iCepts

TEN THOUSAND VILLAGES.

Ten Thousand Villages

Leading fair-trade retailer relies on AccellosOne Warehouse Management System (WMS) to manage inventory and fulfill orders to over 350 retail locations

Ready, set…wait. And wait…and wait. Then, wait some more.

Waiting might not be a problem now and again, but if your employees had to wait frequently while orders were processing, you'd do exactly what Ten Thousand Villages did—you'd find a solution, and you'd find it fast.

As one of the world's oldest and largest fair-trade retailers, Ten Thousand Villages has spent more than 60 years cultivating long-term, win-win relationships. The heart of its work is creating opportunities for artisans in more than 35 developing countries around the globe. The artisans receive a fair price for their creations, and consumers get access to unique gifts, personal accessories, and home décor; all of which is sold via the company's website, tenthousandvillages.com, and in more than 350 retail locations throughout the U.S.

With thousands of products being shipped each day, receiving, putting away, picking, packing, and shipping the company's inventory is important work. Additionally important is invoicing orders and processing returns. The company's hub is its 130,000-square-foot warehouse in Ephrata, PA.

The warehouse's ground floor is lined with steel racks, most of which stand either five or seven bins high. As containers arrive from overseas and are unpacked, items as diverse as Peruvian jewelry, Kenyan drums and Indonesian dolls are checked in and then loaded onto the racks. There is also a climate-controlled mezzanine that holds additional racks for merchandise as well as eCommerce and Festival Sales work areas.

The company employs 40 full-time warehouse workers, including a director, four supervisors and dozens of pickers, packers, and processors. All work a daytime eight-hour shift and rely on wireless handhelds to view orders, scan bar codes and fulfill orders. Here's how the process works: A picker pulls up an order on his or her handheld, then follows a serpentine path to fulfill it: Up aisle A, down aisle B, up aisle C and so on, until all the items needed to fulfill the order have been picked. Then, he or she sends the items to the packing room where they're boxed for shipping.

A straightforward process repeated each day in warehouses across the world. What could possibly disrupt it? Deadlocks, that's what.

Frustration at the Worst Time

Ever since 2008, Ten Thousand Villages warehouse employees had been complaining about deadlocks, those dreaded standstills that occur when two or more competing actions are each waiting, and waiting for the other to finish; yet neither ever does. In the fall of 2011, the problem went from bad to worse, at the worst possible time of year.

"Our business is seasonal and Christmas is by far our biggest season," says Ten Thousand Villages Warehouse Assistant Manager Anthony Boll. "It's when we make most of our money and process the most volume. In fact, we do more in the last four months of the year than throughout the rest of the year. So when deadlocks became commonplace late that fall, when we were already working overtime to fill holiday orders, well…that was the last straw."

Anthony and the entire warehouse workforce, as well as Ten Thousand Villages IT Director Leonard Wolf and his IT staff, had already been working hard to eliminate the deadlocks; they bought additional handheld devices, they installed a new Microsoft SQL server, they even asked Microsoft to help optimize their code. "Our capable warehouse and IT staff did everything they could to make the existing warehouse management system the best it could be," says Leonard. "But nothing we tried solved the deadlock issues."

That's when Leonard decided to seek outside help. A simple Google search led him to AccellosOne, a warehouse management system that Ten Thousand Villages had good previous experience with.

Figuring he had nothing to lose, Leonard reached out. It was clear that a stand-alone WMS would largely eliminate the deadlock errors since there would be no database conflicts between picking orders in the warehouse and invoicing.

Defining the Need for Better Performance

Instead of continuing to put up with the deadlocks, Ten Thousand Villages decided it was time look for a new warehouse management solution. The company's first step was defining its needs. To give everyone involved a chance to voice their opinions, Leonard held a meeting in October 2011. He invited warehouse and IT employees, as well as employees from Sales, Merchandising and Accounting.

