seamless SAP/TMS integration, advanced carrier network, and real-time business intelligence, eliminating static routing and capturing immediate freight cost reductions.

Industry: **Consumer Electronics / Musical Instruments & Professional Sound**

2,000+

Products in managed transportation program

130+

Countries in global distribution footprint

180+

Patents worldwide



Introduction

One of the world's largest manufacturers of musical instruments and professional sound equipment, this Mississippi-based consumer electronics company distributes over 2,000 products to more than 130 countries. Founded in the 1960s as a one-man operation, the company grew into an industry leader through relentless innovation, but its logistics infrastructure had not kept pace with that growth.

Relying on two national carriers to split outbound deliveries between east and west, the company was locked into a static routing model that lacked competitive pricing, operational visibility, and the technology integration needed to manage a global distribution footprint efficiently. BlueGrace was brought in to modernize the program from the ground up, starting with a seamless SAP/TMS integration and building out a full managed transportation solution from there.

Client Profile

Industry

Consumer Electronics

Product

Musical instruments & professional sound

Headquarters

Meridian, Mississippi

Services

Managed Transportation + TMS Integration

Key challenge

Static routing, two-carrier dependency

Background

The company had built its outbound logistics around a two-carrier model, splitting domestic deliveries between east and west along a fixed geographic boundary. While simple to administer, this structure created significant hidden costs. With no competition between carriers, rates were not being challenged, and service accountability was limited. When a carrier underperformed, there was no fallback and no leverage to drive improvement.

Beyond the carrier structure, the company was operating without a modern transportation management system. Shipments were booked through manual processes disconnected from their SAP ERP environment, creating duplicate data entry, booking errors, and a lag between order creation and shipment execution. Customer service teams, shipping staff, and logistics managers were all working from different data sources with no unified view of in-transit freight.

The absence of real-time visibility had downstream consequences. Without actionable data flowing through a connected system, the company could not identify cost-saving opportunities, track carrier performance against KPIs, or run the kind of continuous improvement analysis needed to manage freight spend at scale. The static routing model that had worked when the business was smaller was now a structural ceiling on both efficiency and growth.

To modernize the program, the company needed two things simultaneously: a seamless technology integration that fit within their existing SAP environment, and a managed transportation partner with the carrier relationships and engineering capability to rebuild the network around competitive, dynamic routing.

The Solution

Methodology

BlueGrace designed a three-phase approach that addressed the technology layer, the analytical foundation, and the operational roadmap simultaneously. Because the company was already working with a shared SAP integration partner, the initial integration was executed without disruption to daily operations.

01

Seamless SAP/TMS Integration

Leveraging the company's existing SAP integration partner, BlueGrace connected its BlueShip TMS platform via ShipERP with minimal IT overhead. The result was a native integration that allowed the team to manage carriers, rates, and shipments without leaving the SAP environment.

02

Comprehensive Engineering Analysis

Using the company's incumbent shipping data, the BlueGrace operations team conducted a full Supply Chain Engineering Analysis and Financial and Operational Assessment, identifying process improvement opportunities and quantifying the savings achievable in both the near term and future state.

03

Process Improvement & Future State Planning

BlueGrace monetized the identified opportunities and built a clearly defined roadmap from current state to optimal future state, covering carrier network expansion, dynamic routing technology, and an ongoing rate mitigation strategy to protect savings beyond year one.

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The setup process to integrate SAP with BlueShip (the BlueGrace TMS) via ShipERP was seamless, and managing the integration today is equally so. It required minimal IT resources from Peavey to complete the integration and has saved us countless hours when booking shipments.

Robert Muirhead | ERP Applications Manager, Peavey Electronics

Results

Advanced Carrier Network

Using BlueShip, BlueGrace implemented a carrier network drawing on both national and regional partners. Dynamic Routing Technology replaced the fixed east/west split, selecting the best-value carrier for each shipment based on cost, transit time, and service reliability.

Cost & Transit Time Reduction

The expanded carrier network delivered an immediate freight cost reduction and faster transit times in year one. Introducing carrier competition eliminated the pricing premium built into a two-carrier model and created a foundation for sustained performance improvement.

Rate Mitigation & Service Strategy

BlueGrace shifted the freight cost management approach from pure rate reduction to an ongoing mitigation strategy, systematically fending off carrier rate increases while maintaining service levels and identifying additional savings through strategic initiatives each quarter.

Continuous Freight Cost Reduction

Acting as a trusted advisor, BlueGrace continuously identifies ways to drive cost out of the supply chain beyond rate negotiation, evaluating consolidation, mode optimization, carrier performance, and process efficiency as ongoing levers rather than one-time fixes.

Analytics with Actionable Data

With SAP and BlueGrace's TMS connected in real time, shipment data flows directly into VISION™ Business Analytics, transforming raw freight data into customized dashboards that track KPIs, surface opportunities, and give leadership a live view of supply chain performance.

Results Summary

Year 1 Immediate freight cost reduction delivered	Native SAP integration, no external software required
Real-time Supply chain visibility via VISION™ analytics	Ongoing Rate mitigation & continuous improvement program

Conclusion

The SAP/ERP integration was not just a technology project; it was the enabler of a fundamentally different way of managing transportation. By connecting the company's existing ERP environment directly to BlueGrace's TMS, the team eliminated manual booking, unified carrier and rate visibility, and created a real-time data foundation that powers every decision from daily shipment execution to strategic carrier negotiations.

As a Managed Transportation provider, BlueGrace allocates dedicated resources to the account: an operations team trained on the customer's SOPs, carrier procurement and management, freight bill pay and audit, consolidated invoicing, claims management, and ongoing Business Intelligence reporting. This depth of operational support means that every aspect of transportation is being actively managed, not just booked.

The result is a supply chain that has moved from reactive to strategic. With VISION™ analytics delivering customized KPI dashboards and BlueGrace acting as a continuous improvement partner, the company now has both the visibility and the operational infrastructure to manage freight as a controlled cost, not a variable one.

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Being integrated with BlueGrace's TMS through SAP and ShipERP has really streamlined our processes. It allows everyone from Customer Service to our Shipping Department instant access to our network of carriers, our rates and transit reports, all under a single management platform.

Robert Muirhead | ERP Applications Manager, Peavey Electronics

ABOUT BLUEGRACE

BlueGrace Logistics is one of the nation's largest Managed Logistics providers, delivering customizable transportation management solutions that help shippers control freight spend through advanced technology and a broad network of trusted carriers. With offices strategically located in major transportation hubs across the U.S. and Mexico, including national headquarters in Tampa, BlueGrace serves over 10,000 customers annually through its proprietary technology platform, BlueShip, that has connectivity with more than 250,000 carrier suppliers. BlueGrace is part of the technology portfolio of Warburg Pincus, a leading global private equity firm.



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