

[HQ]

EDI headQuarters

Case Study

World and Main

LOCATION:

Cranbury, NJ

FOUNDED:

1971

INDUSTRY:

Manufacturing

CORE PRODUCTS:

Home environment, security and builder's hardware, plumbing, paint applicators

EDI SOFTWARE:

EDI HQ from 1 EDI Source

BACK OFFICE SYSTEMS:

IBM AS/400-based home grown ERP



Situation

World and Main LLC is a company of many names, built largely through acquisitions. Founded in 1971 as the Howard Berger Co., the company became Hardware Holdings in 2013 to combine its assets with the recently acquired Handy Hardware. Subsequently, the firm made a series of additional strategic acquisitions – including Jones Stephens Corp., The Faucet Queens and WoodLock – and became World and Main in 2015 to reflect its evolution into a leading national distributor.

The company's strong growth did not come without challenges, however, as the acquisitions united EDI data from numerous directions. With five U.S. distribution centers offering upwards of 75,000 SKUs across multiple channels, fed by a supplier network of manufacturers in 35 countries, the firm was initially utilizing an EasyLink software solution that wasn't up to the task.

"They [Easy Link] were charging us a lot of money for their EDI translation and VAN [Value Added Network] services," said John Mitterko, Vice President of Information Technology, World and Main. "Cost was becoming a huge problem, mapping and processing orders was becoming a bear and the overall day-to-day minutia of trying to make it work with our ERP system was getting to be a daily problem."

"It became a breaking point where we had to do something," he continued. "It's not an easy task to move off one EDI platform and onto another, but the frustration level was so extreme at one point we just couldn't do it anymore."

Solution

A few years prior, Mitterko began researching alternative EDI management systems online with the goal of finding a program that would allow World and Main to simplify its work flow and send all EDI data through one source. The company eventually decided to adopt EDI HQ, an on-site EDI software solution by 1 EDI Source that gave it complete control over its inbound and outbound data while also adding new layers of flexibility.

"With EDI HQ, we're able to plot our own course and say, 'This is how we're going to handle data and this is how we bring on new customers,'" Mitterko said. "But also it gave us a system where we started utilizing AS2 [Applicability Standard 2] for secure EDI data transfer with a lot of our customers."

"We've been able to manage the system internally and be a little more self-sufficient overall," he continued. "We still depend on 1 EDI Source for some help but it gave us the flexibility to do new things and add transactions that our software before just couldn't handle." The benefits of the new system became apparent to Mitterko and his team almost immediately, he said.

"We were able to process transactions of a nature we couldn't process before, but it also addressed pricing issues and other ongoing problems," he said. "EDI HQ allowed us to change our workflow and simplify incoming transactions and it also gave us much greater visibility of where our data problems were happening."



Driving Business Impact

The improvements in functionality World and Main has gleaned from EDI HQ versus its previous EDI management system has allowed the company to perform new types of transactions, including those having to do with point-of-sale (POS) data.

“One major problem before was that we just couldn’t do certain EDI transactions, period,” Mitterko said. “We literally couldn’t handle them. Now we’ve started delving into POS data from our customers so that we can do reordering.”

“Just to be able to accumulate that data is a win in itself because now we can see what we sold at the customer level, where it’s being sold and how much,” he added. “We can do sales projections and other things we just didn’t have access to before, and we can mine that data for valuable insights.”

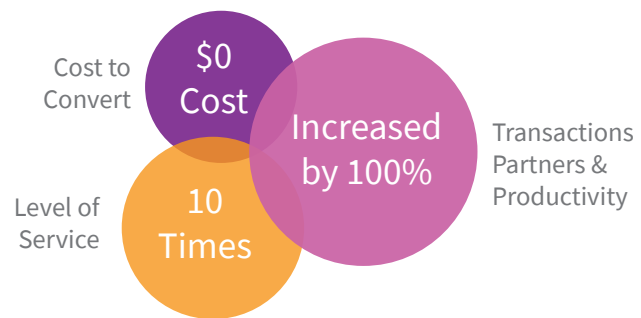
After switching over to the new software, the company improved efficiencies as well. In fact, Mitterko said the customer support provided by 1 EDI Source has been one of the biggest advantages for his company. “We call, we get answers, we consult, we work together as a team. It’s hard to quantify having that level of customer service, but it’s huge.”

Relationships

In addition, EDI HQ has allowed World and Main to significantly improve timeliness of data transfers like Advanced Ship Notices to its clients.

“Everything is electronic nowadays, and everything is a metric,” Mitterko said. “Did you transmit your EDI back fast enough? Did you respond with the right data? Everybody keeps you by a number you’re expected to hold to. There’s so much involved with EDI now that we were not going to do well if we kept going the way we were going.”

“Before, if we got a rejection from a customer on an EDI order we didn’t even know about it,” he continued. “We’d have no notification, no way of fixing it or working with it. EDI HQ gives us the ability to go in, fix it, make it right with the customer and make sure they have the information they need to move forward and for us to prevent it from ever happening again.”



“My net cost is almost zero from the old to the new—I’m actually saving a bit of money – but I’ve doubled the partners on the system and doubled the transactions on the system, so I’ve actually doubled my productivity without it costing us any more than what we were paying originally, and the level of service we get is 10 times better.”

— John Mitterko, Vice President of Information Technology, World and Main

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