Eltra pursues a deliberate growth policy.
RAW has been growing with them for years.

For many years Eltra has been a major player in the distribution of electrical and do-it-yourself (DIY) material. To stay at the top, the company constantly adapts to changing market conditions that make customers even more demanding. "We also deliberately invest in IT," says Erik Verley, Logistics Director at Eltra. "Our IT must be able to grow parallel with our exponential growth in sales. We made a strategic choice to manage all business processes from the same ERP system. RAW (Real Applied Wholesale) proved to be the ideal candidate. The package is truly tailored to the wholesale and distribution sector and has been meeting our expectations for many years now."

TWO MILLION ORDER LINES PER YEAR

Eltra was founded in 1954 as a family-owned business in Antwerp and has been a pioneer right from the start. When the DIY market opened up in the early 1970s, Eltra started focusing on that segment. In 1997 the company was taken over by the French Sonepar Group, the world's largest wholesale group in electronics.

Erik Verley dishes up some impressive figures: "Today we supply all DIY chains and large independent firms in the Benelux region. That amounts to some 2,300 delivery addresses, which translate into 2 million order lines per year for us. We have over 8,000 items in stock, and we fill all orders within 48 hours." With annual sales rising from 20 to 65 million euros between 2001 to 2013, it's clear that a well-conceived growth strategy is behind all of this.

TARGETED INVESTMENTS

Eltra faces the constant challenge of increasing productivity and keeping operating costs under control while confronted with constantly increasing volumes. The company has been investing in the automation of its business processes for many years. In recent years the main focus of the investments has been on expanding and optimizing the warehouse management system (WMS). Along with all standard functions for SMEs in the wholesale and distribution sector, RAW offers a fully integrated WMS solution and a number of highly sector-specific features.

For everything from order processing to after-sales service, Eltra employees work with the same information from the same ERP system. RAW also supports picking optimization using radio frequency identification (RFID) and voice recognition (voice picking). These systems dramatically boost the efficiency of process management in the warehouse.

STORAGE ON THREE LEVELS

Verley continues: "In late 2012 we made a major infrastructure investment as well. We created extra room by building a mezzanine with three levels, which provide storage space for 3,000 items. A serpentine conveyor belt runs through the mezzanine, and the right product locations are recognized by using barcode readers. This yields optimized storage capacity and a structured inbound process as positive effects."

All business processes within Eltra are linked to each other, and everything is coupled to RAW. Erik Verley: "At Eltra, we receive 70% of customer orders via EDI, with the rest arriving by fax, phone or the PDAs of our sales staff. All orders are centralized in RAW and processed in a uniform manner.

An order can go live, as we say, if there is enough stock available at the picking location. If not, an automatic restocking plan is triggered and the order is temporarily placed on hold. In this way, orders are constantly geared to one another. All outbound processes are also coordinated with each other and turned into management processes. Stock shortages are immediately reported and resolved, so our working capital is always under control."

REMARKABLE PRODUCTIVITY GAIN

RAW has a voice picking module, which was rolled out at Eltra in 2006. The order pickers are equipped with headsets that allow them to do picking by using voice commands and voice feedback. Working hands-free gives them greater freedom of movement and ensures a faster workflow.

The voice picking module, the RFID module and manual picking can seamlessly take over from each other if necessary. Data is exchanged with RAW in real time, which allows restocking to start much faster, delivery slips to be generated immediately, and so on.

There's even a built-in extra label check. – and all of this is less time. Verley is rightly proud: "Previously, when order picking was still performed manually, a picker was able to handle 45 order lines per hour. Now, thanks to the shorter walking distances in the mezzanine and the voice picking system, we achieve over 100 lines per man-hour in this area."

EXTRA FEATURES

RAW from Realdolmen is a comprehensive solution tailored to the needs of wholesale and distribution companies. At Eltra, all KPIs are monitored by a business intelligence package built on top of RAW. This makes operational adjustment a continuous process.

RAW also provides answers to several highly sector-specific needs. Customer-specific delivery agreements are automatically sent by the system, and it is easy to correctly manage the many complex price agreements. "Promotional campaigns by customers always take precedence over regular supply," explains Verley. "In the system we enter a new, temporary price and an estimate of the number of related products.

Then we get a calculation of the necessary stock, which can be automatically reserved in the warehouse or reordered from the supplier. If it turns out that we cannot deliver by the agreed date, the customer is informed immediately that the campaign cannot take place. This allows us to maintain a very high level of availability for our customers."

ADVANCING TOGETHER

Eltra has been working with RAW, and thus with Realdolmen, since 1997. Verley shares his opinion: "RAW in its Progess version may not be the most elegant ERP solution in terms of look and feel, but no other package on the market comes close in terms of functionality.

The efficiency improvements at Eltra have always been carried out in consultation with Realdolmen. Our way of cooperating is aimed at reaching a higher level together. My contacts at Realdolmen think along with us, and that is exactly what I expect from a supplier." Realdolmen set up a user group, of which Eltra is also part of, for its major RAW customers. This user group helps decide which new applications will be included in upcoming releases, so that all customers can benefit from them.

"That's also a typical feature of Realdolmen," emphasizes Verley. "They launch a package based on very specific needs of their customers, and all updates are done in consultation where possible. You can't get tailoring better than that."

MORE INFO?

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