

ALSPEC SELECTS MANHATTAN SCALE

to Optimise Warehouse
Management Operations

OPERATIONS

Distribution centres: Eight locations throughout Australia including Sydney, Newcastle and Brisbane

MANHATTAN SOLUTION

Manhattan SCALE™



CHALLENGE

ALSPEC's legacy systems lacked the flexibility required to support the company's growth strategy.

SOLUTION

ALSPEC selected the scalable Manhattan technology to support company growth, as well as improve goods flows and inventory management, introduce efficient picking and packing methodologies, improve licence plate tracking for cross-dock orders and improve operative productivity.

PROGRESS & RESULT

Results achieved to date include improved visibility of stock, improved picking and packing procedures, ability to track individual items in crossdocking operations, and a more efficient warehouse operation.

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WAYNE LARSEN, NATIONAL OPERATIONS MANAGER, ALSPEC

PREPARING FOR GROWTH

at Alspec

ALSPEC SEEKS PROVEN SOLUTION TO SUPPORT OPERATIONAL EFFICIENCY IMPROVEMENT AND BUSINESS GROWTH OBJECTIVES

Established in Australia in 1974, ALSPEC is the market leader in the design and distribution of innovative aluminium systems to the architectural, industrial and home improvement markets. With 400 staff members operating across a network of eight locations nationwide, ALSPEC is a privately-owned Australian company at the forefront of the Australian Aluminium Systems market. ALSPEC has invested heavily in research and development to ensure a continual supply of groundbreaking systems, improved products and new technology. This includes its own NATA-accredited testing facility in Brisbane where it tests window and door systems to ensure they meet all the required air and water penetration standards. Recent developments include the world's first integrated screening system for aluminium multi-fold doors as well as a revolutionary Solar Control system which provides privacy and reduces energy consumption by deflecting sunlight from the building envelope.

As a market-leading distributor in innovative aluminium systems, it is imperative that ALSPEC has a cutting edge and highly optimised supply chain system in place. Access to critical information in real time at the company's eight distribution centres located throughout Australia is essential to ensuring it can meet the increasingly sophisticated requirements of its customers.

Having undergone a general review of the company's critical systems to identify ways that IT could be leveraged to better enable and drive continued company growth, ALSPEC recognised the need to upgrade its legacy Enterprise Resource Planning (ERP) system. The existing system, which had been developed in-house and was largely paper-based had simply become too rudimentary to support the company's rapidly evolving needs, as well as those of its customers.

"We offer a wide range of window and door systems to businesses in Australia and with approximately 400 staff, we are a sizeable organisation. In an attempt to continue to drive continued growth we recognised it was time to review a number of our internal IT systems, more specifically our ERP and warehouse management capabilities, to identify ways we could improve operational efficiency," explained Wayne Larsen, National Operations Manager at ALSPEC.

"By utilising the interface between Manhattan SCALE and Microsoft Dynamics AX, we can now manage all warehouse management transactions via SCALE. We now enjoy much greater visibility when it comes to stock movements, stock adjustments and shipping."

The company also recognised the very imminent need to move away from the antiquated manual paper-based system it previously had in place. ALSPEC made the decision to replace its existing ERP system and rather than opting to implement a solution with an embedded warehouse management capability, the company decided to investigate stand-alone supply chain IT systems based on industry best practices. Subsequently, the company investigated a number of industry-leading solutions and ultimately opted for Microsoft Dynamics AX as its new ERP system, and Manhattan Associates' SCALE solution (Manhattan SCALE™: Supply Chain Architected for Logistics Execution) as its new supply chain system.

"Our legacy systems simply did not offer the flexibility we required to support our broader growth strategy so we decided to investigate industry-leading and proven IT-based solutions to replace the manual and out-dated solutions we previously had in place to support our ERP and warehouse management requirements," explained Larsen.

