



CARQUEST

Auto Parts Supplier Supercharges Distribution Network With Solutions From HighJump Software

Quick Facts: CARQUEST

Solution: HighJump Warehouse Advantage

Facilities running HighJump solutions:

21 (With plans to roll out to all 38 DCs)

Lines per day: 17,000 to 30,000

ERP: Legacy UNIX-based system with Oracle ERP financials

Material handling equipment: Conveyors

SKUs: 120,000

CARQUEST Company Profile

CARQUEST, a leading North American supplier to the vast automotive aftermarket, serves customers in the U.S. and Canada from more than 3,400 auto parts stores and 38 distribution centers. The company sells replacement products, accessories, tools, chemicals, paint and equipment for nearly all makes of cars, trucks, buses and recreational vehicles, as well as for agricultural equipment. Sales channels include its own network of auto parts stores and professional auto repair shops.

Headquartered in Raleigh, N.C., CARQUEST prides itself on operational excellence, using metric-driven service levels and world-class products as well as best-of-breed information technology in its efforts to deliver the highest levels of customer service.

“WE KNEW WE NEEDED A POWERFUL SOLUTION THAT WOULD MEET THE UNIQUE NEEDS OF OUR INDUSTRY AND HELP US CONTINUE TO GROW OUR BUSINESS.”

**—David McCartney,
sr. vice president of DC operations**

Challenge

Prior to automation, however, distribution center (DC) operations were roadblocks in the execution of CARQUEST’s customer service initiatives. The company’s network of 38 DCs extends across North America. Individual facilities average 85,000 to 120,000 square

feet and house between \$7 million and \$10 million in inventory. CARQUEST had built a strong foundation, but DC personnel were tracking inventory manually with minimal visibility to inbound shipments. As a result, the DCs were inefficient and lacked discipline.

“We had some good processes in place, but we were constrained by a lack of technology,” said David McCartney, senior vice president of DC operations, CARQUEST. “We knew we needed a powerful solution that would meet the unique needs of our industry and help us continue to grow our business.”

The auto parts industry has several unique distribution challenge, including running “will-call” operations, managing 20-25 percent return rates from company stores, and meeting a range of HazMat storage and tracking requirements. CARQUEST looked to identify a tier one warehouse management system (WMS) that would be flexible enough to meet changing requirements and also scalable to support a multi-site rollout.





Solution

CARQUEST selected the HighJump™ Warehouse Advantage WMS and began the implementation project with its 125,000-square-foot Raleigh, N.C., facility. The solution was integrated with its UNIX-based host system and Oracle® ERP financials database.

Highly Automated Inbound, Reverse Logistics and Order Fulfillment

HighJump Warehouse Advantage automated all operations that had been performed manually, from receiving inbound materials to loading trailers for shipping. CARQUEST's inbound operations include truckload, less-than-truckload, and parcel receipts off advance shipment notices (ASNs), as well as returns from CARQUEST retail stores.

INVENTORY ACCURACY HAS INCREASED TO 99.85 PERCENT, WHICH IS 14 TIMES BETTER THAN BEFORE USING THE HIGHJUMP SYSTEM.

Via RF terminals, HighJump Warehouse Advantage directs put-away in pallet racking, shelves and hand-stacking areas. The HighJump solution also helps manage all warehousing aspects for hazardous materials as well as light and heavy bulk.

On the outbound side, each DC ships orders to about 80 CARQUEST stores daily. Items are either picked from storage or received and cross-docked directly to the shipping area. Workers pick by order or across multiple zones to pre-defined staging positions and then transport orders by conveyor to shipping.

Here, orders are consolidated, labeled by store, and diverted to loading areas according to geographic destination. HighJump Warehouse Advantage also provides outbound trailer and dock door assignments.

CARQUEST has now rolled out HighJump Warehouse Advantage to 21 DCs, with minimal help from HighJump Software. Seventeen more sites are planned for the U.S. and Canada.

Results

"The HighJump system is truly the technology backbone that powers our complex distribution network," said McCartney. "Our HighJump solution has been instrumental in CARQUEST's pursuit for organizational excellence."

With each successive WMS implementation, the company sees new results across its operations as a whole. The HighJump WMS provides an effective and consistent flow of real-time data, allowing CARQUEST employees to control and manage order flow, inventory and customer fulfillment. Employees pick and consolidate orders with 53 percent greater accuracy than before the WMS deployment. The company is also 75 percent more accurate in invoicing for its retail stores.

Inventory accuracy has increased to 99.85 percent, which is 14 times better than before using the HighJump system. In addition, DC labor costs have decreased by 17 percent through efficiency improvements. Visibility across operations has improved significantly.

Future Plans

CARQUEST is continuing to roll out its WMS in additional facilities across the country. It is also evaluating the HighJump labor management system for use in its distribution centers, as well as store delivery tracking for route drivers.

