

## TECSYS Customer Success Story



### At a Glance

#### Industry

Heavy Equipment – Service Parts

#### The Challenge

Kramer Ltd. has been growing significantly in the last few years, handling up to 500 orders per day and 35,000 items in their inventory. The company needed to support its management, parts distribution and services staff with a robust warehouse management system, and provide them with real-time visibility and tracking of parts and orders throughout their service parts supply chain.

#### TECSYS' Solution

TECSYS' Warehouse Management System (WMS). Kramer Ltd. selected TECSYS because of its robust software, extensive expertise and proven solutions at several Caterpillar® dealers and complex high-volume distribution operations across North America.

#### The Benefits

With TECSYS' WMS, Kramer is able to do more with less and has improved turnaround of its several hundred orders per day. They have also minimized errors and ensured order accuracy and delivery while achieving the highest level of customer satisfaction.

# Kramer\* Augments Distribution to Over 500 Orders Per Day, Cost-effectively Improves Service Levels with TECSYS

*\*Kramer is now part of Finning International*

***"Watching TECSYS' warehouse management system running at Milton...it was like poetry in motion. With TECSYS, Milton paved the way for us [CAT dealers] to move to a new level of efficiency and customer service. Improving order accuracy and parts fulfilment allows us to not only meet but surpass our customers' expectations."***

***Dwayne Fortney, Operations Manager, Kramer Ltd.***

### About Kramer Ltd.

Kramer Ltd. has been the Caterpillar dealer for the province of Saskatchewan since 1944. Kramer has experienced unprecedented growth over the past few years. The family-owned and -operated business serves the industries of road building, mining, oil and gas, forestry, landscaping, electrical power generation, material handling, on-highway trucks and agriculture. The company's customers range from major multi-national corporations and family-run construction companies to family-owned and operated farms. Backed by its experienced employees, Kramer currently operates seven complete parts, sales and service facilities across the province, as well as Kramer Rents – The Cat Rental Store. Their mission: ***To make their customers more profitable by providing safe, innovative, cost-effective solutions.***

### The Challenge

Kramer's challenges were to:

- Process UP TO 500 orders per day
- Move from the traditional paper-based processes to automated/system-directed processes using a warehouse management system
- Improve labour efficiency and better manage resources
- Strengthen its mantra of "Excellence in Support"

Kramer also wanted to respond to customers in a timely manner, from both services and delivery points of view, and track orders, parts and deliveries throughout their supply chain.



Bert J. Reich

***"We were looking for a solution to the "old-fashioned" order processing methods that involved a great deal of paper, inefficiency and memory work," commented Bert J. Reich, a member of Kramer Ltd.'s inventory control management team. "In peak business times, our main warehouse can average more than 500 orders per day. In order to maintain and improve the level of service we provide to our customers, it was necessary to find a cost-effective system that would enable us to efficiently handle the increased work load."***

In pursuit of excellence in customer satisfaction, the inventory control management team at Kramer embarked on a search for the right system to support its mission-critical distribution operation for its parts centre. They needed a supplier that understood parts distribution and the Caterpillar dealer's environment – the uniqueness and operational challenges of Caterpillar service parts.

## Solution

Kramer is committed to service excellence. Management wanted to go beyond their current level of customer service and launched an initiative to search for a warehouse management system to significantly improve their warehouse operations.

Following Kramer's participation in TECSYS' Advisory Group, as well as a conversation with two Cat dealers—both of whom are TECSYS customers—Kramer decided in favour of TECSYS.

***"TECSYS' WMS is a very robust, highly adaptable product, and is well supported. We have been able to bring live our two main stores with the proper hand-off and guidance from TECSYS. Metrics such as On-order Duration and Puller Performance provide data that enables us to efficiently manage and monitor our business in ways not possible to us prior to deploying TECSYS' WMS."***

***Bert J. Reich, a member of Kramer Ltd.'s inventory control management team***

Having already been embraced by a number of Caterpillar dealers and reaching a dominant market share position in this industry, it was clear to Kramer's management that TECSYS was the right partner, and that TECSYS' WMS technology was the right software solution for their business.



