

Case Study



Blackwoods
Scoresby, Victoria

Optimised DC positions Blackwoods for future growth

Blackwoods, part of Wesfarmers Industrial and Safety, is Australia's leading supplier of tools, safety gear, workwear and other industrial supplies to businesses of all sizes across Australia.

With a product range of over 200,000 SKUs, Blackwoods supplies safety equipment, fasteners, welding, gas and abrasives, lifting and rigging, apparel and embroidery, footwear, signage manufacturing and inventory solutions.

In August 2018, ThreeSixty was engaged to:

- Provide the final detailed design of all equipment to support the procurement process
- Develop appropriate functionality for the new WMS to suit the new operation
- Project manage the consolidation of two DCs and the head office
- Project manage the integration of the ERP, WMS and Australia's first AMR solution



The Challenge

With imminent lease expiry on its Distribution Centres (DCs), Blackwoods needed to consolidate the two DCs and the Victorian head office in Melbourne into one facility able to accommodate combined current operations along with future growth. The previous operations, facilities and infrastructure had reached capacity and could no longer cater for demand.

The transition of two fully functional DCs would also include the relocation of embroidery services, DG room, trade store and the Victorian head office, leading up to and over the Christmas and New Year period. This required end-to-end coordination of construction, refurbishment, internal fit-out, IT and systems integration, with aggressive timelines.

“ The ability to recover from unforeseen supplier issues that potentially could have delayed the project by months, was tightly reigned in to provide alternate solutions and get back on track within weeks. ”

Kevin Buhagiar, Southern Operations Manager, Blackwoods

This project presented a major challenge as a highly volatile environment with a new facility, new WMS, new equipment, and new, untried GTP system requiring a robust change management and training plan.

It would be a partnership to deliver one of the biggest projects for Blackwoods in Victoria in 20 years.

Our Solution

To ensure a seamless induction and to promote collaboration, ThreeSixty embedded itself within the Blackwoods business, electing to work closely at all levels from shop floor to senior management.

During that time, ThreeSixty developed and adopted the appropriate PMO tools and templates to establish project governance, change management and a communications plan. In addition, a supplier management framework and governance were set up to ensure all contractual deliverables and committed milestones were delivered as per Blackwoods' standards.

Crucially, ThreeSixty developed a deep understanding of the 'to be' SEQOS WMS and supporting integrations between the Focus ERP, Geek+ GTP System and My-Freight FMS, to ensure and manage the holistic solution prior to and post go-live.

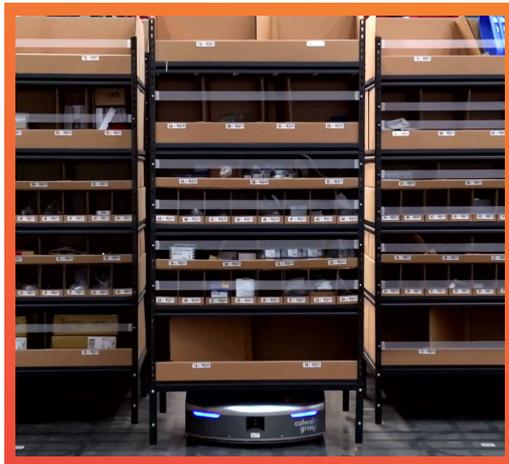
ThreeSixty also undertook detailed planning and coordination of end user training, testing and transition, which all occurred in the lead-up to Christmas. It structured go-live management with daily KPI tracking, issue register and communications plan from cutover through transition, ramp up, steady state and operational handover.

Finally, stakeholder engagement was measured with transparent operations and financial reporting to enable smart decisions going forward.



Result

The highly successful project was completed in February 2019 – delivered on time and on budget with minimal disruption to Blackwoods' customer service levels. Benefits to Blackwoods included:



- Seamless integration of a newly upgraded WMS with real-time integration to the AMR system and Blackwoods' ERP
- Minimal impact on normal business operations by successful transition of 34,000 SKUs across 15,000 pallet locations outside normal operating hours
- Increase in productivity of 15-20% in the first eight months of operation and improved omni-channel service levels to stores and customers
- Substantial reduction in cost to serve and overall supply chain costs
- Capacity for future growth and expansion through an optimised DC with only 45% stock holding within the AMR solution

“ The professionalism and expertise provided by ThreeSixty was undoubtedly the reason for the success of the project. The time spent with the Blackwoods teams and suppliers, the engagement and collaboration of all parties was exceptional. I could not recommend them highly enough. ”

Kevin Buhagiar, Southern Operations Manager, Blackwoods