SAP and voice-directed work deliver results

Patterson Logistics selects the right partners

Patterson has partnered with Körber and My Supply Chain Group (MSCG) to transform its logistics business. These organizations implemented a complex system based on an SAP solution incorporating voice-directed working.

About Patterson

Patterson Logistics distributes dental and veterinary products and equipment. Located in Minnesota, they serve clients across North America and the United Kingdom.

They fulfill around 92 percent of orders on a same-day, or next-day, basis. As Patterson's customers do not have their own warehouses, "just-in-time" shipping is essential.

At a glance

Project goals

· Select the right partners for a highly complex project

· Replace paper with an efficient and eco-friendly system

· Generate industry-leading operations

Solution

· SAP Extended Warehouse Management (EWM)

· Voice-directed work

· Radio frequency (RF) scanning and mobile printing

Benefits

· Improved productivity

· Reduced training time

· Increased accuracy

KÖRBER

PATTERSON LOGISTICS
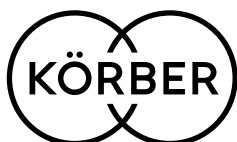
Challenge

Patterson ships 25,000 orders daily. Up until the partnership, they were fulfilling those orders using paper documents and manual processes. There was also a legacy warehouse management system (WMS) in place which wasn't integrated with other organizational platforms.

"We weren't able to integrate with any of our customers or vendors to share information with them. We were also struggling with batch management and the matching of serial numbers," said Paul Courchene, the Logistics Core Team Leader at Patterson.

Their goal was to achieve industry-leading operations. To do this, a large, comprehensive and complex project had to be delivered, beginning with choosing and implementing new ERP and WMS systems.

Complex implementation
Most stakeholders wanted to keep this implementation simple, however Courchene had greater ambitions:

"Everybody tells you to keep it simple without enhancing anything, and build additional functionality later. But I wanted a system that would fulfill all our needs from the start."

Selecting the right partners
An SAP EWM solution with system-directed tasks was deemed ideal for voice-directed work, but there are very few organizations experienced in both voice and SAP EWM deployment. Patterson evaluated five voice providers and selected Körber because our solution integrates directly into the SAP landscape.

Patterson also selected My Supply Chain Group (MSCG) for its SAP EWM integration. This Alabama-based logistics company has a long history of success in SAP implementations and a track record of excellent teamwork. Together, Patterson, Körber and MSCG collaborated closely to achieve Patterson's ambitious goals.

"It's important that the partners you select have technical expertise and experience across both platforms – voice and SAP EWM – not just one or the other. This helps to eliminate the risk associated with implementation and dramatically reduces related challenges."

Richard Stewart
Vice President of Professional Services at Körber

Solution

Along with SAP EWM and voice, this solution also included:

- Implementation of distribution workflows such as cartonization

- Wireless networks to support voice, RF scanning and mobile printing

All elements needed to be applied in a simple and efficient way. However, solutions that look simple to the user often require highly complex business logic in the host system. This was where the value of the partnership with Körber and MSCG really came into play.

Additional objectives
Patterson extended the project to include 50 further developments supporting the modifications and enhancements above.

"Everyone told us to implement standard SAP, and then build everything else in later. But the biggest development crew I'll ever have was during that implementation, so it was the ideal time to put all those development pieces in."

This was rolled out across Patterson Logistics Services, Inc. (PLSI), their group-wide distribution platform. PLSI's distribution network features strategically-located regional facilities and 17 legacy distribution centers (DCs), three of which are multi-business-unit DCs serving the entire enterprise.

"We were the first domestic company to use the SAP EWM cartonization solution, plus the first to directly connect the solution to voice picking. They were both major successes for our organization – and it's all thanks to having the right partners."

Paul Courchene
Logistics Core Team Leader for Patterson

Results

The entire project is generating "better than anticipated" results, especially the voice-directed work and SAP cartonization elements. However, these were originally considered risky ventures.

"We had no prior experience with voice, yet this was the biggest win from our SAP implementation. Voice is the most productive solution we've ever implemented and it provided the fastest return on investment."

Improved productivity
Immediately after these elements were applied, Patterson's team noticed the positive impact of the new technology on their day-to-day work.

"Our order fillers now work around 25 percent faster. In fact, the very first time they used the new voice system every employee worked faster, compared to using the paper system. No one wants to use the RF guns. They all want to go hands-free and use voice."

In addition to increased picking speed and efficiency, employees love using the new technology. And these positive feelings extended beyond the warehouse.

"Even Scott Anderson, our President and CEO, put on a headset and took pictures of himself filling an order to put on the cover of our quarterly newsletter."

Reduced training time
The team also noticed how much easier it was to train employees on the new system.

"With paper order filling, it took a full day for employees to understand what was going on. With voice, we can get people trained in one pass through the building, and it creates a much safer environment."

Paul Courchene
Logistics Core Team Leader for Patterson

Maintaining accuracy
Their legacy processes pushed for high levels of accuracy via four auditing and order checking processes. However, voice-directed picking required validation at both the pick and put stages, adding an extra level of validation to the process. These steps meant Patterson eliminated two of the four legacy checking processes with no loss of accuracy.

"Before, we had strict checking processes in receiving, inventory control, order filling, checking, and then again in packing. I've eliminated more than half those checking processes with no decrease in accuracy. High levels of accuracy have been maintained with fewer checking stages."

The future

Going forward, Courchene says they are looking to extend the new system and its benefits to other areas, and use voice on an even larger scale:

"We want to expand voice to all facilities, even the smaller facilities where we didn't think it would make sense in the beginning."

This means voice-directed work could now be expanded from the initial legacy sites to as many as 50 additional ones, including those which are not a part of PLSI.

"As we expand our WMS and adopt EWM across all the sites, we will put voice in all of them."

There are also plans to increase the use of voice in other workflows.

"We want to have more picking transactions that are voice based. Initially, our voice picking transactions only included small order filling. We have since installed voice-directed case pick. We plan to expand that to pallet pick and overstock, for which we currently use RF scanning."

"We set out to create a highly productive solution that we could replicate. But what we ended up with was something really special. We look forward to extending the solution across other areas of the business."

Paul Courchene
Logistics Core Team Leader for Patterson