

AVOID OVERCOMPLICATED WMS

Arguably, a good WMS is the heart of warehouse efficiency



In the past, the supply chain was undervalued, with effort concentrated more on manufacturing processes and marketing. In a much-changed market with new channels of supply opened up by online shipping it is clear that optimising the supply chain process is critical to achieving competitive advantage, an issue that was laid bare by wrong-footed reactions to Black Fridays and Cyber Mondays. Never before were supply chain issues so critical to surviving in a frenetic retail environment.

That said, how do SMEs go about deciding what to do about adoption of a warehouse management system (WMS), which may also include hardware investment like automated handling equipment and connectivity with stock/demand forecasting programs and ERP

software. And what are the main reasons for adopting a WMS? Should one go down the consultancy route to find the best-of-breed solutions? Or if one's needs are not very special and specific should one go for a packaged configurable solution?

One should be prepared to spend several months gathering information about what is available on the market and not be surprised that most solutions will involve high initial set-up costs – a problem that could lead to looking at cloud-based solutions. Some system providers, like Snapfulfil, have a No Capex model well suited to potential buyers concerned about up-front heavy capital outlays.

There are many reasons why adoption of a suitable WMS is so important and they revolve around the cost of holding stock and customer satisfaction. Warehouses

put money to sleep and if the amount of stock held runs into many millions of pounds then the cost of holding that stock can dwarf all other warehouse running costs combined. That is where a good stock forecasting program that reacts in real time to, say, daily weather forecasts can be so valuable. Typically, they can cut stocks held by one third without harming customer service, and payback on these programs can be as little as two weeks.

Other reasons for justifying a WMS include: lost sales due to stock-outs, wasted money through overstocking, improved accounting accuracy, identification of hidden problems, improved customer service and reordering process, reduced theft and losses, lower warehouse costs through improvements in picking, packing and despatch and savings on stock audits. A WMS will identify slow,

medium and fast movers so that stock can be positioned in the most advantageous ways for the quickest picking. It will also give management decision guidance on issues of dropping slow movers entirely.

WMS packages have reached a mature development stage but they can still fail or meet the desired goals, resulting in critical stock-outs and non-existent inventory visibility. Software-based projects can falter when there is a disconnect between the perception of the requirement, the capabilities of the product and the truth about the processes used in the customer's business at an operational level. The need to overcomplicate the solution arguably is the single most often cited issue of failure. To ensure success it is important to fully communicate not just what your operation does but the way in

which that process must be delivered to fit in with the normal operations of the business, and how it is going to achieve on time and in full for its customers.

An effective WMS is, of course, only one part, albeit an important one, of a reaction to the changing supply chain world that demands same-day or next-day delivery. As time to market is crucial, it is vital that other systems, like paperless order picking such as voice and pick-to-light are in place to deliver high picking accuracy rates and swift despatch. Given that online shopping often involves high returns, there should also be an effective reverse logistics set-up in place.

B Redmond

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Features Editor

Starrett sees Indigo as perfect software tool for the job

Indigo, a leading international warehousing and logistics software provider, announces that Starrett, the world-renowned manufacturer of precision tools and saw blades, has invested in Indigo WMS. In a project due to commence during the summer of 2016, Starrett, trading as The L.S. Starrett Company Ltd, will be implementing Indigo's warehouse management software (WMS) as part of a 4-phased project to improve warehouse accuracy, streamline stock management processes and cut costs.

Currently, Starrett relies on a paper based warehouse management process to fulfill all aspects of its complex international supply chain processes. Introducing Indigo WMS will allow it to benefit from full stock visibility and automated warehouse management. This will enable the company to compete more effectively in new high growth export markets.

During the original software evaluation process, Indigo's supply chain consultants completed an extensive review of Starrett's warehouse operations, highlighting how its WMS software would deliver business performance improvements. In particular Indigo WMS is expected to reduce the incidence of picking errors, remove the need to perform ongoing stock counting and an annual stock take, provide instantaneous ERP stock updates for the movement of raw materials and also cut the cost of back order processes.

As part of the software implementation, Indigo will introduce operate perpetual inventory management, with cyclical counts ongoing in specific locations, thereby enabling picking and counting operations to continue in parallel and overall warehouse throughput levels to increase. This will be of great benefit as currently, picking and packing operations

must be stopped to allow an accurate count to be made, which brings the warehouse to a standstill on a regular basis.

