AT&T Business

Logistics leader OnTrac taps
AT&T to deliver network and physical security

- **Business needs** - OnTrac is a transportation broker specializing in west coast logistics for the e-commerce industry. They wanted to keep improving their service and employee safety by enhancing their security system.

- **Networking solution** - OnTrac chose AT&T Business to upgrade security at its growing number of locations. The company added a business impact study, network penetration testing, and a strong array of physical security measures.

- **Business value** - Helped enhance protection for staff and parcels, more stringent security, improved business continuity.

- **Industry focus** - Transportation

- **Size** - 3,000 employees

About OnTrac

The OnTrac network provides companies an affordable way to speed up ground delivery. Faster ground delivery can help lower shipping costs and keep customers satisfied. Four thousand local delivery teams support the OnTrac network. In addition, OnTrac relies on leading technology, advanced material-handling, and excellent customer service. The company commits to be "On Time for Less." They back it up with efficient, last-mile logistics and a money-back service guarantee.

The situation

Helping protect its employees and the packages in transit for delivery are priorities for OnTrac. The company's surveillance systems and network security programs were top of the line when they were installed. However, tech moves fast and it was time to upgrade. OnTrac needed a provider with the know-how, expertise, and reach to help secure its growing business.

Solution

OnTrac chose AT&T to upgrade their cyber and physical security. On the cyber side, OnTrac went with network penetration testing (pen testing) and assessing the business impact of a breach. On the physical side, they installed door access systems, motion detectors, burglar alarms, security cameras, and advanced video management.

Reliable next-day delivery for less

OnTrac provides a faster, more affordable choice for parcel logistics. Small-package shippers choose OnTrac because it can speed up ground delivery—without the cost of express shipping. Over the years the company has expanded to 8 western states. That means their customers can ship to 65+ million consumers for less.

Mark Magill, OnTrac VP for Business Development, said some of the country's largest online retailers rely on the OnTrac network to deliver their parcels. "Cost reduction is first and foremost, because the prices of national companies continue to march northward," he said. "We offer them cost reduction as well as enhanced customer experience by getting it there 'On Time for Less.'"

While the national companies provide next-day delivery service up to 200 miles, OnTrac stands out with its 850-mile delivery range. "We deliver next day at heavily discounted ground rates from the Canadian border all the way down to the Mexican border; from Reno, that includes Sunday pickup with a Monday delivery," Magill said. "No one else even comes close to that. If it goes longer than 200 miles and you still want it there next day, with the national carriers you would have to upgrade to an air service at four or five times the price."

According to Magill, OnTrac can offer this extended service area because its employees are committed to providing value to their customers. "We want to be the best choice for small-package shippers with every package, every day," he said.

Technology fuels speed, accuracy, and savings

Technology is an important part of the OnTrac value proposition, said David Seidel, OnTrac Director of Network Operations. "We offer route management, sort automation, and data analytics," he said. "For example, sort automation can increase delivery rates with improved accuracy and an increased throughput. And automating the sort process gives us the ability to

help reduce the warehouse footprint. It's another way to help reduce costs."

Seidel continued: "The scanner suggests which package would be most efficient to deliver. It also shows the optimal route. That helps our service providers save money and provide better service."

OnTrac's tech does more than deliver packages faster. It also helps improve the company's bottom line. By reducing costs, Seidel said, OnTrac can reinvest what it saves into other tech.
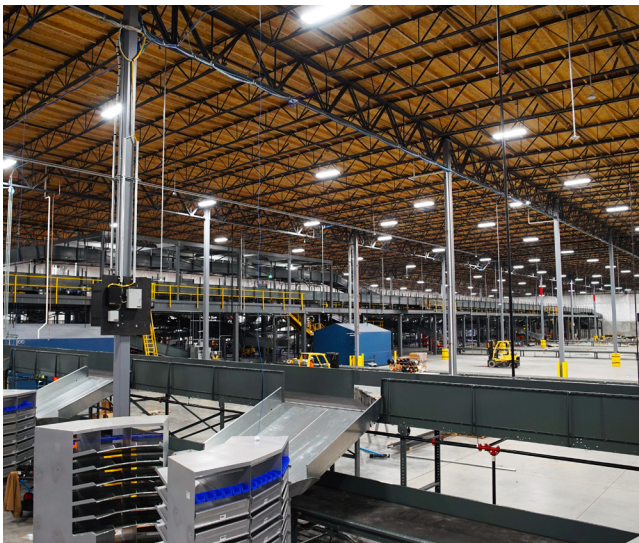
Help protect people and packages

