



“When it comes to warehouse management systems, New Zealand’s most famous biscuit brand has all the ingredients for an industry-leading solution.”

Using MultiPick® software and equipment, they are able to customise their warehouse management to meet the unique requirements of the fast-paced FMCG industry.

About Griffins

The iconic Kiwi company was founded by John Griffin and his family in Nelson, back in 1864.

Today Griffins is the largest snacks manufacturer in New Zealand; manufacturing and distributing \$300 million worth of biscuits and snacks every year.

The company operates two manufacturing facilities in Auckland - a biscuit factory located in Papakura, and a savoury/wrapped snacks factory in Wiri. Brands in the Griffins stable include their well-known range of biscuits, Huntley & Palmers crackers, the Eta brand of savoury snacks, and Nice & Natural bars.

The company is wholly owned by Pacific Equity Partners, and employs more than 800 people nationwide.

Mission impossible

Steve Hutchison is Griffins’ MIS Manager, with responsibility for overseeing technology systems within the rapidly evolving business.

“The company is now moving at a faster pace - manufacturing greater volumes, and a wider variety of product. We’re also embarking on a push into export markets, includes Australia, the States, Asia and the UK.”

Griffins was one of the early adopters of MultiPick® software, and has used the system in the finished goods part of their business since 2003.

So when recent business expansion drove the need for improved warehouse management on the manufacturing side of the operation, MultiPick® was the favoured choice. MultiPick (R) was extended to manage the raw materials stores joined to each manufacturing site.

“Having used the product in our distribution centre for a long time, we know it’s a good fit for our environment.”

Although Griffins is primarily a SAP environment, Steve Hutchison says MultiPick® is easily integrated; and it offers a number of key advantages over standard warehouse management systems.

“Any WMS offers standard processes and practices – but every company will have its unique way of managing certain things,” he says.

“MultiPick® is very attuned to the needs of our business. We’ve been able to customise it to suit our operations, outside those standard processes and procedures. For example, if we want alerts

driven by 'xyz', or to report something a little uniquely, we can do all that. It's virtually like having our own product."

Supply chain technology plays a key role in increasing productivity in the FMCG environment, by ensuring working capital is optimised.

"With the latest version of MultiPick® now implemented across both sites, we have a much improved visibility of our inventory," says Steve.

"This flows through to all of the relevant operations areas – purchasing, stores, production, and finance."

Another major benefit of working with MultiPick® is that the software can be implemented or upgraded with little disruption to normal operations.

"We were able to go live without affecting business operations in any major way, which showed that all the support systems were in place."

Increased inventory accuracy

Over the years, MultiPick® has progressively streamlined processes and helped the Griffins to process its recently increased volumes. The latest roll-out has seen both the Papakura and Wiri plants transfer from a manual system.

According to Deanna Koni, Store Manager at Wiri, there's been a dramatic and immediate improvement in inventory accuracy.

"Previously we were making at least 10 stock adjustments a day, in order to keep the manual systems in synch with physical stock. Since we went live, we've only made 10 stock adjustments in over three months."

The operation also has much greater accuracy around consumption figures – as MultiPick® tracks all issues and returns to provide actual consumption data.

"Another problem that MultiPick® has solved is over-ordering," says Deanna. "Previously procurement was filling up our warehouses, which was an unnecessary cost to the business. It was also difficult to know exactly how much material was consumed against a manufacturing run. Now the business relies on the WMS figures to finetune the bill of materials. The flow-on benefit is improved procurement."

Deanna says apart from the improved visibility, MultiPick® has delivered a host of extra – and unexpected - benefits to the Wiri operation.

These include:

- a streamlined coverage/shortage reporting facility - which has reduced the time required from a full day's manual checking to "about two minutes"
- improved stock expiry/rotation management – as MultiPick® automatically tracks expiry dates, and advises which product to pick first
- accurate tracking of problem batches – which can now be quickly and easily identified, and sent back to the supplier for replacement

"I didn't expect it to do that much," says Deanna.

"We knew it was going to track the stock, but there's a lot of supporting benefits it delivers. It's the best system I've ever used."

Increased capacity

Griffins' Papakura plant has undergone significant expansion in the past three years. Operations effectively doubled in size, when the Lower Hutt factory was closed and moved to Auckland.

The company is now moving at a faster pace.

Today, the factory runs six biscuits lines 24 hours a day, usually 7 days a week – producing around 250 different biscuit skus.

Prior to the introduction of MultiPick in 2010, most of the factory's systems were manual.

Papakura Warehouse Manager Gary Ridley can attest to the fact MultiPick® is smooth to implement – as his very first day on the job coincided with the 'go live' date for the new system.

"Previously, I'd only ever used SAP as a WMS tool. But I found MultiPick® really simple to use, and the staff were quick to embrace it. Right from day one, Interlogic has given us all the support in the world."

"MultiPick® has given us fantastic visibility – and it's all live, visible in SAP the instant we do it. Our 7 days stockholding has reduced to 3 days, which equates to about \$3.5m worth of stock."

Significant savings

Andrew Hale is a consultant production analyst, who was working with Griffins at the time MultiPick® was introduced at Papakura.

"I was very impressed with the level of functionality it offered, the ability to customise it, and the ease of integration with SAP."

Andrew says the technology also helped Papakura to adapt to its 'exponential increase' in production volumes.

"MultiPick® provides immediate visibility and alerts to any problems on the floor – so they are dealt with before there's an impact on production."

"There has definitely been a financial saving to the business of several million -achieved through the ability to reduce stock holding and run shorter lead times."

The team at Interlogic design, build and implement warehouse management solutions. Systems are designed through a process of analysis and conceptual design refinement blending the right mix of software, Material Handling Equipment, and practical warehouse knowledge to construct a solution that is right for your operation.

A 100% owned New Zealand company, Interlogic has 18 years experience in designing and installing intelligent logistics systems in New Zealand and Australia.

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