



# Joining up all the dots in warehousing and distribution

Manufacturing and Logistics IT spoke with Conor Whelan, Wincanton's group IT director, about the company's extensive range of logistics and warehousing services in Europe and beyond, plus with its existing channel relationships and increasing development of a best-of-breed IT infrastructure.

**W**ith a logistics history dating back to the 1920s, Wincanton is a well-established European force in advanced supply chain solutions provision and business outsourcing services. It employs 30,000 people over 400 sites across Europe, has 3 million sq ft of warehousing space and 8000 vehicles in its fleet. Wincanton produces an annual turnover of over £2.36 billion and offers a broad spectrum of services that enable clients

to optimise their logistics requirements at a local, national or regional level. Serving many of the world's leading companies, Wincanton

covers all core market sectors; including automotive, chemicals, consumer goods, construction, defence, food service, high tech, industrial, energy & petroleum and retail.

#### Value-added services

Wincanton operates a comprehensive range of supply chain solutions for its customers; from transportation of simple product flows to complex freight management solutions, and from temporary shared user warehousing to fully >>

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automated dedicated solutions. In terms of value-enhancing services, Wincanton has developed a range of additional services; including the handling of non-merchandise for retailers, dealing with all aspects of reverse logistics and recycling through to managing one-stop '4PL type' solutions. The company's warehousing solutions are tailored to requirements on a dedicated, shared-user or networked basis, while its transportation services take advantage of every available means: road, rail, air and intermodal systems. In terms of geographies, Wincanton operates in the UK & Ireland, France, Belgium, Germany, Italy, Austria, Spain, Switzerland, the Czech Republic, Hungary, Kazakhstan, the Netherlands, Poland, Portugal and the Slovak Republic. It also has a joint-venture agreement with Hong Kong-based Kerry Logistics to provide a more global supply chain service.

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– *Conor Whelan.*

### Rolling with the punches

Like any other well established players in its market, the company has experienced challenging times over the past year and a half. Now, a few months into a new decade, some of Wincanton's target verticals are at last showing signs of improvement; retail being a good case in point. But has the company altered the course of any of its tried-and-tested business methodologies during the leaner months in order to leverage greater advantage? “Like most organisations,

we have a cost overhead, and have adjusted that to reflect the current market climate,” said Wincanton's group IT director, Conor Whelan. “Essentially, we have focused on some key business units where we can actually give more value back to our customers in these touch economic times. For example, we've seen some customers



move to a 'white fleet' scenario, where they may not necessarily feel it absolutely necessary to have their own liveried vehicles. And we can further optimise the use of transport on the road with modern vehicle tracking and telematics systems. We can also provide additional services such as reverse logistics and recycling, and this all helps our business as well as hat of our customers.”

### Keeping on top of legal compliance

As a large organisation within a mission-critical industry sector, Wincanton has not only to provide a reliable and cost-effective service to its end users, it must also ensure that it keeps its own house in order from a legal compliance perspective. “For example, we have to ensure all our vehicles on the road comply to the size and weight regulations in different territories,” said Whelan. “And from a staff perspective, we must make sure that our workforce is operating safely within the Working Time Directive. While, in terms of health & safety

compliance, petrochemical is where I believe we really have set the standard in the UK for safe distribution of chemicals and petroleum. We are very proud of our track record in this area. In terms of compliance legislation in general, new legislation is coming in all the time – partly due to the effects of 9/11 and the increased threat of terrorism in general.

So now the amount of documentation and information management a company like Wincanton needs to maintain in order to trade internationally has changed significantly over recent years. Therefore, having the right solutions in place to be able to track and trace all our activities on the road and in the warehouse is an important part of our everyday working life.”

### Technology backbone

In terms of the IT technology backbone Wincanton relies on, Whelan points out that the company is always keen to install “leading-edge rather than ‘bleeding-edge’ solutions”. “We ensure our IT product portfolio is absolutely aligned with the services requirements of our customers,” he said. “Over the past five years we have made major changes in the IT systems we use; moving from what was predominantly an in-house IT development regime to the roll-out of an increasing number of best-of-breed solutions. And although, like many other organisations, we have our >>

<< own legacy estate that we continue to manage, one of our biggest technology successes over the past couple of years has been the establishment of our own group wide area network, improving our communication infrastructure."

