ShipHawk

CASE STUDY

KALALOU

Home & Garden Decor

NetSuite | www.kalalou.com

ShipHawk WMS

BENEFITS & KEY OUTCOMES

- Doubled employee productivity from 11 boxes packed per hour to 22 boxes
- System that scales with eCommerce growth - increased order processing from 300-400 orders per day 10 years ago to 1700+ orders
- Improved inventory accuracy due to real-time data on hand-held devices while containers are unloaded
- Reduced learning curve for warehouse workers

OVERVIEW

Kalalou is a leading designer and supplier of home accents, garden decor, and gifts. For more than 30 years, the company has brought international products to the U.S. market. It is committed to working with recycled/ sustainable materials and dedicated to improving the lives of those with whom it works through its Doug and Susan's Kid Foundation.

Kalalou delivers its products via three channels:

- Wholesale to big home décor companies and brick-and-mortar boutiques & gift shops
- Direct-to-consumers via its eCommerce store, At West End
- Drop-shipping for D2C customers

CHALLENGE

In 2008, Kalalou, like many wholesale companies at the time, was manually receiving and processing inventory with paper-based systems. It needed a better way to allocate inventory and work with back orders and releases. In addition, the company was looking to improve how it dealt with containers with multiple purchase orders, receiving, and to better manage overall warehouse operations, including cube utilization, efficient track positioning, stock rotation, and inventory placement.

The company has four onsite warehouses and one offsite, and routinely maintains approximately 80 trailers of merchandise onsite. Because it has so many yard-based trailers in addition to its main warehouses, the company faced issues with replenishment to and from osite facilities and yard-based trailers. Manual cycle counting also affected the accuracy of inventory quantities.

ShipHawk

> *We've gained visibility and increased productivity, ease of use, standardization across many different areas of shipping - from small pack to the LTL side of shipping – and we can move workers back and forth across positions without them having to learn a new system.*
>
> **Joey Busby**
> Kalalou Warehouse Manager

SOLUTION

Since implementing **ShipHawk WMS** (formerly SuiteWM) in 2009, Kalalou has achieved a wide variety of efficiencies and improved productivity outcomes. As it replaced manual processes with automation, Kalalou now uses handheld wireless devices to effortlessly receive goods against multiple purchase order (PO) advanced shipping notices (ASNs). Using ShipHawk WMS, the company now has visibility into the entire process, meaning they can utilize the real-time data and make decisions throughout the day.

Once their inventory is offloaded, the team uses handheld devices for effcient directed-putaway to consolidate inventory in storage and maximize cube utilization and placement. Most of Kalalou's POs aren't single orders or for single suppliers, so the warehouse team often makes consolidations and being able to track them in the system is instrumental in staying on top of inventory. "Each container could have goods from as many as 6-8 suppliers, so having visibility at the initial stage of unloading is much more ecient and has improved our accuracy tremendously," said Joey Busby, Warehouse Manager at Kalalou.

Real-time dashboards provide visibility into auto-replenishment. Kalalou is able to see which products are moving to and from osite facilities and yard-based trailers to the main warehouse on demand. The dashboards don't just provide visibility into auto-replenishment, they're also a huge asset with visibility into the team's productivity. Warehouse management is able to see each operator's performance and their contribution to the day's work. With that information, Kalalou can determine which employees need more training as well as where to improve the overall workflow.

During the peak months, Kalalou brings on temporary workers to ensure they keep up with order demands. By using ShipHawk WMS to automate processes, Kalalou can ramp up and onboard the number of employees required to respond to its peak season requirements. "We've drastically reduced the learning curve because we have automated so many processes," said Busby. "We're able to bring in temporary workers and move them around to positions in our shipping process because the system is so easy to use."

Kalalou uses the operator performance dashboard every day, to identify any bottlenecks in processes to address them quickly. It gives management the ability to make labor movement decisions in real time. The company also uses it to mentor operators so they can advance their skills and ultimately, advance their careers.

Additional benefits include:

- Increased cube utilization
- Enhanced scan-pack performance due to efficient use of shipping containers and high-output operations
- Automatic generation of multi-channel customer-branded pack lists. Additionally, these pack lists were reduced from six pages to one with associated cost savings, lower labor costs, and greater eciency
- Single click shipping automatically selects proper carrier, service, terms, and account
- Real-time cycle counting increased inventory accuracy

> *There's so much information available allowing us to see the status of all operations at any time and prioritize the workforce to address the priority issues of the day.*
>
> **Joey Busby**
> Kalalou Warehouse Manager