



Operations Efficiencies - HRG Case Study

Injection Molding Company

Situation

A local custom injection molding company located in Pewaukee, Wisconsin was in the process of bidding on a project to provide all of the fixtures necessary for a complete overhaul of a big box retailer's cosmetics department, when they realized they were unable to open or read the space planning files that the retailer had provided. They searched online and discovered HRG — located just minutes away — had the capabilities to help them out.

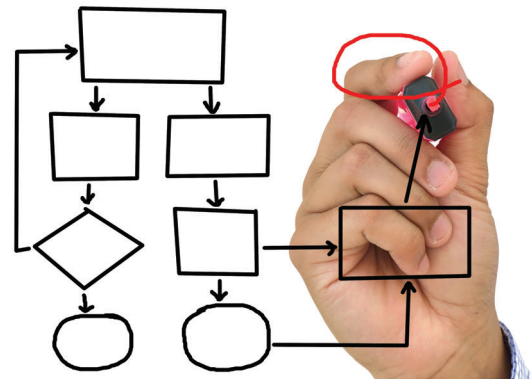
Challenge

It started with one and grew to many. The molding company initially needed the space planning files converted to a software program they could open and read in order to identify the fixtures needed for every section for each store.

Once the space planning files had been opened, the molding company discovered they would need further help from HRG to identify inaccuracies in the files (fixtures were set up as products, files were missing or outdated). When the molding company started planning for delivery of the fixtures and the over 1,700 unique store department layouts, they realized HRG's IT resources could help create tools and processes to streamline shipping and assembly, including building kitting instructions, packing lists, purchase orders, and more.

“As the project carried on, we realized HRG's vast retail experience and range of internal skills could benefit us in more ways than just that one.”

– Jeff Kildow
Former Sales Representative
PM Plastics



A streamlined solution

HRG's IT team figured out how to bring together disparate data in a relational database to streamline shipping and assembly.

Solution

Making sense of the various space planning files. As the initial request outlined, HRG was able to import the retailer's space planning files (which in many cases were created by various CPG companies) into their space planning software and identify which fixtures were used in each planogram.

Enter the analysts. HRG's category analysts compared the fixture information in the client's planogram files with a Microsoft Excel® spreadsheet that outlined the expected use of fixtures. To address discrepancies, the analysts created a detailed exception report for PM Plastics which ensured proper fixture quantities were delivered, corrections were made, and fixture counts were adjusted as necessary.

[Results >](#)



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Solution continued

Creating tools and processes to make the fixture packing, shipping and assembly go smoothly. The molding company came to understand how HRG's IT department could help with creating the logistics model for picking, packing, and shipping the fixtures to each store. The IT department created a relational database with a user-friendly interface that would track all of the data required for assembling and shipping. This included bringing together disparate data such as:

- store, planogram, and fixture description data
- brand adjacencies
- roll-out schedules
- revision dates
- packaging material details
- pallet size information

Several departments are involved in creating this data and the needs and files change frequently. A detailed database was the only way to ensure a consistent, repeatable process. In addition, the database allowed HRG to combine all the necessary files to build kitting instructions for assembly of the pallets by the molding company.



Efficient packing and picking

The instructions were designed to most efficiently fill the pallet with the least amount of air space, while at the same time providing the most user-friendly pallet for store personnel to unpack and assemble the fixtures.



40% labor savings!

With a pallet packed in the order fixtures are assembled, installation goes more smoothly and keeps department setup time to a minimum.

Results

Costly mistakes avoided. In the test roll-out, HRG corrected the planograms that had errors. Had these errors not been caught, stores would have been shorted materials and been unable to assemble the new sections. The cost implications of that scenario would have been tremendous:

- labor to start and stop a project,
- lost sales due to sections being torn apart,
- additional costs to get the proper fixtures to the store, and
- an intangible: lost confidence by headquarters and store personnel which ultimately could result in a vendor change

Incredible labor savings. HRG IT supported numerous iterations as business rules changed. The results include potentially reduced shipping and packaging costs without increasing assembly labor in the stores. HRG also created an integrated box label and pick slip to replace the previous report and separate label. Initial results indicate a 40% labor savings in the pick and pack process.

RESULTS SUMMARY | 40% SAVINGS IN LABOR!

What was initially a request for help translating space planning files evolved into a much broader solution that involved numerous departments at HRG delivering services that weren't typical for the marketing company. A complete set of training materials for the retailers' store personnel was also developed to ensure the new fixture assembly and installation in-store went smoothly and is documented in a separate case study. The opportunity for HRG to flex their experience and expertise beyond usual expectations was a welcome exercise that can be utilized for other clients in the health, beauty, and wellness space in need of operations support.