

CASELLA FAMILY BRANDS RAISES GLASS TO MANHATTAN SCALE

OPERATIONS

Distribution centres and locations: Five

MANHATTAN SOLUTION

Manhattan SCALE™

[yellow tail]®



CHALLENGE

Revamp Casella Family Brands legacy supply chain and stock management capabilities to ensure they are fit-for-purpose as the company expands production and integrates new brands such as Peter Lehmann Wines.

SOLUTION

Manhattan SCALE was selected due to its huge scalable potential, ease of deployment and the breadth and depth of its functionality.

PROGRESS & RESULT

Increased warehouse utilisation by 22%; decreased labour costs; improved traceability throughout the supply chain; revolutionised planning while automating many of the associated processes; enabled the transition from a manual paper-based delivery system to a digital one.

“We have the fastest bottling line in the world capable of processing 36,000 bottles an hour. Bottling at this speed and managing the volume of inventory associated with this scale of operation requires a strategic supply chain solution.”

SAM MCLEOD, DISTRIBUTION MANAGER, CASELLA FAMILY BRANDS

NEW SCALABILITY AND VISIBILITY

at Casella Family Brands

RAPID GROWTH CALLS FOR A STRATEGIC SUPPLY CHAIN SOLUTION

Casella Family Brands has grown from a small family-owned business in 1969 to become Australia's largest family-owned winery, based in Yenda NSW. The inception of the [yellow tail] label in 2001 propelled the business to new heights and it is now the most powerful Australian wine brand in the world. Twentyseven per cent of bottled table wine exported from Australia is [yellow tail] and it holds the record for the fastest growing imported wine in the United States' market history. Today, Casella Family Brands ships over 12.5 million cases of wine to more than 50 countries around the world every year.

Following a sustained period of rapid growth, including the acquisition of Peter Lehmann Wines, the company recognised a need to improve inventory visibility across its two distribution centres (DCs). It also wanted to enhance its scalability to ensure it is set up for future growth. To fulfil these needs, Casella Family Brands engaged Manhattan Associates for a dedicated global distribution management and order fulfilment solution.

Sam McLeod, Distribution Manager at Casella Family Brands commented: "We have the fastest bottling line in the world capable of processing 36,000 bottles an hour. Bottling at this speed and managing the volume of inventory associated with this scale of operation requires a strategic supply chain solution."

The ongoing expansion of the [yellow tail] range and the integration of Peter Lehmann Wines led Casella Family Brands to look to Manhattan's SCALE solution to address its demanding distribution management and supply chain execution challenges.

CASELLA FAMILY BRANDS INCREASES WAREHOUSE EFFICIENCY AND VISIBILITY WITH MANHATTAN SCALE

Casella Family Brands chose to implement Manhattan's SCALE software in order to optimise order fulfilment processes across its various brands. By streamlining distribution and enabling on-going business growth, the company was able to realise a number of key benefits:

- Increased warehouse utilisation by 22 percent;
- Reduced labour costs;
- Improved traceability throughout the supply chain;
- Revolutionised planning while automating many of the associated processes;
- Enabled the transition from a paper-based delivery system to a completely digital one.



"The combined effect of all these advancements enabled by the Manhattan technology has had a tremendously positive impact on our bottom line and has really set us up for future supply chain success. All of which has enabled us to focus on what we do best, producing industry-leading wines to share with the world."

Sam McLeod also added, "Previously we were only able to track our stock by total production lot, for example in a run of 30,000 cases we couldn't distinguish the difference between the first and last pallet once the stock had shipped. With the introduction of Manhattan SCALE, we can now track stock to the pallet level due to the unique 'license plate number' (LPN) placed on every pallet prepared. In the event of a product recall this could save a significant amount of money."

"As a planning tool, SCALE is incredibly powerful," he adds. "We can now arrange as many as 300 shipping containers of stock in as little as half a day. This enables us to release orders for picking at the click of a button as opposed to manually keying in the contents, pick location of each order and then manually updating once loaded every day."

"All of our 750ml wine is produced in two different pallet heights. Manhattan SCALE allows us to quickly differentiate between these and if an imbalance is detected, we can produce the required pallet heights from our production line. Previously these would have been manually restacked," explained McLeod.

Since implementing the SCALE solution, Casella Family Brands has also worked closely with its export distributors to ensure they are ordering stock in optimum quantities (full pallets) to ensure it maximises the efficiencies Manhattan SCALE provides.

MAKING AN IMPACT ACROSS THE ORGANISATION

By working closely with Manhattan Associates' consultants, Casella Family Brands was able to efficiently weave Manhattan SCALE into the fabric of the business, making the entire operation stronger. For example, the distribution teams (both export and domestic) were able to plan weekly loading into 'waves,' picking of all orders and the allocation of multiple SKUs with differing pallet dimensions into containerised loads.

The Planning and Inventory team was also able to utilise Manhattan SCALE for confirmation of production run quantities and obtain real time status updates on production progress. The Production department now receives advance notification of incoming stock from the production line; and the Export Administration Team retrieves lot numbers for export orders for select customers. Additionally, with the combination of the unique LPN and lot numbers, the Compliance team now has detailed traceability for audit and potential recall purposes.

"The combined effect of all these advancements enabled by the Manhattan technology has had a tremendously positive impact on our bottom line and has really set us up for future supply chain success. All of which has enabled us to focus on what we do best, producing industry-leading wines to share with the world," said McLeod.

Based on the success of its engagement with Manhattan Associates, Casella Family Brands is also looking to implement Manhattan SCALE across its dry goods portfolio in the future.

