



Supply Chain Visionaries

Led by Pro to Know of the Year Keith Nash, these men and women have what it takes to get the job done

By Editorial Staff, Supply & Demand Chain Executive

Supply chain is in constant flux. It twists and turns, and evolves seemingly on a daily basis. To keep up with that movement takes thought, vision and action. End-users and consumers demand on-time service or they'll go elsewhere. It takes an efficient supply chain to meet those demands. Each year, the staff of *Supply & Demand Chain Executive* sifts through hundreds of entries to find the best and brightest in supply chain: The Supply & Demand Chain Executive Pros to Know.

Once those executives are selected, the job gets even tougher as we must anoint our Pro to Know of the Year. The committee first narrowed the field to four exceptional supply chain practitioners, then, at last, we named our winner: **Keith Nash**, Vice President of Supply Chain Logistics for Lennox Residential Heating and Cooling.

Lennox Industries provides climate control products for residential and commercial heating, ventilation, air conditioning (HVAC) and refrigeration markets around the world. The company's customers are dealers who work directly with the end-user consumers and install units in their homes. These dealers want to be able to visit their clients' homes after typical nine-to-five work

hours and still guarantee next-day installation. "Lennox is seeing more orders placed later in the day with the same expectation for next-day delivery," Nash says. "Order cut-off times, which used to be around 3 p.m., now are received as late as 10 p.m. and deliveries are scheduled for as early as 6 a.m. the next morning." Meeting these decreasing cycle times and increased service levels at a lower cost and working capital is the biggest supply chain challenge that Lennox currently faces.

Lennox used Manhattan Associates' Warehouse Management System (WMS) and Transportation Management System (TMS) to manage the added complexity that came from that move, which necessitated going from one shipping location to 51, as well as fielding inbound orders from more than 160 internal locations and more than 7,000 external delivery locations.

One solution that Nash and his team developed was moving from a national stocking design based on two large warehouses and 65 stores to a hub-and-spoke network with eight regional distribution centers, 20 local distribution centers and 160 stores

(with plans to reach 215) of which 51 are shipping locations. Lennox used Manhattan Associates' Warehouse Management System (WMS) and Transportation Management System (TMS) to manage the added complexity that came from that move, which necessitated going from one shipping location to 51, as well as fielding inbound orders from more than 160 internal locations and more than 7,000 external delivery locations. The WMS and TMS software manages that complexity

seamlessly, replacing the need for an additional 200 plus workers.

Under Nash's Supply Chain Leadership Management team—Gary Bedard, Corey Larsen, Tim Wismer, Rich Wroclawski, Mark Johnson, Ross Angell, John Ernat, Kathryn Manders, Keith Barnes, John Beckett, Karen Schuller, Von Reynolds

and Laura Dahlberg—the move to this hub-and-spoke network enabled Lennox to be geographically closer to its customers, which helps the company cater to shorter order cycles. After implementing Manhattan's WMS, Lennox saw warehouse



Pro to Know of the Year Keith Nash watches HVAC units move around a Lennox warehouse. (Photo courtesy of Lennox Industries)

productivity increase by 24.5 percent. Logistics as a percent of sales decreased 19.6 percent. In the year to come, Nash and his team will be working with Manhattan Associates to implement customer self-service options as well, which will facilitate order placement and tracking, and be available on mobile devices. Self-service options will put more power and control in the hands of Lennox's customers and will streamline processes.

Under Nash's leadership, Lennox also began investing heavily in

employee education, requiring 40 hours of training for non-managers and 60 hours of training for managers. Courses focus on general management and supply chain education. Internal education funding didn't exist before Nash joined Lennox in 2010, but since then, he helped carve out a six-figure employee education budget. This program is integral in preparing employees to

execute the safest, most effective supply chain operations possible, as well as better meet the demands and tight timeframes of their customers.

Nash also says he shares this honor with Lennox's Supply Chain Distribution Operations Leadership Team: Bud Price, Tom Wainwright, Clif Turner, Mike Gleason and Derek Barnhill.

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