

**Körber Supply Chain**

# **Master Class Series**

**Today's Class:**

**From production to last mile delivery:  
WMS as the integration point**



# Speakers



**Thomas Goldsby**

Professor

James A. Haslam, II Chair of Logistics  
The University of Tennessee Knoxville



**Jon Kuerschner**

Vice President of Supply Chain Consulting  
Körber Supply Chain

# Supply Chain Master Class: Warehouse Technology Excellence

Why are we here? What are we trying to accomplish?

## Class Schedule:

- July 14: 10 Critical Capabilities of a WMS
- July 16: WMS in the Cloud
- July 21: Getting your ROI in an Enterprise or SMB WMS Implementation
- July 23: From production to last mile delivery: WMS as the integration point
- July 28: From a Manual to a Fully Automated Warehouse

## Master Class Series – On-Demand

- *Addressing Labor Challenges*
- *Cold Storage Trends*

# Housekeeping

- All phone lines are muted
- Recording of today's class and slides will be email to you within 48 hours

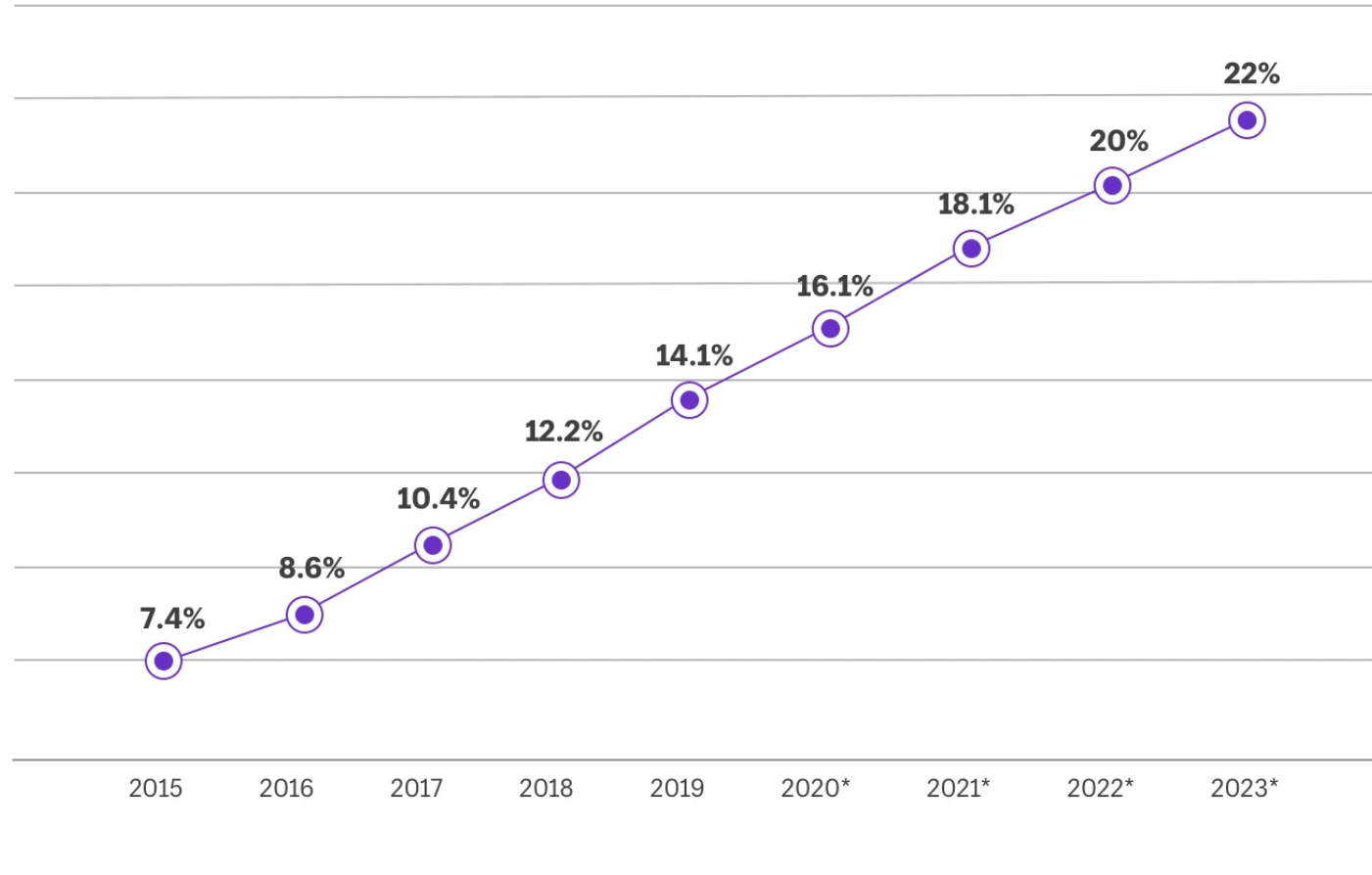
## Questions:

- Ask questions during today's class in the GoToWebinar Questions window
- Questions will be addressed at the end of today's class or we will follow up with questions via email after class