Here are some of the "must haves" they identified:

Warehouse functionality
- E-commerce support (i.e., ability to efficiently process many small orders—in addition to handling large wholesale orders well)
- Ability to process orders and returns via handhelds
- Ability to combine orders and move/re-slot bins/pick locations
- Kitting
- Cycle counting
- Third-party order fulfillment
- Ability to integrate multi-carrier shipping
- RFID

System performance
- Responsiveness, particularly to handheld users
- Smoother, more intuitive functionality
- Scalability, including the ability to handle volume (both existing and projected)

Integration
- Customizable interface
- Vendor supported
- Real-time data shared between systems
- Ability to make a change in one system and instantly see that change reflected in other systems (e.g., reclassifying inventory from "wholesale" to "eCommerce")

They also identified future capabilities that would be needed, including the ability to support multiple warehouses. "We only have one physical warehouse today, but we anticipate adding a second one at some point to keep up with the company's growth," explains Leonard.

Other potential future capabilities identified included:
- Lot tracking
- Voice directed, hands-free operation
- Support for RFID
- Ability to integrate EDI
- Cross docking

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>
> *- Leonard Wolf*

Problem Solved: Accellos Delivers Results

With its must-haves top of mind, it was clear Ten Thousand Villages needed a warehouse management system that would pair responsiveness and functionality with an interface that worked.

There was one obvious solution: AccellosOne Warehouse Management System (WMS). Not only did it meet Ten Thousand Villages' needs, it fit the company's budget, and its timeline.

"AccellosOne WMS was affordable and could be implemented quickly, which was important to us," explains Leonard. "Our fiscal year starts on April 1, and our busy season starts in September, so we knew we had just the four months in between to install the system and get employees up to speed." If Leonard and his team didn't succeed, the company's entire year could be in jeopardy.

One thing that increased the team's confidence in the AccellosOne WMS was that Accellos had acquired Radio Beacon. Explains Leonard, "We used to use Radio Beacon and were happy with it."

AccellosOne Warehouse Management System

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TO LEARN MORE:
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With buy-in from Warehouse Director Jim Davis and other warehouse employees, Leonard presented a proposal to his supervisor Pam Raffensberger, the company's CFO, in early April 2012. She approved it immediately. In early May, Accellos presented its final quote. By the end of May, the contract was signed. Within days, implementation was underway, with the goal of going live on Aug. 10, 2012.

Migration, which took place on Aug. 8, went without a major hitch, and the warehouse was up and running on AccellosOne WMS on Aug. 9, one day ahead of schedule. The project also came in a little under budget.

"Our deadlocks are nil," says Leonard. "Orders can be shipped or invoiced whenever we want without having to worry about bringing the warehouse to a standstill. And productivity has really improved. Picking goes a lot faster because our pickers no longer have to stop to reboot their handhelds. And we don't have to hire as many temporary employees during peak seasons. Employees are happy, I'm happy, management is happy; the pain has gone away."

There is one downside though: "We hardly see our IT friends anymore," jokes Anthony. "And when we do, we almost don't recognize them."

All joking aside, the team would recommend AccellosOne WMS to other companies seeking an effective and affordable solution. "In terms of price point, performance and feature set, it's a perfect fit for small- to medium-sized businesses like ours."

About iCepts Technology Group:

For 35 years, iCepts Technology Group, Inc. has been working with wholesale distributors, manufacturers and other industries with various supply chain management technologies in order to help these organizations achieve greater efficiencies, streamline their unique business processes, and gain access to vital business reporting to stay competitive and profitable.

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ABOUT ACCELLOS, a HighJump product

Accellos is a global provider of software solutions specifically designed for the unique needs of logistics service providers and midsized businesses. Over 4,000 companies trust Accellos to be the technology backbone of their global supply chains. Accellos provides solutions for warehouse management systems (WMS), third party logistics (3PL), fleet management, transportation management systems (TMS), trading partner integration (EDI), retail store operations, automated barcode data collection, parcel shipping, transportation optimization and supply chain business intelligence. Accellos solutions are built on the AccellosOne platform, a modern technology platform featuring a user-friendly interface and simplified technical administration. For more information, email info@accellos.com or visit www.accellos.com.

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