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Ed Komeshak, Team Lead for Fulfillment Systems, HoMedics



Headquarters: Commerce Township, MI/Tonbridge, Kent

Distribution centers: 4

Platform: IBM i

Manhattan solution: Extended Enterprise Management, Warehouse Management

HoMedics gets new visibility and a healthier supply chain

Existing Systems Unable to Manage Increasingly Complex Network

A family-owned company founded in 1987, HoMedics is headquartered in Commerce Township, Michigan. Acquisitions of Oak Brook, Illinois' Taylor Precision Products and UK-based Salter Housewares™ in 2002 and 2004 expanded the company's product line and distribution network. Today, HoMedics manufactures a complete line of home personal healthcare, wellness and relaxation products, which are distributed through retailers worldwide.

With an overseas manufacturing base, rising volumes, increasing number of suppliers and growing demands from retailers for high levels of service and guaranteed lead times, HoMedics faced escalating challenges and an increasingly complex supply chain. According to Keith Allison, operations director of Salter, "We were looking at 70-90 days for inbound shipments and needed to reduce that time significantly. We also needed to ease the variability of inbound and outbound lead times."

HoMedics and Salter lacked crucial capabilities. HoMedics had no way to generate UCC128 labels for its overseas manufacturers, lacked ASN capability and could not generate labels in-house in compliance with the Top 100 Retailers initiative. In the UK, Salter had no way to share shipping information with its trading partners and struggled to gain visibility to the inbound flow of goods from China.

Manhattan's Compliance Guarantee and Expansion Capabilities Persuade HoMedics

To address the many issues facing its supply chain, HoMedics evaluated a number of solutions. According to Ed Komeshak, team lead for fulfillment systems of HoMedics, "Manhattan's Extended Enterprise Management solution was a more attractive option since it offered the Top 100 compliance guarantee and afforded us the opportunity to implement additional components in the future to further expand our capabilities."

Challenge:

Existing systems could not manage the company's increasingly complex supply chain.

Solution:

The Manhattan solutions worked with existing ERP and vendor systems to create an information portal for supply chain management.

Result:

Increased visibility across the supply chain, reduced chargebacks, increased compliance and greater quality control.



We now have visibility across the entire process—through shipment and ultimate delivery.

Keith Allison, Operations Director, Salter Housewares



At the same time, Salter saw an opportunity to utilize the existing infrastructure in the U.S. and implement a group solution using Extended Enterprise Management. “We wanted to leverage our existing partnership with Manhattan for Warehouse Management. We already had an established relationship and had achieved a strong comfort,” said Komeshak.

Extended Enterprise Management Tracks Shipments, Monitors Orders and Facilitates Returns

HoMedics Corporate uses Extended Enterprise Management to ship factory direct orders and handle port of entry orders. HoMedics Corporate has visibility to the order four weeks to two months prior to it leaving the factory. Extended Enterprise Management creates shipping labels and sends them to the appropriate facilities for application.

In addition to tracking shipments, the solution helps HoMedics manage returns. “Occasionally, we get orders in from the return center and handle them directly from that facility in order to expedite the order. In this way, Extended Enterprise Management also functions as a drop-in warehouse management system,” added Komeshak.

In the UK, the Salter implementation focused on inbound supply. The solution also supplies the company’s freight forwarder with the information needed for customs compliance. When a shipment is dispatched to Salter, Extended Enterprise Management generates an ASN with all pertinent data including quantities, orders, sail dates, estimated arrival and other shipping information. During transit, Extended Enterprise Management provides real-time event updates until the shipment reaches its destination. According to Allison, “We now have visibility across the entire process—through shipment and ultimate delivery.”

HoMedics Gains Visibility across Supply Chain

“Visibility has been a key benefit of Extended Enterprise Management,” stated Komeshak. “The ability to pass data between our ERP system and Warehouse Management eliminates the need to re-key data, greatly increasing our efficiency. We’re looking at the solution as a springboard to work with suppliers to improve lead times.” And, by producing labels in-house, HoMedics is able to ensure quality and compliance, as well as to prevent chargebacks. “We are truly maximizing this capability of Extended Enterprise Management.”

Salter uses one freight forwarder to serve as a funneling point for information and can now capture all the information required to efficiently manage warehouse and distribution processes. The company can also oversee its freight forwarder in terms of compliance and performance based on data provided through Extended Enterprise Management.

Having a database for compliance and carrier management enhances Salter’s ability to project workforce needs and optimize outbound distribution—all of which is predicated on having accurate, real-time information. Extended Enterprise Management functions as a hub for Salter and connects the company to vendors. “The solution provides an information portal that ties information and shipments together, which is a big benefit for us,” stated Allison.

Komeshak added, “Extended Enterprise Management gives us the visibility to manage labor effectively and schedule resources. Once we get inbound containers from the warehouse, we can feed that information into the scheduler. For outbound shipments from Warehouse Management, we can interface to Extended Enterprise Management and develop interfaces from carriers to update the system, including proof of delivery to track outbound shipping.”

“We had an immediate need and filled it with Extended Enterprise Management. It’s a great tool to manage schedules against a sales order, a PO or a shipment and to do exception handling,” stated Komeshak. “We anticipate continued growth for HoMedics/Salter and foresee many new opportunities to leverage the solution. We’ve already proven that it can be implemented in a multi-company structure.”