

The implementation of Solochain's WMS integrated with its ERP allows Novexco to gain in efficiency and productivity



Novexco

novexco.com

Industry type:
**Office Supply Retail
and Distribution**

Employees:
500-1000

COMPANY OVERVIEW

Novexco was founded in 1996 and is now the largest national distributor of Canadian-owned office supplies and services. The company has 8 distribution centers located across Canada, the largest and most sophisticated of which is in Laval, Quebec. They offer computer supplies, printer cartridges and ribbons, office equipment, writing products, stationery and office accessories, furniture, games, and gifts. All of their items can be found through their Hamster sales division. In 2015, Novexco had approximately 18,000 UPC codes and generated approximately 4,500 orders per day and 22,500 pick lines for their Laval DC alone. Novexco has implemented the Solochain WMS in more than 6 distribution centers with 2 more to come before the end of 2021.

Novexco is able to compete with online retail giants such as Amazon thanks to its unique and creative business model, based on its strategically placed warehouses in major urban centers and over 100 Hamster stores. This system is designed to offset high transportation costs and optimize last mile logistics, the biggest challenge for all Canadian retailers. The ability to offer quality products at a competitive price thanks to robust logistics is a major selling point in competing with e-commerce giants. Novexco can now guarantee next-business-day delivery in most regions of Canada.

Challenges

- Novexco needed a WMS to merge three warehouses in the Greater Toronto Area into one large distribution center and integrate new intelligent conveyor system technology
- 8 distribution centers in Canada
- 24/7 multi-site warehouse coordination
- Growth and e-commerce management
- Reduce the time between picking and shipping to improve order turnaround and remain competitive
- National distribution and performance
- Integration with state-of-the-art warehouse automation

Solutions

- The integration of the WMS with the ERP (SAP) allowed for the coordination of inventory and distribution across Canada (sites in Halifax, Laval, Toronto, Vancouver, Calgary, etc.). The LIDD consulting team oversaw the integration and implementation of the WMS.
- All orders, from retail stores to B2C and B2B customers, are managed by the Solochain WMS.
- All product and model numbers are tracked in each warehouse to ensure quality assurance and to track returns.
- Data collection for demand forecasting and customer experience.
- Improved inventory management processes with an automated, systematic, and accurate system that is error-free and updated in real time.
- Optimized and standardized processes.

Results

- Overall increase in productivity of 30%.
- The original integration of the WMS at the Laval distribution center was a complete success with positive results in the first year after go-live.
- The successful integration of SAP has allowed for better inventory management and visibility of inventory at all stages of processing, ensuring that Novexco is only making promises it can keep to its customers as well as internally between sites.
- Pre-packed packages can be shipped during the picking stage, without going through the packaging stage, saving valuable hours and productivity gains, while requiring less human handling and reducing the risk of errors.
- Decrease in backorders due to better visibility of inventory and a better understanding of what inventory is or will soon be available.
- Integration with conveyor labeling software and intelligent conveyor systems
- The integration of a state-of-the-art warehouse has resulted in increased efficiency without additional labor costs.
- LIDD consultants provided advanced training to super users as well as standard training to all users. The training took place in a classroom setting with equipment such as barcode scanners, RF, and printers.
- The new system has made it possible to accelerate the integration of new employees.
- Warehouse employees appreciated the shipping method as well as the improved pick routes by pick zone, which allowed them to be more efficient and reduce non-essential warehouse travel.
- End users were delighted to use the WMS and found it clear, intuitive, and easy to learn.
- Increased picking quality
- Faster delivery times for more satisfied customers
- Multi-site communication has allowed Novexco to compete with large online retailers.
- The stability of e-commerce has led to good overall results despite the pandemic.