

## **Case Study - Obex Medical in Auckland implement WMS for full batch and serial tracking with HIBC and GS-1 Barcodes**

### **Background**

Obex Medical was founded in 1983 by Linda Robert and Lindsay Spilman. Obex's objective is to serve the needs of medical professionals with the supply of minimally invasive, consumable and implantable devices which will enable the delivery of the best diagnosis and therapy for the patient.

### **Overview**

Obex Medical were experiencing difficulty managing daily warehouse operations which included receiving incoming stock and sale order picking. These processes were currently manually completed including keeping documentation of batch and serial information. These inefficiencies lead to many errors during goods receiving, pickers sending incorrect products and quantities to customers and incorrect counts of received goods and painstaking manual stocktaking of serialised and batched products. As a result of these issue, the stock quantity on hand was hardly ever accurate or reliable when determining if stock levels were low. Human error for these manual processes was unpreventable.

### **Strategy**

Obex Medical approached a number of software providers and decided to pursue the mobile warehouse management solution from The RIC Group.

### **Execution**

The RIC Group consulted with Obex Medical and Obex Medical reviewed their entire warehouse operations and also visited some of The RIC Group sites to ensure it would meet their complex needs. It was quite clear that incoming and outgoing stock was not always properly accounted for due to human error. Stock levels in the ERP (MYOB EXO) were unreliable as incoming and outgoing stock were again prone to miscounting and staff forgetting to enter the stock batch and serial details into the ERP. They found on occasions stock, which was supposedly plentiful according to the ERP were in reality was out of stock.

It was proposed The RIC Group's warehouse management solution, EXO4 PDA (WMS for MYOB EXO) to be implemented. Most of Obex's products were already barcoded by the supplier with multi part GS1 standard barcodes, GS1-128, but many were HIBC (Health Industry Standard). This made implementing a scanning solution much easier. The EXO4 PDA product contained a scan picking module, which allowed the user to retrieve the sales order created in the ERP. The picker could then pick the product on the sales order by scanning the barcode. If the picker scanned an product which was not in the sales order, the PDA would display a warning. Serial, batch numbers and expiry dates were also captured upon scanning the GS1 standard barcodes.

For goods receiving, the purchase order created in the ERP would be retrieved onto the PDA. The picker could then scan the barcodes of each product in the shipping container. The picked quantities would be returned to the ERP and automatically create a goods receipt against the received quantities. EXO4 PDA allows multiple PO's to be loaded from the one shipping container and easy reconciliation against each PO.

EXO4 PDA stocktaking allows multiple PDAs at the same time to scan product barcodes. Each PDA user can be allocated a different area of the warehouse to stocktake. Once the entire warehouse was scanned, each PDA used in stocktake would send the stocktake counts into The RIC Group's application called, Mobile+ Centre. From Mobile+ Centre a consolidated variance report of all the PDAs counts can 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 can be automatically imported into MYOB EXO.

### **Result**

Within 3 months of implementing the EXO4 PDA product, Obex saw a drastic reduction in the number of days required for stocktaking. They found stock levels were much more accurate as incoming and outgoing stock were now accounted for each time. Customer orders were always fulfilled with the correct product and quantities, reducing the number of complaints. Incoming stock from suppliers were much less time to count by scanning the barcodes. All serial numbers, batch codes and expiry dates were now in the ERP (MYOB EXO). This allowed for all staff in Obex Medical to search which serial numbers and batch codes were released to each customer. This was a drastic improvement in their systems and their compliance, as they are externally audited and needed to comply to standards.

### **Future**

With the successes of the warehouse management system, Obex Medical are looking to improve other parts of their business with the assistance of the The RIC Group.