

# CASE STUDY: STEPHEN JOSEPH, INC.

Easy Integration With Sage 300 And Direct Links To Auxiliary KPI And Shipping Modules Create The Ideal Tech Environment For Streamlined Operations



## COMPANY PROFILE

Since 1981, Stephen Joseph has been dedicated to creating fun and unique gifts.

Alexandra "Alix" Buckley started making fabric frames to earn a extra Christmas money. In the next year, Alix launched Alexandra & Company, the first division of Stephen Joseph.

Today, the company has grown to over 125 people, and the garage where it all started has turned into a 90,000+ square-foot facility.

## STEPHEN JOSEPH, INC.

In 1981, a third grade teacher in Lubbock, Texas decided to earn some extra Christmas money by designing, making and selling fabric picture frames. The frames proved popular and by the following Yule season Alexandra (Alix) Buckley had left the teaching profession. With husband Steve, Alix began operating Alexandra and Company out of the couple's garage.

That initial effort has since become an international operation, still headquartered in Lubbock but now occupying some 80- 90,000 square feet of office, warehouse, and creative space in multiple buildings. Alexandra and Company is now just one of four divisions comprising the couple's larger enterprise, Stephen Joseph, Inc. The division still sells picture frames but it also markets an assortment of products ranging from clipboards and sticky notes to towels and travel mugs intended to appeal to college coeds, the sorority set.

Named for Alix' husband, the umbrella firm – which is also an operating division – focuses on gifts and spunky utilitarian items such as rain gear, backpacks, lunch boxes, and wallets for the six-to-eight-year-old age group. The Kid Tees by Stephen Joseph division is self-descriptive; Karma by Stephen Joseph, the newest division, devotes itself to finding and marketing trendy apparel, accessory, and lifestyle items with "...global flair and Boho attitude."



SUPPLY CHAIN NETWORK SOLUTIONS

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– Preston Madden  
Operations Manager

In 2012, the company added flair to its warehouse and distribution activities by going live with a suite of logistics management software comprised of the HighJump Warehouse Management System (WMS), HighJump Small Parcel and LTL Shipping software, and HighJump Operational Insights and Reporting, a web-based key performance indicator (KPI) and business intelligence utility.

### STRATEGY AND SOURCING

Stephen Joseph's in-house design team creates the company's products, with production contracted primarily to sources in China. It normally receives 60-70 pallets of merchandise each week; usually full truckloads shipped F.O.B. from China in containers, with the shipper advising the company via email.

The company distributes through domestic and international wholesalers, which in turn serve some 7,000 retail outlets across North America, Europe, several South American countries, parts of Asia, and Australia. It also maintains a lively web presence.

Stephen Joseph's products are not necessity items, notes Operations Manager Preston Madden, so the company's primary challenge is to stay strong in a tentative economy, to be aggressive in sales, and to deliver excellent service.

“We have competitors, but we dominate our niche,” says Madden, who emphasizes that while product lines can be similar, the Stephen Joseph product development team's offerings are well out in front with their bright colors and intricate designs.

### TIME FOR CHANGE

For much of its corporate life, Stephen Joseph's internal business activities have been manual; with warehouse activities executed and documented on paper forms. As the company continued to grow, management purchased a Sage 300, formerly Sage AccPac, ERP solution to manage its business activities. Though the company was experiencing change in certain areas, processes in the warehouse remained essentially the same.

Over time, productivity began to lag, with workers spending too much valuable time locating available and logical spaces to store arriving merchandise. Order pickers similarly cruised warehouse aisles to locate the items lined out on their paper pick slips – as many as 80-100 line items per order. Completed orders were taken to an often-distant shipping station, where two workers completed the packing and sealing process, manually generating the shipping labels and arranging the cartons on the dock for pick-up by the respective carriers.

“The processes were really old-school,” Madden says. “The old warehouse didn't have flow racks and there were no regimented picking procedures. Workers would get a picking slip, go pick what they were supposed to pick, write down what they'd picked and take it to a station where a couple people would check what had been picked. Then they would take it to packers where the boxes would be sealed and taken to the shipping station.”

### ALWAYS HIGHJUMP ...

Things changed for Steven Joseph's warehouse in 2012. Management was ready; the company had experienced substantial growth over several years and the issues could no longer be ignored. The obvious choice was to automate warehouse procedures.

The project team considered several warehouse management solutions, but early on concluded that the HighJump WMS and its associated HighJump Operational Insights and Reporting and HighJump Small Parcel and LTL Shipping modules would provide the integrated data environment needed to manage the Stephen Joseph operations. Corporate management green-lighted the purchase in late April of 2012 and HighJump

assigned the project to implementation partner WMSI, Inc., who completed the project just two months later, including live testing of the system and training of personnel.

