Customer Profile

Execution excellence: Infor Supply Chain Execution at Damco

Facts at a glance

Solution: Infor SCE
Industry: Transportation and Logistics
Country: Europe

About the company

Founded over a century ago, Damco is one of the world's leading providers of freight forwarding and supply chain management services. With 11,300 employees in over 300 offices across 90 countries, Damco managed more than 2.7 million twenty foot equivalent units (TEU) of ocean freight and more than 210,000 tonnes of air freight in 2012. As a leader in international supply-chain management Damco has developed a number of strategically located consolidation and deconsolidation/distribution facilities supporting Damco's clients' end to end supply-chains.

The warehouse facility in Willebroek, Belgium, is one of Damco's European distribution hubs supporting Damco's deconsolidation network. At over 16,500 m^2 the facility offers a range of warehouse management activities to international customers. Services include distribution centre (DC) bypass, order management, transportation, trans-loading and cross-docking. The majority of customers (approximately 85%) are drawn from the lifestyle and fashion industry, with the remainder including retail and electrical companies.

Setting the strategy

Damco is currently looking to double its size in the next two years. However, following a period of aggressive growth in Belgium, Damco was running two isolated warehouse management systems (WMS). One was an older Infor® WMS and the other a standalone system with expensive licence fees and complex maintenance which was inaccessible via the Internet, leading to fractured processes and a lack of flexibility.

As part of a project to standardise operations, remove redundant systems and processes, improve customer service, increase agility and enhance reliability, Damco began a process to rationalise both systems by upgrading its legacy Infor WMS to Infor Supply Chain Execution (SCE).

As part of a WMS-led strategy to introduce cloud computing throughout Damco, Infor SCE was chosen on the basis of the strong existing relationship, as well as the critical role played by SCE functionality and the ease of upgrade.

The project began in mid-July 2012 and went live in September the same year, both under budget and ahead of schedule. In the meanwhile Infor SCE has been rolled out in six facilities across Belgium, Poland, Sweden and the Czech Republic.

Getting business specific

Damco not only sought to streamline processes and existing IT infrastructure, but also to reduce the risk of WMS failure. As a result, Damco chose to implement Infor SCE via the cloud. Through transferring to a cloud solution the risk of IT hardware failure has been reduced drastically and improvements have been made on Damco's business continuity capability.

In terms of implementation, the dedicated project team - including warehouse management, team leaders, shop floor staff, and operations analysts - ensured that improvements have been made throughout all processes. This collaboration was so successful that following implementation, the period of "hyper-care" was just one week.

This was the first project in Belgium where Damco engaged shop floor staff in the IT development programme. The frontline team's suggestions for process improvements were taken into account from the start and tested, adapted and incorporated where deemed beneficial. With this project approach Damco saw an immediate pick up of the new system with an unprecedented staff "buy-in" and eagerness to start using Infor SCE.

Neil Wheeldon, Damco's Supply Chain Product Development Manager explains: "Collaboration between the project and operational teams has improved considerably. Operational team members can work in a much more dynamic way, complementing Damco's approach to lean techniques. This has resulted in further operational improvements, enhanced collaboration across teams and an increased speed to implement our new ideas and customer developments.

Improved performance

The Infor SCE project has resulted in not only important cost savings; it has also improved competitive position, increased customer service and automation of some key processes.

The ability to pick directly from rack locations in the warehouse during the 'letdown' process has enabled Damco to eliminate a complete step in the process. As a consequence Damco was able to maintain consistent levels of quality whilst improving productivity.

By implementing a new put-away strategy, Damco has optimised its different zones within the warehouse, which lead to 10 % increase in storage efficiency. This has resulted in the fact that Damco does not have to rent additional warehouses spaces throughout their peak season.

In addition, fast moving goods are located in the areas closest to inbound and outbound doors, saving time during both put-away and letdown process. Damco has linked these functionalities with their docking system in order to optimise the time travelled between stock, marshalling area and loading bay.

Automatic purchase order (PO) splitting for customers has been enabled using the electronic data interchange (EDI) capabilities of Infor SCE.

Damco has also further developed the replenishment capabilities, and can now replenish at different stages in the warehouse process, ensuring stock optimisation and improving workload levelling.

In addition to these operational benefits, the move to a cloud computing system has improved the business continuity level considerably, and Damco is no longer dependent on one server in the data centre managing all data. This has resulted in significant yearly cost savings on the overall IT budget.

The data is easily integrated between Damco's in-house built destination management system and Infor SCE. Multiple ways of interfacing are currently in use, ranging between manual inputs and automated EDI solutions. This has offered Damco increased flexibility and greater user-friendliness.

Throughout the entire project, all improvements have been in line with predefined targets and Damco has achieved a full ROI within 12 months of project completion, with benefits already being passed on to customers.

Looking to the future, Damco is upgrading to Infor SCE version 10.2. This will include the implementation of advanced dashboard functionality, dock planning, yard management capacity and an improved reporting engine.

Damco is also considering implementing the Infor Warehouse Director - a mobile tablet application for Infor SCE - which enables mobility for team leads within the warehouse. The application enables warehouse staff to check and solve issues from within the warehouse as opposed to returning to a desk. The greater functionality of the tablet platform, compared to existing handheld scanners, will drive further speed and operational improvements.

Neil Wheeldon concludes: "Operational excellence is a fundamental element of our value proposition towards our customers. This programme began with the intention to enhance our warehouse management capabilities at our Willebroek facility. Our lean programs in Willebroek were accelerated to a much greater extent than we expected, leading to further savings and improvements in processes and execution. As a global logistics company it is critical that we are able to support every step of our customers supply-chain with innovative yet reliable solutions. In this case, we achieved our goals and enhanced our services to our end customers with the support of Infor."

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

About Infor

Infor is fundamentally changing the way information is published and consumed in the enterprise, helping 70,000 customers in 194 countries improve operations, drive growth, and quickly adapt to changes in business demands. To learn more about Infor, please visit www.infor.com.

Copyright© 2013 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.

INF1279932-1376215-EN-US-0813-1