



M.S. Walker

Wine and Spirits Distributor Achieves Accurate, Efficient Fulfillment With HighJump Warehouse Advantage

Quick Facts: M.S. Walker

Solution: HighJump Warehouse Advantage

Advanced applications: Slotting, wave planning, label management

Facilities: Six

DCs: Somerville, Mass., Warren, R.I., Norwood, Mass.

Production Plants: Somerville

Automation integration: Conveyors, pick-to-light

ERP: Bev-Pak

SKUs: 12,000

M.S. Walker Company Profile

M.S. Walker, a wholesaler/distributor of wines, spirits and tobacco products, has continually expanded its business over 75 years. The company is now an industry leader in the Northeast and distributes a wide range of products to a network of retail stores, restaurants, hotels and other wholesalers across 29 states.

The strength of its 12,000-SKU wine and spirits portfolio—represented by such well-known brands as Kendall-Jackson®, Blackstone, Absolut® and Skyy®—has helped M.S. Walker develop an extensive brokerage network throughout New England as well as strong relationships with a range of commercial and smaller local suppliers for whom it acts as agent. Key to its leadership role in the wine and spirits industry is its commitment to superior customer service. This means processing orders quickly and accurately via its advanced distribution facility in Norwood, Mass.

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Challenge: Complex Fulfillment, Order Accuracy and Efficiency

M.S. Walker manages seasonal variations in volume as well as compliance for multiple distribution channels. The company has three main sales channels: on-premise (such as restaurants where alcohol is consumed), off-premise (package stores and markets), and interstate sales that involve a range of federal and state-specific requirements. Each channel has a different set of sales and logistics challenges, which complicates order fulfillment.

The company was struggling to meet the demands of these challenges by relying on an outdated warehouse management system (WMS). With the antiquated system, M.S. Walker experienced a 10-15 percent daily returns rate with no visibility into the causes. Because of this, costs were escalating. The old WMS was paper-based, written in Cobol and operated only on DOS PCs.



"In a paper-based system, you can't identify stoppages and bottlenecks, so you're unable to truly understand the cost to your business or how to fix the problems," said Scott Allen, general manager for M.S. Walker. "Our culture didn't really mesh with the old system. We had to replace it to be competitive and manage our business efficiently and accurately."

Solution

"We looked at options from nine WMS providers, but there were several factors that drove us to select HighJump Software," said Michael Saitow, CIO of M.S. Walker. "We are fundamentally a Microsoft shop, so the new WMS had to be SQL® Server-based and have a thin-client architecture. HighJump Software also had experience in the wine and spirits space with customer references to back it up."

"Throughout the RFP process, I learned a tremendous amount about warehouse best practices," Saitow said. "I decided early on that I wanted to simplify or eliminate the need for a warehouse control system (WCS) middleware layer. The flexibility of the HighJump system combined with the robust features available in SQL allowed us to almost completely eliminate the WCS from our warehouse complexity and cost."

Ease of maintenance and upgrades were also very important. "M.S. Walker has a unique IT strategy. We've created a new model of decentralized IT efficiency, where we embed the first and second levels of support in the department itself in the form of super-users. When there's a problem, super-users always know more and are able to detect it faster than IT staff—our philosophy is to teach them

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to fix it. Because of this, M.S. Walker does not have a dedicated IT staff. We needed a solution that worked within this paradigm."

"Altogether, the HighJump™ Warehouse Advantage system was the best fit with our IT infrastructure," Saitow added. "Then it became a matter of system definition. Business process re-engineering was where we saw the opportunity to increase productivity and leverage work hours. We went live with the HighJump WMS in our primary DC in Norwood following a quick implementation." M.S. Walker also implemented HighJump solutions for slotting and wave planning, and integrated its system with a label management application.

Results: Reduced Labor Expenses, Better Channel Management and Free Weekends

"We've had tremendous results. This is the first time in 18 years we haven't had to work weekends during our busy season," said Jeff Walsh, operations manager for M.S. Walker. "We've experienced a significant reduction in overtime through our busy season, and we no longer have to rely on temp workers. Processes that once took two or three days are now taking two to three hours."

"The increased pick/pack/ship accuracy has made a huge improvement in reverse logistics costs by reducing returns," Walsh added. "Before, if we delivered 8,000 to 12,000 cases per day, we'd have 200 to 400 cases come back. Now we might have days when only 20 cases return, a jump from 88 to 99.5 percent in operational efficiency." "It's all about visibility. We're tracking daily

operational efficiencies by shift, or by employee. As for overall order accuracy, we're running high 98 to low 99 percent. Typically, 1.5 percent of the daily returns are attributable to driver, sales-force or picker error," Saitow said. Now our system compiles reports based on each of those trends to look for reward or training opportunities."

Radio frequency (RF)-directed picking has also simplified some of the company's compliance issues relating to the interstate sales channel. M.S. Walker has improved customer service through increased accuracy and visibility, which has positively affected its ability to serve other distribution channels.

Future Plans

Saitow's next round of strategic goals includes using event management to push real-time business intelligence information through other M.S. Walker divisions, including the Somerville production facility and the sales team. Additionally, the company has begun using its slotting functionality to improve warehouse product flow. It is also looking to migrate the existing pick-to-light system to a voice pick system to further streamline picking activities through integration with HighJump Warehouse Advantage.