Handout: A SKU-ed view of the future: The impacts of SKU proliferation on the entire supply chain and how the tide is starting to change

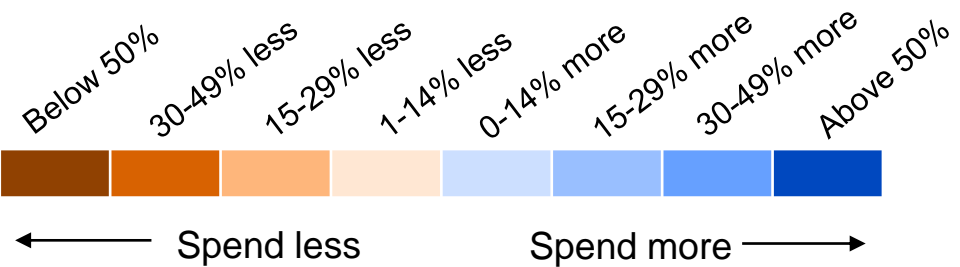
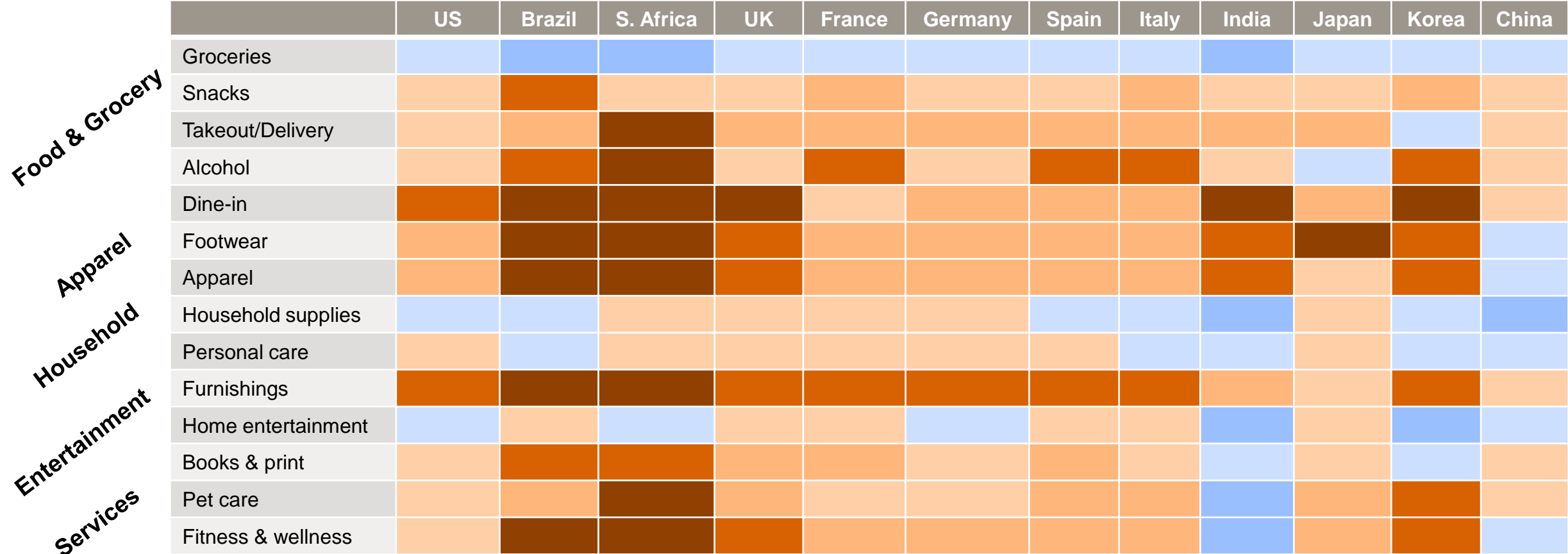
Poll Question: What unique selling channels do you operate in?

