



AT A GLANCE

Profile:

Based in Buffalo, New York, Buffalo Hospital Supply is a leading distributor of national brand-name medical and surgical supplies to healthcare organizations across New York and Pennsylvania.

Business Goals:

- Support future growth
- Achieve faster and more accurate deliveries
- Enhance customer satisfaction

Products:

- Vocollect T5 Mobile Devices
- Vocollect SR-20 Headsets
- Manhattan SCALE™ WMS

Results:

- 12% productivity improvement over handheld computers (went from 45–50 picks per hour to 65 picks per hour)
- Accuracy improved from 99.5% to 99.9%
- Greater customer satisfaction
- Reduced training time from 2–3 days on handheld computers to one day for voice (template trained in 30 minutes)
- Reallocated six full-time staff

Buffalo Hospital Supply

VOCOLLECT VOICE KEEPS BUFFALO HOSPITAL SUPPLY DISTRIBUTION OPERATIONS FLEXIBLE AND COMPETITIVE

Founded in 1977 and based in Buffalo, New York, Buffalo Hospital Supply (BHS) is a leading distributor of national brand-name medical and surgical supplies to healthcare organizations across New York State and Northwestern Pennsylvania. The company serves more than 500 regionally located hospitals, skilled nursing facilities, home health, durable medical and pain management organizations.

Today the company operates a single 147,000 square foot distribution center (DC), housing approximately 16,400 SKUs, with 45 full-time employees using voice for tote- and case-picking. BHS distributes orders 24 hours a day, 365 days a year, with two shifts Monday–Friday and one each on Saturday and Sunday. On a daily basis, BHS processes approximately 4,000 lines, or 10,000 containers of medical supplies shipped on a dedicated fleet of trucks. Its dedication to continuous improvement in service and delivery to meet ever-changing customer needs is the very linchpin of the business.

“When we get an order at 10:00 a.m. that needs a 2:00 p.m. same-day delivery, which is not unusual, we need a reliable way to get the order filled correctly and quickly. Vocollect voice has helped us streamline processes and provide excellent service to customers, while containing costs.”

— Jim Casselman, Chief Information Officer, Buffalo Hospital Supply



The Challenge: Staying Price-Competitive without Sacrificing Service

Operating in an extremely competitive arena that pits BHS against much larger companies, staying price-competitive without sacrificing service has always been a critical business goal.

Using the most advanced technology solutions possible to support customer requirements has always been a priority for the company. Its high growth pace made it difficult to maintain stock using a primarily paper-based distribution process. In addition, inventory control was time-consuming and required additional permanent and temporary staff to complete tasks. Limited visibility to product movement within the DC forced the company to maintain increased inventory to ensure high service levels. However, as BHS experienced decreased order accuracy, lower service levels and higher operational costs, something had to change, and change fast.

The Solution: Continuous Improvement in Order Fulfillment

The company brought on Manhattan Associates as its technology partner in 2003 to provide a comprehensive supply chain solution that would bring a highly sophisticated approach to order fulfillment.

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In 2006 Manhattan Associates recommended that BHS look at voice. After a site visit with a drug distribution company in another part of the country – a Manhattan/Honeywell customer – Honeywell Vocollect™ voice solutions were selected.

The major challenge for the deployment was that BHS needed to re-label its many bin locations. With integration support from Manhattan Associates, the rollout was fairly seamless. From the employees' standpoint, their job didn't change much at all, and the more ergonomic hands-free/eyes-free nature of the voice device meant that their productivity improved. The associates much preferred to wear a headset and belted device rather than a handheld computer that they continually had to pick up and put down. Ultimately, the company experienced less employee turnover, because the workforce enjoyed the tools they were assigned to use for their jobs.

The Results: Beyond Organizational Improvement, Vocollect Voice a Recruiting and Sales Tool

"Since we had improved our productivity with handheld computers, we didn't anticipate a huge additional leap in performance – but yet we realized 12 percent additional productivity improvement," says CIO Jim Casselman.

The company's order accuracy was already quite high at 99.5 percent. But voice drove the accuracy level to 99.9 percent, or one error out of every 2,400 picks.

The company's safety record has been excellent over the past three to five years, and the hands-free/eyes-free nature of voice has contributed to that record.

Vocollect voice has helped the company reduce training time from up to three days with handhelds to only one day, with only 30 minutes required for the individual worker to train his or her voice template. Because the voice system provides excellent information on individual performance, it helps the distribution leadership to see where common errors are occurring for training purposes. Sometimes the errors are germane to one particular customer requirement, for example – voice enables the company to put in a special alert to pay close attention to the unit of measure.

Finally, according to Casselman, Vocollect voice has proven to be a strong recruiting tool for prospective distribution workers. In addition, voice factors into BHS' sales and marketing efforts, because it removes the perception that BHS does not have the same capabilities as the larger national health care distributors.

Corporate presentations to prospective customers always detail that BHS utilizes the most progressive technologies in its distribution efforts – from Manhattan Associates and Honeywell.

Looking ahead, Casselman sees the opportunity to extend voice to additional workflows including replenishment, put-away and cycle-counting, further leveraging his investment.