

# SPSI *Success Story*

## **Parker Hannifin Breaks Shipping Bottleneck With an SPSI Parcel Shipping System That Boosts Accountability and Adds In-House Customization Capabilities**

Parker Hannifin's sealing products division's shipping department had hit a brick wall. It could not keep up with orders, and increased demand for documentation was making matters worse.

The division stepped back and took a fresh look at its shipping requirements. Higher-capacity shipping software was just the beginning. It needed a shipping system as sophisticated as its state-of-the-art cellular manufacturing processes. The system also had to meet its parent company's stringent financial and quality standards.

The division makes highly engineered products, and it has a demanding customer base, including the auto industry and the military. Accordingly, each shipped product must be accompanied by considerable documentation such as cure-batch numbers and revision data. A box with as few as five parts might require 19 lines of product and certification information. The next shipment could be headed to one of the division's 300 world-wide distributors and customers and have 50 separate orders in one box.

### **Pack Verification Is Critical**

Obviously, pack verification is critical. "There are lots of onesies and twosies, and too much was being input by hand," explains Mark Agren, Parker's IT Project Manager, who was tasked with finding a faster, less expensive, and more accountable shipping system.

"We looked at all the top-tier shipping software alternatives and decided that SPSI had the right combination of software and consulting expertise," said Agren. "They were good listeners and helped us design a shipping system that solved our volume problem, increased efficiency, and allowed us to customize it at will."

He added, "SPSI brought a global view. The team grasped how we interfaced with our ERP system and other parts of our company such as accounting and materials management. Consequently we designed a system that shares information with any part of the company that needs it. We now have a very flexible system that will grow with us."

### **Inhouse IT Can Make Major Modifications**

A company's inhouse IT can make major modifications to the system. "In fact," Agren continued, "the system is so adaptable that our own IT department can make major modifications by ourselves. That's especially helpful considering the complexity of our code base." After gaining an understanding of Agren's situation and goals, SPSI installed ProShip shipping software. "It runs out of an XML file on our own server," said Agren. "I can make a major change in five minutes; test it, and move it into production. It is so easy, I almost feel like I am getting away with something."

## Ship 70% More With the Same Staff

The system also meets the division's cost-efficiency goals. "We now ship approximately 70% more product with the same staff," said Agren. "That's approximately \$300,000 worth of orders a day using all major parcel carriers and 15 LTL carriers. We also added three items to our user menu, and it's all available for customer-generated EDI orders. It's a snap to change shipping or quantity. Meeting our stringent quality goals is no problem. We simply load picking and shipping information into ProShip. It's all automatic, and provides all necessary documentation and labels, inside and outside the box."

John Berg, Managing Partner of SPSI's Distribution Systems Division, said Parker Hannifin is a rewarding client. "Mark Agren takes full advantage of ProShip software's ability to empower a company's IT department, allowing it to update and customize at will. At the same time, we have a strong consulting relationship that challenges us to come up with creative ideas and solutions."

The Parker Hannifin division, officially called the Engineered Polymer Systems Division, has subsequently added its Texas and Illinois facilities. "Now the three systems work together," said Agren. "The transition was seamless, even though our Texas facility sends a higher volume of shipments directly to customers rather than shipping larger orders to distributors."

"Our company has a continuous quality improvement culture, and this system enables me to fulfill that commitment faster and less expensively than I would have ever imagined," concluded Agren.

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Our Distribution Systems practice focuses on warehousing, shipping, and distribution integrated solutions. SPSI has offices in Milwaukee and Madison and serves customers throughout the US.