# Ecommerce share of total global retail sales from 2015 to 2023

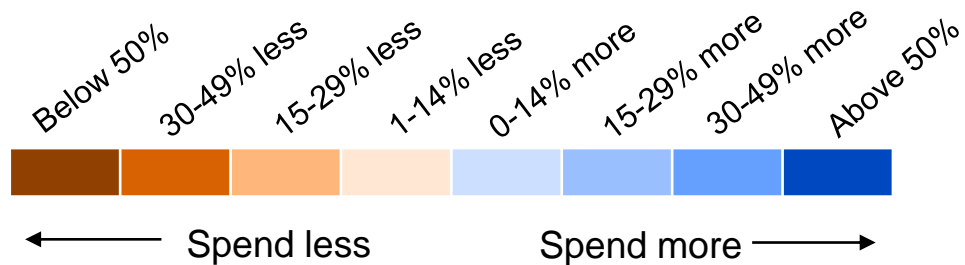
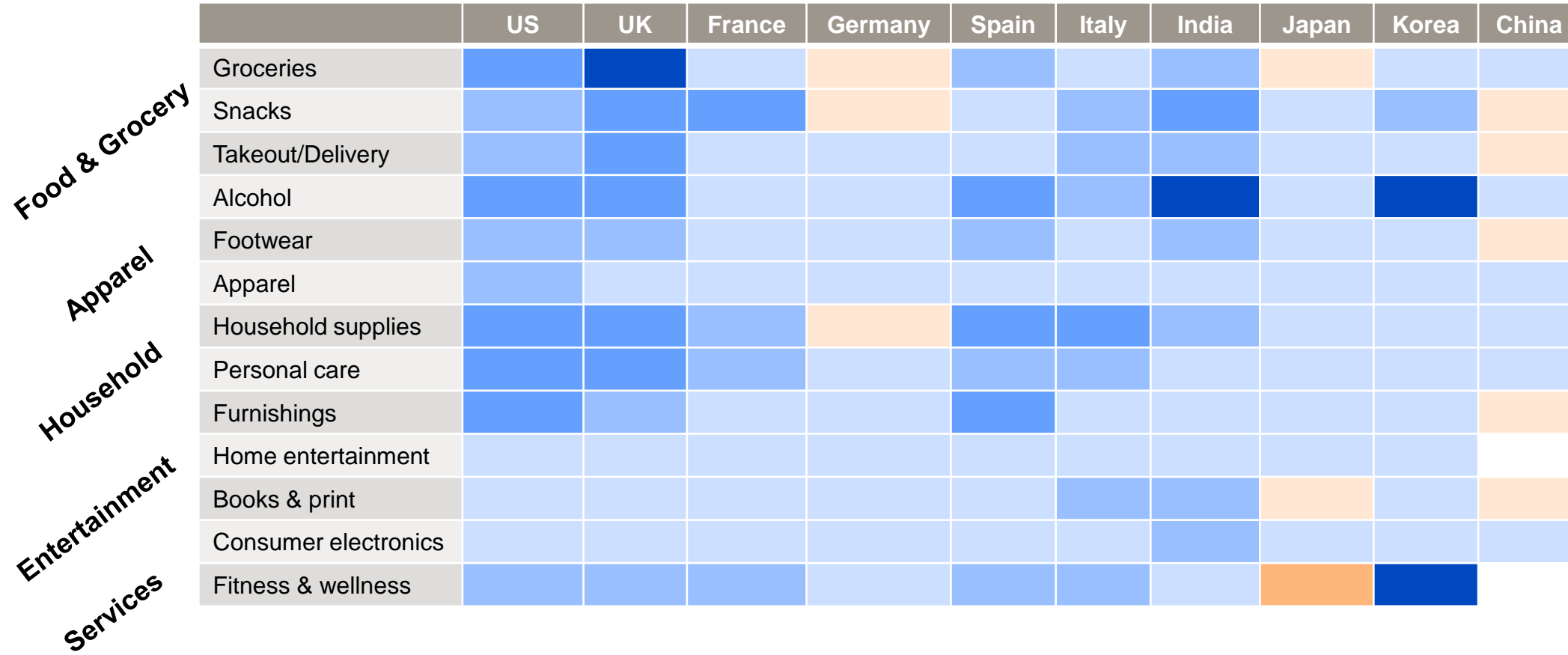


