CUSTOMER CASE STUDY

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MOL Logistics

Headquarters: Plzen

Distribution centres: 2

Manhattan solution: ManhattanSCALE™: Supply Chain Architected for Logistics Execution

Challenge:

Paper-based system cannot keep pace with client's growth.

Solution:

Manhattan's SCALE and Performance Services consultants smoothed the transition and enhanced the quality and visibility "beyond expectations".

Results:

MOL Logistics and its customers achieved better relationships through improved information sharing, increased efficiency and reduced errors.

MOL Logistics gains foothold in the Czech Republic with supply chain solution

Growth Makes Paper System Untenable

OL Logistics (Czech) s.r.o., the Czech Republic subsidiary of global logistics giant MOL Logistics (Japan) Co., Ltd., was established in 2004. Since then, the business has steadily grown to accommodate the logistics needs of its increasingly diverse client base.

Initially, the MOL Logistics team relied on paper and Excel spreadsheets to manage operational processes such as inventory management. Although time-consuming, this approach worked while the site operated on a small scale. As the volumes of stock grew with the original customer, the system began to show its weaknesses. To provide an inventory count with the old system, receiving and despatch operations had to be stopped whilst a manual stock check was performed. This was costly, time-consuming, and not always accurate.

MOL Logistics Selects Manhattan Based on Solid Recommendations and Global Footprint

MOL Logistics researched a number of products offered by local suppliers before opting to work with a larger company with a global footprint.

Jonathan Bisek, general manager of MOL Logistics (Czech) s.r.o., explained the decision. "MOL Logistics is a global company and has a worldwide partnership with Manhattan Associates. The decision to implement the Manhattan Associates solution was based on solid recommendations from our colleagues in other locations. When we met with Manhattan Associates' solution consultants, it struck us very quickly that their knowledge and expertise was second to none. The proven scalability and flexibility of the company's software makes Manhattan an obvious choice for an expanding organisation, and so it was a perfect fit to support our immediate needs as well as our long-term strategy in the Czech Republic."





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The company selected Manhattan SCALE: Supply Chain Architected for Logistics Execution. The solution links into the enterprise systems of MOL Logistics' customers, which include proprietary applications as well as solutions from such vendors as Oracle and SAP. The Manhattan Associates solution covers three distinct functions: inbound receipt of goods and put-away; location management; and picking for despatch or order fulfilment.

Manhattan Solution Consultants Help Refine Plan to Smooth Transition from Manual System

At the first facility in Plzen, which originally served a global brand name in air conditioning, Manhattan SCALE was implemented initially as a stand-alone solution. It was then integrated into the client's proprietary and SAP-based computer systems. The solution took approximately three months to implement from the start of design to go-live.

Two Manhattan solution consultants stayed on-site during the week prior to the launch and for the week after the successful implementation to provide ongoing support. "The key to Manhattan Associates' success is in the knowledge, approach and attitude of its staff. The team quickly pinpointed several weaknesses in our original plan to support our customer's fulfilment requirements and they immediately identified and presented solutions. The customer definitely experienced a beneficial transition from the manual system to the Manhattan Associates solution because the quality and visibility of data increased beyond expectation," said Bisek.

MOL Logistics implemented the Manhattan Associates solution at a second site opened specifically to serve its second client's business. While much larger than the original warehouse and more challenging for the deployment team, the implementation went smoothly.

"We'd already successfully implemented the Manhattan Associates solution for our first client. The experience gained by the team during this project, coupled with the intuitive nature of the solution, meant that the first phase of the next implementation for our new client, who had a much greater order processing need, required much less support from Manhattan Associates," said Bisek.

The first phase of the second project involved handling more than 900,000 serial numbers, with no loss of data. MOL Logistics shares data with the client down to a minute level of detail. The client can view the serial number of a unit and ascertain who loaded the unit into the lorry, the licence plate of the vehicle, the destination of the delivery, the time of arrival in the warehouse, and other important information. The second phase of the project involved thousands of items, scores of suppliers, and dozens of production lines. "We're confident that the solution offered by Manhattan Associates will strip away the complexity and result in a smooth-running operation," said Bisek.

MOL Logistics Reports Improved Customer Relationships and Greater Operational Control

MOL Logistics and its customers report the following benefits of using Manhattan SCALE:

- Real-time visibility
- Time savings
- Greater control of operations and procedures
- Ability to quickly share data such as the status of goods
- Reduction in human error
- Ability to investigate problems quickly
- Full, flexible reporting
- Better customer relationships
- Overall increased operational efficiency