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Wincanton also uses a range of specific solutions to serve each of its market sectors as well as help manage its own internal operations. For the management of these solutions, the company calls on a mixture of tier 1/tier 2 outsource partners who provide all the application support required. Whelan outlined a number of Wincanton's current core IT solutions used throughout the group: "We chose Coda software for financial management, CIP for HR and have standardised our Time & Attendance on Kronos; which

we now use at all of our UK sites. For financial reporting we use Oracle Hyperion, and our group standard warehousing solution of choice is Manhattan Associates. We have one transportation management system per region; all of which have been developed

in-house. Our contract food service distribution system has been supplied by Minster Logistics, for our Home Delivery operations we use an Axida order management system, and a Carfax system manages our fleet services operations. So, across the board, we have a best-of-breed solution set for each of our core disciplines and markets." Additionally, Horizon is Wincanton's internet solutions provider across the group while, on the hardware side, the company has standardised on IBM.

### System consolidation

Whelan pointed out that before Wincanton began to standardise on its current solutions, it had relied on a number of disparate systems of various strengths and levels of resilience. "Up until two years ago we operated a total of 27 different warehouse management systems," he said. "So we began to look at the top 25 WMS vendors globally and finally decided to pilot Manhattan Associates' Warehouse Management for Open Systems solution – and we haven't looked back. So far, we have 10 warehouses running the WMS successfully across Europe."

Another technology area where Wincanton is increasingly seeing benefits in a growing number of its warehouses is Voice-directed picking. "We've standardised on Vocollect as our provider and have integrated Voice into our WMS," said Whelan. Additionally, he explained that the company is gaining major benefits through using vehicle >>



tracking and transportation management solutions provided by Microlise and Isotrak. "These systems help us manage our fleets more efficiently; from a security perspective in terms of GPS tracking, through to the use of telematics, which show us if we are fully exploiting the use of the vehicle to their best

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Wincanton's transportation services take advantage of every available means; road, rail, air and intermodal systems.

advantage." Whelan added that Wincanton's workforce is also using a range of Symbol/Motorola mobile computing devices for the real-time data capture in the field: such as signature capture at the point of delivery.

### Partner role

Whelan pointed out that Wincanton places its systems partners in two main categories: hardware and software. "On the hardware side we have just selected Camtek, who have taken over from our previous partner in this technology area," he said. "We chose Camtek primarily because of its proven level of service and availability and cost of service. Over the past 12 months we have been looking very hard at our channel partners and what value we get from them; and we have realigned some of these services to drive better value and better relationships."

On the vendor front, IBM is beyond doubt one of Wincanton's most important suppliers. "The hardware we have acquired from IBM amounts to around 800 servers in our UK estates alone, and circa 300 servers across mainland Europe," said Whelan. On the systems integration side, Wincanton as a group has standardised on Seeburger as its integration platform. "From an IT perspective,

integration is probably our biggest USP, and we integrate with every single client we operate with," remarked Whelan. "We have an anything-to-anything approach, and our Seeburger platform has given us this capability."

### Taking the lead

From a business relationship perspective, Whelan reflects that, while Wincanton likes its partners to work alongside the company during system installation, integration and general development, it would never ask a partner to take the lead. "We must always

take clear ownership of the IT project because it is we who are ultimately accountable to the end customer," he said. In terms of IT system choice, Whelan points out that Wincanton always looks at the demands and needs of its customers in the first instance, and then works with its existing vendor partners to implement the right solution with the best functionality

for the task. "We also competitively go to market to find out what else is out there," added Whelan. "We're constantly doing this almost on a monthly basis to make sure we are keeping abreast of the technological advances in the IT industry from a hardware and software perspective. We also use our findings it as a benchmark as to what our competitors are or might be doing." ●