Worldwide; eMarketer; 2015 to 2019  
Source: eMarketer © Statista 2019

# Expected spending per category over the next 2 weeks compared to usual



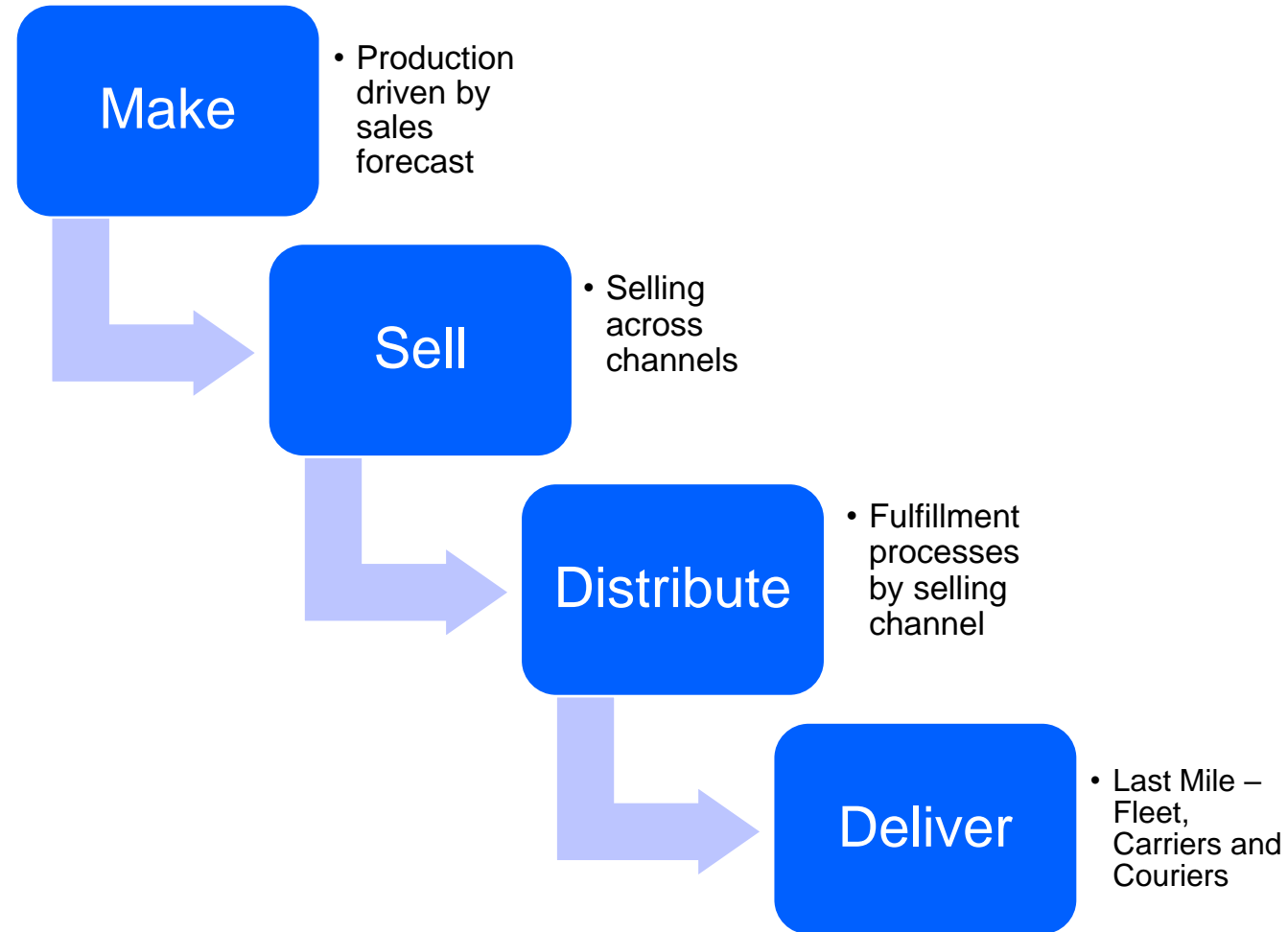
# ...compared to expected online spending



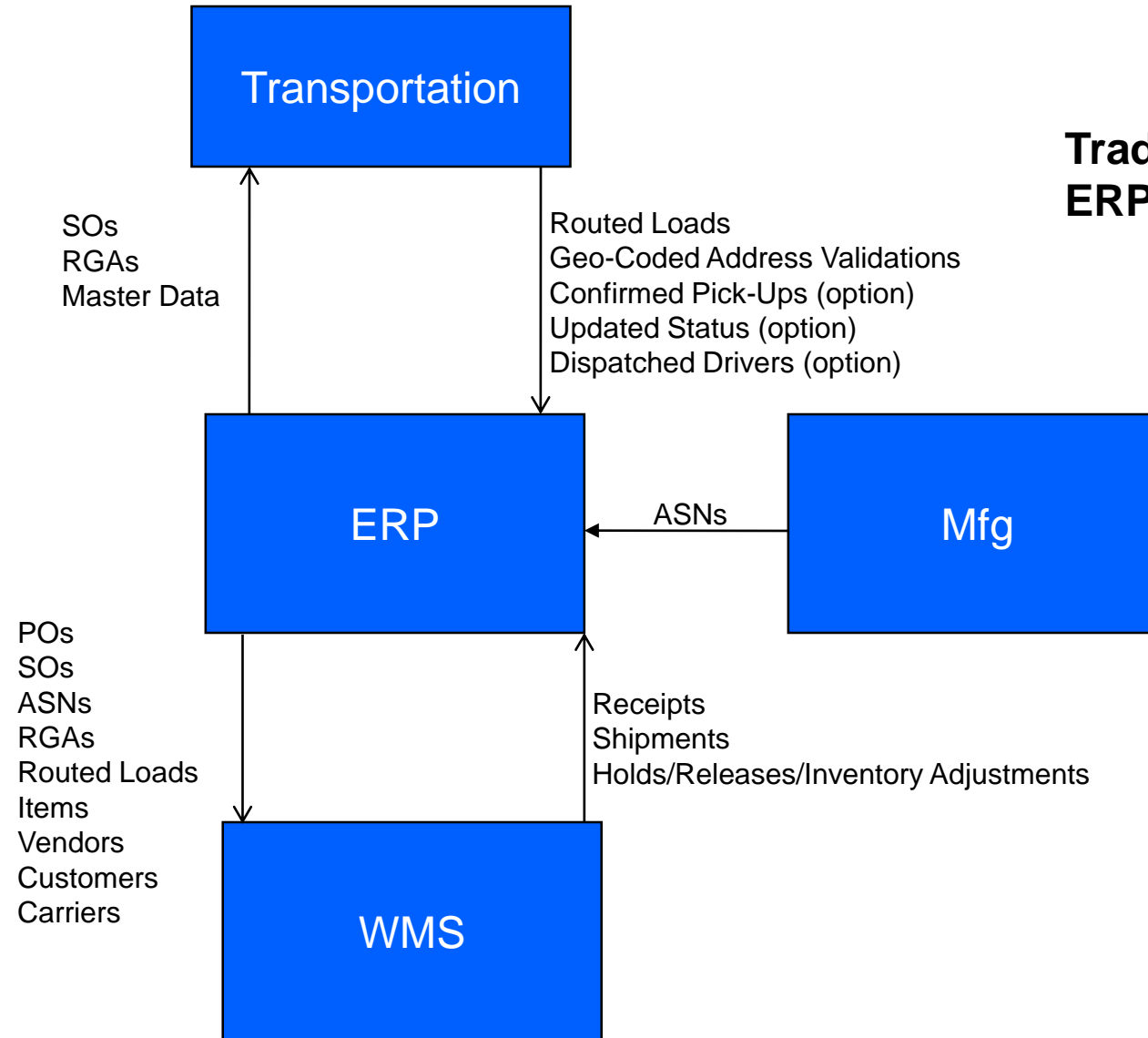
# Production to last mile delivery: WMS as the integration point



