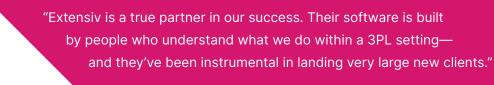


How Verde Fulfillment USA Attracts Higher-Value Customers and Boosts Top-Line Revenue with Extensiv

CASE STUDY



GREG MCROBERTS, President and Founder, Verde Fulfillment USA



Verde Fulfillment USA began in 2007 with a mission to build a more efficient global distribution system for brands. The business provides omnichannel fulfillment services to established brands and offers 2-day shipping anywhere in the US.

HIGHLIGHTS

Challenges

- Meeting brands' complex distribution needs
- Lacking actionable insights to maximize performance
- Using paper picking lists to fulfill customer orders
- Struggling for efficiency with an unreliable and glitchy WMS

Solution

Verde implemented Extensiv 3PL Warehouse Manager, SmartScan, and Labor Analytics and:

- Transformed into a paperless warehouse
- Created BI dashboards packed with performance metrics
- Gained complete visibility of their 3PL operations

Results

- Saved time and labor costs
- Acquired higher-value customers
- Increased productivity

Challenges

Underperforming and error-prone WMS creating costly inefficiencies across the warehouse

As a full-service third-party logistics (3PL) partner, Verde Fulfillment USA provides the distribution expertise that brands need to succeed in the US market.

With a commitment to deliver a brilliant client experience, the business has expanded at pace over 16 years of operation; growing from 8,800 to 168,000 sqft of warehouse space, holding 3.5 million items of inventory at any one time.

Verde provides all kinds of complex capabilities, including omnichannel order fulfillment, direct to consumer, and direct to retail distribution, often handling 100s of orders a day for its clients.

With so many logistical plates always spinning, President and Founder Greg McRoberts puts technology at the center of business success.

"You always want to be on the cutting edge of technology as a 3PL," he says.

While Verde has tested many tools throughout the years to make its business more productive and competitive, until 2020 they still hadn't found a warehouse management system (WMS) that answered all their challenges.



Despite delivering a great performance for clients, several headache-inducing challenges remained:

• They lacked data and insight into operational performance: to ensure Verde was maximizing productivity and continuously improving performance, the business needed to closely track order flow and fulfillment in the warehouse—and turn it into actionable insights. But its existing WMS lacked any analytics and reporting capability, leaving them trawling through sprawling spreadsheets to, at best, make critical operational decisions based on outdated or unreliable data.

"This lack of real-time data was a problem for us, because if you're not measuring what you're doing, then you have nothing to tell you whether you're successful or not in your operations," says Greg.

They still relied on paper-based processes for order picking: despite enormous warehouse expansion,
Verde's staff were still printing out paper picking lists, walking inefficient pick paths, and using visual cues to pick the right SKUs to fulfill customer orders. As order volumes exploded, taking so many manual steps became unsustainable and robbed Verde of higher profits.

"With paper-based picking, your people are always guessing, 'well, I think that's the SKU number'. You put orders together and take them up to the packing area, which is slow and inefficient and leaves you prone to errors," says Greg.

 Their technology stack was hampering—not facilitating—growth: Verde was constantly frustrated by software flaws and surprises within their WMS. Technical errors caused them to double, and sometimes triple inventory in places, which affected customers' inventory and left Verde struggling for warehouse space. Pallet locations would randomly change, making the job of picking orders even tougher. This glut of glitches was slowing the team down, hitting morale, and causing more inefficiency.

The final straw for Verde came during the COVID pandemic. Unprecedented order volumes hastened a move to a new facility, and Greg knew it was time to radically rethink their WMS.

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Solution

Becoming a data-driven service leader with Extensiv

As Verde searched for a solution to maximize warehouse performance, they discovered Extensiv 3PL Warehouse Manager: cloud-based warehouse management software, built by 3PL experts, to make it easy to manage inventory, automate routine tasks, and deliver complete visibility for 3PLs and their customers.

"As we were demoing Extensiv 3PL Warehouse Manager, it became apparent that it could do everything that was important to us and our clients, from being wireless with handheld scanners, to going fully paperless," says Greg.

"We also liked the computing power behind Extensiv's brand. Extensiv continually acquires leading tech vendors, so they have a lot of resources at hand. We were sure they were the right choice."

With implementation happening at the height of the pandemic, Extensiv provided support at distance.

An Implementation Manager created a comprehensive onboarding and implementation timeline, then maintained momentum with multiple calls every day with Verde's leadership team and the warehouse teams who had their 'boots on the ground'.

"Extensiv's team was always available, so we could get answers to all of our questions and manage the whole implementation online," says Greg. "Given everything was remote, it was a very successful implementation. This was testament to Extensiv's technology and its ease of use, as well as their team who did an amazing job."

