PCS

RDX Accelerates Cash Flow and Profitable Growth with PCS Software

Motor carrier and third-party logistics (3PL) provider RDX is fueling new levels of efficiency and growth from a partnership with PCS Software that began in 2012.

Reliable ~ Dependable ~ Xceptional

About RDX

Bartlett, Tenn.-based RDX was founded in 2011 by Roumen Denkov and Dee Tchoparov. The business started with six trucks and three core values — **Reliable, Dependable, Xceptional** — and specializes in transporting general and hazmat commodities in 48 states. From 2020 onward the company accelerated growth and passed the 100-truck milestone. To accommodate future growth, RDX is building a new 11,000-square-foot office and terminal on 41 acres.

The Challenge

From day one, the owners have focused on meeting the needs of owner-operator drivers. RDX has a fleet of trailers, a lease-purchase program for trucks, and one of the highest pay rates in the industry at 88% of load revenue.

With a high pay rate, RDX must operate as efficiently as possible with its revenues capped at 12% for loads. Initially, the owners decided to save money by running the company's back-office functions on spreadsheets. Tchoparov, vice president of RDX, remembers working 16-hour days to complete payroll, billing and other routine tasks.

The company purchased a basic transportation management system (TMS), but the software lacked an accounting module. Buying an off-the-shelf accounting system did not solve the problem. "Instead of saving money, we had to pay somebody to come and configure everything. And there was no support, whatsoever," Tchoparov said.

"PCS turned out to be the best decision we ever made. Without this software we would never be where we are today."

The Solution

In 2012, the owners asked industry peers for software recommendations. This led to a demo of Carrier TMS, a cloud-based platform from PCS Software, with a full suite of integrated modules for dispatch, accounting and fleet management.

"We decided to give it a chance," Tchoparov said. "PCS turned out to be the best decision we ever made. Without this software we would never be where we are today."

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"With the right tools and the right mentality, everybody can do it. PCS is definitely one of the right tools."

The Results

RDX immediately benefitted from the structured and automated workflows of Carrier TMS, which ensure all steps in the order-to-cash lifecycle of loads are methodically completed. The software also keeps a timestamped record of user activities. This creates accountability, Tchoparov said, and gives managers insights to coach frontline employees and address problem areas.

Some direct financial benefits that RDX has realized from using Carrier TMS include:

- **Faster cash flow.** RDX reduced days sales outstanding (DSO) by 8 to 12 days when drivers began using the Mobile Express app from PCS Software. The office can bill loads instantly after delivery now that drivers electronically capture delivery receipts and digitally complete other time-saving workflows.

- **High driver utilization.** Tchoparov credits the load planning and dispatch functions of Carrier TMS for maximizing driver earnings and revenue. Top drivers at RDX earned $350,000 in pay during 2021 before fuel and other expenses.

- **Zero IT overhead**. The cloud-based Carrier TMS eliminates the need for RDX to have an IT person on staff to back up data, manage security and do other routine tasks. Annually, the company saves at least $100,000 by not having a salaried IT position.

- **Run multiple businesses.** RDX runs its trucking, 3PL, truck leasing, and holdings companies through Carrier TMS as separate entities. Besides saving money, this setup gives users fast access to data. This proved useful recently to obtain financing for its new headquarters. With a single mouse click, Tchoparov emailed requested financial reports to lenders while on the phone.

RDX is a Trucking Success Story

The co-owners immigrated from Bulgaria in the 1990s and became owner-operators. They decided to start a company that is now helping other professional drivers achieve the American Dream.

Founded in 2011, RDX now operates more than 100 trucks.