



Keys to success

Key card manufacturer Plasticard-Locktech International unlocks its global potential with help from UPS.



Challenge:

Plasticard-Locktech International needed a way to ship products to global customers quickly and cost-effectively.

Solution:

By leveraging the UPS distribution network, the company can ship from locations in North America, Europe and the Middle East, and will soon add a location in Asia.

Plasticard-Locktech International

The world's largest key card manufacturer.

Based: Asheville, N.C.

Founded: 1988

Employees: 300

Website: plicards.com

If you've stayed in a hotel, given someone a gift card or enrolled in a retail store's loyalty program, you've likely touched a product manufactured by Plasticard-Locktech International (PLI). The company is the world's largest key card manufacturer and a leading specialty printer.

PLI's customers demand quick delivery. "If a hotel has a lot of business coming up and they're getting low on key cards, they need to have the confidence that PLI can fulfill that order," says Josh Barry, UPS® senior account manager.

Until recently, while PLI had no problem filling orders, shipping internationally from its Asheville, N.C., manufacturing and distribution location was costly.

"We have contracts with major hospitality brands around the world, so we need to provide global reach without extreme expense," says Peter Krauss, chief executive officer.

International inventory

By leveraging UPS's global fulfillment distribution network, PLI now stores inventory at UPS locations in Canada, the Netherlands and the United Arab Emirates. "The PLI team can send orders to UPS locations across the globe, and we fulfill them based on the geography of the customer base," Barry says.

The UPS distribution center in Canada was the first to roll out for PLI. "Once we identified a model in Canada, the international team was able to reach out to other facilities and emulate the same program. It was like flipping a switch to bring on other facilities. Replicating the model was easy, quick and scalable," Krauss says.

Plans are in the works for PLI to start shipping from a Hong Kong facility soon. By Krauss' estimate, the savings from this partnership with UPS means serious dollars. "We've done the math,"

he says. "From opening a warehouse to staffing to insurance to logistics — everything we needed for the footprint we wanted to cover would literally cost millions."

Rules and regs

Along with reduced international shipping costs, UPS also helps PLI reduce its customs brokerage expenses. PLI brings in its raw materials from Thailand and had been using another vendor for those shipments. When UPS took over the account and reviewed the information, it found that PLI was unnecessarily paying a 5.8 percent duty.

"The goods were incorrectly classified, so they weren't taking advantage of the savings," Barry says. The change saved a couple of thousand dollars per shipment. On an average of two containers per week, that's more than \$200,000 a year.

Krauss appreciates the benefits his company sees from tapping into the UPS network of experts. "In hospitality there's a lot of expansion into emerging markets and it can be pretty tricky dealing with duties and tax legalities," he says. "We're going into some of these markets for the first time."

PLI's savings from using UPS Customs Brokerage is significant. "Anytime they help prevent a missed shipment or additional fees for not shipping with the proper documentation, it can be hundreds or thousands of dollars saved," Krauss says.

Prime pickups

UPS helps PLI streamline operations with multiple daily pickups at its North Carolina distribution location, giving the shipping team more room to operate and cut congestion.

Global grasp

If, like Plasticard-Locktech International, your company is importing or exporting raw materials, inventory or finished products, you know that staying abreast of trade regulations and security requirements can be complicated, and mistakes can be costly.

Leverage UPS's expertise to help your company move everything from small packages to freight. UPS Customs Brokerage services include:

- Global coverage and reliable service for customs clearance.
- A portfolio of international trade consulting services.
- Trade management so you can outsource daily management of international trade activities.
- Access to import and export tools to help you navigate trade regulations and tariffs.

UPS offers customs brokerage services in more than 220 countries worldwide.

The company has a lot of inventory that ships the same day. PLI used to have to cut off customer orders for same-day shipping at 2:00 p.m., but with a later pickup from UPS, it can extend that cutoff time to 4:00 p.m. "The extra two hours are huge," Krauss says.

Venture over international borders

Learn more about the ways UPS can help your company simplify international shipping at [ups.com/international](https://www.ups.com/international).