



For award-winning delivered wholesaler J W Filshill, a longstanding partnership with IT solution provider Sanderson has become vital to the strategic direction of the business. It is a relationship that delivers substantial financial benefits.

# Off the shelf success

**E**fficiency and productivity are vital factors for every retailer, and these, along with its longstanding reputation for excellent service, are core attributes for Filshill. The company has been a user of Swords, the delivered wholesale solution from Sanderson, for the past 10 years, and continues to drive value from the system, by using it to deliver ongoing improvements in its business and operational processes. The latest project has seen the introduction of sophisticated voice-directed picking to the warehouse.

Glasgow-based JW Filshill was established as a confectionery manufacturer in 1875 and continued with this aspect of its business for more than 100 years. However, midway through

the 20th century, the business diversified and opened a cash and carry operation, to which it added a delivered goods service in the 1960s. The growth of these two areas of the business came at the same time as a decline in the manufacturing operation and when production became uneconomical, the manufacturing side of the business closed. Since then, however, Filshill has gone from strength to strength and, while very much retaining its family ownership and values, it has soared to become a major wholesale and cash and carry operation, with revenues of over £170 million. The company has received widespread acknowledgment of its success and has recently added the coveted Scottish Wholesale Achievers, Champion of

**Andrew Allison**  
IT Executive

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Champions award to its already impressive collection of top industry accolades.

The company's products are aimed at the general convenience market. The range is expanding continuously and includes alcohol, tobacco, soft drinks, crisps, snacks, grocery and, most recently, a chilled section.

Filshill has over 1,600 retail cash and carry and delivered goods customers, plus more than 160 retailers who have joined the company's Symbol Group, KeyStore - a network of partnership stores across Scotland and the north of England. It also services a number of wholesalers, with some very large accounts among them.

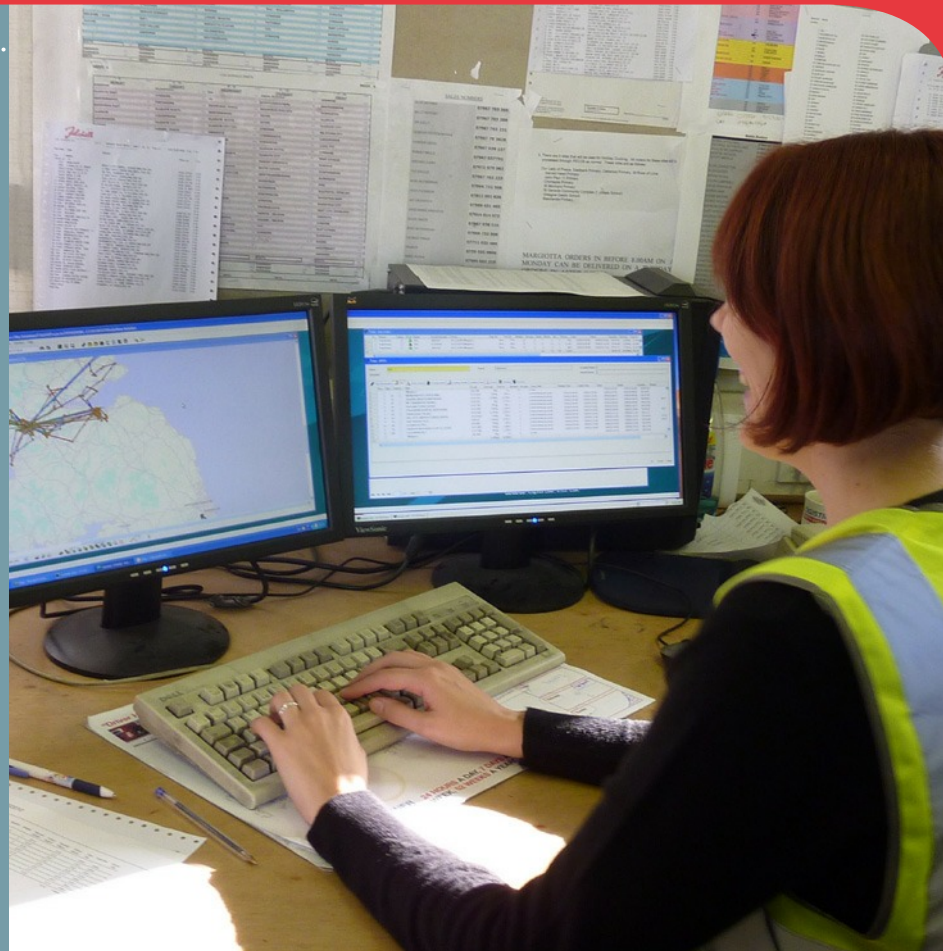
Filshill is continually reviewing the operational side of its business in line with its strategy to create greater efficiencies across all areas. There are always a number of different projects in progress, such as the recently launched online ordering system and instructed replenishment programmes. Managing director, Simon Hannah