.....In an increasingly multi-channel world

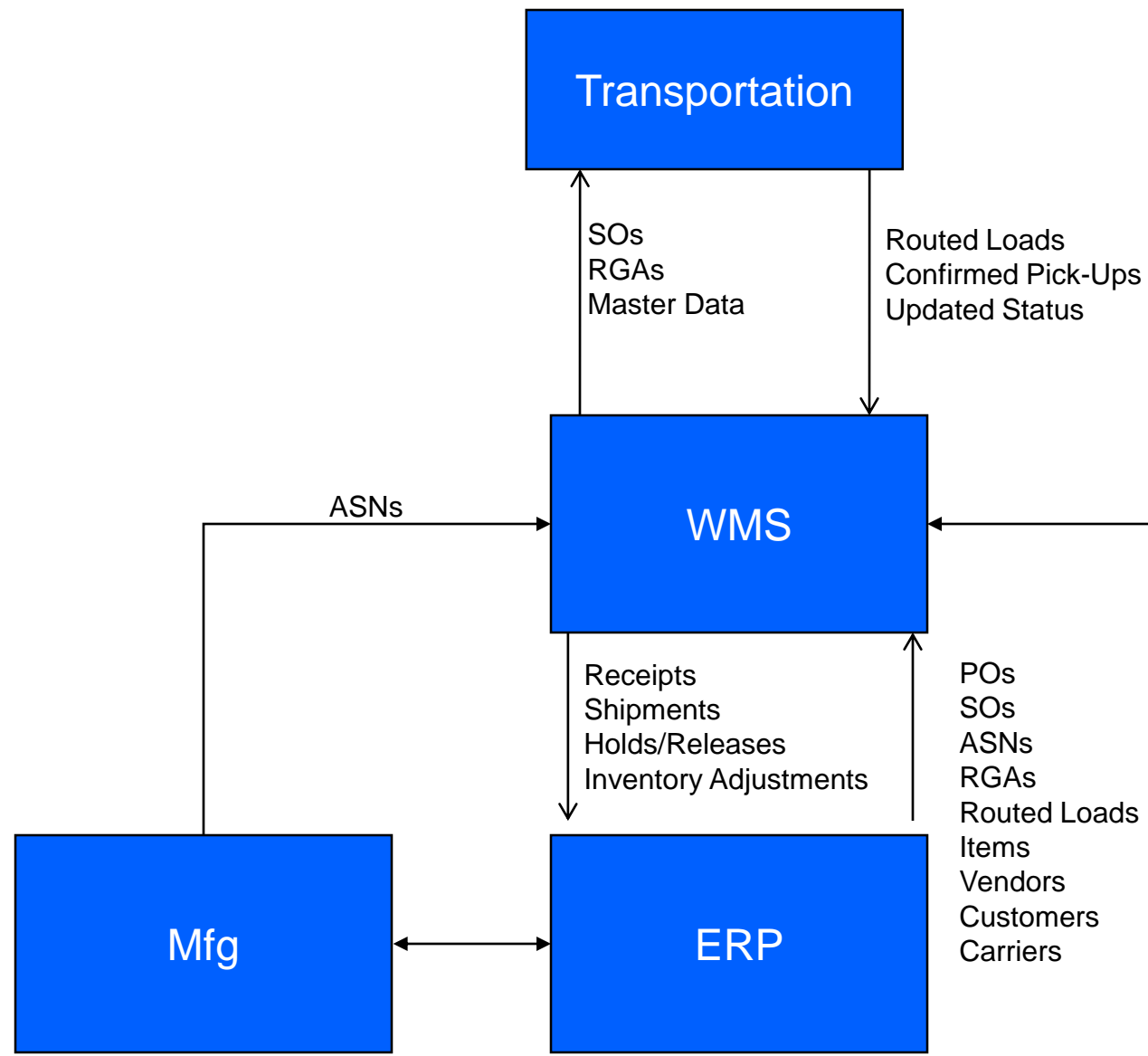


# Production to last mile delivery: WMS as the integration point



**Traditional Model**  
**ERP-Centric Integration Model**

# Production to last mile delivery: WMS as the integration point



## WMS-Centric Integration Model

Becoming the norm - Why?  
-Manage variability at execution layer  
-Execution systems are inherently more nimble

