



LeapFrog Enterprises

Educational Toy Manufacturer Takes Control of Its Supply Chain with the HighJump Warehouse Management System (WMS)

Quick Facts: LeapFrog Enterprises
DCs: Fontana, CA and Brampton, Canada
HighJump Solutions: HighJump™ Warehouse Advantage
ERP: Oracle® E-Business
SKUs: 200 plus
Orders/Year: 2008: 276,535 orders and 1,057,207 lines
2009: 333,104 orders and 1,309,086 lines

“WE WANTED TO CHOOSE A WMS PROVIDER THAT WAS WILLING TO WORK WITH US. HIGHJUMP WAS THE MOST FLEXIBLE AND TOOK THE TIME TO REALLY UNDERSTAND OUR BUSINESS. WE WANTED EASY NAVIGATION, FLEXIBILITY AND THE ABILITY TO SEE EVENTS AND ORDER STATUS ON SCREEN IN REAL-TIME.”

—Laila Anderson,
senior director of warehouse operations and logistics,
LeapFrog

LeapFrog Enterprises Company Profile

LeapFrog Enterprises, Inc. is a leading designer, developer, and marketer of innovative, technology-based learning products and related proprietary content, dedicated to making learning effective and engaging for all ages, at home and in schools, around the world. It has developed a family of learning platforms that come to life with an extensive library of software titles covering important subjects such as phonics, reading, writing, math, music, geography, social studies, spelling, vocabulary and science. In addition, the company has created a broad line of stand-alone educational products for children. LeapFrog's award-winning products are available in four languages at major retailers in more than 44 countries around the world and in more than 100,000 classrooms across the United States.

Challenge: Business Growth and a Desire for More Direct Supply Chain Control

LeapFrog followed a traditional 3PL (third party logistics) format and worked with multiple 3PL providers throughout the US and Canada to manage its distribution. As the company grew, LeapFrog wanted to take more direct control over its supply chain. LeapFrog began searching for a new business model that would give it increased productivity and greater visibility into inventory and order status. The company was also facing steep chargebacks from retailers, and hoped to improve inventory accuracy and workforce efficiency overall.



An Integrated Supply Chain Software Solution

LeapFrog chose HighJump Software as part of a supply chain overhaul, which included solutions from Oracle, Kewill and 3PL provider Network Global Logistics. LeapFrog implemented HighJump Warehouse Advantage and HighJump Yard Advantage at its Fontana, Calif. facility. The site is 415,000-square-feet and is managed in partnership with Network Global Logistics. The Fontana facility supports over 140 concurrent HighJump users at peak and operates up to three shifts. There are 89 dock doors and 50 yard locations. At peak, this facility ships in excess of two million cases per month.

On the heels of the Fontana success, LeapFrog implemented the HighJump warehouse management system at its Brampton, Canada 90,000-square-foot facility. At peak, this site has 30 HighJump users on two shifts.

Results

LeapFrog embraced a total supply chain model redevelopment and since implementing the HighJump solutions, has gained much efficiency in labor, storage space and chargebacks. The Fontana facility had 85 fixed staff in 2004. With the increased workforce productivity and efficiency enabled by the HighJump WMS, labor was reduced by 39 percent. LeapFrog was able to reduce its total US distribution space from 1.5 million-square-feet over multiple distribution centers down to a total of 415,000-square-feet from the efficiencies it gained from its supply chain improvements.

“I’ve been in the industry for over 20 years and have seen a lot of different warehouse management systems. HighJump is by far the best,” said Anderson. “It doesn’t matter where I am in the world, I can log in and find a specific container, how many pallets were on it, when it was received – and I can follow the license plates of each pallet all the way through shipping, online orders, and all the way until we actually ship to our customers. I can check in from home and see the running floor stats in real-time. I have never had the visibility to see this level of detail in real-time prior to using HighJump.”

LeapFrog has saved a significant amount of money on chargebacks from retailers from the inventory accuracy and excellent traceability that HighJump Warehouse Advantage provides. The company has visibility from the time an order is placed all the way to the customer door. Between 2005 and 2009, chargebacks decreased by 98 percent and staff dedicated full time to inspecting paper work and claims was reduced from 8 to 1.

“We have every bit of detail in the shipment confirmation screens to ensure orders are packed and delivered correctly. Our paperwork is always in order, and we are so accurate that there are rarely miss-shipments. Plus, our cycle counts are at 99.99 percent accuracy, so we no longer have to shut down for physical inventory counts,” commented Anderson.

Perfect traceability also helps LeapFrog with product safety. The company conducts much more testing than is required by law. Traceability and product rotation are so good that if there is ever a test failure, they will be able to act before product is shipped to a customer. LeapFrog would know by the time the product entered the warehouse whether it needed a second test.

HighJump WMS Enables Participation in New Wal-Mart Direct Ship to Distribution Center (DSDC) Program

LeapFrog was chosen for a new program with Wal-Mart where products are shipped to the distribution center, but the boxes are labeled for the specific stores. This gives Wal-Mart the ability to order a specific quantity of each item for each retail store. It’s an intensive project for LeapFrog because it requires each picking for each store. LeapFrog was one of only a few suppliers chosen by Wal-Mart to pilot this program due to the advanced technology of its distribution system. “It’s a huge project for us, but it’s gone off without a hitch,” commented Anderson.

