

Christmas Tradition

Bringing warehousing operations up to speed



Christmas Tradition was established in 1983 as a wholesaler of quality giftware and décor, specializing in quality German mouth-blown glass Christmas ornaments. The company quickly grew from a one-man operation to encompass a full range of Christmas products, as well as giftware lines for all seasons. Christmas Tradition has always prided itself on its ability to maintain a hands-on and personal approach to fulfilling its customers' needs. In January 2010, the company opened a new 40,000 sq. ft. location to accommodate its ever-expanding warehousing and distribution requirements.

Christmas Tradition has been a long-standing successful supplier of gift décor. While the company managed its distribution functions manually for many years, continued growth led to a move to larger facilities that included warehousing, distribution, and a new showroom. At the same time, it decided to implement an automated warehouse optimization strategy using proVision WMS. The result was improved distribution functions, improved pick accuracy, reduced labour costs, and the ability to maintain its sterling reputation for outstanding customer service.

CHALLENGE

Christmas Traditions had reached a point where traditional manual paper-based processes were not efficient enough to manage increasing volumes. "As we reached our busier season, we had thousands of new SKUs that needed to be received, recorded and placed in the warehouse. This put direct pressure on staff to re-organize the warehouse to find space for the new items. It was becoming operationally impossible," explains Bruce Wright, President.

He adds, "At the same time, we had to pick and ship orders. Too often our pickers would reach a location without sufficient inventory for an order. They would have to stop the pick and inform our stockers (forklift operators) of the situation. The stockers would then look up where the overstock for that item was stored and go to replenish the pick location. Not only was this disruptive for the stockers, but also slowed our entire order picking process."

In addition, the warehouse was experiencing picking errors because it shipped items as an each, inner or case. During peak season, orders for an inner were sometimes going out as a case or an each causing issues with our customers," notes Ann Cawthra, Customer Service"

SOLUTION

Wright decided it was time to implement a comprehensive Warehouse Management System (WMS) to improve the warehouse and distribution functionalities. In early 2010 he began working with proVision to tailor a solution to fit his requirements.

The proVision WMS software provides integrated solutions for warehouses and distribution centres. The system is customizable and scalable, allowing for advanced flexibility for each warehouse operation. proVision was rolled out at the end of June 2010 at Christmas Tradition, following a round of training. This roll-out was just in time for the Christmas inventory rush, which runs from July 1 to October 15.

"When we saw the proVision solution we knew it was the right choice for our operation," Wright says. He continues, "We could see conceptually that it could deliver huge benefits for us in terms of accuracy and efficiency. proVision was also able to understand our needs and make the appropriate changes to match our workflow. That was critical since our requirements were different from larger fulfillment houses that ship by skid load. We needed a company that could apply a mega-solution to our situation, and the proVision system did that perfectly."

Cawthra notes, "There were adjustments to be made in terms of interfacing the system with order entry and other back-end processes. We wanted our warehouse staff to have every possible piece of information necessary in order to make an informed decision."

As part of the implementation, proVision worked with Christmas Tradition to adapt the WMS with the order entry operating system to ensure seamless integration with order entry, invoicing, order release and other back-end functions.

RESULT

Wright reports that the visibility gained using the proVision WMS 'dashboard' has helped the company to become proactive in terms of order management and workflow changes. "It's the first screen we see in the morning, and provides a snapshot view of pre-selected information and activities in the warehouse so we can make better decisions without affecting order throughput."

"The Demand Analysis report is also a great tool to plan for the next day's activity," Cawthra adds. With this feature, Christmas Tradition can determine the night before whether they have enough inventory in their pick face locations for the next day's orders; and proactively move appropriate quantities from bulk (overstock) down to the pick face for those items determined to lack sufficient inventory. That eliminates the need for pickers to stop mid-order to wait for additional inventory to be moved from overstock. According to Cawthra, "The only orders released are those that we know are ready for picking. We can also look in the system to get an update on the status of an order and see at what stage it's at and when it will be ready for packing and invoicing."

Another great feature of the system is that it helps track performance. Cawthra highlights, "We can tell who did the picking, the total dollar value per picker, the number of items, where the items came from, and how long it took to pick the order. That's a big plus when customers are making inquiries. All that information gives you a nice workflow and you don't have to go through reams of reports to check for discrepancies."

The proVision system can also prevent warehouse staff from 'cherry picking' the orders they want. She adds. "That's important when you use a lot of temp workers like we do. We can identify those workers that might need retraining so they're back up-to-speed quickly." This improved workflow and performance tracking proved especially critical during the peak Christmas inventory delivery times since shipping windows are extremely tight.

Wright anticipates that the proVision WMS solution will also prove beneficial when annual inventory tracking begins in April. He emphasizes that "Usually two stockers would have to count up to 500 products a day. By the time our next annual inventory comes up this time, we won't even have to count. With cycle counting, we know everything we have and where it is. I'm looking forward to getting that on a regular routine. In fact with the proVision solution, we can reduce the number of stockers throughout the year by 50%, and improve picking efficiency by 30% or better."

He also reports that receiving time has already been cut in half. "With multiple containers arriving from Asia each week, we had space restrictions in the receiving area, so product used to be put away before its location was noted, causing all kinds of issues later. Now we can scan the barcodes on the products as they come in and then scan the barcode on the location when we put away the new inventory. In that way, the system knows where that inventory is when we need it later, saving us all kinds of searching and manual data entry. And when we move inventory, we simply scan the barcode on the 'from' location and then the barcode on the 'to' location and the system keeps track of it. That provides us with all kinds of efficiency gains without the need for manual paperwork," elaborates Wright.