

Success Story

The antidote to increasing complexity: BASF uses AX4 for carrier integration

Companies like BASF that collaborate with hundreds of service providers around the world have found their own way to buck the trend of growing complexity and simplify the management of vast networks of system partners both big and small. The solution lies in collaboration and standardization: To integrate its 300 carriers in Europe, BASF utilizes a centralized IT platform that connects the chemical giant to the diverse world of carriers and is now regarded in logistics circles as the standard for managing procurement and distribution processes: the logistics platform AX4.

AX4 is the platform that enables a standardized collaboration between BASF and its carriers. This means that AX4 also provides all the parties with the appropriate transport-related information at the click of a mouse. This kind of collaboration benefits everyone who accesses the solution.

The Challenge

The objective is to be able to quickly, easily, and flexibly manage the cross-enterprise logistical processes in a network of 300 carriers and 31 production plants in ten countries and enable all the parties to collaborate smoothly along the transport chain. Each one of the 910,000 shipments that BASF sends out each year should be guided through standardized workflows from the production site to the recipient—automatically.

The Solution

Despite the broad diversity of IT system environments at the carriers who work with BASF, AX4 makes it easy for the company to manage its logistics network by collecting shipping data from its SAP system and transferring it through an interface to the AX4 platform. AX4 also offers carriers a variety of flexible options for linking into the system, from an EDI interface to a web-based or email-based connection.

Once a shipment is ready to be picked up, the linked carrier gets a go-ahead from AX4. All the shipping information

and accompanying documentation are stored electronically in AX4 and can be automatically transferred to the carrier systems. AX4 quickly sounds the alarm if there is any deviation from the normal workflow that could lead to delays in the supply chain.

The IT solution also manages tracking data that shows the whereabouts of a shipment en route to the customer. Carriers can report the status of the shipment to AX4, and the system passes this along to the SAP system at BASF using standardized vocabulary.

The Result

The kind of standardization of cross-enterprise processes and smooth collaboration among partners that BASF achieved with AX4 is seen by experts as an opportunity to offset the growing complexity of logistical processes. AX4 makes it possible to integrate additional logistics partners into the BASF network at any time with the click of a mouse. This brings transparency to the management of the complex network of partners.

The solution was able to be applied to other BASF sites as well, so that everyone is now following the same uniform process. Standardized logistics solutions are also helping BASF better control costs.