



Creative Memories

Creative Memories Achieves 99+ Percent Shipping Accuracy and Improves Picking Speed With Its HighJump Solutions

Quick Facts: Creative Memories Facilities running HighJump™

solutions: Three

Distribution center sizes: 350,000 sq. ft. for St. Cloud, Minn.; 140,000 sq. ft. for Sparks, Nev.; 160,000 sq. ft. for Richmond, Va.

Employees: 300 in St. Cloud; 120 in Sparks; 160 in Richmond

Shifts: Two, eight-hour shifts

Key solution components: Warehouse management, slotting, premanifesting, cartonization

Automation integration: Pick to light, conveyors, carousels

ERP: SAP

SKUs: 1,600

Company Profile—Creative Memories

Creative Memories®, owned by the Antioch Company, markets scrapbook photo albums, papers, supplies, tools, stickers and accessories through more than 90,000 sales consultants in 11 countries. It is one of the top 10 party-plan direct-sales businesses in the U.S.

Challenge: Integration and Efficiency

Creative Memories was relying on a warehouse management system (WMS) that didn't yield the results it required in terms of operational efficiency. "Obviously, accurate shipping was key. Additionally, the need for faster picking and the ability to better manage fluctuating order volumes were among the reasons we began searching for a new WMS," said Kevin VanderMey, senior business analyst for Creative Memories. Furthermore, Creative Memories' system wasn't on a standard operating system. Creative Memories had determined that SQL® Server-based operations and a Microsoft® platform would simplify its company-wide technology infrastructure. As the company neared completion of its new, 350,000-square-foot facility in St. Cloud, Minn., it decided the best scenario was to implement a new WMS to receive inventory during the relocation.

An Integrated Supply Chain Execution Solution

After evaluating several best-of-breed WMS vendors, Creative Memories selected the HighJump Warehouse Advantage WMS from HighJump Software in February 2003. "We were impressed with the system's standard functionality, but more importantly, with the flexibility to configure it to our requirements," VanderMey said. "The ease of use was also apparent. We wanted to configure changes ourselves and were amazed at how easily things could be accomplished on the fly." A few months after selection, Creative Memories moved into its new facility and used HighJump Warehouse Advantage to receive inventory from the old warehouse. The company now runs a fully integrated HighJump solution that includes seamless interfacing between HighJump Warehouse Advantage and HighJump solutions for slotting, supply chain visibility



and containerization. In turn, these solutions interface directly to Creative Memories' SAP® ERP system, conveyors and PCC Systems' pick-to-light solution, Lightning Pick.

Creative Memories also rolled out HighJump Warehouse Advantage at its facilities in Sparks, Nev., and Richmond, Va. The Sparks distribution center (DC) ships to consultants in the western U.S. as well as bulk products to Australia and Japan. The Richmond facility serves the eastern U.S. and customers in Europe. Both DCs had varying operational requirements (i.e., picking strategies) that the HighJump system easily accommodated with its flexible platform.

Highly Automated Order Fulfillment: Now orders flow quickly and systematically through each part of Creative Memories' technology infrastructure. Most requests come from independent consultants who submit them via phone, fax or the Web. These typically contain 40-50 different SKUs representing items such as paper products, pens, stickers, albums and other supplies. The orders go directly into SAP before heading to HighJump Warehouse Advantage for the pick/pack/ship process.

Order-fulfillment begins when the pre-manifesting system creates a label and cubes the order into one of the three box sizes. "HighJump Warehouse Advantage contains length, width, height and weight measurements for all of Creative Memories' thousands of items—from albums to sets of pens to small stickers," VanderMey said. As the order moves down the pick line, the HighJump containerization solution helps ensure all products are placed in cartons in the optimal order so no one has to rework the box as it is filled. Picking directly to the shipping box eliminates the step of a separate packing operation.

Creative Memories has designed three picking locations for each of its items. Forward pick locations for extremely fast-moving items

are situated by the conveyor pick line. Easily accessible bins and higher storage locations hold reserve product. HighJump Warehouse Advantage sends most orders to the pick-to-light area. In instances where the order calls for a full-case shipment, HighJump Warehouse Advantage directs staff to perform a radio frequency (RF) pick using handheld devices.

Orders designated for the pick-to-light area move along conveyors throughout the picking process and are automatically diverted to the appropriate pick area as indicated by the label. Workers follow directional cues from PCC's Lightning Pick® system to select the appropriate SKUs and quantities. This makes the picking process smooth, accurate and hassle-free for users on the floor. Once all items have been picked, each box passes over an inline scale that verifies its weight within tight tolerances. Mis-picked containers are diverted to quality control for inspection. HighJump Warehouse Advantage generates a printed shipment list to verify contents and then sends the data to SAP to confirm the final shipment.

Optimal Slotting for Fast-Moving Products:

Overall inventory management is critical for Creative Memories' high-volume facility. Creative Memories added the HighJump slotting solution to its initial system to maximize its use of warehouse space. The company uses this solution to re-slot inventory once each month. "It's important that fast-moving items are in the 'golden zone'—the easiest location for workers to reach—to promote both efficiency and safety," VanderMey said.

The HighJump system also manages the process of cycle counting to keep inventory accuracy high. "Depending on the item, it is counted either once per month, once per quarter, or once every six months," VanderMey said. "We never do physical inventories. Our auditors have confidence in the system."

Results

"We recently hit a record for units picked in one day," VanderMey said. "We picked 140,000 units versus our previous record of 120,000 units." Creative Memories has also seen measurable benefits from re-slotting its warehouse monthly. Before Slotting Advantage, the company picked between 45,000 and 50,000 lines/day. Now, it consistently picks 55,000 lines/day.

The company's shipping accuracy has reached over 99 percent. Creative Memories has been able to track this using Web-based reports that HighJump Warehouse Advantage generates as orders are completed. "We hardly have any returns due to mis-picks," VanderMey said.

Creative Memories is also completing an increasing number of internal configurations in-house. "We're benefiting from the ability to tweak the system as needed along the way," VanderMey said. "We would not have been able to accomplish this with some of the other systems we evaluated."

Future Plans

Creative Memories is considering additional roll-outs of its HighJump system internationally. "As we expand our business, we know the HighJump system will expand with us," VanderMey said.