Achieving a paperless warehouse

Verde implemented SmartScan—Extensiv's barcode mobile scanning solution—alongside 3PL Warehouse Manager to finally transform into a paperless warehouse.

Instead of wrangling with pick tickets and SKU locations, warehouse staff have key information on their mobile scanner. They know which location to go to, what action to take, and when they're ready to move to the next task. This boosts productivity, order and picking accuracy, and optimizes labor efficiency across the warehouse.

"Our customers are looking for an order turn rate that is super fast—and Extensiv allows us to do that," says Greg.

SmartScan communicates every action back to the WMS for real-time tracking and updates, enabling the business to accurately manage order fulfillment and make better decisions on inventory management.



Reporting and analytics that drive productivity

With 3PL Warehouse Manager, Verde has filled a painful gap in performance tracking and data analytics.

Its Outbound Productivity and Labor Analytics dashboards translate detailed information into easy-to-understand visuals across picking and packing, including order turn rates, how quickly individual staff are performing tasks, and any stalled processes that suggest problem areas.

"Those metrics are super important for measuring and improving employees' productivity—and that's everything for a 3PL," says Greg. "We quickly identify if someone is too slow or mistakes are being made, which gives us an opportunity for retraining."

He adds: "Extensiv's Outbound Productivity and Labor Analytics dashboard allows us to poke holes in our own efficiencies and update our standard operating procedures, to make it so that everybody's following the same SOPs, and that just makes our business more productive."

Complete visibility of operations and friction-free processes

With Extensiv 3PL Warehouse Manager, Verde has visibility into all aspects of their facility.

Both Verde and its customers have accurate, real-time information into every order, item, location, and shipment in the warehouse, enabling them to track and fix any discrepancies early and continually improve performance.

Another benefit to 3PL Warehouse Manager is its ability to automate tasks that used to be onerous. Greg particularly appreciates its 'batch processing' function. This enables Verde to group orders into logical pick sets, which improves accuracy and saves operational hours.

"Last year, during peak season, we started doing mini-batch processing, and all of a sudden it sped up our efficiencies by at least 50%," says Greg.

As Verde continues to find new ways to streamline operations with the 3PL platform, Greg appreciates the support he continues to receive from Extensiv, long after the initial 'sale'.

"Extensiv is definitely a partner for our success because they answer their emails or phones when we need help," says Greg. "That's very important to us because sometimes you have an issue that comes up out of the blue and you need a response immediately. Their support team is on it for us, all the time."



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Results

Acquiring larger, higher-value customers and transforming productivity

Since implementing Extensiv 3PL Warehouse Manager, Verde has saved time and labor costs across the warehouse, boosted productivity, and acquired higher-value customers.

With up-to-date metrics provided by their Outbound Productivity and Labor Analytics dashboards, Verde constantly hones its processes, making teams faster and more efficient.

"Extensiv's dashboards give us all the key metrics we count on, so we can make adjustments on the fly and boost our internal productivity and efficiency," says Greg.

The new business intelligence dashboards are also a powerful sales tool. Greg says expanding Verde's customer base has never been easier.

"We have screenshots of the dashboards on our homepage, which attracts data-savvy customers and shows them that we have the right partner helping run our business behind the scenes," says Greg.



"A brand that is technologically savvy and understands how important those numbers are, is exactly the right type of client that we're looking for."

With the improved efficiency, complete operational visibility, and powerful data-driven insights that Extensiv brings, Verde is landing larger, higher-value customers, with more complex needs. These customers also have more dollars to spend, boosting topline revenue.

"We onboarded one particular client who has thousands of orders that are all the same, and needs to be able to batch those for different parts of North America," says Greg.

"With Extensiv, we can batch these orders, separate them by zip code, and then do a zone jump up to Canada. Being able to do that so quickly within Extensiv 3PL Warehouse Manager has been instrumental in landing very large new clients, which is a big win."

Extensiv has solved the logistical challenges that were limiting Verde's ability to grow. Greg has since recommended Extensiv 3PL Warehouse Manager to fulfillment facilities looking to improve customer satisfaction, improve efficiency, and grow their businesses with less complexity.

"Most WMS systems are developed by programmers who dictate how your facility should flow, and you have to change what you're doing to adjust to that," says Greg. "Whereas Extensiv 3PL Warehouse Manager is built by people who understand what we do within a 3PL setting. They've created software that follows the right flows, and also gives you the ability to adjust to your own customization needs."

He adds: "With Extensiv you get that all-inclusive package. It has features that are better than anything that we've seen on any other WMS. And you also get amazing people behind the scenes. They always go out to bat for us, listen to us and do what they know will help to improve our business."

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