

Crocs

Leading global manufacturer of casual footwear take a big step forward in improving receiving, inventory management, and materials planning with RFgen.

At a glance...

Industry
Apparel and Footwear
Manufacturing

Application
Receiving
Inventory Management
License Plating

EnvironmentOracle's JD Edwards
EnterpriseOne 8.11

In only twelve years, Crocs, Inc., has become a world leader in innovative casual footwear and has sold over 200 million pairs of Crocs™ shoes in more than 90 countries. The company enjoys more than \$1 billion per year in annual sales. Crocs operates facilities in many nations, including Mexico, where IT Manager Rafael Garcia has been working to improve the visibility of raw materials inventory and the accuracy of warehouse transfers.

The Challenge

Garcia wanted to enhance his operations by implementing an Automated Data Collection (ADC) solution to replace several manual, paper-based processes in the raw materials warehouse, including receiving, inventory transfers, and cycle counts.

"The first situation we were facing was that we did not have the transactions online. We used to perform some inventory activities by paper and we executed transfers into the system by jobs. Every hour we were updating the system manually," recalled Garcia. "We decided to look around the industry and find out which type of solution we could use in our organization."

The Solution

Garcia's team at Crocs worked with a consultant to evaluate ADC solutions and make suggestions for process improvements in the way they handled raw materials. "We analyzed three options and RFgen was the solution recommended by our consultant here in Mexico," said Garcia.

RFgen Mobile Foundations for Oracle's JD Edwards EnterpriseOne is a suite of pre-written, validated data collection solutions that enables companies to drive operational efficiencies, reduce errors, and eliminate manual data entry. Requiring zero foot print on the JD Edwards server, RFgen can improve all areas of warehouse operations, including receiving, put away, transfers, picking, work orders, cycle counts, inventory management, and more.

Ultimately, RFgen's attention to customer service helped Garcia make the final decision. "The solutions we looked at were priced more or less the same and were technically similar. What helped us choose RFgen's proposal was their level of service. They responded promptly to our questions and delivered information on time. Our main contact at RFgen is a very professional guy, and he really gave us confidence in the process," he said. Another big factor in Garcia's decision was RFgen's License Plating solution. "The license plating capability also set RFgen apart for us; it was easier to use than other solutions."

The Result

Getting up and running with RFgen was fast and painless. "From my perspective, implementation was really, really fast. We took less than twelve weeks from the signing the Statement of Work to going live with the RFgen system," recalls Garcia.



Using RFgen with Oracle's JD Edwards EnterpriseOne, Crocs was able to:

- Shorten the time required for receiving so that it can be completed in five days per week instead of six.
- Reduce receiving shifts from two down to one while completing the same amount of work.
- Improve its ability to perform ad-hoc cycle counts and adjust inventory.
- Transfer multiple raw materials from the warehouse to a staging area and on to the manufacturing floor using palettes with License Plating.

Receiving

Crocs receives inventory into the ware-house using an RFgen transaction to receive Purchase Orders by line. Items can either be put away individually or be attached to a license plate for putting away multiple SKUs at once. Before RFgen, Crocs received items manually on paper, but now warehouse workers use handheld barcode scanners. This has contributed greatly to the speed and accuracy that Crocs can receive materials.

"Now we take less time receiving materials than we have in the past. The basic process has been improving. In the past, we had two shifts for receiving and now we are able to complete the process in only one shift. We used to receive materials six days a week, and now, we are only doing that job for five days. This is the kind of improvement that we have noticed with RFgen and also the receiving process improvements we made with the help of our consultant."

License Plating

With RFgen, Crocs has been able to use License Plating for the first time to improve inventory movement transaction throughout the warehouse. A License Plate enables Crocs to bring together multiple material SKUs into one barcode and make bulk transfers of all of the items with a single scan.

"We use license plating to create pallets. We use a temporary location where we place all the SKUs we want to move from several locations to one specific point," explained Garcia. "We load the license plate and then, when we arrive at the production floor, we deliver all materials in just one step, rather than one by one. It simplifies the transfers because we load the license plate and then release the materials in one shot."

Cycle Counts

Using RFgen to execute the counting process, Crocs can now perform cycle counts directed by location. Crocs can create cycle counts whenever the need arises and can base the counts on variety of indicators, including ABC codes, next count date, branch plant, location, item category code, and more. Counters are assigned portions of the warehouse and perform counts blindly. The RFgen cycle count updates JD Edwards, and authorized team members can adjust quantity in JD Edwards using RFgen.

Materials Transfers and Planning

RFgen creates an efficient, paperless way for Crocs to transfer inventory from one warehouse location to another and to the manufacturing floor. Garcia explains, "We use the same process to deliver materials from the warehouse to the manufacturing floor, but the difference with RFgen is how quickly we complete the process. Now that we have the inventory transfer online, we are able to appoint only the resources we need."





"We start the previous day to schedule the production for the next day," he continues. "The previous day we get information about the availability of raw materials from our ERP system. After that, the raw materials warehouse picks up the materials and moves them into a separate space for delivery to manufacturing the next day."

Garcia emphasized in closing, "Since the implementation of RFgen, Crocs Mexico improved delivery time by 50% from the raw materials warehouse to manufacturing."

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About RFgen Software

Incorporated in 1995, California-based RFgen Software provides flexible and reliable mobile supply chain solutions that solve real-world business challenges. As a certified Oracle, SAP, Microsoft, Deltek and Vocollect partner, RFgen actively seeks companies facing challenges managing their internal supply chain operations and solves them using real-world experience, industry best practices, and state-of-the-art technology. RFgen's Mobile Framework division specializes in development tools for mobile, wireless and voice environments and provides open standards based connectivity to a multitude of systems (database, SOA, legacy, etc.). RFgen's ERP Integration division focuses on providing certified, open-source transactions and integration expertise for Oracle E-Business Suite, Oracle JD Edwards, SAP, Deltek Costpoint and Microsoft Dynamics solutions.

RFgen's Mobile Framework is an open systems development platform that speeds the path from idea, to proof-of-concept, to solution deployment. RFgen provides built-in, native functionality for extending real-time and on-demand access to enterprise data to almost any mobile device available today. RFgen's Mobile Solutions are currently installed in more than 35 countries, in over 2,800 locations, and are supported by a certified group of over 140 solution partners.

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