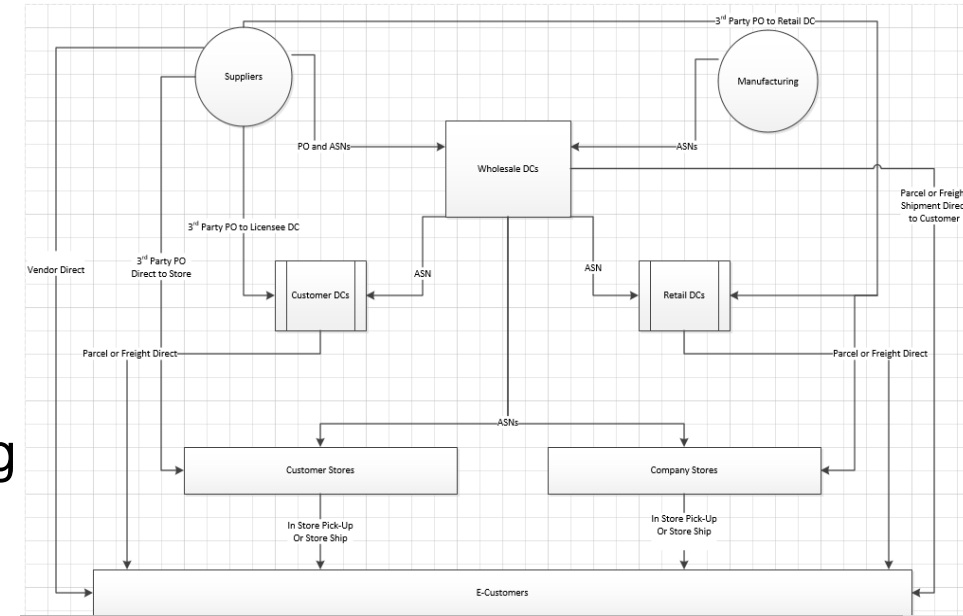
“Other Channels” with new needs

# Customer Journey



- Started out as Manufacturer Selling in One Channel – Wholesale
- New Worlds Opened up....
  - Brick and Mortar Retail
  - E-Com Direct
  - E-Com 3<sup>rd</sup> Party
  - Mass/Big-Box Merchants
  - Third Party Ship Direct
- Luxury of owning your brand and selling where they are buying
- Supply Chain Execution becomes the hub and backbone