Implementation of the new WMS required a total change in warehouse layout, including the designation of each warehouse location by an eight-digit identifier that defined the site, the specific warehouse and the aisle, bay, bin, row of uprights and position on the row. The physical warehouse geography is replicated abstractly in the HighJump WMS to support directed error-free putaway and picking via handheld wireless devices.

"Particularly enticing about the HighJump solution was its integration with Sage 300 and the cleanliness of that integration," Madden says. "It didn't require much customization, where most of the other solutions we considered did. It was almost always HighJump because of that integration."

### Stephen Joseph's HighJump Solution

In acquiring warehouse software, management wanted as much automation as possible. The integrated solution now in place automates inventory receipt and management, shipment preparation and dispatch, collectively generating near real-time snapshots of warehouse and shipping operation data.

The HighJump WMS streamlines warehouse operations and inventory management through the use of automated, paper-free processes and radio frequency (RF) communications. With these technologies it tracks stock into, out of, and within the warehouses, maintaining the data in an associated Oracle database. It facilitates receiving up to full containers and coordinates the breakdown and putaway activities. For picking and shipping, it facilitates order receipt and fulfillment through paper pick tickets or wireless RF terminals, customer compliant label generation, and real-time integration back to the ERP software.

HighJump Small Parcel and LTL Shipping, the WMS' companion shipping module integrates directly with the warehouse software and/or the ERP system to perform a variety of critical functions and requirements: controlling costs, improving shipment reliability, concise tracking, and maintaining key performance metrics. Browser-based, HighJump Small Parcel and LTL Shipping features a multi-carrier rating engine that easily determines the optimum selection for each shipment individually, with a graphical, browser-based user interface that makes it easy rate-shop, ship and track merchandise.

HighJump Operational Insights and Reporting is a web-based tool that incorporates a Key Performance Indicator Library along with a mechanism for pulling and displaying KPI data. It features a flexible graphical display that presents the information in user-selectable text or graphical representations

on any timetable users require, whether a floor supervisor looking for near real-time performance statistics, a financial manager that may need only a monthly update, or a customer or carrier requiring a delivery status update. Display formats are user selectable and customizable, and include charts (pie, bar, line), grids, reports and gauges, depending on the user's preferences.

### WORKFLOW

On arrival in Los Angeles, merchandise is cleared through customs by a freight forwarder, who arranges for line haul transportation from the port to Lubbock, notifying the company that the shipment has been dispatched and sending the Bill of Lading (BOL). With the BOL in hand, warehouse personnel analyze the arriving contents and prepare for their arrival so that when the container hits the dock, all that remains is to unload it and put away the goods.

All warehouse activities, starting with putaway, are directed by the HighJump software, often following preferences of key accounts such as Nordstrom and TJ Maxx, who may require their own tagging preferences, types of packing, carton breakdown and repacking and so on -- all of which is specified at the time of their order.

The HighJump WMS organizes and coordinates all warehouse activities, from receiving to order assembly and fulfillment, via the handhelds. Pickers also carry wireless printers on their carts, enabling them to generate customer compliant labels so that on completion of the pick, its carton is ready to be sealed and shipped. Meanwhile the handhelds also provide real-time data to the Sage 300 ERP software for billing and reporting.

Inbound merchandise arrives already barcoded, a major change enabled by the HighJump WMS which speeds and simplifies not only the receiving process, but also all of the ensuing activities.





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Madden says, "The HighJump WMS makes life much easier on our end because when we open a container, our warehouse staff can take the merchandise directly to an assigned inventory location. The HighJump system will always know precisely where it is located. Before, we didn't need pre-shipment barcoding because our processes were all manual and the merchandise would simply be put away on a space available basis."

Inbound orders arrive constantly by phone, internet, fax and mail and are entered immediately into the Sage 300 system, which downloads them to the HighJump software. The HighJump WMS waves the orders by ship date or other criteria via its web dispatch feature, placing them in an order picking bin. Pickers retrieve the orders individually and pick them to cartons, guiding their carts through the aisles, usually following HighJump-optimized routes to select the items.

As the orders are filled, wireless printers carried on the carts generate the necessary labels and documentation, with the cartons then moving directly to shipping. Pickers now ship with their handhelds as soon as they're finished with an order.

### HIGHJUMP SMALL PARCEL AND LTL SHIPPING DELIVERS

Once orders are assembled, they immediately enter the automated HighJump Small Parcel and LTL Shipping environment. The previous methodology involved two persons staffing a metering station, weighing, metering and performing a series of manual operations, right at their carts; but this module has changed all of that.

