

Warehouse Management News

May 2010

The latest news from QC Software



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Employees Re-certified by ConnectShip

QC Software is pleased to announce that two employees recently completed ConnectShip's annual re-certification program.

Joe Terbek and Mike Billman have been Certified ConnectShip integrator Specialists since 2006 and 2007, respectively.

Message from the President

Many experts agree that good decision making skills are essential for being successful in business. Since we deal with many complex issues, I'd like to review how successful people, including myself, make sound decisions. People have written volumes on this subject, so I can only give you a brief overview.

First, clearly identify the problem and desired outcome. Involve qualified people when possible and listen to all opinions. Make sure you have all the facts and explore all options. Then implement the best solution. Finally, evaluate the results.

This doesn't mean you won't make mistakes. For instance, you may have to implement Plan B because of unintended consequences. But, I have personally found that I make better decisions and go to Plan B less often when I follow this process.

You can find more information on the Internet including free guides and newsletters. If you have ideas or experiences you'd like to share, we'd love to hear from you.

Rich Hite
President

Affiliations:



Cycle Counting: Tips and Benefits

We all know what happens when inventory records are inaccurate: 1) shortages and the inability to locate inventory result in lower productivity, more expedited orders, and fewer on-time deliveries 2) too much inventory results in increased costs and inefficiencies. The bottom line is lost revenue and higher operating costs. So counting inventory is important for maintaining accurate records as well as optimizing your business.

Need More Info?

For more information on our products, visit our website: www.qcsoftware.com

When you are ready to talk about your application: <http://www.qcsoftware.com/products/apply.html>

The screenshot shows a web form titled "Cycle Count By". It contains the following fields and values:

- SKU: 102014501
- Location: From [] To []
- Date: From Dec 1, 2008 To Jan 16, 2009
- Quantity: From 120 To 360

Below the fields is a progress bar with 10 colored segments (yellow, orange, red) and a "Create" button.

Fun Fact

Of all the living animals, the sperm whale has the heaviest brain. It weighs over 20 pounds, or about 4 times heavier than the human brain!

There are two ways to count inventory, cycle counting and a physical inventory. Cycle counting is quicker, more accurate and less disruptive than a physical inventory. Cycle counting involves counting a small sample of inventory at various times throughout the year, while a physical inventory involves counting all the inventory at one time, usually 1-2 times in a year. The company typically shuts down the facility for a day or more, so no orders are being shipped during that time.

Inventory errors usually occur because of inadequate training, bad units of measure, inadequate storage, late reporting of transactions, or locator system problems. To prevent future problems, you'll need to find out where and why errors occurred.

Cycle counting lets you find the root cause and correct process errors. This will help you find problems in other areas, such as receiving, put-away, or replenishment, so you need to have experienced people who are familiar with the facility and understand the products and numbering system. Although it is more difficult to find the root cause when performing a physical inventory, most companies still use both methods.

With this in mind, make sure you have a flexible software application that will accommodate multiple methods of counting to ensure accuracy. Your application should also provide reconciliation reports and the ability to track all cycle count history for auditing purposes.

When you perform a successful cycle count, you will accurately track inventory as well as improve many aspects of your operation. Continuous improvement is always important, but in today's economy, it is essential.

Observations from an RFID Conference

How Smart Are You?

- 1) What is the largest breed of dog?
- 2) What is the name of Pluto's moon?
- 3) What year did Congress first impose a tax on personal income?

The answers will be published in the next newsletter.

Answers (Feb. 2010 issue):

How many times was Joe Montana named Super Bowl's most valuable player? **3**

What is the coldest recorded temperature on Earth and where did this occur? **-128.6 F, Antarctica**

What is the tallest mammal on the planet? **Giraffe**

John Smith and Troy Matteoli, our certified RFID specialists, attended Alien Technology's Global User and Partner Conference in Dayton, Ohio in March. There were about 140 representatives from 17 countries who discussed RFID applications in numerous industries. Here are some highlights:

RFID improves food safety and reduces massive recalls. The FDA recalled virtually all spinach when E. coli made hundreds of people sick. Using bar code technology, investigators traced the origin of the tainted spinach to Salinas Valley in California, but were unable to pinpoint where it was grown. While they searched, all spinach was recalled from stores and processing plants. This cost the food industry an estimated \$74 million dollars. If RFID technology had been used, investigators would have immediately had a complete history of the spinach throughout the supply chain. They could then quickly find and destroy a targeted sample, saving millions of dollars and preventing more people from getting ill.

RFID improves the customer service experience. RFID helps companies better manage inventory, which reduces out-of-stock conditions and enhances product promotions. The customer can be confident that their needs will be met, which means more repeat business and increased sales.

RFID reduces counterfeiting and improves security. Counterfeiting results in a large loss in revenue for many companies. Better tracking with RFID helps pinpoint problems quickly and efficiently. Clothing companies are hiding RFID tags in their products to improve brand protection. Pharmaceutical companies and hospitals are using RFID to enhance security, improve consumer safety and lower regulatory and liability risks.

RFID reduces shrinkage. Losses due to theft are, by some estimates, about \$30 billion per year for the retail industry alone. Using RFID, researchers estimate you can reduce these losses by an average of 18 percent, or \$5.4 billion yearly!

RFID enhances global logistics. The Department of Defense uses RFID to improve the tracking, movement and delivery of materials at the right time, to the right place. Missiles can be tracked anywhere in the world with RFID's long-range tracking technology.

Customers Maximize Throughput and Improve Productivity with QC Navigator™

Our QC Navigator™ application works behind the scenes to optimize order processing and maximize throughput. By coordinating the real-time control devices, it determines the most efficient routing of your product as it moves through the conveyor system. QC Navigator also gives you visibility over all floor operations so you can monitor and diagnose operational issues as they occur. As with all our modules, this application is easily configurable to accommodate your specific business rules.

One customer was finding it difficult to efficiently handle the spikes in volume due to seasonal fluctuations. Problems included excessive recirculation, slow response times and system shutdowns, an inability to monitor the system, as well as being unable to confirm completion of orders. After QC Navigator was installed, they were able to more accurately track orders and monitor production. By finding the source of the jams and various inconsistencies, the company was able to double the number of completed orders. Increased seasonal demands were handled efficiently as performance and accuracy improved.

Another customer also increased productivity using QC Navigator's features. They replaced the inefficient pick-and-pass method with zone skipping, which eliminated unnecessary handling of cartons. Priority-based routing was added to ensure that orders were processed in the right sequence. They implemented an in-line scale for weight verification to ensure order accuracy and reduce auditing time. The print & apply feature improved their labeling process, and resulted in faster, more precise labeling and better inventory tracking. By optimizing the picking operation, QC Navigator made it possible for our customer to keep up with their rapid growth.

In summary, QC Navigator has been shown to be a cost-effective tool that lowers operating costs, improves production and order accuracy, and increases turnaround times.

Call us today and find out how we can help you!

Comments and Suggestions

We are committed to improving the industry and believe we can all learn from each other. If you have any suggestions, comments or questions, we would love to hear from you. You may email us at info@qcsoftware.com

Final Thought

"Success is simple. Do what's right, the right way, at the right time."

--Arnold Glasgow

Laugh Out Loud