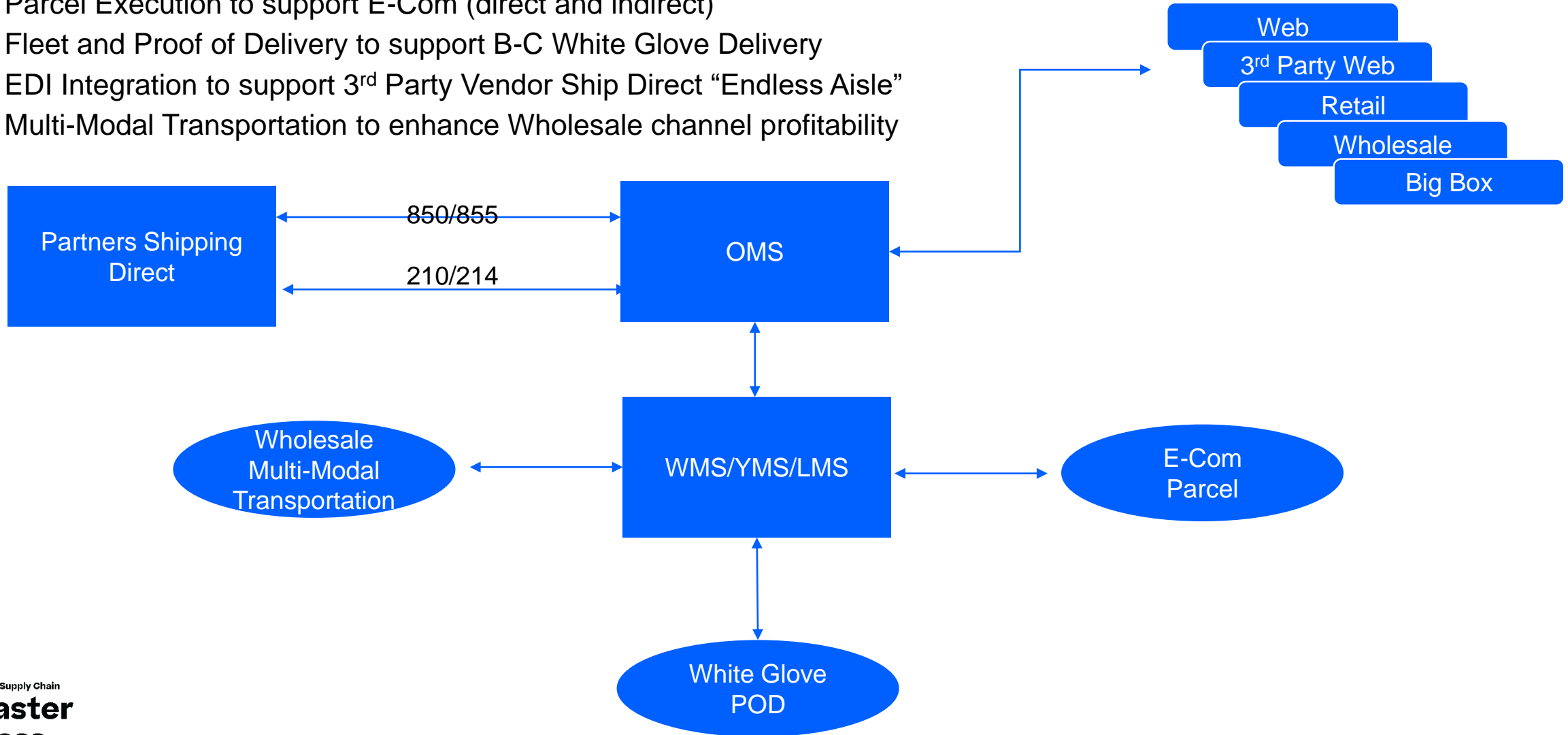
...and more complex



# New Channels add Further Complexity

## WMS as the Hub

- Parcel Execution to support E-Com (direct and indirect)
- Fleet and Proof of Delivery to support B-C White Glove Delivery
- EDI Integration to support 3<sup>rd</sup> Party Vendor Ship Direct “Endless Aisle”
- Multi-Modal Transportation to enhance Wholesale channel profitability

