DESCARTES™

K&H Manufacturing
Automating Fulfillment Growth with Descartes OzLink for Acumatica

Since its inception in 1998, K&H Manufacturing has been the leading manufacturer of heated products for dogs, cats, wild and exotic birds and ponds in North America. The company also produces innovative cooling products for a variety of pets, and supplies its full product line to top pet retailers in the U.S. and Canada. Using Descartes OzLink™ for Acumatica, K&H has streamlined order fulfillment to better manage higher order volumes, dramatically improve order accuracy, and reduce the costs—in time and labor—associated with manual order processing.

The Challenge: Modernizing Order Fulfillment Practices

K&H had used a legacy system for a number of years to manage some parts of its shipping process. This required two coders on staff to customize the product to the company's needs, including the ability to automatically capture order tracking numbers. As K&H continued to grow and order volumes increased, the company wanted to further enhance productivity with new capabilities to automatically close and invoice orders. "As we got bigger and better, our software needed to get bigger and better as well," explains Dawn Buffington, Director of Sales & IT at K&H. After replacing the legacy product with the cloud-based Acumatica enterprise resource planning system (ERP), K&H evaluated more feature-rich integration solutions to fully automate order fulfillment—and eliminate additional pockets of labor-intensive manual work.

With an increase in volume and products, K&H required a robust platform that could connect to its Acumatica system, keep pace with its diverse inventory needs and meet the unique shipping requirements of its customer base.

> " Weather and holidays are the key drivers of peak times. In many parts of the U.S., it starts to get colder in November. This coincides with Black Friday, Cyber Monday and the holidays—and it makes our business boom. We started our deployment in late October 2016 and had Descartes OzLink fully functioning before Thanksgiving to support fulfillment during this critical time of year. "
>
> – Dawn Buffington, Director of Sales & IT
>   K&H Manufacturing

ABOUT K&H MANUFACTURING

Located in Colorado Springs, CO, K&H Manufacturing is the largest dedicated producer of heated pet products in the country. K&H offers the greatest quality, innovation and selection for dogs, cats, birds, small animals, farm & ranch, and pond, and each year the company develops new and unique products to provide comfort for pets and appreciation by their owners.

The Solution: Automating for Enhanced Productivity and Lower Costs

Early on in the Acumatica implementation, K&H determined that customizing integrated shipping capabilities was no longer viable, either from a cost or maintenance perspective. The Descartes OzLink for Acumatica solution offered not only the off-the-shelf integration the company needed, but also the level of automation it required to drive greater efficiencies out of a complex order management process supporting a growing ecosystem of distributors and retailers.

With Descartes OzLink, K&H is now better able to manage the diverse inventory needs and unique shipping requirements of its customers, whether bulk orders for large wholesalers or higher volumes of small orders for retailers. JD Snowden, Vice President of Finance at K&H elaborates, "While an important and growing part of the business is drop-shipping orders on behalf of EDI customers, the time and labor associated with closing and invoicing a small drop-ship order is the same as a large wholesale order. Descartes OzLink allows us to fully automate these activities, regardless of order type."

From sales order to shipping and invoicing, K&H has streamlined order fulfillment workflow and eliminated manual and duplicate data entry. Sales orders in Acumatica are sent automatically to Descartes OzLink on shipping stations in the warehouse. Using Descartes OzLink, the warehouse team generates shipping documentation and labels as necessary, captures required information (e.g., tracking number) and relays all of this data back to Acumatica for invoicing.

"With 70-100 orders per day on average, the efficiency gains and savings are significant," explains Buffington. During the busy season, the benefits are even more compelling. Buffington elaborates, "On weekdays, our order volumes more than double, ranging from 200-500 orders per day and, on weekends, we hit upwards of 600-800 orders per day. We were aggressive in our deployment and, in a matter of weeks, had Descartes OzLink in place before peak season to help support us and our customers through this surge!"

The Results

Faster Fulfillment

With fewer order errors, automatically-generated labels and shipping documentation, and automated order closing and invoicing, K&H has accelerated the order fulfillment cycle for all of its customers. The company can also now react more quickly to customer issues with real-time visibility into the status of orders.

Superior Order Accuracy

With Descartes OzLink, K&H now has almost 100% order accuracy. "We hardly touch any orders because we can capture sales, confirm shipments, prepare documents and send invoices automatically back to our EDI provider B2B Gateway, or to the customer directly," elaborates Snowden.

Greater Productivity

Using Descartes OzLink, K&H gained dramatically more productive time in the warehouse and in the office. By eliminating hand-written documents and manual tasks in favor of seamlessly exchanging order data between systems, employees now focus more attention on higher value work, growing order volumes, and enhanced customer service.

Reduced Labor Costs

Fixing inaccurate orders used to be a full time job for K&H, plus management would regularly take "stacks of paperwork" home to sort out. In peak season, the company also needed 2-3 temporary staff to help with invoicing. With the integrated solution, these additional costs and the need for after-hours work have been completely eliminated.