

PROMAX RACES PAST COMPETITORS

with New Supply Chain Solution

OPERATIONS

Headquarters: Cincinnati, OH
Distribution centers: 4

MANHATTAN SOLUTION

Manhattan SCALE™



CHALLENGE

Rapid growth and inefficient processes limited ability to meet growing customer demands.

SOLUTION

Manhattan SCALE selected based on Microsoft .NET platform and strong presence in 3PL industry.

PROGRESS & RESULT

Improved productivity; increased inventory accuracy to 98-99%; reduced labor costs; customers can see inventory in real time.


“Our clients have such complex requirements that we wouldn’t be able to meet them without the Manhattan solution. It offers the flexibility and advanced capabilities we need to properly serve our customers.”

STEVE GATTON, IT MANAGER, PROMAX AUTOMOTIVE

DRIVING PRODUCTIVITY AND ACCURACY

at PROMAX

RAPID GROWTH AND INEFFICIENT, PAPER-BASED PROCESSES LIMITED PROMAX'S ABILITY TO MEET GROWING DEMANDS



PROMAX Automotive Inc. is a full-service logistics solution provider and third-party logistics provider serving leading companies in the automotive industry, including General Motors, Isuzu Motors America, Nissan, Thyssenkrupp and Akebono Brake. Since its inception in 1996, PROMAX has experienced tremendous growth, positioning the company to be the industry's leading automotive logistics solution provider. With four warehouse facilities, including a 615,000 square foot distribution center adjacent to its headquarters in Cincinnati, Ohio, PROMAX offers transportation services, finished vehicle logistics, warehousing and distribution, packaging and import/export services. The company also provides logistics design to enable its clients to achieve measurable cost savings.

PROMAX's rapid growth created significant challenges in its supply chain operations, making it difficult to effectively meet the unique requirements of its expanding customer base. For example, inefficient and unreliable paper-based processes, including spreadsheets, were the company's "inventory control system." According to Steve Gatton, PROMAX IT manager, "Our clients were pushing for visibility into their inventory, so we needed to be able to access inventory information by location."

MANHATTAN SCALE SELECTED BASED ON EASE OF INTEGRATION IN PROMAX'S MICROSOFT ENVIRONMENT AND STRONG PRESENCE IN THE 3PL INDUSTRY

"We looked at several vendors and chose Manhattan SCALE: Supply Chain Architected for Logistics Execution for a number of reasons. First, fewer interfaces were needed. Because the Manhattan solution is Microsoft-based, it integrates easily in our existing Microsoft environment. Second, the solution is user-friendly and easy to understand, so the learning curve is not as high as that for other solutions. The availability of RF functionality was also a plus,"

"Because we basically let the Manhattan solution drive the warehouse, we have achieved tremendous efficiencies. Our productivity has increased and our labor costs have been reduced through more effective picking capability. Putaway is more accurate. And our inventory accuracy has increased significantly — we've gone from 96% inventory accuracy to 98-99%."

explained Gatton. Manhattan is the first supply chain solutions provider to be Certified for Microsoft Dynamics AX and has a number of implementations in the 3PL industry. "The solution is deeply entrenched in the market. Manhattan's experience and its integration with Dynamics AX extend our capabilities way beyond what we could have achieved with any other solution," Gatton said.

In addition, PROMAX uses Dynamics AX as its ERP solution. "We made the decision to go with Manhattan SCALE first, and based on Manhattan's relationship with Microsoft and the integration of its .NET solution, Dynamics AX was the right choice for our ERP system," said Gatton.

THE IMPLEMENTATION PROCESS ENABLES PROMAX TO REFINE DAY-TO-DAY OPERATIONS AND DOCUMENT PROCEDURES

From start-up to go-live, the PROMAX implementation spanned 120 days. Gatton explained, "First, we mapped all of our business processes into basic flow charts. Then, we mapped these into the Manhattan solution. The testing and validation processes went very smoothly and by the time we hit go-live, we were ready."

According to PROMAX, the implementation process provided a number of benefits. "We learned a lot about our business as we installed the solution. We were able to document processes that had not been documented in the past. It was helpful to our people to see all the things we do on a daily basis. As a result

of this implementation, we now have a much better picture of our day-to-day operations,” said Gatton. PROMAX uses the Manhattan solution for all receiving functions, including picking, packing and shipping. PROMAX can now provide its customers with real-time inventory and work order status via a customized web portal. Customers can access the information they need in real time whenever they need it.

INCREASED PRODUCTIVITY AND INVENTORY ACCURACY ALLOW PROMAX TO REDUCE LABOR COSTS AND OFFER BETTER CUSTOMER SERVICE

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PROMAX sends personalized e-mail alerts and backorder alerts via the Trading Partner Management component of the solution. The company also sends an e-mail alert at the end of each day to prepare the manifest for the following day to fill backorders. “Our customers like the fact that they can see

their inventory in real time. It’s been an education process for them—they are gaining a better understanding of how things move in the warehouse. And they can pull a customized report into a spreadsheet at any time,” said Gatton. In addition, PROMAX can process invoices more quickly now because of the integration of the Manhattan solution with the company’s Dynamics AX environment.

“Our clients have such complex requirements that we wouldn’t be able to meet them without the Manhattan solution. It offers the flexibility and advanced capabilities we need to properly serve our customers. We actually use it as a competitive advantage when we’re selling to new potential clients because it will enable them to run their businesses more successfully.”

As PROMAX continues to increase momentum in the marketplace, the company anticipates expansion in its aftermarket retail distribution business and its OEM business—particularly in the southern U.S. Because PROMAX segments the two businesses using separate warehouses, the company can achieve enterprise-level efficiencies and economies of scale by using the Manhattan solution’s single database in both operations.