says it is impossible to imagine how Filshill would run without Sanderson: "Sanderson is continually developing the functionality of the Swords system, which means it is always able to meet any new demands we place upon it as our company changes and grows; it remains the perfect fit for our business."

He says proactivity is the key element to 'the first class service' he receives from his supplier: "We do our best business with companies and individuals who are of a similar mindset to ourselves, focused, ambitious, flexible and passionate. The Sanderson team is all of these things."

Until recently, the business had been using the Swords RF module to successfully manage its order picking and stock control operations; using hand-held units to record stock movements into and throughout the operation. To increase warehouse efficiency still further, Filshill decided to move to voice order picking. The new system features speech recognition technology

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to enable staff to communicate directly with the warehouse management system, through a wireless headset and microphone. Each user has a voice training session to ensure reliable recognition of operator responses and every pick face now contains only one type of product to reduce the time required for product identification. The system directs the picker to the correct location and the operator has to give a sequence of verbal confirmations based on the product code, to ensure accuracy. “The Sanderson system has reduced pick time dramatically - by as much as 30% for some products,” says IT executive Andrew Allison. “Combined with a recent revamp of the order picker pay scheme, the hourly pick target is set to rise to 180 per hour compared with the original target of 110; that’s a 64% improvement.”

Productivity is not the only positive result. Filshill is anticipating that voice technology will also benefit the bottom line. Allison explains: “The increase in accuracy and reduction in handling damage – estimated at £10 per error

– means this project will achieve ROI within the first full year of operation, probably within 10 months.”

As well as improved efficiency, hands-free operation has ergonomic benefits for the pickers, says Allison: “The Swords voice picking system reduces the amount of product damage because pickers can handle the goods more easily with both hands. It also reduces any physical strain generated by the repeated scanning motion associated with RF use.”

Filshill’s drive to increase productivity with state-of-the-art systems is continuing apace. As well as the voice picking project, Swords has been integrated with a third party vehicle routing solution, called Optrak. Order details are sent from Swords to the routing software, which calculates the most efficient delivery routes, taking customer requirements into consideration. The route plan is then passed back to the Swords picking system so that the route, drop and priority pick sequence can be assigned to each order.



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The project has only recently gone live, but Allison says that if savings continue at the current rate, the system could save Filshill as much as £250,000 per year.

As well as improvements within the warehouse and delivery operations, Filshill is using Swords to enable intelligent analysis of data. Business intelligence is vital for progressive companies like Filshill, and the Sanderson system enables the organisation to drill down to individual line detail within sales, purchasing and stock data. This allows detailed analysis of sales, purchase and stockholding trends, and can be used to evaluate supplier performance.

For Filshill, Swords is the backbone of its office and warehouse operations. To ensure business continuity and system reliability, the organisation has also upgraded its servers, so it can run a state-of-the-art mirroring solution to ensure true resilience.

Sanderson is also developing a new online ordering system for Filshill, to further improve the speed of delivery for its customers and

bringing a next-day service for many. Currently, the Swords field sales module allows Filshill’s sales representatives to place orders via a hand held device PC; scanning from a price list order form, which is updated monthly. With the new online ordering system, orders will be placed directly from the store. Customers will be able to scan product barcodes into the system using a sophisticated key fob scanner. This data will then be uploaded directly into Swords and will link through to the voice picking technology.

Filshill’s finance director Fraser Harrison says the latest system advances will boost efficiency and profits: “Access to real-time information is crucial to a busy company like ours. With Swords and the addition of the voice order picking technology, we can have an accurate stock reading at any time. Our investment in voice order picking will lead to faster and more accurate order picking in the warehouse. We’ll be able to see the return on our investment quickly due to a reduction in costly picking errors and an improvement in service levels for our customers.”