

WEETABIX IMPROVES STOCK ACCURACY

And Operational Efficiency

OPERATIONS

Distribution centres: Burton Latimer, Northamptonshire

MANHATTAN SOLUTION

Warehouse Management for Open Systems



CHALLENGE

Automating two warehouses and managing the location of 40,000 pallets at 82 acre site.

SOLUTION

Standardising Weetabix's distribution operations on Manhattan Associates' global supply chain platform.

PROGRESS & RESULT

The software improved stock accuracy by location from less than 90% to 99.89% and improved operational efficiency.

"The warehouse management solution pinpoints the exact location of our 35,000 pallets. The software provides a more logical approach to warehouse management as it integrates tasks for the workforce and delivers improved accuracy and operational efficiency all round."

IAN WARNE, HEAD OF IT, WEETABIX

STANDARDIZED DISTRIBUTION OPERATIONS

for Weetabix

“We have seen a significant reduction in finished goods wastage as Manhattan’s software ensures that stock that is first in is the first out. We no longer have old stock sitting in ‘hidden locations’ or on the back of racking edging towards its expiration date.”

A STRUGGLING LEGACY SYSTEM

The Weetabix Food Company employs over 1,300 staff at its distribution centre in Burton Latimer, Northamptonshire. The 82 acre site holds over 35,000 pallets of stock and hundreds of SKUs. Although the team had visibility of the volume of pallets in the warehouse at any given time, they were unable to pinpoint their precise location with their legacy system.

Weetabix has seen steady growth and the increased sales volumes meant that the legacy system was struggling to cope. It was time for something more sophisticated, George Perry, head of supply chain at Weetabix explained. “It’s not simply a case of trying to find the right stock. We need a system that prevents short-cuts being taken and ensures that the right pallet ends up exactly where it is supposed to be, rather than ending up somewhere it’s difficult to locate. Our previous system enabled users to over-ride commands—Manhattan’s software doesn’t allow that to happen.”

Following an operational process review, it also became clear that the new system needed to allow the workforce to make a more logical approach to completing tasks. Bundling eight tasks in a specific area of the warehouse made much more sense than performing eight individual tasks in isolation despite them all taking place in the same aisle.

PHASED DEPLOYMENT

Weetabix invited ten supply chain software companies to tender and narrowed down the short list to three best of breed vendors. Manhattan proved to be best in class and presented the best implementation philosophy. The experience of Manhattan’s consultants meant that they were able to fully understand Weetabix’s requirements and the challenges they needed to overcome.

“It was a big decision for us and our approach to the project was cautious,” admitted Ian Warne, head of IT at Weetabix. “It was of paramount importance to us that our high customer service levels were uninterrupted and that the transition to the new system was seamless. On top of that, we needed to ensure that the software was intuitive and easy to use for the workforce, while having the right level of functionality for our needs.”

The team opted for a two-phased approach. The first step was to deploy the warehouse management system and ensure that it was up, running and meeting expectations. The second phase was to switch on added functionality, added Mr. Warne. “Manhattan’s software has simplified processes and enabled us to bundle tasks to take advantage of the location that the staff are in at any given time.

Rather than dropping off a pallet at location A, returning back to base to pick up the next instruction and then heading back off to location A to collect a pallet, the system gives us such a level of visibility that the two can be combined. Journey times have been reduced dramatically and the improvement to our operational efficiency has been significant. You never see an empty forklift in the warehouse.”

ACCURACY AND EFFICIENCY

The thorough preparation in terms of testing, training and due diligence meant that Weetabix was able to see benefits immediately. Since implementing Manhattan’s software, stock accuracy by location has improved dramatically to above 99.5%, which has exceeded the expectations of the team.

An unexpected benefit of the warehouse system was the improvement to the stock taking process. Previously this was a month long task with a dedicated team. Each location had to be visited and manually checked against a 200 page report. Manhattan’s system allows stock to be instantly verified, as every pallet is scanned in to its location. If the system highlights a discrepancy, an operative will be requested to visit the location and query it. This means that stock taking has become integrated with everyday tasks as a matter of course.

Weetabix has also been able to enforce a strict stock rotation policy, explains Mr. Perry. “We have seen a significant reduction in finished goods wastage as Manhattan’s software ensures that stock that is first in is the first out. We no longer have old stock sitting in ‘hidden locations’ or on the back of racking edging towards its expiration date.”

The increased levels of visibility offered by Manhattan’s software means that not only is the product easier to trace, but that the key events of its lifecycle are too, explained Mr. Perry. “If we receive a customer query we can quickly track back to see when the product was made, by whom, who picked it, and who shipped it. This level of electronic trail reduces paperwork and means in turn that issues can be resolved quickly.”

Mr. Warne concluded, “Implementing Manhattan’s software was a big step for Weetabix. The phased approach we took meant that the impact was minimal and we were able to give staff all the support they needed to familiarise themselves with the software. It has proved to be invaluable and we look forward to increasing our output at the warehouse and keeping in step with our customers’ demands.”

