



STEINHAFELS FURNITURE

“Our existing provider was not able to offer the warehouse functionality we needed to improve our business. With the expected increase in inventory volume, a best-of-breed WMS was needed to take us to the next level.”

Ellen Steinhafel,
Chief Financial Officer, Steinhafels

The Customer

The unique distribution requirements that face furniture retailers become even more complicated when the business is growing as rapidly as Steinhafels Furniture of Pewaukee, Wisconsin. The largest furniture retailer in Wisconsin, Steinhafels remains a family owned operation, yet tripled revenues in just eight years. This rapid expansion drove Steinhafels to build a new 420,000 square foot distribution center, corporate office, and showroom. Steinhafels conducted an extensive search to find a warehouse management system (WMS) provider that shared in Steinhafels' vision for future growth and understood the unique requirements facing furniture retailers.

The Challenge

RedPrairie's Warehouse Management Supports Strong Growth and Improves Productivity in Furniture Retailer's Distribution Center. Furniture retailers face complex operational challenges not often seen in other distribution networks, such as a high probability of product returns to distribution centers, varying quality levels for identical products, time-consuming product assembly requirements, and rigorous quality standards for easily damaged products. RedPrairie's Warehouse Management/HF solution, designed specifically for the furniture industry, has improved inventory visibility and accuracy, raised productivity and helped Steinhafels Furniture better manage returns processing.



Continually improving and exceeding the expectations of their valued customers have sustained Steinhafels growth and great reputation.

Inventory Accuracy

The need to improve inventory accuracy is often a driving factor in deciding to implement a WMS. Steinhafels previously used GERS/Escalate radio frequency (RF) module that required the use of two scanners and did not include check-string functionality, a process that assigns random numbers to locations guaranteeing that the user is putting product away in the correct location.

Complicated Returns

Selecting furniture is a highly personal endeavor. Items customers purchased in the showroom may not match their décor as well as they envisioned once it is delivered. And sometimes they simply change their minds. Thus, the ability to manage customer returns cost effectively was an important consideration for Steinhafels in selecting a WMS provider.

"What you don't want to happen is to mix new furniture with floor models. The distressed piece will be returned to the warehouse. It is important for us to have the ability to clearance that piece of furniture without the fear of inadvertently distributing that piece to another customer who paid full price for the product," said Steinhafel.

Productivity Tracking

Prior to implementing Warehouse Management, Steinhafels knew little about its employees' productivity. "One of the big selling points for RedPrairie was the ability to measure employee performance. Lacking a computer system that could measure performance, we were unable to uncover the areas that offered the most room for improvement," said Steinhafel.

"We tried to develop employee performance reports with the old system, but were unable to do so with any real accuracy. We wanted to link employee productivity with a shared gain, but without accurate information, we could not move forward."

The Solution

RedPrairie's Warehouse Management now runs Steinhafels expanded distribution operation and manages all aspects of distribution from the second a product is received until it is safely tucked away in the customer's home. Warehouse Management tracks highly detailed product information, including whether the product is in or out of carton, a floor piece, damaged, or improved through value added services.

By utilizing check-string functionality and disciplined operational methods, Steinhafels dramatically improved its inventory accuracy according to Steinhafel. "It is now virtually impossible to pull the wrong product because Warehouse Management/HF has built-in processes that ensure accuracy every time a product is touched in the warehouse."

Warehouse Management met Steinhafels' returns challenge by linking a specific piece of furniture with a specific customer. "If a product is sent back to us because the color wasn't right or the customer didn't like the grain, we can now ensure that piece won't ever be sent back to that customer," commented Steinhafel.

Warehouse Management solved Steinhafels' productivity tracking challenges by efficiently assigning tasks, allowing users to work across department lines through its task interleaving functionality, and tracking each task to allow for customized reporting.

With Warehouse Management, Steinhafels has real-time feedback on employees' work habits. System generated reports give management a real-time view of workers activities and serve as a tool for improving employee performance and evaluating processes to reduce inefficiencies within the distribution center. Thanks to the visibility gained through implementing Warehouse Management, Steinhafels is able to effectively reward highly productive employees with higher wages.

Why RedPrairie?

"We did due diligence in selecting a partner for our WMS implementation. We did a complete RFP, toured six furniture companies, and looked at the different functionalities of various WMS products, and RedPrairie was the clear solution for the furniture industry," commented Steinhafel. "Their support staff, management, and programmers have been fantastic and very responsive. I can't say enough about their customer service. They're genuinely interested in making sure their customers are satisfied."

For more information

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