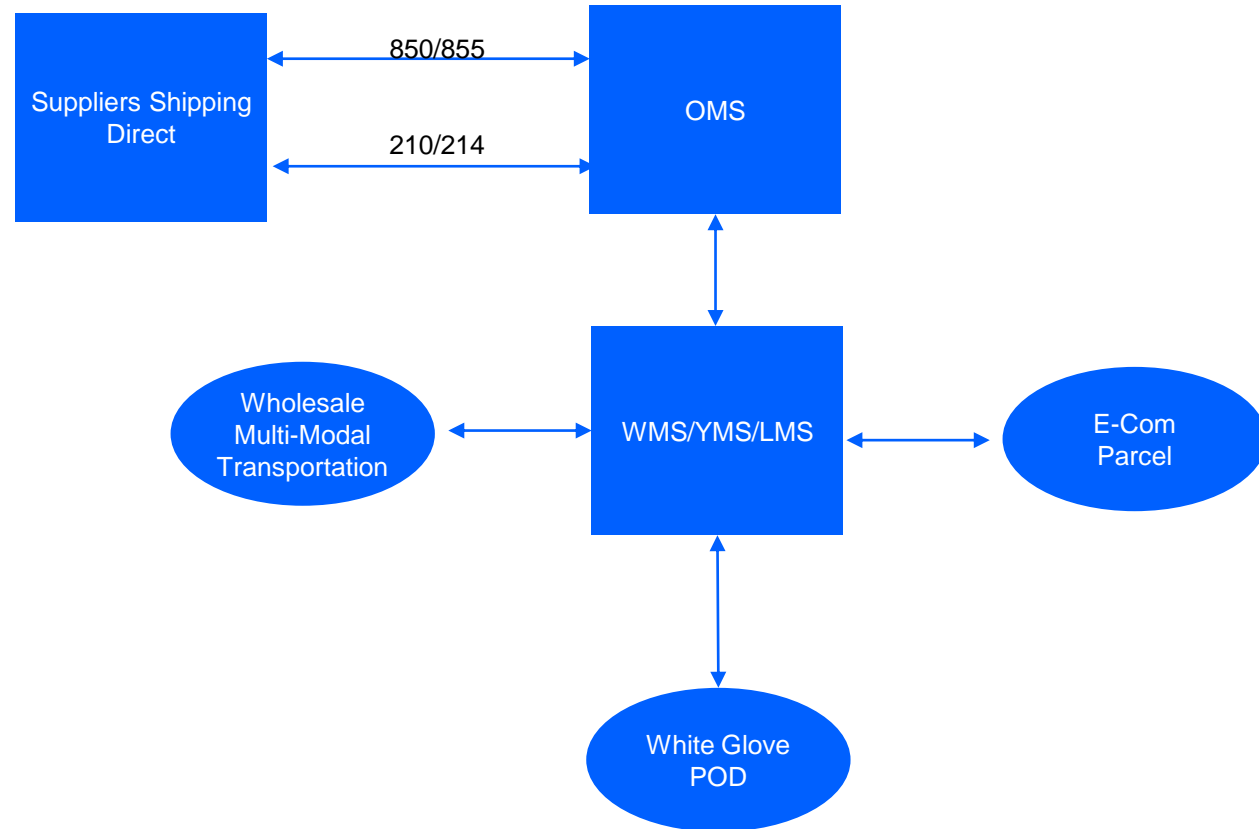


# WMS as the Hub

Requires sophistication at the WMS - and OMS layers

## Customer Projects to Support Multi-Channel Selling

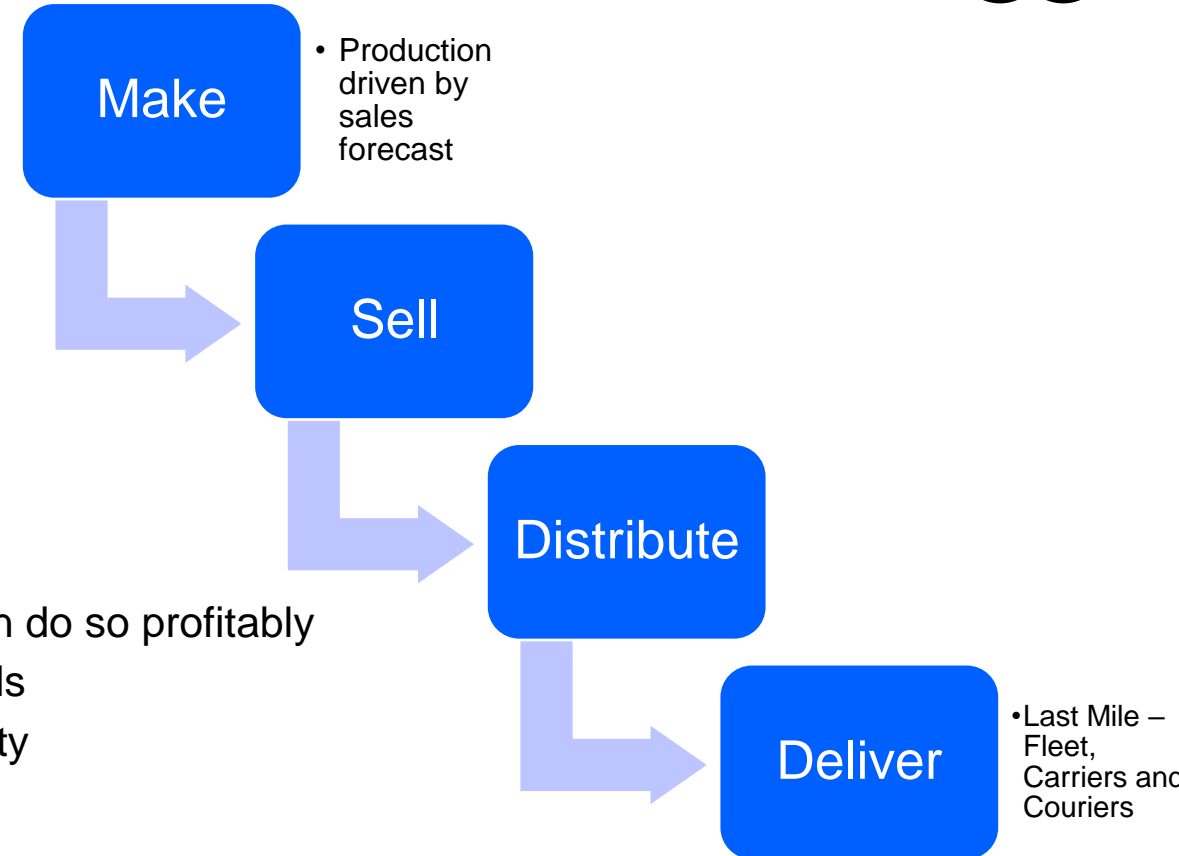
- New DOM/OMS solution to determine best source/costs
- Shared inventory model across selling channels
- Distribution and Transportation constraint-based ATP commits
- Receiving complexities by adding supply base outside mfg
- Cross-Channel Pick and Replenishment Strategies
- Additional Cross-Channel Products and UOMs
- Introduction of Cartonization and VAS
- Introduction of Returns and Repairs
- Introduction of Zone-Skip/Line-Hauling
- New Slotting rules by Velocity by Like-Selling Products
- Net New Integration Points
  - MHE/Automation
  - Parcel Rating/Execution
  - Last Mile Proof of Delivery Solution
  - Multi-Modal TMS



# WMS as the Hub

Customer approach set them up for success during COVID pandemic

- Flexibility is Key to Success
  - Wholesale/Brick and Mortar Channels Creating Top-Line Gap
  - E-Com and 3<sup>rd</sup> Party Direct Channels Cover the Gap
  - Customer is wildly successful in “new normal”
- Approach is Similar to Investing
  - Spread your dollars across a broad selling portfolio
  - Do research on which products sell in which channels – and can do so profitably
  - Enable your execution systems to support many selling channels
  - Keep WMS (and OMS) in the center as hub to manage variability



# Questions & Discussion

# Next Supply Chain Master Class



## From a Manual to a Fully Automated Warehouse



Automating your warehouse operations can provide significant benefits, including a significant increase in productivity and performance. But how can you avoid the pitfalls along the way, and determine the right level and type of automation for your business?

In our masterclass on **Tuesday, July 28**, Körber automation expert Pieter Feenstra will discuss how to find the automation solution that not only fits your needs, but also helps your warehouse run at peak efficiency and maximizes your automation ROI.

### **Contributor:**

Pieter Feenstra Chief Sales Officer Körber Supply Chain Automation at Körber Supply Chain