

Press Release

Castorama deploys Hardis Group's Reflex to manage all its logistics sites

By using the Hardis Group's Reflex warehouse management solution, Castorama has harmonized logistics processes across all its sites while cutting IT costs by two-thirds.

Grenoble, January 19, 2012 - Services, business software publishing and facilities management company Hardis Group has announced the deployment of Reflex, its warehouse management system (WMS), across all Castorama's logistics sites. Reflex replaces the four tools previously used to harmonize and optimize the whole logistics chain. It has a functional scope able to meet all the DIY chain's needs (storage, cross-docking and e-commerce).

From overlapping solutions...

Founded in 1960, Castorama is a household name in France. Since 2002 it has been part of the Kingfisher group, European leader and ranked 3rd in the world in the DIY and home improvement sector. Castorama has 103 stores in France, catering to millions of customers (51.6 million customers through the checkouts a year), and a retail website. With over 50,000 items on sale (10,500 of which can be bought on-line), optimizing the logistics chain is one of the DIY chain's main priorities.

Until 2008, Castorama used four separate solutions to manage the activity of nine sites in charge of supplying stores and shipping orders for the on-line store: three for storage management on the different platforms and a general one for cross-docking management. In addition to processes differing from one site to the other and not having an overview of logistics, having multiple tools was costly: multiple licenses, IT infrastructure management, functional upgrades to implement on each system, etc.

... to the choice of an overall tool published and managed by a single partner

In 2008, Castorama decided to equip all its sites with the same software in two phases: the first was the chain's main logistics site in Châtres (Seine-et-Marne) which operates storage, cross-docking and e-commerce activities while the second phase involved rolling out the new solution to the other logistics sites and optimizing the whole supply chain.

All of the five publishers who submitted tenders proposed similar solutions in terms of functional scope and interface with the existing system. The chain's priority was to: "find a partner able to provide hosting and facilities management services for the solution within our set time frame," remembered Jimmy Ketelers, Kingfisher Commerce & Supply Chain Account Manager.

With Hardis' dual role of publisher and IT services company, it quickly moved to the top of the list due to its ability to meet all our requirements: hosted software solution, reworking of existing system, integration with other information system components, facilities management and finally, specific adaptations Castorama needed concerning cross-docking. This was all included in a fixed-price package.

"The fact that the cost of Reflex was slightly lower worked in Hardis' favor but it was mainly their local presence and responsiveness combined with their ability to handle the whole service which really won us over," continued Jimmy Ketelers.

IT costs reduced by two-thirds

In June 2008, Castorama confirmed its choice of Reflex WMS and the solution was deployed to the Châtres platform in January 2009. The initial results met expectations. With a single tool, published and managed by Hardis, direct IT costs immediately fell by two-thirds. The agility of the information system improved considerably: a single solution also means just one tool to upgrade and interface with the rest of the information system.

"By reducing IT costs at the Châtres site, we were able to fully finance the first part of the project," explained Jimmy Ketelers. Once the first phase had been completed, the second was launched: between March 2010 and October 2011, Castorama's eight other logistics sites (three cross-docking and five storage sites) were equipped with the Reflex solution.

A unified and optimized logistics chain

By implementing a single solution, processes were standardized across the nine sites (dispatch notes, delivery slips, labels, etc.) and the number of manual re-entries and checks was reduced considerably. The need for cross-dock entries for flows coming from storage sites was even removed completely. Furthermore, sites which moved from radio frequency to voice technology for order picking increased their productivity by 15%.

In addition to time savings and increased productivity, Reflex also improved the management of variable-sized storage locations. Meanwhile, the simulation of volumes to be transported in theoretical trucks, the optimization of cross-docking flows and inter-site transfers led to a 1% reduction in transport costs. Warehouses now have real-time visibility of order progress and total traceability of flows. Managers have indicators they can use to constantly improve the organization of the supply chain.

"The two projects represented a total budget of 3 million euros. Based on the number of savings and the optimization generated by Reflex, our estimated return on investment is just over three years," said Jimmy Ketelers.

About Hardis Group

Hardis Group was created in 1984. It is both a software publisher and an IT services company. Ever since it was created, this company has built growth in a resolutely different way, based on pragmatism and the core values of local presence and a strong commitment to both customers and employees. The founding directors still run the company, 25% of employees are shareholders, and all the personnel is based in France.

Hardis focuses on seven major sectors: infrastructure and facilities management, development and Third-Party Application Maintenance (TPAM), consulting and project owner support, business intelligence, logistics and transport (Reflex solutions), development tools (Adelia Studio), and payroll outsourcing (Saphyr software).

As a software publisher, Hardis is capable of integrating its own solutions and can also call on the services of a network of partners. Its consultants are experts in high-quality IT project methodologies (such as ITIL and CMMI).

Hardis posted turnover figures of €47.3 million in 2010. To date, the Group has more than 2,500 customers and employs 620 people. Its head office is located in Grenoble, with five other branches in Lyon, Paris, Lille, Nantes and Rennes.

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