CASE STUDY

CLIENT:	Supply Chain Solutions
INDUSTRY:	Logistics
LOCATION:	New Zealand
PRODUCT SUITE:	EXO Business
MYOB ENTERPRISE PARTNER:	GlobalBizPro

NZ third party logistics provider finds a flexible, multi-company solution to deliver its hosted warehouse services

Overview

Established in 2001 with just five staff, Supply Chain Solutions (SCS) is a third party logistics provider that's grown into the largest independently owned contract warehousing operator in New Zealand.

As a wholly-owned New Zealand enterprise, it has over 120 accounts and manages more than 20,000 pallet positions in Auckland and Christchurch and employs more than 100 people during peak season.

With this type of growth, SCS faced a number of challenges with a significant increase in data volume. Until recently, this was putting a lot of pressure on provider and clients alike.

Working with limitations

For over nine years, SCS had been using Quickbooks for themselves and as a hosted system for seven other importer-distributor customers.

"We probably understood Quickbooks better than anyone else we know," says Brad Lindsay, General Manager, "and on the whole we liked it. But there were a few limitations".

"Quickbooks didn't work well in a terminal services environment." he says. "It always fell slightly short with Electronic Data Interchange (EDI) too, and only allowed a maximum of three different pricing policies."

To get round this, SCS built an interface that could accept sales orders, pull out customer-specific pricing and create export files. But while that worked to a point, it would always eventually crash.

"We knew we'd reached the limit," says Lindsay. "We needed something that not only had a better API (Application Programming Interface), but could handle larger volumes of data."

Compiling a short list

According to Lindsay, they'd been looking at replacement products for a couple of years. "In our minds, we'd got the decision down to Navision and EXO," he says.

"Both were obviously pretty capable products and both priced about the same. What clinched it for EXO was its multi-company capability. That, and the fact we knew a company who were regretting their decision to go with Navision."

New system requirements

Lindsay says their initial requirements for the implementation were pretty straightforward – pricing policies, groupings, GL structure and a little bit of EDI. But there were several unique aspects to SCS' business that needed to be incorporated into EXO.

 "Within the hosted environment we do everything for our customers that a typical importer distributor does, such as create and export purchase orders, import data from websites and handheld devices, output pick requests and so on.

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But in some cases, customers also want to receive a pick confirmation and take stock of any items and balances before they post the invoice to the general ledger. And that's really tricky to do with an accounting package." Says Lindsay.

So to help implement the system, SCS turned to Auckland-based EXO specialists GlobalBizPro. Their biggest challenge, according to Lindsay, was the timescale.

Two week turnaround

"With Quickbooks struggling under the weight of our data, we ended up doing a three month integration in two weeks, which is nothing short of incredible." says Lindsay.

"Full credit to GlobalBizPro and EXO, normally with an implementation there's bits and pieces that need tidying up here, there and everywhere. Not with this one. Everything's working absolutely as it should be, with no hangovers."

SCS kept the old system running in the background just to make sure everything was balancing as it should. "We duplicated all the orders in both systems and ran inventory squashes, but we needn't have worried." Says Lindsay.

"GlobalBizPro are really switched on. We were dealing with Wendy and Jo for most of the time and they were both brilliant."

Intelligent database

As part of their third party logistics service, SCS brokers freight. To get the right functionality in this area, they required an intelligent billing system.

"We might have a few million dollars of freight that we apportion across different customers," says Lindsay.

"What we needed was the ability to take freight information from the freight management system, invoice information from the providers, argue the data, deal with the imbalances and tie it all back to the invoice lines. We just couldn't do that in Quickbooks. We needed something much more sophisticated."

What makes EXO so suitable, according to Lindsay, is that its got a very intelligent, well thought out database structure.

"It's quite intuitive once you see the tables," he says.

Going forward, SCS are planning to offer scan pack as one of their hosted solutions, and will need the ability to import sales orders and export ASM data. "For that, an easy-to-access system with an SQL back end will be essential. EXO definitely ticks the boxes there."

Happier clients

Asked how EXO has improved management visibility, Lindsay says they won't see the full benefit of reporting for another three or four months.

But for the one client they've got on EXO, it's been brilliant. "We do everything for this particular client: his orders, his customer services, his warehousing and distribution, even his international freight forwarding."

"We provide the whole solution and everything's seamless. He plugs in through terminal services and plays with analytics, which he loves. He's got all his reports and he gets to see how his business is tracking in real time – which is fantastic."

"From our side and theirs, everyone is really happy with EXO."

Over the moon

Having flexibility in the future was a big part of the decision to go with EXO, according to Lindsay.

"We needed something that was going to grow with us for the next ten years, and we're confident EXO will do that."

For now though, he says he's just "over the moon" with the new system.

"EXO does everything you would reasonably expect an ERP system to do and I've got nothing but praise for it."