

McCombs Supply Company Inc.

*From 150 Packages-a-Day to 150 Packages-an-Hour:
Descartes ShipRush Supports Expansive Ecommerce Growth*

As McCombs Supply Co. grew from a small TV repair business in 1953 to a thriving online replacement repair parts business, increasing order volumes were causing a shipping bottleneck and hindering growth. The company replaced its inefficient and time-consuming manual shipping practices with the Descartes ShipRush solution. By streamlining and automating order processing, McCombs was able to dramatically increase productivity, improve customer service, and successfully expand.

Challenge: Adapting to Rapidly Increasing Shipping Volumes

Being nimble and adapting to take advantage of new opportunities is a big reason that three generations have successfully run McCombs Supply. "Over the years, our company went from being a small 'Mom and Pop' business pioneering in the new, growing TV market, to a successful online retailer selling appliance parts to contractors, service technicians, housing developers, large institutions and the do-it-yourself folks," says third-generation business owner, Ken McCombs, III. Or, as he is known by employees, K3 for short.

McCombs Supply started in 1953 as a side business for Ken Sr. and Doris McCombs selling and repairing televisions. "Back then, Grandma ran the business, doing everything, including loading and unloading the trucks. Grandpa McCombs helped but also worked at Alcoa Aluminum and as the local high school's shop teacher," Ken recalls. By the 1960s and 70s, McCombs Supply had become a thriving full-time business for the family. Ken McCombs Jr. had become a full-time electrician and an authorized GE dealer.

According to Ken, his father's GE authorization and knowledge of repairs really helped the family's business take off. Both father and son now sell a wide variety of products to help with home installation and repairs for the kitchen, bath, commercial cooking, furnaces, air conditioners, and more. As a Lancaster-PA based company, McCombs is also a major supplier to the Amish community, offering the commercial refrigeration and propane-based appliances needed to run their dairies and other agricultural businesses.

When online sales began to grow in the early 2000s, Ken saw another big opportunity for his company. Becoming an online merchant has been the next giant leap in McCombs' success.

"At first we sold parts on our own website and a few other sites. We would download orders and process them by hand using pieced together shipping solutions. We'd often have to re-key information to generate labels and duplicate information in a separate customer database," says Ken. "This was very inefficient and time-consuming. It was holding back our success."



“ I wish I'd had Descartes ShipRush from day one, as soon as I started selling on the Internet. Pulling orders off all our marketplaces is a piece of cake. We went from being able to ship 150 packages a day to 150 an hour. That is how much time we saved.”

– Ken McCombs, III, Vice-President,
McCombs Supply Company Inc.

MCCOMBS SUPPLY CO., INC.

In business since 1953, McCombs Supply Co., Inc. offers replacement repair parts for dishwashers, dryers, ovens, refrigerators, washing machines, commercial refrigeration and cooking, HVAC, and more. The Lancaster-PA company supplies contractors, service technicians, housing developments, institutions, and do-it-yourselfers.

Solution: Supercharging Growth with Speed, Functionality, and Ease-of-Use

In 2009, Ken found the cloud-based Descartes ShipRush solution and it instantly made his life easier, helping him efficiently fulfill the increasing number of orders. “Descartes ShipRush makes it easy to accurately download all the information in just a few clicks, including the shipping address, delivery requirements, price and type/quantity of parts. We put a bar code on every package that Descartes ShipRush can recognize, then scan the job and hit ‘ship’. With cloud-based Descartes ShipRush, everyone can log in via a computer, phone or tablet to process orders and print postage labels.”

According to Ken, Descartes ShipRush has been key to enabling the company's rapid growth. McCombs now sells appliance parts via its own brick-and-mortar warehouse store, the McCombs Supply website, Amazon, eBay, Jet, Pricefalls, Sears, and Walmart. Over the years, McCombs' ecommerce shipments have increased from a couple hundred packages-per-day to over 1,200. McCombs ships more than 30,000 packages per month and more than 300,000 packages per year—and 95 percent of those shipments are through Descartes ShipRush.

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Descartes ShipRush saves McCombs an enormous amount of time, dramatically boosting the supplier's ability to grow. “Everything from order input to printing labels makes the whole process about 30 percent faster. There are so many fewer clicks for each order. It is so automated. I switched many of my helpers from label-making to packing because the process was so much faster. And, I just added around 15,000 square feet of warehouse space, 8,000 of which is for shipping, including more packing stations and six more Descartes ShipRush stations.”

