



Case Study
The Benefits of Blue Link's Warehouse Management System

Kroeger Inc. - At a Glance

Kroeger Inc., is a wholesale distributor of toys, puzzles and games to the retail environment in North America. They also sell giftware such as scented candles. Kroeger sells both through B2B and B2C channels. The company is comprised of a team of professionals with vast experience from within the toy industry to the retail landscape who strive each day to improve.

Situation

Kroeger is a 50+ year old wholesale distributor of hobby toys, collector items, puzzles, giftware and more. The company sells to mom-and-pop retail stores, big box chains such as Walmart and directly to consumers. They have one warehouse and 18,000 SKU's.

Challenge

Kroeger was using manual processes when it came to inventory and warehouse management that proved to be a struggle when it resulted in a failed inventory audit. Manual processes had employees walking around the warehouse searching for products, piling them up high to create an order and a second employee double checking the pick. This was a cumbersome start-to-finish picking process.

Solution

In order to automate their inventory processes, Kroeger decided it was time to implement an ERP solution and chose Blue Link ERP to be their trusted technology partner. Blue Link's warehouse management system was exactly what Kroeger needed to increase efficiency and reduce time required per order.

We've probably gone from 30 orders a day in the past, to 100 with being able to just one-byone get the orders out.

Peter Gerogacopoulos, Head of Finance and Procurement

Result

Because of implementing Blue Link, Kroeger is able to successfully pass their inventory audits and has been able to amp up their order process from conducting 30 orders a day to over 100. Blue Link also worked alongside Kroeger to determine custom needs to increase efficiencies with picking and shipping their product and are now able to do so immediately and correctly.



Situation

As a 50+ year old company, Kroeger Inc. knows toys. They are a wholesale distributor of hobby toys, collector items, puzzles, giftware and more. One of the most popular items is the Rubiks Cube which they are the exclusive importer and distributor of. Located in Ontario, Canada, Kroeger sells to momand-pop retail stores, big box chains such as Walmart and directly to the consumer. The company has a single 40,000 sq. ft warehouse and 18,000 SKU's. Kroeger works together with all accounts to understand individual needs, requirements, and business processes all while servicing their customers to the highest of standards, using state of the art warehousing, payment and shipping methods. Unlike other 50-year-old companies, Kroeger still considers themselves a startup because the purchase of the company only happened a few years ago and manual processes along with using a rudimentary software system hadn't changed since inception.







Challenge

Kroeger had an accounting system in place to track financials but were stuck using manual processes when it came to inventory management and warehouse management. As a toy business with 18,000 SKU's and 2,700 accounts, inventory is their lifeline so knowing where it was located throughout the day was a dilemma. Because there was a lack of inventory management, Kroeger actually failed their inventory audit.

Kroeger experienced 25-50 orders on an average day and as the toy business continued to grow, some days they had orders in the 100's that were difficult to handle. Once ready to be picked, an employee would walk around the warehouse manually picking the items with no indication of the product's location. In some instances, one SKU could live in multiple locations in the warehouse making this process timely. Not only was the picking done manually but to ensure the order was correct, another employee would then walk around the pile of boxes and manually check that they were good to go. This resulted in a very cumbersome start-to-finish picking process.

On top of the long order process, Kroeger wasn't able to track or report much of anything because they didn't have any kind of ERP software system in place – only a basic accounting software. Without being able to track or report, it was close to impossible to understand efficiencies.

Solution

Kroeger experienced large discrepancies with their inventory count and after failing the inventory audit, it was clear that they needed an all-in-one solution to manage lot numbers and automate processes. Since inventory management was so important for Kroeger's growth, the owners decided it was time to implement a more robust and all-in-one functional ERP system. One that would be able to combine their accounting and financials, inventory, sales and more. This eventually led to the implementation of Blue Link ERP.

Blue Link and Kroeger met periodically to discuss business needs and current issues. After evaluation, it was determined that Blue Link was a great fit for Kroeger's needs and from a budget standpoint.

<u>Blue Links Warehouse Management System</u> for small warehouses like Kroeger's provided them with the functionality to improve speed and accuracy through automated workflows. Some benefits to Blue Link's WMS for Kroeger are:

Improved efficiency with barcode scanning. Kroeger replaced manual warehouse processes with Blue Link's <u>mobile handheld picking solution</u> to ensure the right product is picked and shipped every time.

Reduce the amount of time required per order. Consolidated pick slips and bin / shelf location tracking makes it easy for an employee to pick product following the most efficient route in Kroeger's warehouse, reducing the amount of time to ship each order.

Eliminates double entry. Integration with major shipping carriers like Canada Post and Purolator eliminated the need to re-key data into multiple systems and meant tracking information and pricing is automatically associated with each order.

WMS Lite Functionality	Description
Integration with Tablets and Barcode Scanning Devices	Ability to run the Blue Link WMS Lite Screen on laptops, iOS, Android and Microsoft tablets in conjunction with barcode scanning devices. This allows users to mount tablets to carts, forklifts, etc. for use while picking product.
Empty Bin/Shelf Availability	When receiving product, system will show available locations in the warehouse to add SKUs based on what space is empty.
Ability to Set Up Stocking and Non-Stocking Locations	This shows the true count of inventory within the warehouse, but will separate product available and product already allocated to an existing order. Allows for cross-docking of product.
Stocking Location Priorities and Ratings	For more efficient picking, the system will create pick list for most efficient pick route, based on these priorities and ratings.
Movement Tracking of Product	When you pick product from a shelf location and add it to your cart, the system will deplete the units from the shelf and increase the units to your cart. This provides users the ability to see inventory that is still physically available in the warehouse but already allocated to a specific order.
Cross Docking	Ability to receive and ship product without putting it away.

Result

Since implementing Blue Link ERP and the WMS Lite functionality, Kroeger is able to track all lot numbers no matter where they are sitting so they know exactly where inventory lives at that current time.

"We've gone from not being able to understand where inventory is to having complete visibility of our inventory every moment in time, whether it's sitting on a cart, whether it's in a bin, regardless of where it may be."

Kroeger is able to successfully pass their inventory audits and has been able to amp up their order process from conducting 30 orders a day to over 100. When picking an order, an employee follows the consolidated pick slips, reducing pick time and removing the need for another employee to check the order. As you can imagine Blue Link ERP has allowed Kroeger to operate efficiently and effectively all while keeping track of important information.

Customizations

Blue Link ERP allows for users to customize certain functionalities for the most seamless experience. Kroeger needed some EDI custom work done with respect to their drop ship program and integrations with Canada Post and Purolator to further automate and increase efficiencies with shipping their product. The company's warehouse is now able to go paperless because they don't need to print pick slips anymore with the use of the pick review screen. They now know what is getting picked immediately and correctly.

Kroeger also customized sorting their orders in regards to how customers are prioritized. With three types of customers: mass customers, specialty customers and drop ship customers, some have specific ways their orders get picked in the warehouse so Blue Link allows for ensuring that one pick does not step on another pick's process.

BLUE \langle LINK

With a focus on small to medium size businesses, Blue Link strives to help companies grow and improve their processes by providing innovative solutions to complex problems – without the large price tag.

With Blue Link, you will be able to:

- ✓ **Grow Your Business** with a fully integrated and automated system
- Decrease Costs with better inventory management
- ✓ Save Time and Reduce Errors with automated processes across all business operations.

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