

Don's Cold Storage Case Study

A Strategic Decision in the Making

Don's Cold Storage is a newly established warehousing company out of Rogers, AR. With over 2.5 million cubic feet of cold storage area and refrigerated transportation services, Don's is a comprehensive supply chain solution. The company offers blast freezing and cold storage warehousing for food products, as well as logistics services including rail car loading, truck loading, and export services. In the transportation division of their business, Don's services include refrigerated van, flatbed, and hotshot vehicles with a base fleet of 200 semis and the ability to spot refrigerated and dry vans in the local area.

The Challenge

Third party logistics providers are being confronted with more intense competition, as well as pressure from customers to meet growing demands, smaller order sizes, shorter lead time, and higher accuracy. This has forced 3PL companies to turn to supply chain software solutions to meet these demands.

As an important strategic decision, Don's Cold Storage and Transportation decided to look for more than a vendor; they wanted a strategic partner that would help them become a force in the market from the beginning. Determined to start their operations technologically prepared, Don's Cold Storage main problem was to select the right company that would help them get started. Shelley, VP of I.T., conducted the search for a solutions provider which led her to a comparison of over 40 companies. "We wanted a company based in the US that had been in business for several years. We also needed web access for our customers and customized reporting ability. From a technology standpoint, we needed an open database and I preferred a windows-based operating system. The ability to utilize RFID technology at a future date was also important. Pricing was an important factor as well."



The Solution

Datex offered Don's Cold Storage a complete solution that included consulting, hardware, and software.

Datex's logistics analysts provided Don's with consulting services in several areas including strategic changes needed for their operations, performance improvements and the best possible solution to optimize their business. A site survey allowed Datex analysts to give the company the best possible layout for their operations, taking into consideration their experience and allowing them to avoid problems before they arise.

Datex Case Study- Don's Cold Storage and Transportation

The Solution- continued

With a newly built warehouse, Don's didn't have any of the hardware equipment in place to handle radio frequency operations such as wireless infrastructure, access points, and handhelds. Datex's team of hardware experts provided Don's with the hardware equipment designed to handle a variety of environments, as well as providing installation and configuration.

The software provided offers Don's all the functionality and requirements they sought at the right price. The system offered by Datex is based on the use of Radio Frequency and handheld devices, allowing the capture and management of information and tasks in real-time. This increases Don's accuracy when it comes to allocating inventory to different orders. During the receiving process, the company is able to capture product temperature, lot id's, expiration date, weight, volume, pallet inventory, accessorial charges and any other information that their particular business process may require.

The putaway process is system-directed based on rules configured by the user that take into consideration many factors such as weight, volume and rotation, allowing for better utilization of the space. The system handles outbound orders as well, working on a FIFO basis.

The system also allows for cycle counting and physical inventory, which is required by many of Don's clients. The 3PL module will allow Don's to keep track of their revenue by auto-generating invoices to its clients on a periodic basis. The system keeps track of all costs incurred while handling the client's inventory assuring there is no loss of revenue. The billing cycle can be customized for each client according to the particular terms of their agreement. Multiple standard and customized reports can be found at any stage of the processes. These reports are produced with real-time information, ensuring that what they see is what they can find in the warehouse.



An e-portal was also included in the solution allowing Don's clients access to their information in real time. With the e-portal, customers are able to create inbound and outbound orders, view their inventory, and download reports and invoices as needed.

Selecting the right vendor was not an easy task, but Shelley is confident that this strategic alliance with Datex will pay off. "I liked that the SQL database structure was available for other reporting tools and that the system had been used in a cold storage setting before. Also, we liked the 'hands on' approach that staff had with our implementation process and the breadth of services provided for both hardware and software purchases."

For more information on Don's, visit them on the web at:
www.donscoldstorage.com

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