Fast order processing also allows McCombs to make additional profits by offering express shipping, where customers are charged a premium. “When an express order comes in, we drop everything we are doing and get that order out immediately. McCombs can make 40 percent profit on shipping for items it ships out express,” notes Ken. To save on shipping costs, McCombs uses Descartes ShipRush's Rate Dashboard, a one-screen view of all the carriers' prices and delivery times to rate shop packages between UPS/USPS for zones 5-8 or anything over 10 pounds. This helps McCombs' employees to select the most efficient and cost-effective shipping option for each package. Ken estimates he saves about 10 percent on shipping every time he rate shops.

The Descartes ShipRush solution has enhanced McCombs' customer service. With the solution, it is much easier to cancel an order or change an address; employees can log in with their own phone or any device and make the changes or process returns immediately. The easy download and access to accurate customer order information with Descartes ShipRush also helps the company provide better customer service. “In emergencies, when it is zero degrees and someone needs a furnace part, accurately processing rush orders is especially important,” according to Ken.



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eBay, Amazon Put McCombs & Descartes ShipRush to the Test

On December 29, 2015, Buy by Amazon put McCombs Supply and Descartes ShipRush to the test. "We'd been selling a particular product on it and Buy by Amazon ran out of it at its warehouse, so we basically received and processed all of Amazon's Buy by Amazon orders for this product all day. McCombs received a record 2,237 orders. Everyone in the store dropped what they were doing, except one person at the front desk, and we pitched-in and got all the orders shipped out in one day," according to Ken.

The solution has also been a great tool for helping McCombs meet eBay's shipping requirements. "On eBay, you have to meet all of their criteria to receive their merchant discounts. There is a different set of criteria depending on how fast merchants process and ship orders for each deadline, whether it's in 24 hours, 48 hours, or 72 hours. With Descartes ShipRush, I can often get all the orders out on the same day. I've never missed a discount because my eBay shipping process is so streamlined."



Reflecting on McCombs' success in the ecommerce space, Ken again emphasizes how important being nimble is to position yourself for success as an online merchant. "When we started growing, I couldn't keep up with the demand. After I started using ShipRush, it made growth possible," emphasizes Ken.

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The Results



6x Growth in Shipping Volumes

With Descartes ShipRush, McCombs increased its volume of shipments from 150 packages a day to 150 packages an hour! Ecommerce shipments have increased to more than 1,200 per day, 30,000+ per month, and 300,000+ packages per year.



Increase Productivity

Descartes ShipRush increased McCombs' order processing speed by 30%. The integrated solution streamlines order fulfillment by automatically importing orders, comparing carrier rates, printing shipping labels for all major carriers, and tracking through final delivery.



Bottom Line Boost

Fast order processing enables McCombs to offer premium express shipping to its customers, earning a 40% profit on express orders. Plus, competitive rate shopping with Descartes ShipRush's Rate Dashboard saves the supplier an estimated 10% on shipping costs.



Heightened Customer Satisfaction

With a cloud-based solution, customer orders can be easily amended or canceled from any phone or device. Easy access to accurate, up-to-date order information helps McCombs respond swiftly and efficiently to resolve any customer issues.

About Descartes ShipRush

Descartes ShipRush is a cloud-based, multi-carrier parcel shipping platform that helps small-to-medium ecommerce businesses (SMB) and omnichannel retailers print parcel shipping labels for delivery to customers. The solution automatically imports orders, compares carrier rates, prints shipping labels for major parcel carriers, and uploads tracking information to the relevant ecommerce or business application.

Integrated with over 65 business systems, including leading ERP, ecommerce and supply chain platforms, Descartes ShipRush helps customers to streamline order processing and reduce transportation costs.

About Descartes

Descartes (Nasdaq:DSGX) (TSX:DSG) is the global leader in providing on-demand, software-as-a-service solutions focused on improving the productivity, performance and security of logistics-intensive businesses.

Customers use our modular, software-as-a-service solutions to route, schedule, track and measure delivery resources; plan, allocate and execute shipments; rate, audit and pay transportation invoices; access global trade data; file customs and security documents for imports and exports; and complete numerous other logistics processes by participating in the world's largest, collaborative multimodal logistics community.

Our headquarters are in Waterloo, Ontario, Canada and we have offices and partners around the world.

Learn more at www.descartes.com, and connect with us on LinkedIn and Twitter.