Due to the complexity of Starrett's product range, with its almost infinite combination of size and tool variations, miss-picks can occur. When these errors impact customers, they can be costly and time consuming to rectify. Incorrect goods need to be returned and correct stock items shipped, causing delays to goods received by the customer and impacting customer satisfaction levels. Added to this, a high degree of manual intervention and process duplication is required to complete order paperwork.

All these issues and more will be removed with the introduction of Indigo WMS.

"Indigo WMS will form the basis of our KPI monitoring in the future and our goal is to achieve 100% inventory accuracy, move away from the current situation of multiple shipments being made and fulfill each order with one invoice and a single shipment," says Stuart Black, IT Manager at Starrett. "Having looked at the market, Indigo WMS was an excellent fit and will integrate seamlessly with our existing ERP solution," he continues.

Indigo expects to complete Phase 1 of the Starrett implementation by January 2017, focusing on the main goods receiving and finished goods warehouse. Phase 2 will include extending Indigo WMS to include tracking and tracing of all raw materials moved into and out of the manufacturing departments around the site in Jedburgh, Scotland.

"Of all the vendors we contacted, Indigo took the time to learn about our business and offer us a relevant solution to solve a business problem, rather than simply sell a software product. Given our starting



point and use of a paper based system, the expertise of Indigo's supply chain consultants and the guidance they will bring to introducing software to an otherwise very traditionally managed warehouse, is going to be invaluable," adds Stuart Black.

"We are delighted to have been selected as a technology partner by such a highly regarded manufacturer as Starrett and look forward to working closely with them over the coming years to automate their warehouse operations," says Peter McLane, Managing Director at Indigo Software.

Established for over 36 years, Indigo is a leading independent European warehousing and logistics software provider with extensive experience of working with clients in the food and drink, FMCG, chemicals, apparel and industrial manufacturing sectors.

INDIGO SOFTWARE LTD

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Apex highlights two dispensing technology innovations at IMHX 2016

The IMHX 2016 event will see Apex Supply Chain Technologies®, a leading global supplier of automated dispensing solutions, debut two major innovations to the logistics sector. Both technologies deliver major operational and commercial benefits to distribution centres.

Actylus™ Smart Bin Systems

Actylus addresses stock replenishment issues for key consumable items, sending automated alerts and re-order notifications to suppliers and eliminating the need for counting trips, safety stock and emergency orders. Actylus helps keep lines up and running, boosting supply chain productivity and contributing towards profitability.

Access™ Automated Locker Systems

The Access 6100 series automated lockers are specifically designed to automate the management of handheld electronic devices, including scanners, tablets, smart phones and radio headsets. This makes the Access series ideal for distribution centres that increasingly rely on this critical tracking equipment.

Access self-service lockers automate check-out and check-in of devices through the use of personalised codes or identification cards and cloud-based software. The Apex Trajectory Cloud™ platform records who took what, when and where, delivering actionable reports, with details of usage patterns and other insights, leading to increased control and accountability.

Essential Intralogistics at IMHX 2016

Senior Apex representatives will be on hand at stand no. 8C11 to demonstrate these systems and provide insights into optimising

operational efficiency in the distribution sector.

Nicole Menkhauser, Senior Marketing Manager - Europe, at Apex commented: "IMHX visitors can see first-hand the benefits these dispensing system innovations can bring to distribution centres. Designed for different applications, both Apex systems bring intelligence to the task of stock management. This technology allows in-house teams to focus on other value-adding activities, without having to worry whether vital items will be available when and where needed. Both systems bring greater control and visibility of stock management, and the associated benefits to the bottom line."

Apex will exhibit on stand no. 8C11 at the event which takes place at the NEC, Birmingham, from 13th-16th September.

For more information about Apex Supply Chain Technologies® automated dispensing solutions for asset management, please visit www.ApexSupplyChain.com/gb/asset-management, email info.eu@apexsupplychain.com, or call 0800 840 4776

Worcester-based Apex Supply Chain Technologies Ltd is the European headquarters and subsidiary of Apex Industrial Technologies LLC, the world's leading provider of automated dispensing systems for the industrial, retail and service sectors. Apex solutions have executed more than 3 billion automated dispensing transactions for thousands of customers around the world.

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