

C A S E

Study



Third Party Warehouse

Blue Circle

KEY BENEFITS

- ✓ perfect inventory control
- ✓ access to inventory anywhere, anytime
- ✓ support for multiple client billing and reports

RADIO BEACON Goes *Under UMOG* to Make a 3PL Fashion Statement

Australia's Blue Circle relies on RADIO BEACON and Sage Enterprise Suite to keep operations running smoothly

Blue Circle is a Third Party Logistics provider (3PL) based in Melbourne, Australia that services fashion retailers including Scooter and Giordano as well as a series of smaller clients. Blue Circle operates out of three different warehouses totaling 150,000 square feet. The WMS is centrally located at Blue Circle's South Melbourne office and each warehouse is connected to the central system via WAN with an ISDN backbone. Blue Circle chose RADIO BEACON™ WMS for the software's 3PL and e-commerce capabilities and turned to Sage Enterprise Suite for their client billing and accounting needs.

"You might not think of a third party logistics provider as being in the fashion business, but we are," notes Graeme Parker of ASTON IT, project manager of WMS system implementation at Blue Circle. "The secret to successful fashion sales is to ensure that inventory is replenished quickly and accurately so that there is just enough stock in the store to meet demand as consumer trends change rapidly."

Blue Circle is known for its ability to ship customer's requests within hours of notification. Using the RADIO BEACON system, stock is centralized at the Blue Circle warehouses and the fast order fulfillment and reliable delivery means that stores can manage with less product at their retail outlets. By reducing the ratio of inventory to sales, Blue Circle's clients can move product to better support sales demand, make changes faster, and capitalize upon trends.



RADIO BEACON



RADIO BEACON INC.
120 EGLINTON AVENUE EAST, STE. 707
TORONTO, ONTARIO, CANADA M4P 1E2
TOLL FREE (800) 247-9526
TEL. (416) 488-6151
FAX (416) 486-2169
www.radiobeacon.com

THE E-COMMERCE ADVANTAGE

RADIO BEACON effectively integrates the client's storefront with the Blue Circle distribution center. At Blue Circle's Burwood warehouse, they have 80-90% of their customers online. "One of the big things in 3PL warehousing is the entry of orders and the answering of customer queries," says Parker. "Because RADIO BEACON is a web server, Blue Circle's clients come into the RADIO BEACON system via the web and enter orders to be picked and do inquiries." To avoid having to re-enter orders on their end, Blue Circle has set up an FTP server on the web to receive orders directly from the client's accounting system. Parker explains, "We simply give the client an FTP package which dials up Blue Circle, drops orders down and retrieves the pick details from the upload file. The execution is seamless, efficient and accurate".

ACCURATE ORDER PROCESSING

Blue Circle, like all 3PLs, is concerned with throughput. Third party logistics providers derive income from storing product, but the real revenue stream comes from processing orders. "You have to think of the third party logistics business on a similar line to real estate," remarks Craig Algie, divisional warehouse manager at Blue Circle. "Think of pallets as building lots. The way we make money is to turn them."

In the warehouses, RADIO BEACON is helping Blue Circle turn those inventory "building lots" efficiently and accurately. Hand held terminals are used for order picking, and operators scan the product bar codes, confirming their removal from inventory, before placing them into shipping containers. Once the order is picked, it is dispatched to the store by one of Blue Circle's fleet of delivery vans and the pick details are uploaded to the client's computer system automatically. RADIO BEACON moves orders quickly and efficiently through the warehouse encouraging customers to ship more orders, more frequently. Increased transactions translate into increased revenue for Blue Circle.

SAGE ENTERPRISE SUITE ADVANTAGE

One of Blue Circle's key objectives in replacing its legacy systems was to automate the billing of its clients for services performed in its warehouses. This fundamental component of 3PL warehousing has traditionally been very labor intensive and inaccurate, which can lead to difficulties in cash collection and significant revenue leakage.

Melbourne's ASTON IT combined the advantages of capturing billing transactions at the pick face using RADIO BEACON with the advanced pricing and financial features of Sage Enterprise Suite to create a seamless flow of financial transactions from the pick face to the general ledger.

Every time a product is received, stored or picked in RADIO BEACON at one of Blue Circle's warehouses, a transaction is recorded in Sage Enterprise Suite. "At the end of each week, Keith Datson, Blue Circle's Financial Controller, clicks the 'Process Billing' button on his Sage Enterprise Suite system and invoices for Blue Circle's fifty clients are generated and ready to be sent out, and posted to the financials," says Graeme Parker. "A process that would have taken many man hours before Blue Circle installed RADIO BEACON and Sage Enterprise Suite now only takes minutes."

The seamless integration of RADIO BEACON and Sage Enterprise Suite has made Blue Circle a more efficient, effective operation, and Blue Circle's clients are sharing the rewards. The charge-by-pick system helps minimize the client's logistics costs while still ensuring that clients are accurately billed.

The power of RADIO BEACON combined with the precision of Sage Enterprise Suite have made this integrated solution an essential factor in Blue Circle's continued success. With RADIO BEACON WMS and Sage Enterprise Suite, Blue Circle will continue to make fashion statements down under for a long time to come.

Founded in 1992, Radio Beacon Inc. is a software manufacturer specializing in value based mid-market warehouse management systems. Their flagship product, RADIO BEACON™ is a high-performance pick-pack-and-ship solution for wholesale distributors, Internet retailers and third party logistics providers. RADIO BEACON installations are found across the globe in operations ranging from Fortune 500 distribution centers to small local warehouses. RADIO BEACON is available exclusively from authorized resellers.



Find complete information at www.radiobeacon.com

RADIO BEACON TRADEMARK REGISTERED