



Canada's Leading Independent Electrical Distributor Achieves Operational Excellence with Latitude WMS

For more than 100 years E.B. Horsman & Son Remains Focused on Service
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Overview

E.B. Horsman & Son, privately owned since 1900, is the largest independent electrical distributor in Western Canada. With 17 locations, the company's mission is to be the electrical distributor of choice offering the best people, product and service in the industry. A key strategy for accomplishing this mission is the pursuit of operational excellence.

Roy Bragg, Vice President of Operations at E.B. Horsman & Son, leads the company's operations and oversees use of the Latitude Warehouse Management System (WMS) developed by PathGuide Technologies.

Since making the move from the Paperless Warehouse suite to PathGuide's Latitude, the company has achieved the following productivity and efficiency gains:

- Receiving accuracy and receiving productivity each increased by nearly 200%.
- Pick accuracy levels currently run better than 1 error in every 1,300 line items.
- Pick productivity increased 192%.
- Yearly inventory losses have been reduced to approximately 0.002%
- Visibility and reporting has been achieved for all activities.
- Lot number control for wire cuts.
- Serial number control for reels and other product with expiration date issues.
- Streamlined information for accounts payable.
- Ramp-up time for new employees to become proficient was reduced from 3-6 months down to one month.

Making the Move to Latitude

Prior to implementing Latitude, E.B. Horsman used the Paperless Warehousing suite running a radio frequency (RF) system. The company began evaluating a new warehouse management system over a two-year timeframe in which it evaluated five warehouse management systems and ultimately selected Latitude from PathGuide Technologies.

Latitude is a software suite that automates warehousing and distribution to provide real-time online information about inventory. Latitude automates all operations from receiving and order picking, to manifesting and truck route/stop management. It

integrates seamlessly with major ERP business systems such as Microsoft Dynamics, Activant, J.D. Edwards and Oracle.

“We chose Latitude because it’s a very robust and flexible program that also supported our long-term roadmap which included implementation of carousels and other automated systems,” said Roy Bragg. “Support for future requirements was a key consideration and we’re very pleased with our decision to go with PathGuide. We’ve found them to be true experts in warehouse practices - they take the time to really understand our business at a level other vendors don’t.”

Two weeks before Latitude went live, Steve Beach a software engineer with PathGuide, worked closely with Roy Bragg going through every detail of the system including proper labeling of the warehouse. The day the WMS went live, PathGuide was also on the floor helping employees get up-to-speed. “It was a great implementation because of the preparation and support from PathGuide,” continued Bragg.

Employees quickly embraced the system and Bragg was pleased to find that training of new employees was cut to 2 days, with employees fully competent on the system within one month. Prior to Latitude it took new employees anywhere from three to six months to become proficient.

Latitude Brings Productivity and Accuracy Gains

Under the old system, the picking and receiving department moved about 800 lines per day using a 8-9 person crew. Today, a 13-person crew picks up to 3,800 lines a day. E.B. Horsman & Son has improved both receiving accuracy and receiving productivity each over 100% as a result of streamlining the receiving process.

Latitude has also increased picking efficiency by allowing batch picking of smaller items. With their previous WMS, warehouse staff had to pick products individually for each of the 16 branches. With Latitude, one employee now batch picks about 40% of the total line count for the small parts area, which equates to a nearly 200% gain in productivity.

Today, pick accuracy levels currently run better than 1 error in every 1,300 line items. The company finds value in being able to use Latitude to immediately track and review errors as they occur. “The reporting features in Latitude are a great training and learning tool,” continued Bragg. “If there’s an error today, tomorrow we have a document to review and then take steps to correct the process. With time-stamped reporting we can go back with pinpoint accuracy and resolve specific problems.”

Inventory accuracy has also dramatically improved. The company previously had one full-time employee dedicated solely to stock checks – responding to phone calls from branches inquiring about whether or not particular items were in stock. Today this position has been eliminated. “With Latitude our employees and the branches have a very high level of confidence that the system is correct – when it says something is in stock we can trust that it’s really there,” continued Bragg.

E.B. Horsman & Son has also found value in Latitude's Cycle Counting functionality. Prior to Latitude, E.B. Horsman would conduct a daily inventory count after, or prior to, normal business hours, which added to the company's labor costs. Now with Cycle Counting the company does a daily count during business hours. Cycle counts are integrated into every function during the regular workday giving employees access to real-time numbers and lowering labor costs.

Future Plans

E.B. Horsman & Son continues to leverage Latitude as part of its overall mission to improve customer service through operational enhancements. The company plans to deploy the Latitude Slotting Module, which identifies the most efficient location for inventory within the warehouse based on a number of product and storage characteristics, as well as product demand. The company also hopes to extend the Latitude WMS into those branches currently still using a paper system. In addition, they are currently deploying Latitude within its Surrey branch (the company's largest branch location).

E.B. Horsman & Son prides itself on being one of the only electrical wholesale distributors in Canada to achieve these levels of efficiency and considers Latitude to be a core strategy for improving service to its branches and customers.

For example, by using Latitude's Front Counter Module, walk-in customers can find their own products and have them scanned at the front counter, or walk the warehouse with a front counter employee who can scan products on the fly to build the order in real-time. With the module, front counter staff can also send order requests (such as wire cutting) to the warehouse using Latitude, and customers can watch the status of their order onscreen while they wait.

"We're very proud to be one of the first electrical distributors to give our customers the service level that can be achieved using real-time inventory in a wholesale customer environment," ended Bragg.

About PathGuide Technologies

PathGuide Technologies, Inc., a privately held company founded in 1989, is a leading provider of warehouse management solutions for small to mid-sized wholesalers and industrial distributors across North America. PathGuide's software and services help suppliers increase productivity and order accuracy, improve customer service and lower labor costs, ultimately driving greater profitability. To learn how distributors of all sizes can benefit from improved warehouse management, visit www.pathguide.com.

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