



Transportation Costing Group



## Case Study

**TCG's integration of Carrier Logistics data is providing Mystic Tank Lines with the ability to more effectively analyze costs and further enhance its revenue and profitability.**

### Summary

For Mystic Tank Lines Corp., the combination of activity-based cost analysis and customer profitability management systems from Transportation Costing Group® (TCG®) and the business intelligence software from Carrier Logistics, Inc. is proving to be a valuable analysis capability that is leading to enhanced profitability.

Operating over 300 vehicles from four terminals, Astoria, NY-based Mystic hauls bulk heating oil, gasoline, kerosene, ethanol, diesel, jet fuel, av gas, lubricants, asphalt, cement, cement by-products and non-hazardous materials throughout the Northeast and Mid-Atlantic states.



### The Needs

While already utilizing TCG's Cost Information System (CIS) and the FACTS™ transportation management system from Carrier Logistics, Mystic determined several needs that would further enhance its cost management, profitability, competitiveness and business processes, including:

**1] One-Stop Shopping**— Utilizing separate cost and profitability tools did not allow Mystic to easily create complete analyses in one package.

**2] Easy To Use Format**— Developing reports required specialized applications that did not allow Mystic to create familiar, easy to read spreadsheets.

**3] Analyzing Cost and Profit Factors**— Mystic required an activity-based cost analysis method that enabled it to analyze all factors related to revenue, profits and costs.

**4] Assessing Expenses Accurately and Setting Competitive Rates**— Accurately charging for expenses that are applicable to each customer was essential for Mystic to achieve effective cost allocation, and for setting fair and competitive rates.

### The Solution

When Transportation Costing Group (TCG) announced the integration of FACTSview™, the business intelligence module of the FACTS suite of software from Carrier Logistics, with its Cost Information System (CIS), Mystic readily agreed to be the first customer to adopt the combination of solutions. Utilizing the complete and accurate information provided by TCG and FACTSview, Mystic now has the ability to address the challenges it faced:

- **One multi-functional tool** - The combination of TCG's software and FACTSview is enabling Mystic to have its analysis tools in one package, rather than in different applications.
- **Familiar Excel® format** - The TCG database spins off a flat file that FACTSview uploads into a sequel server with an Excel application. That software produces an easy to read, familiar spreadsheet detailing costs and profits over routes, lanes and for specific customers.
- **In-depth analysis** - The combination of TCG and FACTSview allows Mystic to look at any factor or group of factors that impact costs, revenue and profits.
- **Useful data** - With TCG and FACTSview data, Mystic is able to fairly charge for expenses that are applicable to each customer. In one instance, for example, the carrier had an account where it thought margins were greater, but by using the integrated offering learned that it wasn't properly allocating expenses for deadhead time and mileage.

## **The Benefits**

For Mystic Tank Lines, the integration of FACTSview with TCG's CIS solution is providing the carrier and its customers with numerous benefits. In particular, Mystic can now drill down and analyze over a dozen metrics associated with shipments, lanes, customers, and origin and destination points. Based on real-time and accurate information, the integrated solution allows for a comprehensive analysis of costs and profitability.

"TCG's advanced activity-based costing software gives us the accuracy we need and a high level of credibility," said Jack Lebovic, Mystic's chief information officer. "The TCG CIS solution is the only system that offers a complete, accurate and fully replicable costed traffic database that ties back to the general ledger."

"The type of information that the integration of Carrier Logistics data with TCG's activity-based cost analysis provides is very helpful when setting rates that are fair to customers, and enhances our profitability," stated Sal Sammartano, Mystic's Vice President. "Without the integration, we wouldn't have such accurate data to analyze and use to run our business. The combination of these solutions is very valuable to us, and that's a return on investment you can measure."

## **Conclusion**

"As the first customer to use the integrated TCG and Carrier Logistics solutions we're quickly realizing significant value," stated Sal Sammartano. "By implementing the combined products we can now develop comprehensive analyses of operational factors that impact our costs and profitability, quickly spot trends in performance or variances, and use that information to make more effective business decisions."

## **About Mystic Tank Lines Corp.**

Founded in 1973 and based in Astoria, NY, Mystic Tank Lines operates over 300 vehicles from four terminals. The company hauls bulk heating oil, gasoline, kerosene, diesel, jet fuel, av gas, lubricants, asphalt, cement, cement by-products and non-hazardous materials throughout the Northeast and Mid-Atlantic states. Its offerings include pump, non-pump truck, metered or non-metered service 24/7/365 with response times from 2 to 4 hours. Mystic has received numerous awards including ConocoPhillips Excellence in Business Support and ConocoPhillips Superior Service Awards, Bulk Carrier Day Equipment Award (three-time recipient), Shell Oil's Excellence in Safety Performance, Safety & On-time Performance by Exxon Corporation, Fleet Appearance and Customer Satisfaction from BP Oil and New York City's Eternal Vigilance Award. For more information, visit [www.mystictanklines.com](http://www.mystictanklines.com).

## **About Carrier Logistics**

Carrier Logistics Inc., Tarrytown, New York, has been a transportation systems and engineering consultant and developer of systems technology for the trucking industry for more than 25 years. Their customers include several major U.S. and Canadian carriers. CLI may be reached at: 914-332-0300 (tel.); email at: [kweinberg@carrierlogistics.com](mailto:kweinberg@carrierlogistics.com), or on the Web at: [www.carrierlogistics.com](http://www.carrierlogistics.com).

## **About TCG**

Transportation Costing Group is the provider of the most widely used suite of Activity-Based Costing models to the motor carrier industry. TCG provides models tailored to specific carrier operations. Information on the Activity-Based Costing Models and services offered by TCG can be obtained by contacting Ken Manning at (800) 328-9700, or by visiting the TCG web site at [www.tcgcis.com](http://www.tcgcis.com).

## **Media Contact:**

Susan Fall  
LaunchIt Public Relations  
858-490-1050  
[susan@launchitpr.com](mailto:susan@launchitpr.com)

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