Customer Profile

Carson-Dellosa automates with Infor Distribution FACTS

Facts at a glance

Product: Infor Distribution FACTS
Industry: Distribution
Country: USA

"Our improved inventory tracking with Infor Distribution FACTS Warehouse Management allowed us to reduce inventory by 15% to 25% in only five months."

—Richard Lugo, VP Operations, Carson-Dellosa

About the company

Established by Patti Carson, Janet Dellosa, and Steve Carson, Carson-Dellosa Publishing Company, Inc. provides educational materials that "educate, motivate, and decorate" in classrooms around the world. Carson-Dellosa's complete line of classroom decorations, supplemental books, and other resources feature bright artwork and sound educational principles designed to aid teachers, parents, and students from preschool through the eighth grade. Headquartered in Greensboro, NC, Carson-Dellosa takes pride in providing the best possible educational materials. In addition, Carson-Dellosa manages several subsidiary companies that focus on specific niche markets, including Wild Goose Science (science kits) and High Reach Learning (activity kits). Together, the Carson-Dellosa family of companies is recognized as the market leaders.

Setting the strategy

To automate critical business functions such as accounting, sales orders, purchase orders, inventory, and more, Carson-Dellosa began by selecting Infor™ Distribution FACTS. Earnest & Associates (E&A), an Infor business partner that has served as a critical participant in Carson-Dellosa's implementation process, installed and set up the application. In time, Carson-Dellosa had grown to nearly 100 active Distribution end-users and was readying a new 130,000-square-foot distribution facility to accommodate future growth.

As the company was preparing its move into the new building, Richard Lugo, vice president of Operations, and Juan Cano, vice president of Information Technology, began leading a team to evaluate systems to help the company maximize its use of the new facility. Specifically, Carson-Dellosa was interested in learning how a warehouse management system (WMS) might help improve throughput, efficiency, and accuracy across the entire organization.

After learning about the limitations of Carson-Dellosa's homegrown WMS and the merits of an integrated WMS solution from an Infor representative, Carson-Dellosa looked at Distribution Warehouse Management. This application uses hand-held bar-code scanners to improve warehouse efficiency, streamline materials handling processes, and improve accuracy.

Next, a business case for Distribution FACTS Warehouse Management was developed to include an estimated return on investment and a description of how the application might positively impact Carson-Dellosa's inventory, shipping, and billing processes. A demonstration of the product and the accompanying return on investment deepened the company's interest, but the selection team also wanted to see how the Infor application worked in the real world.

Getting business specific

Two critical concerns for Carson-Dellosa were accuracy and ease of use. Since Carson-Dellosa's business is tied to the school year, orders are seasonal and concentrated in a few key months. The company manages these spikes in volume by hiring temporary laborers, who need to getup to speed as quickly as possible to maintain high productivity. "We needed an error-free system that could be learned quickly to help us efficiently process orders for our customers on a timely basis," Lugo explains.

> **"With Infor Distribution FACTS Warehouse Management, one of our biggest problems—tracking thousands of pallet locations and inventory items—turned into one of our biggest benefits."**
>
> **—Richard Lugo, VP Operations, Carson-Dellosa Publishing**

During a visit to a Distribution FACTS Warehouse Management end-user, the Carson-Dellosa team saw the application in action in a live environment. “We were handed scanner guns and we started scanning and picking orders immediately,” says Lugo.

“We saw that we could rapidly achieve high performance in our warehouse operations with the Infor application, even during times when we rely most heavily on a relatively inexperienced workforce.” Meanwhile, Carson-Dellosa updated the new facility with computer equipment and fiber-optic cables before relocating.

Ultimately, the value that the Infor application offered through its seamless integration with Distribution FACTS proved decisive. “Infor’s Warehouse Management product offered us a compelling benefit because it connects with Distribution FACTS,” says Cano. “We could implement the warehouse system without uprooting and retraining everyone, which would have been a huge endeavor.”

Seeing results

The implementation team quickly made a positive impression on Carson-Dellosa’s managers. “The Infor team was very knowledgeable about distribution and technology, and stepped up to take ownership of the process,” Lugo notes. Working closely with E&A, the Infor team reviewed Carson-Dellosa’s warehouse operations and produced a document with detailed steps needed to execute the project successfully. Tasks included verifying that prior modifications made to Distribution FACTS would be compatible with the warehouse management application. Work processes were designed into the warehouse management software that most effectively leveraged Carson-Dellosa’s existing Distribution FACTS system.

Lugo and Cano also designed a process in which end-users could get acquainted with the system and provide meaningful input before going live. To that end, Carson- Dellosa created a task force representing all operational business areas. Team members met regularly to discuss the project. “The buy-in we received from employees helped build enthusiasm and support for the project,” says Lugo. “In fact, in the end the users were pushing the hardest to go live with the system,” he exclaims.

Carson-Dellosa went live with the new system with remarkably few problems during the company’s busiest sales month of the year.

Distribution FACTS Warehouse Management has dramatically improved Carson-Dellosa’s distribution center operations. “Our improved inventory tracking with Infor Warehouse Management allowed us to reduce our inventory by 15% to 25% in only five months,” notes Lugo. Moreover, increased visibility in the warehouse has led to the recovery of misplaced inventory, creating tens of thousands of dollars in savings. “With Infor Warehouse Management, we have turned one of our biggest problems—tracking thousands of pallet locations and inventory items—into one of our biggest benefits,” states Lugo. He believes that the company will achieve a full return on its investment in only 12 months—besting the original estimate by six months.

Lugo explains that other major benefits accrue from Infor’s warehouse management application’s proactive management tools. The application tracks daily productivity in the warehouse and compares the information with incoming orders to create a report estimating the number of workers needed that week. Distribution FACTS Warehouse Management ensures that all individual line items are in stock before releasing pick tickets to the floor, helping increase worker efficiency. “We can allocate the number of needed workers to handle our daily volume while ensuring all of our time is devoted to picking orders that can be completed and shipped that same day,” says Lugo. “This allows us to save warehouse space by eliminating hold areas while providing a more accurate picture of how individual employees are performing.”

Doing business better

As anticipated, new Carson-Dellosa employees are learning to use the warehouse management system in record time. Only a few hours of training is required to teach workers about the warehouse schema and how to use the handheld devices to scan barcode labels and pick inventory items. Workers can become productive almost immediately while supervisors can rely on Distribution FACTS Warehouse Management reports to identify underperformers and take corrective action.

"It's amazing," says Lugo. "Within one week of implementing the application, our warehouse was performing at a higher level. Individual employees pick more line items than before, with individual rates in excess of 600 line items per day and collectively in excess of 10,000 line items per day with almost no errors. We will continue to look to Infor to help us improve our processes because they understand our business."

About Earnest & Associates

Earnest & Associates, Inc. (E&A) is a professional services firm dedicated to helping companies increase their productivity and profitability by implementing information technology. To learn more, visit www.earnestassoc.com.

641 Avenue of the Americas
New York, NY 10011
800-260-2640
infor.com

About Infor

Infor is the world's third-largest supplier of enterprise applications and services, helping more than 70,000 large and mid-size companies improve operations and drive growth across numerous industry sectors. To learn more about Infor, please visit www.infor.com.

Copyright© 2012 Infor. All rights reserved. The word and design marks set forth herein are trademarks and/or registered trademarks of Infor and/or related affiliates and subsidiaries. All other trademarks listed herein are the property of their respective owners. This document is provided for informational purposes only and does not constitute a commitment to you in any way. The information, products and services described herein are subject to change at any time without notice. www.infor.com.

INF1279932-1289372-EN-US-1212-1