

## Case Study - Blue Cow Cheeses Company implements EXO4 PDA for a complete supply chain solution with MYOB EXO.

### Background

Blue Cow Cheese Company was established in 1998 by Nick Bath after he identified a gap in the Western Australian market for farmhouse goods and specialty cheeses. Specialising in European and Australian cheeses, Blue Cow Cheese Company offers a wide array of medium to premium cheeses-from traditional hand-made artisan cheese to delicate goats cheese, everyday Cheddars and delicious Camemberts and Bries which it brings to the Western Australian consumer through over 600 business outlets, combining hotels and resorts, restaurants and cafes, caterers, independent and specialty retailers.

### Overview

Blue Cow Cheese Company had realised the current manual process to complete the daily warehouse operations was inefficient and hindering many areas of their business. The problematic areas included:

- The tedious hours required to manually receipt pallet loads of stock was counter productive. Counting and recording quantities lend to human errors at each stage of the receiving process.
- Manually picking and packing orders was proving to be an issue when the incorrect item and quantity was delivered to customers.
- Stocktaking was taking countless hours and a great amount of manpower to count all stock within a large warehouse. Consolidating the stocktake counts from multiple people was complicated and costly.
- Proof of delivery was a complete nightmare for drivers, who would lose customer signed invoices. On return the filing of signed invoices from multiple delivery drivers proved difficult and was highly inefficient when trying to locate a specific invoice when a dispute was lodged by the customer.

### Strategy

Blue Cow Cheese Company contacted The RIC Group directly knowing about their expertise and brand in warehouse management solutions. Blue Cow were using Attaché and asked The RIC Group for their recommendations in regards to what ERP (Accounting Solution) they should use for their WMS to integrate with.

## Execution

An initial meeting was conducted, which included a full review of Blue Cow's entire warehouse operations. It highlighted the areas which required urgent improvement and team at The RIC Group completed a complete business review. It was proposed a mobile scanning solution was to be implemented with MYOB EXO. By rolling out a barcode scanning solution it ensured all picked items were according to the order. Blue Cow's products were already barcoded with GS1-128 barcodes, which encoded the batch and expiry date information.

Utilising the EXO4 PDA goods receiving module, once a new shipment of stock arrived, the PDA users would load the purchase order number of the shipment. The retrieved purchase order lines would be displayed on the PDA. The PDA users could then scan the GS1-128 barcodes of each product, which incremented the received quantity and capture the batch numbers. The received quantities would then be sent back into MYOB EXO generating a goods receipt. The goods receipt could be processed and invoiced as per usual.

Scan picking was now possible with the PDA units. The sales order created in MYOB EXO would be retrieved onto the PDA, displaying the sales order lines. As the user scanned the GS1-128 product barcodes, the picked quantity would be incremented. If a product was scanned and not on the order, an error message would appear notifying the user. If the user tried overpicking the order, an error message would appear. Once picking was completed, the picked quantities of the order would be sent back into the sales order in MYOB EXO.

After the orders are picked, using the Packing4 EXO software from a packing station PC, the order could be loaded. On the PC screen, the sales order lines would be displayed. Attached to the PC would be a USB scanner. The user would scan the items picked for the sale order and then pack these products into cartons. The packed quantities would be sent back to MYOB EXO for invoicing as per usual.

For stocktaking, multiple PDAs could be used to scan the product barcodes. Each PDA user would have a different area of the warehouse to stocktake. Once the warehouse was counted, the stocktake scans from each PDA was sent back into the RIC Group's application called, Mobile+ Centre. From Mobile+ Centre a consolidated variance report from all the PDAs could be generated. The variance report highlighted the products scanned, scan quantities, EXO system quantities and variance. After finalising the variance reports, the stocktake scan quantities would be imported into MYOB EXO.

To use the electronic proof of delivery, the drivers had a manifest which listed barcodes for each customer delivery. The barcode comprised of the debtor account number and the invoice number. When the driver scanned the barcode in the POD module, the account number and invoice number was populated on the PDA. The customer would then sign off the delivery on the PDA. On return to the warehouse, the driver would send all the completed PODs for the day into MYOB EXO via wifi.

The administration staff could then view the POD signature and delivery details. All information is integrated and synced with MYOB EXO so the users can always look up in MYOB EXO. The RIC Group's Warehouse Management Solution also allows for the administration to run KPI's on the warehouse.

### **Result**

Within two to three months of implementing the end to end warehouse management solution, Blue Cow saw a drastic reduction in the number of incorrect products sent out to customers, 30% reduction in the time required to receipt incoming stock, a 50% reduction in the amount of paper printed for proof of delivery and reduction in the number of hours spent stocktaking and consolidating counts from multiple people. The return on investment was made within the first 6 months of implementing the solution.

### **Future**

With the successes of the warehouse management solution, Blue Cow Cheese Company will be looking to work with The RIC Group to improve additional areas of the supply chain operations.