

# NORAUTO REVS UP SUPPLY CHAIN PERFORMANCE

With Manhattan Associates

## OPERATIONS

Headquarters: Sainghin en Melantois, France  
Distribution centres: 5

## MANHATTAN SOLUTIONS

Warehouse Management,  
Slotting Optimisation



## CHALLENGE

Norauto's expensive and inefficient proprietary warehouse system had become obsolete.

## SOLUTION

Manhattan's Warehouse Management and Slotting Optimisation provide desired functionality and integrate seamlessly with Norauto's ERP.

## PROGRESS & RESULT

Norauto reduces errors 75%, improves productivity, optimises inventory levels and rationalises picking process with Manhattan solutions.

"With its advanced execution and optimisation capabilities, as well as its ability to integrate seamlessly with our SAP ERP system, Manhattan's Warehouse Management enabled us to improve productivity in our warehouses as well as the efficiency of our supply chain."

LAURENT HOUVENAGHEL, SUPPLY CHAIN PROJECTS, DIRECTOR NORAUTO

# GREATER PRODUCTIVITY AND EFFICIENCY

at Norauto

## OBSOLETE SYSTEM FAILS TO KEEP PACE WITH CAR CENTRE COMPANY'S GROWTH

In 1970 the first Norauto centre opened in Englos, near Lille. Now firmly established as one of the leading international companies in the European car maintenance and equipment market, Norauto has experienced tremendous growth. The company currently boasts operations in eight countries across Europe and South America. The acquisitions of Midas, Auto5 and Maxauto, and the launch of discount operator Carter Cash doubled the company's revenues and tripled the number of outlets in its store portfolio.

To ensure a continuous supply of goods to more than 350 automotive stores across its core Western European and South American markets, the company relies on three warehouses in France, one in Spain and one in Poland.

To support company growth and to replace an obsolete system, Norauto decided to embark on a business re-engineering project that would completely redesign its operational processes and IT infrastructure. The project included the following key objectives:

- Improve operational productivity, especially in the area of logistics
- Comply with the tracking standards of the automotive sector
- Improve order accuracy in the fulfilment process to 99.9%
- Implement a proven, reliable and up-gradable supply chain execution system

## MANHATTAN'S FUNCTIONALITY AND RELIABILITY IMPRESSES NORAUTO

The initial phase of the project centred upon the replacement of Norauto's proprietary system—a system that had simply become too expensive to maintain. Following a thorough investigation into the solutions available on the market, Norauto selected Manhattan Associates' Warehouse Management solution.

"We were highly impressed with the depth and scope of functionality built into Manhattan Associates' solution, particularly the way it had been adapted to meet the complex requirements of our industry. Specifically, we were confident it could handle the volume and diversity of our product range, and at the same time provide us with a solution that could reliably service a complex mix of supply and distribution channels," explains Laurent Houvenaghel, supply chain projects director at Norauto.

**"Complemented by Vocollect's voice recognition solution, the new system has also allowed us to improve our order preparation accuracy rate to 99.9%, which exceeds the quality levels specified by the automotive sector."**

## MANHATTAN SOLUTIONS IMPLEMENTED WITHIN EIGHT MONTHS

Deployed initially at the 13,000m<sup>2</sup> Lesquin warehouse in northern France, Manhattan's Warehouse Management solution operates on the IBM system p platform. The solution provided Norauto with the ability to manage the flow of goods across the supply chain from the point-of-source to the point-of-consumption.

Warehouse Management seamlessly integrated with Norauto's ERP system from SAP, which allowed Norauto to easily exchange data between its front-end supply chain execution applications and its back-office enterprise system on aspects of its operation such as supplier orders received, picking requests completed, stock levels and orders fulfilled.

Manhattan's solution was complemented by Vocollect's voice recognition technology. Already interfaced with Manhattan's Warehouse Management solution, the combined technologies offered efficiencies specific to Norauto's picking operations.

Norauto fully deployed Manhattan's Warehouse Management solution at the Lesquin warehouse and completed the interface with SAP within eight months.



## **NORAUTO IMPROVES PRODUCTIVITY, RATIONALISES PICKING PROCESS AND REDUCES ERRORS 75%**

The new system significantly enhanced Norauto's fulfilment operation, allowing the car maintenance and equipment specialist to achieve its objectives. Manhattan's Warehouse Management solution combined with voice-recognition technology from Vocollect enabled Norauto to substantially improve the productivity of its distribution facility, allowing the operation to rapidly ramp up its fulfilment capability to 60,000 orders per week. In parallel, the solution allowed Norauto to eliminate a significant amount of warehouse administration, optimise inventory levels, streamline inbound goods processing and rationalise the picking process for order preparation.

Order preparation and tracking improved progressively over the first four months of the project. At the end of the period, the 150 stores served by the Lesquin warehouse reported a 75% reduction in error rates, allowing Norauto to reach an order fulfilment accuracy level of 99.9%.

Prior to implementation 70% of the stores managed the tracking of inbound orders themselves. A year later, only 30% of the stores tracked their own orders, demonstrating improved confidence in the distribution centre to prepare orders accurately the first time and proving that the benefits generated by the new system extended well beyond the four walls of the warehouse.

Norauto also implemented Manhattan Associates' Slotting Optimisation solution at the Lesquin warehouse. The solution's functionality allowed Norauto to improve distribution centre velocity by determining the most beneficial and ergonomically correct placement of goods in the facility. Norauto subsequently implemented Manhattan's Warehouse Management solution in its other distribution centres.

