



Clear as Crystal

Inventory Visibility with Magaya Software

Ocean shipments to Central and South America account for about 80% of the exports that Krystal Logistics of Miami handles each year. To manage the shipments and make sure their customers have access to the shipment information and visibility into their inventory, Krystal Logistics turned to Magaya software.

“Having Magaya software keeps us competitive and helps us keep our customers informed. We like to make the customer feel we are handling their cargo as if it were ours.”

Andres Valdano, president of Krystal Logistics

Magaya[®]
Logistics Software Solutions



AT A GLANCE

Krystal Logistics
 www.krystallogistics.com
INDUSTRY
 Freight Forwarder, Distribution
SOLUTION
 Magaya Cargo System, Magaya LiveTrack

CHALLENGE

Can your current software handle your company’s growth? That’s not a worry for Andres Valdano, president of Krystal Logistics. He has seen his company grow from 4 employees to 23 since 2003, and now the company is moving into a warehouse twice the size of the current one. They have been using Magaya Cargo System for two years and are taking the software with them to their new location.

Krystal Logistics ships 2,500 containers per year. 80% of their business is ocean containers exported to Central and South America. The need for 24 hour-a-day communication across different time zones in some very busy locations led to the decision to utilize the Magaya LiveTrack. They ship to cities such as Guayaquil, Ecuador’s largest port and city, which handles 90% of Ecuador’s imports. Krystal also receives imports from the port of Ningbo, China, located south of Shanghai, near the mouth of the Yangtze River. Ningbo ranks eighth in the world with an annual throughput of 10,846,000 TEUs according to the 2008 World Ports Container Throughput Ranking. No matter where Krystal’s customers are, they can log into the online tracking system and see their inventory and shipment status any time they need it.

SOLUTION

When Krystal Logistics opened in 2003, they used a different logistics software. But in a few years, they realized they were outgrowing it. They saw an advertisement for Magaya software in a shipping magazine and downloaded the free trial. They have been using it ever since.

They have realized many benefits of using the online tracking with their Magaya Cargo System.

“As we unload containers here at the warehouse, we enter Events into the Magaya system,” Mr. Valdano said. “We enter information such as the arrival time of the truck, the driver’s name, and the time that the truck is loaded and departs. These events are available online so the customer can see the updates live as the events happen.”

They have added Events specific to their needs. For example, they created an Event to record when a flatbed truck has been loaded and the cargo covered with a tarp. The Events can also be set up to be

Krystal Logistics is an NVOCC and a freight forwarder with offices and agents in the US, Panama, Ecuador, Peru, and other countries. They provide ocean and air freight, consolidation, deliveries via their own trucks, customs service, and have a niche market in warehousing and distribution of grocery items, dry goods storage, home improvement goods, and construction equipment. Krystal Logistics has three divisions: distribution, warehousing, and trucking.

included automatically in any transaction and made visible in the online tracking.

When talking about the decision to customize Events, Mr. Valdano explained: “This customer does not want the documents released to the truck driver until the truck is fully tarped. With the Events posting online, the customer knows when each step happens.”

Krystal Logistics also realized another benefit of Magaya LiveTrack when their customer who stores lumber in the warehouse began to use the online tracking.

“Before we had Magaya software, we entered all the information about the lumber in a spreadsheet. We entered the containers that the lumber came in and which release it went out on. We had to send this information to the client every day so they could keep track of the inventory,” Mr. Valdano said. “I had one person just to take care of that account, who input everything, and who did a physical count against that spreadsheet. The client would have to call to ask about their inventory. After we got Magaya, the customer could log into the online tracking and find all their information. They love the system; they can see what inventory they have and what is running short.”

“Our customers also use the tracking system for statistics for their imports. They sort the lists by shipper and consignee to see how many shipments there are per supplier, etc. They really like it.”

Another aspect of the software that Krystal Logistics likes is its flexibility.

“The good thing about Magaya software is you can customize it to fit your needs. We created model numbers for the lumber even though it’s not really a model number so we can store the lumber by size or by whether it is laminated or not. We also keep track of all the ceramic tiles by size and color.”

In addition to adding customized Events in the system, they also added custom fields to their Warehouse Receipts. “We created a custom Warehouse Receipt to track where the cargo is by warehouse provider so we can see what is in Miami or New York or other warehouses that we work with.”



Their 20,500 square-foot warehouse in Miami is filled with cargo, including food, drinks, and dry goods for supermarkets, home improvement goods, and construction equipment. It is organized by country and by customer. The warehouse includes a distribution area, storage, and a bonded area.

They have three stations in the warehouse: one station for creating Warehouse Receipts, one for taking photos, and another to scan documents such as packing slips. They use three computers to keep the receiving process moving quickly.

After they scan the documents, they attach them to the Warehouse Receipt. They enter the cargo weight and measurements. Next, bar coded labels are printed and placed on the boxes or pallets. When they load containers, they use the handheld scanners which are connected to the Magaya database.

IN CLOSING

“When we first started using Magaya software, we did not use the accounting part of the software, but if I were to recommend anything to a person getting started with the software it would be to use both the operations features and the accounting features from the beginning,” Mr. Valdano said.

“After a year we began to use Magaya for both. It was tough getting started, but once everyone adjusted, it was great. It’s so much easier to run everything through Magaya. We no longer have to export bills or invoices. The customer service account managers can send a report to a client or a statement of accounts to our agents. The clients can see their invoices online and print them. In this business, the person who is doing the shipment needs to close the shipment with an invoice and do the liquidation process. Now, both the person here and at destination who are handling the shipment can liquidate and close the shipment.”

“The software keeps information that I need as a business owner such as reports of how many shipments each employee is handling and

sales reports, how much product we are moving, both by container and by loose cargo. You can see by cubic meters or feet or volumes moving in or out per month or year, per customer, per employee, per destination agents, to learn which countries are moving more product versus others, what trends are happening – there are so many ways to see your business.”

“I have found that information and access to information is very important to customers. The global market requires you to give your customers information immediately,” Mr. Valdano said. “Having Magaya software keeps us competitive and helps us keep our customers informed. We like to make the customer feel we are handling their cargo as if it were ours.”

“Another cool feature is that we can send all the shipping documentation to our destination agents who also have Magaya. We have recommended it to our agents in Panama and they loved it so much, they started using it in their warehouse.”

Krystal Logistics has grown since last year. “We are very crowded here. This warehouse is 20,500 square feet with 8 dock doors. When we move in December 2009, we will have 46,000 square feet and 16 doors. We are confident that Magaya software will handle the increased volume.”

Mr. Valdano said he believes it’s important to adjust to what the client needs, instead of trying to make them adjust to us. “The software helps us do that. The software will let you grow. It is flexible. It will let you do what you ask it.”