Security is vitally important to a company like OnTrac. They employ thousands of individuals that work in OnTrac facilities. They have contracts with thousands more that deliver valuable, sometimes irreplaceable, items every day. "Obviously, the most important thing that any company has is its people and business vendors ," Seidel said. "You've got to make sure that your team is safe. That's number one."

Seidel added, "Cargo security is paramount. We take the necessary steps to help packages arrive safely." The company also uses access systems, photo ID badges, and motion-detection surveillance.

While OnTrac's surveillance systems were state of the art when they were installed, Seidel said some had begun to show their age. "We had somewhat antiquated systems that were difficult to support," he said. "We were looking for a company that could support us in our environments. We needed somebody who was nationwide. They needed a depth of knowledge. They had to provide us with different options."

Building business continuity

OnTrac chose AT&T Business to deliver network and physical security solutions for its growing number of locations. "AT&T was able to impress us with knowledge, listen to what we asked for, provide options, and explain why one option might be better," Seidel said.

For network security, AT&T Business performed a business impact analysis. They studied how a disaster, accident, or emergency could affect OnTrac's critical business operations. AT&T Business also did penetration testing to find and solve weak points in the company's networks. "Business impact, business continuity, and disaster recovery are big," Seidel said. "Those are things we looked to AT&T for."

For physical security, OnTrac worked with AT&T Business to design and install card reader devices. These virtually helped minimize unauthorized access into buildings, technology rooms, and other secure areas. AT&T Business also installed burglar alarms, motion detectors and data circuits, and added more than 500 IP-enabled security cameras across several OnTrac facilities.

AT&T Business deployed miles of above-ground and subterranean Ethernet and fiber-optic cables to supply the connectivity that powers OnTrac's security solutions. Always aware of the value of the packages it handles, OnTrac invested in advanced video management systems. These allow for highly secure video data storage and retrieval from many locations to document theft and other incidents.

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> **David Seidel**
> Director of Network Operations
> OnTrac

Enhanced systems help reduce loss

Seidel compared the security services and solution AT&T delivered to those offered by previous contractors. He called the difference "night and day." He continued, "We can do a lot more with our security systems because of the recommendations that AT&T made. The camera systems can follow a box from the moment it enters our facility until the moment it's loaded on a delivery vehicle."

Seidel said the system is designed to support loss prevention investigations. "We continue to enhance our proprietary systems to maintain a chain of custody," he said. "To that end, we can now provide our customers with continuous scans on the packages."

Some OnTrac buildings use more than 200 cameras that begin recording when they sense movement. "We can tie those cameras to our badging access system," Seidel said. "So if a certain person were to open a door using his badge, a camera would train on him and follow him through. Not only can we retain the video longer, but it's clearer and the visibility has improved."

Outstanding people and products

It wasn't just the strength of the solutions that swayed OnTrac in choosing AT&T Business. It was also the people. "They spoke in a way that made sense," Seidel said. "They took the time to answer our questions, listened to our needs and concerns, and were really able to provide solutions that fit."

