

CASE STUDY: WAREHOUSE MANAGEMENT

NATELA IMPORTERS



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Yuval Irad, Natela Importers, on Made4net Warehouse Management System Software WarehouseExpert

ABOUT NATELA IMPORTERS

Natela Importers is a leading food distributor in South Africa, distributing international brand names such as Ferrero Roche, Kinder, Nestle, and Yougata to name a few. Due to increased demand and the company's expanding geographical reach, Natela has built a new distribution centre in Johannesburg to meet its continuous growth.

To run and operate the vast new distribution centre with its diverse products and complex operations successfully, Natela has turned to Made4net for an end-to-end warehouse management system. The distributor has chosen to implement Made4net's WarehouseExpert™ in its new CDC as a first step in optimizing its supply chain management and improving its operational processes.









THE NATELA CHALLENGE

Natela was managing a high volume of inventory using a paperbased system together with an older out-dated inventory management system that did not include data collection or inventory tracking functions.

Natela needed to overcome the following obstacles:

- Reliance on paper-based systems for inventory information to manage a high volume of inventory
- The complete lack of data collection and inventory tracking functions in Natela's Syspro ERP inventory management system, which failed to address the needs of the new DC to be built that year



- Inability to track the company products' "time in inventory" which created order-processing problems
- The total lack of automation and real-time data having a negative impact on operations and customer service levels

According to Natela's Managing Director, Irad Yuval, the difficulties they experienced came at a high cost: "Our people routinely had to conduct a difficult hunt to find the right product to fill an order. In addition, expiration date was not managed properly and therefore we had sever write offs at the end of each quarter."

With the company barely holding up against severe growth pressure, they could not afford to perpetuate their inefficient system by simply hiring additional personnel. Neither could Natela invest the time and expense required to develop a solution from scratch in Syspro. It became more than evident that a highly featured automated warehouse management system (WMS) was a must with time, budget and flexibility being factors of concern. After seeking the market, Natela decided to select Made4net's WarehouseExpert™.

MADE4NET'S SOLUTION

Deployment of WarehouseExpert™ took approximately 16 weeks, including training for about two dozen warehouse employees. The solution included a complete system for managing a warehouse, from receiving through optimized putaway, enhanced picking, replenishment, counting, resource utilization and more. The system was fully integrated into Syspro and supported PsionTeklogix RF terminals that the employees used as end devices.

MADE4NET DELIVERED RESULTS

Made4net delivered the project on time and on budget. With its new central DC operated by WarehouseExpert™, Natela has seen measurable improvement on multiple fronts.

- Warehouse personnel are now equipped with wireless handheld barcode scanning systems, directed by the new WMS that utilizes the resources based on real-time needs and in accordance with various operational constraints
- The new directed picking capability has led to a quantum leap in worker productivity: a large order that once took 2-3 hours to pick can now be completed in a mere one hour



- Accuracy vastly improved: instead of trying to interpret product labels, workers can now scan bin and/or product labels to instantly identify correct products
- All products are captured with the associated code date control (expiration date or best before) upon receipt and the system ensures that workers pick the oldest lots
- WarehouseExpert™ enables Natela to enforce it critical FEFO (first-expired, first-out) inventory management policy
- Increased customer service levels

"Clearly, the system has made us far more efficient, which greatly reduces costs," said Yuval. "Our cost associated with picking has been decreased by nearly 20%, our inventory turns have nearly doubled, and we've reduced errors."

In addition, the company has become far more responsive to customer inquiries. "Before, when a customer called about the status of an order, the best we could do was go track it down manually and call back," said Yuval. "Now, with access to accurate, real-time data, we can answer the customer's questions on the initial call - and that's just one more way that automation has made us more competitive."

MADF4NFT LLC 87 S. Farview Ave. Paramus, New Jersey, 07652 USA

Phone: +(1) 201 645 4345 Email: info@made4net.com Website: www.made4net.com