The product weights and carton dimensions are all in the WMS software, which in turn gets it from Sage 300. When a picker completes an order, he/she selects the "Carton Shipping" function on the handheld device, linking it to the HighJump WMS. The module then rates the shipment based on its actual weight and dimensions. Selecting the "Ship" function on the handheld causes the information to feed into the on-board printer, which generates a UPS label. The completed shipment is then placed on a pallet to await the UPS truck.

"The process is immensely faster," Madden notes. "When we began looking into warehouse management software, we decided to adopt as much automation as possible," he says. "It was a no-brainer that if we were going to automate our warehouse, we might as well automate our shipping processes as well."

### TAKING PULSE

Warehouse management involves a constantly moving collection of details that often defies pencil/paper tracking. With the HighJump WMS now driving Stephen Joseph's warehouse processes to unprecedented levels of productivity and service, the company turned to HighJump Operational Insights and Reporting to monitor and interpret those details and present them in an easily understandable form.

The module provides accurate, timely and consistent performance reporting, measuring such factors as units picked, units picked per user, lines picked, orders picked, picking time per order, and extending to broader management considerations such as dollar value of merchandise shipped per day, shipping costs and shipment costs per order.

"Before, we had all of this information on paper, but you could sit for hours at the end of the day to find the specific details that you needed," Madden says. "Pulse lays it out for

## FEATURES/BENEFITS

- Easy integration with Sage 300
- Wireless directed putaway
- Wireless directed picking
- Ad hoc performance snapshots via HighJump Operational Insights and Reporting
- Integrated shipping via HighJump Small Parcel and LTL Shipping
- Picker-directed wireless shipping orders
- Dramatic personnel reduction
- Automated process, order tracking
- Near doubling in worker productivity
- Expedited implementation via partner WMSI, Inc.
- Minimal warehouse personnel training
- Overtime cut to zero

## ABOUT HIGHJUMP

In almost every industry, buyers are becoming more fickle, and more demanding. For logistics executives, effectively meeting buyer needs has become a relentless quest for speed and agility. Traditional supply chain solutions – siloed, complex and hard-to-implement – no longer suffice, as competitors find ways to deliver goods faster and more profitably.

In this “now” economy, HighJump helps you stay agile, with adaptable, connected solutions that harness the power of your trading partner community. From the warehouse to the storefront, from the desktop to the driver’s cab, we can help you achieve new levels of supply chain responsiveness, performance and profitability.

HighJump’s suite of warehouse management, business integration, transportation management, and retail/DSD solutions form a complete, powerful and adaptable platform that allow you to drive growth, customer satisfaction and revenue. **HighJump: supply chain accelerated.**

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you both specifically and as part of a trend. You can get the information as columns of numbers, or visually, in the form of charts and graphs. I’m a data guy, so I prefer to see it in columns and numbers. Others like to see things more visually and it’s very easy to provide the information in whatever form they want.”

“Prior to implementing HighJump Operational Insights and Reporting, it was “difficult-to-impossible” to get a true picture of what was going on in the warehouse,” he adds, noting that needed information is now available almost instantly. “The module can provide a snapshot of any facet of overall performance at any time. It is an extremely valuable management tool,” he says.

Obtained primarily for use in managing warehouse operations, HighJump Operational Insights and Reporting continues to win favor in other managerial sectors, where it is seen as a useful resource in simplifying various analytical tasks.

## RESULTS

The company has already begun acquiring important year-over-year statistics that illustrate the HighJump system’s impact. In one recent payroll period, for example, an eight-person labor force clocked a total of 562 man-hours. In the corresponding payroll period a year earlier, a 16-member workforce -- operating without the HighJump-imposed disciplines -- required a total of 1,031 hours to attain a similar productivity level. Moreover, under HighJump, warehouse operations logged zero overtime, versus “a lot” in the prior year.

Gains in productivity are similarly pronounced: on one recent day, the warehouse shipped \$185,000.00 worth of merchandise. The previous one-day high was \$115,000.00.

Management looks forward to the next busy season – July, August, and September. Normally, Stephen Joseph, Inc. ships 200-300 cartons per day but during the busy season, when retailers order their holiday stock, the number soars to 500-600. The company expects the HighJump system to support the surge handily.

“We’ve experienced immense efficiency gains,” Madden says. “Before, we were never in a position where we got every order out every day. Now, we never carry orders over to next day, despite operating with a smaller warehouse staff.”

## THE HIGHJUMP TEAM IS HERE TO HELP!

If you have any questions regarding HighJump or how our products can improve your business, our passionate team is here for you.

**Call us today at 800.328.3271. or email [info@highjump.com](mailto:info@highjump.com)**

