



## COMPUTER 2000

“We’ve been really impressed with the improvements that we’ve been able to make within the new warehouse, but we’re always looking at ways to improve even further.”

Tony Tucker,  
*Operations Manager, Computer 2000*

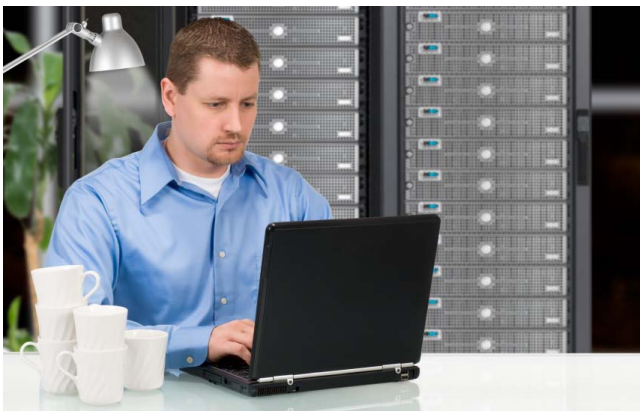
## The Customer

As part of the global Tech Data Corporation, Computer 2000 is one of the largest trade-only distributors of computer software, hardware, and services in Europe. Warehouse Management from RedPrairie was chosen by the company to manage its three distribution centres in the UK and Spain. In Britain, Computer 2000 operates 24 hours a day, serving over 9,000 customers from a purpose-built 500,000 sq ft distribution centre, which provides it with unrivalled stock holding and logistics capabilities. With one third of all orders taken electronically, Computer 2000 relies on its supply chain software to provide up to date pricing, availability, and ordering information for over 20,000 products.

## The Challenge

Computer 2000 had very specific goals in mind when they approached RedPrairie to manage their distribution centres.

- To support operational complexity within a diverse product range
- To improve accuracy
- To integrate with both automated equipment and the company's ERP solution
- To improve picking and shipping productivity



The implementation of Warehouse Management has enabled Computer 2000 to process almost twice as many lines per operator per hour as with the previous system.

## The Solution

Computer 2000 classes its product range into three groups, each of which needs to be handled in a different way. Bulk items are mainly large items of computer hardware and are stored on pallets in their own packaging. They tend to be fast moving, and to be ordered in large quantities. Repack goods are split into smaller cartons before being sent out, and can include cables, printer cartridges and sound cards. Finally, original pack items are those that do not require repacking. Within these categories, some high value items (such as digital cameras and memory chips) need special handling for security reasons, and standard Warehouse Management functionality ensures that they are quarantined from other inventory and tracked by serial number.

For any order made up of more than one item, Warehouse Management cubing functionality calculates the total volume and the number of boxes needed to pack it in the most efficient manner. The system can be configured to meet customer-specific requirements. For example, it can ensure that complete orders are packed into a single box for one customer and that orders are always delivered on pallets for another.

Accuracy levels are extremely important to Computer 2000's success. As customers place a third of the company's orders online, the WMS needs to feed real-time information back to the ordering system. Using Warehouse Management perpetual inventory functionality, the warehouse team is able to count all stock within the warehouse within a month's cycle. Unlike a traditional stock check, the perpetual inventory count does not interfere with the running of the warehouse, as it interleaves these tasks during the normal workload, but allows any errors to be immediately identified and rectified. Accurate control of inventory within the warehouse leads to high levels of order accuracy, improving customer satisfaction. This has enabled Computer 2000 to reduce product returns. It also means that when an order is placed before 7pm, the company knows in real time what product is available against its next

day delivery promise. Stock and location accuracy has improved by 40% since the implementation of Warehouse Management, and the warehouse is now running at 99.6% accuracy.

RedPrairie has considerable experience in interfacing to many types of systems and uses tools and processes that achieve this rapidly, while controlling cost and risk. The first required interface was to the company's automated inventory handling equipment. The facility is so large that time would be wasted if pickers had to walk to each storage location, so a CCS material handling system is used to move picks closer to the pickers. Warehouse Management sends details of each order to the conveyor and then ensures that the correct items are picked, packed and dispatched.

Until the late 1990s, Computer 2000 used a SAP-controlled warehousing system. The management team decided to upgrade using a best of breed WMS, which would interface with the SAP host, while controlling several million line items in a complex and fast moving supply chain. With its certified SAP interface, Warehouse Management fully met this requirement. Now, when an order is placed on the SAP host, the information is fed directly to the RedPrairie system, which executes it and confirms its status so that invoicing and other tasks can be completed.

The implementation of Warehouse Management has enabled Computer 2000 to process almost twice as many lines per operator per hour as with the previous system. The integration of the WMS and the conveyor system has put control of all activity in the warehouse under the direction of Warehouse Management, which prioritises work as necessary. Next day dispatch items are given highest priority, but the system also works to carrier cut off times, so that items being sent to the furthest point can be picked first. Computer 2000 works with a range of carriers, reflecting the differing nature of the goods being delivered. Warehouse Management directs the material handling system to deliver items to one of 22 dispatch chutes, depending on carrier and order priority.

### The Results

Warehouse Management has helped Computer 2000 improve accuracy, as well as picking and shipping productivity in its distribution centres.

#### Key Benefits include:

- 40% improvement in stock and location accuracy
- 99.6% accuracy rate

#### For more information

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