He noted that dealing with vendors and contractors can be tricky. You don't know what you're getting until you've got it. "You know, AT&T didn't get the job the first time they bid a project with us," Seidel said. "We gave it to another vendor who came in less expensive. It may have been less money, but we paid for that decision. Sometimes it's not the lowest cost."
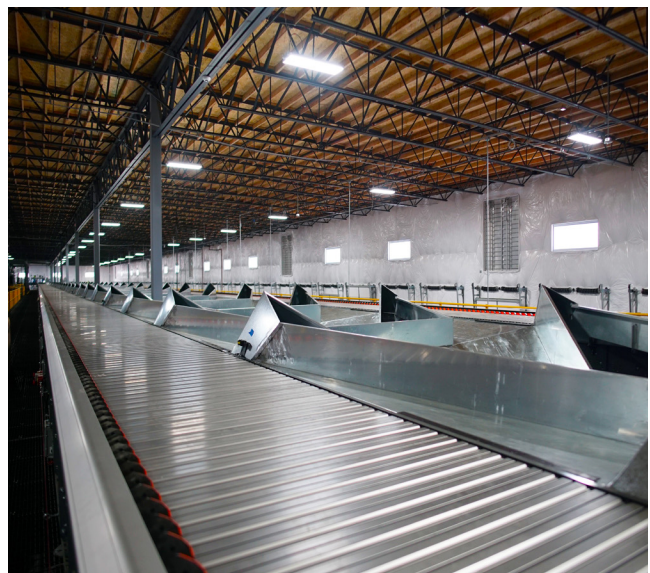
OnTrac knows there are many intangibles that come into play when selecting a vendor. "The depth of knowledge, the support, and knowing that our account team will go above and beyond if we have needs," Seidel said. "These are all things you take into consideration in a bidding process. AT&T brings to the table competitive costs, reliability, availability. There are a lot of things that make AT&T stand out for us."
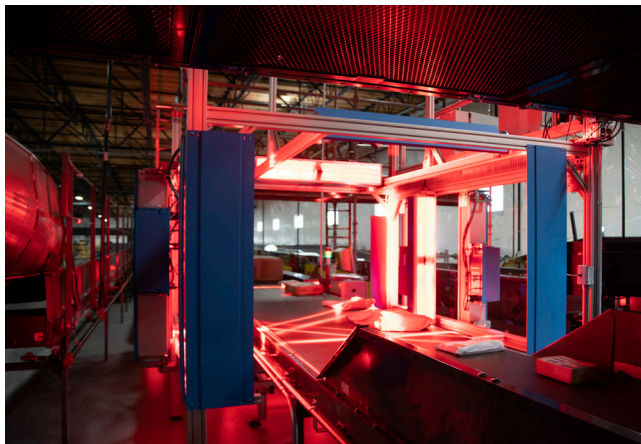
"Trust is the bottom line"

As OnTrac expands, its relationship with AT&T Business grows as well. "OnTrac as a whole has a presence in 13 states, and the vast majority of the states have some sort of service provided by AT&T, whether it be data or security services," Seidel said. "It's nice to build a relationship with the contractor, know what services they provide, and know who you need to go to if there's an issue, because there always are."

"It's never perfect," Seidel continued. "A lot can change in the middle of a new job, sometimes two, three, or four times, and to know that the contractor that you've chosen is willing to do what you need them to do, in any situation, is comforting," he said. "Really, trust is the bottom line."

Seidel said OnTrac has a great relationship with its AT&T Business account team. "As a busy professional, there's nothing worse than having your time wasted by a salesman. That's not the way our relationship with AT&T works," Seidel said. "Our account team is fantastic. They're ultra-responsive, very well trained, very well spoken. They understand our company and our needs; there's nothing more important than that."

And the results? "We're more efficient and accurate," Seidel said. "We're able to see the benefits in a reduction in the number of change orders during a job and the number of service calls we have to make after a job is complete. These are all good time savers and really big money savers. Not only that, we have improved security and are better prepared for emergencies."

Seidel said he knows that working with AT&T Business means having access to the best vendors as well. "It's amazing when you start to understand the number of technologies that AT&T plays a part in, supports, or can provide."

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Automating to handle the volume

Seidel said the next big thing for OnTrac is a new state-of-the-art facility in Reno, Nevada. It will be the company's first fully automated operation. It's designed to quadruple the speed of sorting and loading packages. The increased efficiency will help the company deliver to customers even faster. Naturally, they've chosen AT&T Business to support that.

"We're excited," Seidel said. "It's going to continue to put us in a position of growth. As more e-commerce companies come on board, we'll be ready to handle the volume with a system that can output at a very high rate. It's going to help us keep deliveries on time and help provide our customers great service."

Working with AT&T Business on the Reno facility and other upcoming projects was an easy decision, Seidel said. "AT&T is one of my first choices when I have a need because the depth of the services and the experience they offer really is unmatched," he said. "When you find somebody you trust, it's a no-brainer to reach out."