



CASE STUDY

Embracing Innovation

United Facilities Leverages JDA Warehouse Management to Maximize Its Customers' Business Performance

OBJECTIVE

Enhance its warehouse management processes so it could provide better service and greater savings for its customers.

SOLUTIONS

- JDA® Warehouse Management
- JDA® Warehouse Labor Management

SERVICES

- JDA Cloud Services
- JDA Support Services

REAL RESULTS

- Realized 12 percent savings for customers by transitioning to a variable rate structure
- Increased visibility of shipments, providing users with real-time updates, through online portal
- Reduced detention charges by as much as 60 percent
- Increased trailer availability during high volume periods to 90 percent or higher
- Saved 40 minutes per order using parallel allocation and picking
- Reduced overtime costs by 21 percent due to labor performance improvements

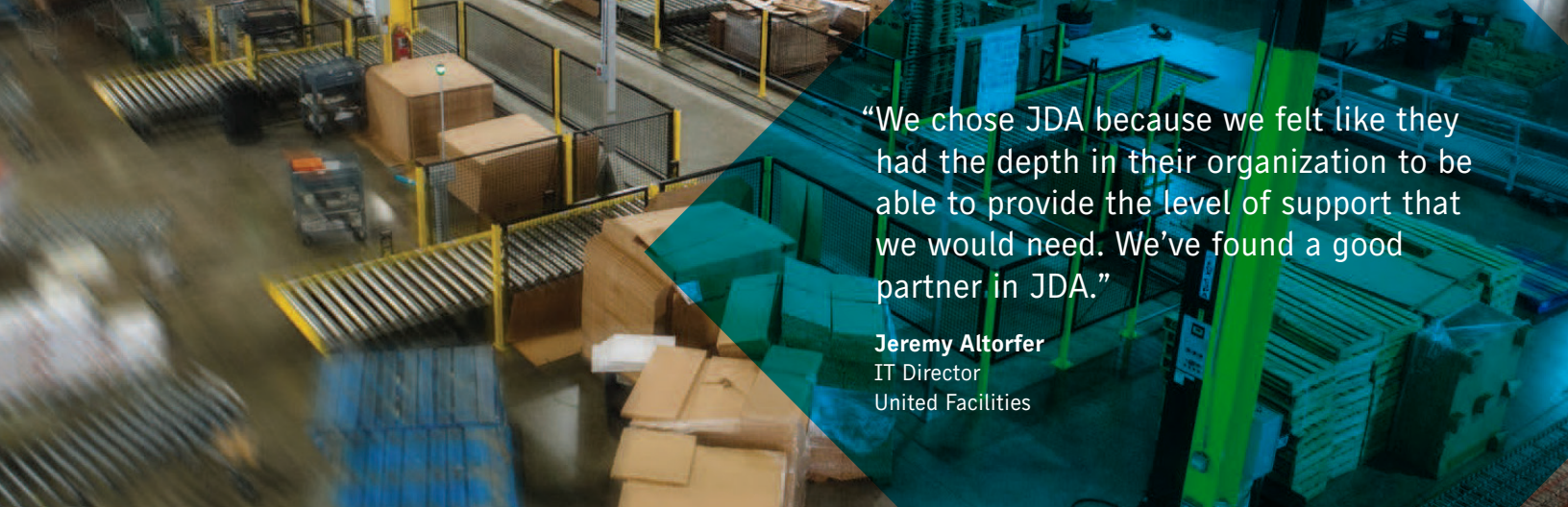
United Facilities is a third-party logistics (3PL) provider that offers a range of public and contract warehousing, fulfillment, packaging and logistics services to clients in the consumer goods and automotive sectors. In the past 60 years, United Facilities has expanded from a 125,000 square-foot building to more than 5 million square feet, with operations in 11 cities in the U.S.

When one of its customer's legacy warehousing systems was becoming too expensive to maintain, United Facilities turned to JDA Software. The company evaluated a number of providers, ultimately implementing JDA Warehouse Management and JDA Warehouse Labor Management, from JDA Software's Intelligent Fulfillment™ suite, via the JDA Cloud.

"It's our goal to serve our customers with the absolute highest level of service and uptime, at the lowest costs possible. We chose JDA because we felt like they had the depth in their organization to be able to provide the level of support that we would need," said Jeremy Altorfer, IT director, United Facilities. "We didn't have the capability to host our own cloud. All of our previous systems were hosted on-site, and we wanted a provider that was experienced with cloud hosting. We've found a good partner in JDA."

New Processes Yield Substantial Results

Leveraging the JDA solutions, United Facilities has introduced a number of new processes over the years that have reduced costs and increased productivity within its operations. "We had started to see an increase in fractured ordering, where we ship to customers who place the same orders multiple times a day," said Altorfer. "We worked with JDA to develop a new allocation strategy that enables us to pick these orders more efficiently. If the guys on the forklift can visit a bay one time to pull product for all five orders that we're going to receive throughout the day, then that's going to be more efficient than having to visit each of those bays five times as part of the normal allocation process."



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Jeremy Altorfer
IT Director
United Facilities

Today, the company leverages this parallel allocation and picking strategy to process thousands of complex orders per year, generating time savings of 40 minutes per order. This approach to innovation has been replicated in other areas of the 3PL’s business, such as packaging. A few years ago, one of its customers for which it handles a large amount of packaging approached United Facilities with an ambitious goal: to realize 5 percent savings in the current year, 7 percent the next, and continue to build on the savings with each successive year.

“It seemed difficult to promise those types of savings in an environment where the labor market was getting more expensive, and the number of shipments for packaging was increasing,” said Altorfer. “We ended up completely redesigning our rate structure using JDA’s solution, and as a result, we delivered a 12 percent savings to the customer in the first year.”

Increasing Visibility and Collaboration

United Facilities has also been able to increase inventory visibility for its customers through the creation of an online portal. The portal retrieves data directly out of the JDA solution database, enabling authenticated users to access real-time updates on any order at any given time. By giving its transportation network real-time visibility into its shipments, United Facilities has eliminated a lot of email and phone call communications. It has also improved trailer availability during high volume periods to 90 percent or higher.

“The online portal gives us one place to pull good, solid information that’s indisputable. This allows us to be able to nail down exactly when trailers are unloaded and exactly when trailers are loaded,” said Altorfer. “As a result, we’ve been able to reduce detention charges by as much as 60 percent.”

United Facilities also uses JDA Warehouse Labor Management, which has enabled the company to define and document standard performance expectations and then measure, track and report the performance of employees, departments and facilities. The company leverages the solution to decrease labor costs, increase productivity and improve visibility into current workload and down time. As a result, the company has optimized its labor performance, reducing overtime costs by 21 percent.

Over the course of its relationship with JDA, United Facilities has collaborated with JDA Services and other companies using these solutions to identify new ways of driving innovation in its business. “When we decide that we want to change our processes, we start asking questions. The JDA team will say, ‘Have you tried this? Have you set it up this way?’ That’s helped us be more flexible with how we’re using the system,” said Altorfer. “We’ve also been able to network with other companies using JDA’s solutions. Having the flexibility to innovate has been a key driver to our success.”

jda.com info@jda.com