

Somcan

Somcan gains speed and accuracy in the warehouse with proVision WMS



Somcan is a successful full-service Incentives supplier of name brand merchandise for the Premium and Incentives industry based in Pickering, Ontario. Somcan carries a wide variety of inventory from small electronic devices to larger household items. By warehousing all products on site, Somcan offers the flexibility to customize “bundles” for a variety of customer programs and drop ship on their behalf.

Somcan began its days in the Incentives industry in 2000, having previously handled retail sales in Canada for a number of manufacturers. The company is currently a member of the Patent Public Advisory Committee (PPAC) with Board of Director status and became a founding charter member of IMA (Incentive Marketing Association) Canada Council in 2005.

Somcan Marketing & Sales has seen continued growth as a distributor of name brand merchandise for the Premium and Incentives industry since it began its operations in this business channel over a decade ago. As its warehousing management needs grew, it decided to move from manual to automated processes in order to streamline operations and improve accuracy. With proVision WMS it has achieved significant gains in improving operational performance, delivery turnaround, and customer service while reducing errors and waste.

CHALLENGE

Based in Pickering, Ontario, Somcan runs a highly successful and rapidly growing distribution operation. As a company that services the premium and incentives industry (e.g. loyalty and reward programs such as Air Miles), it carries a wide variety of inventory from small electronic devices to larger household items.

As its customer base grew, Somcan was faced with a need to track products more accurately. “Basically everything had been manual,” says Keith Edmunds who manages IT for Somcan. He adds, “Warehouse staff would write down on paper what was received, put it in the warehouse and bring it out when they needed it.” This process proved reasonably effective when inventory tended to be larger items.

Over time, however, the demand for incentive items such as small electronic devices grew. Edmunds notes, “When you have products like iPods, it becomes more difficult.”

Product selection was also getting much more diverse. “The quantity was becoming overwhelming,” Edmunds explains. “Inventory counts weren’t always accurate and products were sometimes difficult to locate. Inefficiencies were slowing down turnovers, leading to duplication and delaying invoicing processes. It was all starting to have an impact on our business,” he explains.

“By 2008, the situation became untenable,” says Jay Davis, President of Somcan. He elaborates, “We had a 100% paper environment and an inefficient warehouse operation. Duplication and lack of automation were ultimately leading to dissatisfied customers. We’re not in the business of making money based on how long inventory sits here. It’s how quickly and accurately we can get it out the door.”

SOLUTION

The decision was made to acquire a proper shipping system, and then implement an automated warehouse management system (WMS),” Davis explains. As the shipping system was being installed, Davis learned about proVision WMS.

“They came in to give me an overview of what they did. As soon as I saw it, I knew it was exactly what we needed,” he says. While Davis had priced solutions in the past, he says that the proVision offering was “considerably better priced, better managed, properly supported and amazingly easy to implement.” These guys held my hand all the way through from implementation to support.”

Part of the implementation involved integration with the shipping system, as well as Somcan’s accounting and inventory functions. Somcan had also upgraded to Microsoft SQL for data storage. “There was some customization needed to get data passing back and forth between the WMS and ERP systems,” Edmunds says. Once everything was set up, warehouse staff was supplied with handheld scanners to record, locate and track inventory movement at the box and/or individual item level. With the new system, orders are entered into the ERP that sends the information to the warehouse management system.

Once it’s in the WMS, warehouse staff can view outstanding orders and use their handheld scanner to pick the items based on established priorities. Packing and shipping information is then automatically entered into the ERP system for billing.

RESULT

Having worked with the system for two years now, Edmunds says inventory processes are much more accurate. “Inventory is much more accurate and we can track products much more efficiently. The entire process is much faster and the simplicity and ease of use fit perfectly with what we do here.”

Davis estimates that business volumes have doubled since it was installed. “The time it takes to get orders out the door is significantly less because the warehouse is organized 100% better and we can maximize the amount of space we have. We have also improved the number of turns we can do every day which is important.”

Davis states, “(proVision WMS) has taken us to a new level of competence. We have mechanisms to track inventory and productivity. The ‘not me’ excuse has disappeared.”