ALSPEC CHOOSES MANHATTAN SCALE FOR SUPERIOR WAREHOUSE MANAGEMENT CAPABILITIES AND INTEGRATION STRENGTH

ALSPEC had a number of specific requirements when choosing its new IT systems, in particular its warehouse management solution (WMS). The company wanted to ensure its investment would be secure for the long term. In addition, the solution needed to be both flexible and robust enough to effectively address the challenges the company had previously struggled with when operating a manual based system. Some of the key goals the company wanted to achieve included:

- Improved flow of goods
- Enhanced inventory management and control
- More efficient and flexible picking and packing methodologies
- Improved licence plate tracking for cross-dock orders
- More efficient labour management
- Enhanced stock visibility and accuracy

Given that the company's ERP system and warehouse management work so closely together, especially from a forecasting and financial management perspective, it was also imperative that the WMS ALSPEC ultimately selected offered a standard interface with Microsoft, which Manhattan SCALE does.

"We reviewed a number of WMS solutions and Manhattan SCALE was by far the most configurable and easy to set up. It was also able to seamlessly interface with Microsoft Dynamics AX, which was a major prerequisite for us. Although we could tell Manhattan SCALE would be a great fit for our business because among other things, it offered the same look and feel as our new ERP system, we conducted due diligence and visited a number of existing customer sites in Australia where Manhattan SCALE had been deployed and were extremely impressed with what we saw," said Larsen.

ALSPEC is currently operating both its old and new ERP systems concurrently before making the final transition to Microsoft Dynamics AX. This is a precautionary measure, however an extremely important one.

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Manhattan SCALE is a portfolio of distribution management solutions built on the Microsoft .NET development platform and the Microsoft Windows Server® and Microsoft SQL Server® family of products. By leveraging sophisticated optimisation techniques, Manhattan SCALE enables companies to tie together processes, data and workflows to improve supply chain operations.

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SCALE PROVIDES A RANGE OF BENEFITS INCLUDING FLOW OF GOODS AND INVENTORY MANAGEMENT

Since implementing Manhattan SCALE, ALSPEC has rolled the solution out across each of its eight distribution centres located at various sites throughout Australia including Sydney, Newcastle and Brisbane. The company has started to realise the true benefits of introducing such a well-respected and proven WMS. In particular, the integration with the company's newly selected ERP solution has offered significant benefits in terms of financial management such as billing and transaction management.

"By utilising the interface between Manhattan SCALE and Microsoft Dynamics AX, we can now manage all warehouse management transactions via SCALE. We can, for example, easily create Purchase Order (PO) requests and generate associated receipt IDs before inventory is put away. Receipt quantities are now managed and tracked through SCALE and then interfaced back to our ERP system, which updates our inventory records instantaneously," explained Larsen. "We now enjoy much greater visibility when it comes to stock movements, stock adjustments and shipping."

Another key benefit ALSPEC has enjoyed since implementing Manhattan SCALE has been around change processes and the solution's ability to support the company's Radio Frequency (RF) scanning processes.

"We previously had a hybrid approach which involved mainly paper-based warehouse management processes with some RF scanning, however now due to the integration of Manhattan SCALE with our RF scanning system provided by Dematic, we are completely paperless. This has drastically improved our ability to manage inventory and order fulfilment in real time. Because we can better locate the physical location of inventory in the warehouse using the RF tracking system, we have been able to improve our picking and packing procedures considerably," Larsen explained.



In addition to optimising picking and packing procedures, ALSPEC has significantly better visibility of inventory. Not only can the solution create pre-determined loads by weight so the company can send pickers on pre-determined pick paths, every box now also has its own unique identifier. Where previously the company had one inventory record for bulk orders, it now has visibility of specific packages, meaning it can pick full case quantities if required.

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ALSPEC has also been in a position to abolish annual stock takes by introducing a tailor-made cycle count regime, via the Manhattan SCALE solution. They can now count inventory faster and move items more accurately.

"We basically set up a regime by introducing item classes and bin locations. The logic we have configured within Manhattan SCALE to support this enables us to pick stock at certain times and is an intuitive capability that we have customised the solution to do."

"Overall our experience with the Manhattan SCALE solution and the local Manhattan team has been extremely positive. From the training models they helped us develop from the first go-live to the reliability and configurability of the solution, we very much look forward to enjoying continued success through our engagement with Manhattan Associates well into the future."