

UAB IRIS optimizes logistics



“After finishing VISION WMS installation the best thing that happened, is - I have warehouse control in my hands. This was the goal.”

Introduction

IRIS Ltd was established in 1991. Since then it has been expanded and deserved reputation of reliable and responsible partner in finish and building materials market in Lithuania. Today IRIS is one of the biggest retailers and wholesalers of finish and building materials. IRIS holds showrooms in all big cities in Lithuania. One of the main IRIS goals - to import and sell high quality finish products and building materials on demand.

Challenges

Management of the company was building growth plans and realized that company's warehouse logistics was not prepared as it should be. So the strategy was to review the situation in logistics paying much attention to the warehouse sector and prepare to make necessary changes in order to meet the strategic goals.

Therefore company's logistic manager decided first of all to review the situation. Starting with central warehouse they got gathered data that was certainly unsatisfactory. Rather poor warehouse layout with poor allocation, manual operations and unsatisfactory inventory control was a real bottle neck. Receiving and shipping was concentrated in the same area. Operators identified SKU relying on their mental resources and printed picking sheets. Wide SKU range and place allocation was the worst factors as operators mixed products very often. Shipments were prepared with a huge number of picking mistakes, so IRIS had to improve order delivery using their own transport. This was definitely not acceptable. One more thing IRIS was fully depending on their warehouse personnel.

Executive summary

Objective: Prepare warehouse management system for business changes and growth.

Solution: Turnkey project specially designed to achieve required custom functionality and warehouse labour control.

Results: Total warehouse management and distribution system ready for growth and changes of the business.

Quick facts

Site	UAB IRIS
Location	Alytus, Lithuania
Industry	Retail & wholesale
Warehouse size	10000 m2
Bulk per month	4 mln LTL
Weight per month	2100000 KG
Order lines per month	10000
Concurrent users	20
System	Equinox Vision WMS, version 5
Functions used	Receiving, system directed put-away, RF picking, shipping staging and loading, transaction history, client taxing.

In spite IRIS had ERP system with custom warehouse management module, this was not enough to satisfy the necessary logistic requirements. The picking sheets that were printed from ERP system had no real time information and data differed a lot from the real situation in warehouse and IT system.

The main challenges for IRIS logistic department was optimal inventory level and distribution network serve under agreed conditions. So the decision was to advice Equinox Europe experts for necessary logistic and warehousing improvements.

Concept Definition and Solutions

IRIS company and especially logistic department had really bad experience with IT installations and support. So the decision to address one more company was really a big challenge.

Equinox Europe had not only to suggest optimization for warehouse logistics, we had to substantiate the proposed solution and proof our readiness to improve the warehousing itself.

The first step was to proof ourselves as IT experts. Therefore was prepared an integration proposal between ERP Axapta and VISION WMS. When it was realized IRIS logistics director was really surprised and satisfied.

The second step was to proof Equinox experienced in logistics. We had to define a new flow throughout the building paying special attention to the inventory such as very heavy materials or odd size inventory. The proposal resulted in new process and operation flow through the warehouse with separated receiving and shipping areas. Delivered Warehouse Management System with full integration with ERP Axapta realized a 100% paperless management of the warehouse for IRIS.

The Solution

The heart of the system is Equinox Europe WMS - Vision, which interfaces with the existing ERP system. The Vision WMS controls all warehouse activities from receiving to shipping and loading, including putaway, replenishment, picking, staging and other operations.

The warehouse has different storage and picking zones and special zones for different SKU groups.

Incoming goods are checked against purchase orders at the receiving area. Then the system assigns the products to the correct zone for which the goods are linked to pallets with a scanner. The data is automatically transferred to IRIS ERP system for further financial operations. Operators are allowed to input additional parameters for incoming SKUs.

VISION locator system controls all warehouse zones and suggests the best storage place for incoming goods according SKU classification parameters (weight, lot, etc.). Using this feature IRIS logistic manager can manage locations and carrying unit types - dimensions, volumes, storage characteristics and other attributes descriptions.

The VISION WMS System provides full set of inventory management operations, supplies interfaces and controls actions performed by warehouse supervisors and operators. Operations can be divided into several groups: informational, putaway, inventory object (items, containers, locations) management, product movement, changes of inventory attributes, supervision and control of inventory management. Some kinds of activities, such as putaway operations, can be directed by system, then operators receive the directions and system advises via RF terminals.

System directs and controls all product picking activities. It accommodates and provides a number of different picking methods. System directs operators actions, tracks product movement, operators labour, performs updates on inventory. Warehouse supervisors have full

control over processes via system configuration, user interface tools and system generated reports.

VISION provides full set of inventory accuracy management operations and controls actions. What allowed IRIS logistic manager to get a better control on inventory level.

The System report manager allows to get warehouse data reports in time and at a satisfactory quality level.



Benefits and Gains

In conclusion Equinox Europe modelled a new process flow, estimated and prepared complete WMS design, Equinox staff installed the VISION system and supplies full customer support services.

IRIS company refused excess labour operations, huge inventory level, distribution and delivery time problems. The VISION WMS solution allowed IRIS to reduce warehouse human resources for 30 %. The company has reached an accuracy level that is satisfactory to the company's management.

Now company management has real time results and entire control on every warehouse and delivery activity.

Future possibilities

The WMS VISION project-solution installation was a real success to both of the companies. IRIS Company has achieved it's planned goals. The warehouse processes and operations are running smooth, inventory level is reduced, delivery time is satisfactory. What could be better...

However it is not the end point between Equinox Europe and IRIS cooperation. IRIS company Logistics manager has new plans on improving warehouse activities and Equinox is prepared to deliver reliable solutions to meet the customer goals.