

VELOCITY VIDEO CASE HISTORY

A DC VELOCITY SPEED CHALLENGE

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Fits like a glove

West Chester Holdings selects an integrated, all-in-one solution from SAP and its software integration partner, itelligence, which runs nearly every aspect of its wholesale distribution business.

IF YOU HAVE EVER BOUGHT WORK GLOVES at Home Depot, Tractor Supply or K-Mart, there is a good chance that you've put your fingers into a pair of gloves distributed by West Chester Holdings.

West Chester is one of the nation's largest wholesalers of work gloves, disposable protective clothing and raingear.

Just a few years ago, this company's 200,000-square-foot distribution center in Monroe, Ohio was having problems tracking its inventory. Its disparate legacy systems could not easily integrate the warehouse operations with its order and sales software, which meant that the sales and purchasing teams never knew exactly what merchandise was on hand and what was needed. Customer service was also hampered by a lack of visibility.

"We were heavily paper based. Back then, someone had to manually key in data whenever something was sold," recalls Ken Meyer, chief financial officer at West Chester. "Often, updating our inventory would take as long as six hours. That is not good when someone sells an item and then finds that it is no longer there in inventory."

West Chester contacted itelligence Inc., a Cincinnati-based SAP partner providing industry-specific enterprise solutions and implementation services. After careful evaluation and detailed planning, itelligence implemented it.wholesale, a qualified SAP Business All-in-One partner solution designed for growing mid-sized companies. The solution tightly integrates West Chester's business transactions from top to bottom.

"SAP handles everything our business does, from reporting sales, financials, inventory management, and warehouse management—everything is done through SAP," says Meyer. "Having it fully integrated has given us better information for decision making. Just the sheer volume of what SAP has to offer gives us all the data we need."

Big bang implementation

Since West Chester Holdings was adopting new systems throughout its entire enterprise, the company went through a very rapid implementation process that required only 15 weeks. Expert consultants from itelligence and SAP worked with the West Chester

team to make the transition to the new software solutions go extremely smoothly.

Today, West Chester directs its operations using a full range of SAP solutions designed for wholesale businesses. Among the modules in use at West Chester are purchasing, sales and distribution, financials, inventory management, production planning, material management, warehouse management, and transportation management.

Integrating these modules together allows each area to function optimally. For instance, a sales order feeds specific product information into the inventory and material management systems, including style, color, cube and dimensions. The warehouse management system uses the same data to fill the customer order. The dimensional information is also fed to the transportation management system (TMS) to allow for orders to be properly cubed for shipping and then to select the least costly and optimal carrier for the shipment. Meanwhile, purchasing

is updated so that additional product can be ordered and brought to the distribution center in a timely fashion. And billing is initiated to assure a fast payment.

The result of this tight integration has been greatly improved control over all processes. Inventory management has improved, warehouse space is better utilized, and customer service has improved with greater visibility into orders and shipments. Fulfillment has been reduced from one to two days down to just a few hours. Billing cycles have also been shortened, resulting in improved cash flow. West Chester has been able to take on more volume without adding staff, and it's now easier to train new hires.

"The SAP solution is more powerful than we even thought it would be," adds Meyer. "There are parts of the solution that we have yet to turn on, so I know our company has room to grow in it."

For more information on SAP, call 800-872-1727 or visit www.sap.com.

To find out more about West Chester Holdings, call 800-647-1900 or visit www.west-chester.net.

To find out more about itelligence, call 513-956-2000 or visit www.itelligencegroup.com.



To watch a short video showing operations at West Chester Holdings' distribution center in Monroe, Ohio, go to www.dcvelocity.com and click on this month's Velocity Video.