Kramer selected TECSYS because of the company's extensive expertise in distribution and Caterpillar dealer operations with a proven deployment model. They also selected TECSYS because of their proven solutions at several Caterpillar dealers across North America and major automotive parts distributions centres in Canada. ***"TECSYS clearly understands the way Caterpillar dealers run their business," commented Bert.***

With TECSYS' WMS, Kramer has the following capabilities:

- The ability to process 500+ orders per day
- Clear visibility across their complete distribution network
- Visibility of employee performance and real-time tracking of parts and orders throughout Kramer's distribution process
- Ability to manage inventory in multiple locations
- Full RF capability for all transactions – paperless warehouse
- Multiple pick strategies (order, zone, wave)
- System-directed activity (put-away and picking)



- Cross-docking
- Emergency order interrupts for “will calls”
- Full compliance with Caterpillar Dealer Business System and parts

Given TECSYS’ technological infrastructure and the relatively simple process-driven approach to deploying its WMS application, Kramer’s management leveraged TECSYS’ professional expertise and structured implementations to enable WMS to be up and running as quickly as possible with the least amount of interventions.

## Order Fulfillment

With TECSYS’ WMS, after picking is planned, up to ten orders can be pulled by making one pass through the warehouse, providing major productivity gains to Kramer’s parts centre. Pullers are required to scan inventory locations and enter the quantity pulled. Completed orders (per bin class if zone pulling) are dropped at packing stations where they are packed, then directed to will call/shuttle/service based on the relevant order type. Parts are then scanned to licenses, which are tracked until the final destination is reached.

## Cross-docking

Shipments from Caterpillar are delivered to Kramer’s warehouse, where orders to branch stores are sorted through cross-docking for immediate delivery. When an order is received, TECSYS’ WMS displays to the receiver a list of eligible orders in the system that require cross-docking. Inventory orders to Kramer’s central DC are put away either through directed or non-directed put-away processes. With system-directed put-away, warehouse workers are not required to be familiar with all the products the company carries in order to place them in the correct bin location. With TECSYS’ WMS multi-bin function, parts are dynamically allocated based on the next appropriate and available space in the warehouse. This provides Kramer’s logistics management with the flexibility, efficiency and cost saving benefits, including:

- Improved space utilization
- Easier and faster access to location of parts through system-directed functions
- Reduced storage costs and inventory carrying costs
- Minimized labour and costs associated with putting away and locating inventory

## Rush Order Interrupt

Regardless of how well equipped a dealer is and how good its processes, unexpected customers and/or orders are part of the everyday life for sales and customer services. With TECSYS’ unique WMS capability, priority customers and emergencies are managed with TECSYS’ “Rush-Order Interrupt” function; enhancing Kramer’s ability to service their customers.

## Benefits

With TECSYS’ warehouse management system, Kramer has improved turnaround of its several hundred orders per day and their ability to do more with less. By improving efficiency without adding space to their parts centre, Kramer has minimized errors and ensured order accuracy and delivery



while achieving the highest level of customer satisfaction.

- Orders are now prioritized, which allows for effective time management.
- Significant inventory accuracy improvement and drop-in line adjustments.
- Pulling accuracy has gone up dramatically. Kramer can now pull UP TO 10 orders at a time with one pass through the warehouse.
- Kramer’s management, today, has: real numbers with which to work; visibility to employee performance; visibility of orders and parts in the warehouse, and across their entire distribution chain.
- With “Rush-Order Interrupt”, customers’ order wait times are reduced to, on average, less than 8 minutes.

***"Since going on TECSYS' WMS system, we have realized increased efficiency in warehousing processes and warehouse space utilization because WMS considers the cube of our storage space rather than just the square footage. WMS adds an element of structure and flow to our warehousing operations that was previously not attainable. A big plus is the dramatically increased order visibility – we know where every part is at any given time, from the time we receive the part right up until it lands in the end user's hands. The many options enable us to tailor priority of orders based on urgency, a specific customer or the time of day. We also have the functionality to measure workload volume and production, which allows us to plan accordingly. WMS simplifies and adds structure to procedures related to order picking, cycle-counts, receiving, stock put-away, customer pick-up and shop delivery."***

**Bert J. Reich**  
**Member of the Inventory Management Team**  
**Kramer Ltd.**



Your Supply Chain Matters.™

**TECSYS®**

[www.tecsys.com](http://www.tecsys.com)

[info@tecsys.com](mailto:info@tecsys.com)

Phone: 514-866-0001

Toll Free: 1-800-922-8649