

“Before implementing Manhattan’s solution, we were running at 75% efficiency; we are now at 130%—a 73% improvement! We’re accomplishing more with fewer people, even during a period of 30% growth.”

Ralph D’Angelo, IT Manager
AmerTac



AmerTac speeds operations, increases accuracy and provides top-notch service with Manhattan SCALE™

AMERTAC CHALLENGED WITH GROWING PICK LINES, LABOR-INTENSIVE PROCESSES AND INCREASING CUSTOMER DEMANDS

AmerTac offers complete lines of high quality decorative wallplates, nite lites, utility lites, under-cabinet lighting, lighting controls and a complete line of plant accessories. AmerTac’s products are distributed to leading home centers, lighting showrooms and mass merchandisers, as well as to drug and supermarket chains throughout North America. As a supplier to some of America’s top retailers, including Wal-Mart, The Home Depot and Lowe’s, AmerTac was facing increasingly stringent demands to ship 100% and on time with a high degree of accuracy.

In the company’s Breinigsville, Pennsylvania, distribution center (DC), pick lines were getting longer and processes more labor intensive. According to Ralph D’Angelo, AmerTac IT manager, “Our picking line was the length of a football field!” While AmerTac’s enterprise-wide software included warehouse management functions, it did not offer the advanced tools the company needed to enhance accuracy, timelines and labeling to effectively meet growing customer requirements.

MANHATTAN SCALE SELECTED BASED ON FLEXIBILITY TO INCREASE THROUGHPUT AND ENSURE TOP 100 RETAIL COMPLIANCE

AmerTac determined that Manhattan SCALE: Supply Chain Architected for Logistics Execution provided the functionality and flexibility the company needed to achieve its productivity goals. Using Manhattan SCALE, AmerTac was able to apply industrial engineering principles to condense and automate processes in order to move more product, more quickly, through the DC.

AmerTac™

Headquarters: Saddle River, NJ

Distribution centers: 1

Manhattan solution:
Manhattan SCALE™:
Supply Chain Architected
for Logistics Execution

RF equipment: Motorola

Challenge:

Growing pick lines and labor-intensive processes made it difficult to meet growing customer demands.

Goal:

Increased efficiency and customer service capability to meet requirements of large retailers.

Solution:

Manhattan SCALE selected based on solution flexibility to increase throughput and ensure top 100 retail compliance.

Result:

AmerTac increased efficiency 73%, reduced picking staff 50% during period of 30% growth; increased inventory accuracy to 98.5%.

According to D'Angelo, "One of the key reasons we went with Manhattan Associates was to ensure retail compliance. Each customer requires its own vendor label. The .NET-based solution provides us with the ability to label for the top 100 retailers. The VICS bill of lading is another advantage."

WITH INCREASED AUTOMATION AND NEW EFFICIENCY, AMERTAC GOES FROM TWO SHIFTS TO JUST ONE

Automation of each step—from receiving to putaway—has dramatically increased efficiency in AmerTac's DC. Product comes into the DC from overseas and is cross-docked, checked in, verified and put away using the Manhattan solution. Waves are run 20 to 30 times a day, and customer orders and purchasing POs are bridged twice a day. To ensure on-time delivery, shipments to the West are processed first. Using the solution's cross-docking capabilities, AmerTac can route received goods to packing and shipping stations for speedy order fulfillment.

With paper-free, radio frequency (RF)-directed processes, AmerTac's order selectors receive instructions on where to go in the warehouse. Full cases are handled by order-picking vehicles and less-than-a-case picking is completed for direct-to-store shipments. According to D'Angelo, "Because we can easily locate a product, we can get it out the door sooner. We used to run on two shifts and now just run on one."

AMERTAC ACHIEVES LIGHTNING-FAST OPERATIONS, INCREASED LABOR PRODUCTIVITY AND NEAR-PERFECT INVENTORY ACCURACY

AmerTac has experienced a dramatic improvement in productivity. According to D'Angelo, "Before implementing Manhattan Associates' solution, we were running at 75% efficiency and are now at 130%—a 73% improvement. Our goal was to ship in three days. We are now at 1.25 days and are working toward same-day shipping." AmerTac continues to see improvement in efficiency. For example, it used to take the company nearly 30 minutes to bridge and process 1,000 shipments; it now takes just four minutes to handle the same number of shipments.

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"We used to have 14 pickers, and now have just seven—even with our business growing by nearly 30% in the same timeframe."

Ralph D'Angelo, IT Manager
AmerTac

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The ability to capture productivity data and set incentive standards for operators and pickers has contributed to this increase—the more they pick, the more they can earn. "We used to have 14 pickers, and now have just seven—even with our business growing by nearly 30% in the same timeframe," stated D'Angelo.

Before implementing the Manhattan solution, AmerTac had three key punchers to process all the paperwork, and accuracy was a big issue. "Our inventory, at best, was 82-85% accurate. We're currently at 98.5% accuracy in inventory." All of the company's operators are on RF scanners, so the key punch processing is no longer required—creating a completely paperless environment.

AmerTac has also been able to enhance its customer service capability. With customer data at their fingertips, AmerTac representatives can now provide an exact status of the customer's order while they are on the phone. The customer no longer has to wait 24 hours to find out the status of an order.

"We have the technology in place to support what we need to get done, including enabling trading partners to create advance ship notices (ASNs) to track inventory and shipments," noted D'Angelo. The company is now working toward getting its vendors to comply.

AmerTac will introduce batch picking and pallet building functionality after upgrading to Manhattan SCALE 2008. This will enable the company to streamline picking processes by increasing picking accuracy and reducing picking time. "We are constantly evolving our solutions to incorporate the latest technology from Manhattan Associates so we can continue to grow and improve. "We are constantly evolving our solutions to incorporate the latest technology from Manhattan Associates so we can continue to grow and improve."