

RedLine Solutions helps Leading Online Photo Sharing Company Improve Efficiency with Oracle Warehouse Management System



“Our company migrated to Oracle R12 for some parts of our business a few years ago, but had never put a warehouse management system in place. Rather than continue using manual tracking in our warehouses, we decided it was time to implement an inventory control system to effectively support our projected growth. We selected RedLine Solutions as our hardware implementation partner for this project because they listened to us and even let us ‘test drive’ equipment to find the solution that would work best for us. Without RedLine’s knowledgeable support and flexibility, we would never have met such an aggressive schedule for the completion of this project.”

Director of Corporate Applications

Organizational Overview:

Founded as an Internet-based social expression and personal publishing service, this online photo sharing company has its headquarters in California and two manufacturing sites in the United States. The company offers free online photo storage and boasts that it has never deleted a photo. Millions of customers have billions of photos on this Company’s site. The Company’s flagship product is its award-winning photo-book line which helps consumers celebrate memories and tell their stories in professionally bound coffee table books. The winter holidays are their peak season and popular gift ideas include personalized photo books, holiday cards, and calendars.

Customer Profile

Online Photo Sharing Company

Location

Three locations in the U.S.

Industry

Online photo sharing/photo books

Hardware products

Hand-held scanners
Barcode printers

Applications

Mobilized Oracle Warehouse and production transactions with wireless mobile computers.

Benefits

- Automated inventory transactions to provide real-time inventory visibility in the warehouse
- Reduced time for handling in-bound pallets
- Improved material fulfillment processes
- Automated label printing
- Improvement of lot handling
- Real time inventory accuracy for shop floor sub-inventories
- Cost savings in excess of \$125K per year
- Improved efficiency on the shop floor



"We have helped dozens of companies implement Oracle WMS and MSCA.

Our team of specialists accelerate the deployment process so our clients realize the return on their investment quickly."

Todd Baggett, CEO RedLine Solutions

The Challenge

Move away from manual, paper-based processes by automating and streamlining the Company's warehouse operations with Oracle's Warehouse Management System (WMS) with minimal disruption to existing manufacturing operations.

The Company's previous processes were inefficient and unable to support their rapid growth. Inventory transactions were done on paper and manually entered once a day; as a result the inventory system did not reflect what was actually on the floor. Products received and issued had no barcodes making tracking extremely difficult. Put-away and inquiry were essential, but consisted of warehouse personnel walking the aisles with clipboards doing manual inspections of boxes, and lot control was an off-line process done with color-coded labels.

None of the inventory in any of the Company's shop floor locations was tracked in Oracle, which meant there was no visibility to shop floor consumption. New stock requests were done manually with no minimum or maximum triggers. Inventory in the warehouse was constantly being moved, directly impacting cycle count accuracy and the kitting of products. All part transfers were done manually.

"We have used barcodes on many of our products for some time but not on the WMS side of the business," said the Director. "Things in the warehouse were still being done with clipboard, pencil, and paper. For this warehouse management upgrade we had an

aggressive time-line, with project kick-off in July and the first phase of implementation in September of 2010."

When the Company decided it was time to make their warehouse more efficient, they looked at many companies for a solution. "We chose RedLine because they offered multiple hardware and software options backed by outstanding support, which was critical for us," stated the Director. "Other vendors didn't offer the same capabilities or options."

The Solution

In selecting hardware and software components for their warehouse management systems upgrade, reliability and support were essential. Strong partnerships with Oracle and other vendors were also crucial, according to the Director.

"We knew we were going to have issues around a successful implementation, and the biggest obstacle to that success was getting the software to work on mobile devices," said the Director. "Our people, Redline and Oracle did lots of testing on the software, and the RedLine systems engineer made sure each mobile device was configured correctly and working properly for us."

To date, the Company has enabled ten automated processes, initiated barcode labeling by vendors for purchase orders, and activated 6 barcode printers in Oracle. They have deployed two types of barcode scanners: 16 Intermec CK3s for warehouse users and 30 Motorola MT2090 for production users; and designed five new labels using Zebra Designer. Recent feedback from the

operations team after the close of the fourth quarter—their busiest time of the year—was a very positive thumbs-up on the WMS implementation. The operations staff was very happy with the improvements from the warehouse management upgrades.

The Benefits

“The new system is definitely increasing efficiency and reducing costs,” the Director noted. “We have been able to reduce receiving time by five minutes per pallet and have eliminated the need for end of month cycle counting. We have also been able to reduce the risk of lines down due to inventory availability (missing or misplaced inventory not traceable on the floor.) We are more nimble in resolving material issues and can identify and quarantine anything suspect.”

For the Online Photo Sharing Company, the payoffs from their WMS upgrade include

- Identification and elimination of current problems in the warehouse process
- Processing inventory transactions in real-time for instant system visibility
- Streamlining of inbound operations resulting in a 5 minute savings per pallet
- Improvement and automation of material maintenance processes
- Automated label printing directly from Oracle
- Standardized processes for faster training and consistency in process
- Improvement in lot visibility and traceability of materials
- Real-time inventory accuracy at shop floor sub-inventories

The Company will continue to refine and improve their WMS solutions, and as the Director says, “we appreciate the level of engagement from everyone at RedLine, from the sales personnel to the CEO. There are lots of companies that can sell you something but then never support what they sold you. Not RedLine; their support was great! They listened to our needs and helped us ‘test drive’ the equipment to find what worked best for us. RedLine’s professional services were critical to our success. We couldn’t have done such a fast implementation without their knowledgeable support and flexibility to meet our aggressive schedules. RedLine is truly a one-stop shop.”

About RedLine Solutions

RedLine Solutions is an Oracle Gold Partner that has helped dozens of clients realize significant productivity gains by implementing WMS and MSCA in the warehouse and on the production floor. RedLine has more than 14 years of experience helping companies of all sizes integrate rugged mobile computers, wireless networks, and bar code printers with warehouse, manufacturing, and inventory systems to streamline processes, increase efficiency, and improve accountability. RedLine Solutions’ practical approach, partnerships with leading hardware manufactures, and exceptional professional services team makes them a leading Oracle Value Chain Execution Partner.

Cost Savings

Elimination of end-of-month cycle counting

- Savings ~50-60 hrs per month; approximately \$14,500 annually

Cut receiving time by ~5 minutes per pallet (20k pallets received per year)

- Savings 1,700 hrs per year; approx \$37,000 annually

One hour per floor replenishment cycle; with 33 cycles per week in Q1-Q3, 42 per week in Q4

- Savings 66-84 hrs per week; \$1,450-\$1,850 per week or \$74,300 annually

Total cost savings: \$125,800



Additional Resources

For more information visit www.redlinesolutions.com

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